

Account Number 539547187
SA Number 1162325601

Calculation Per PGW																
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due		Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
11/29/2000	-	-	(859.27)	-	-	-	(859.27)	(859.27)	-	-	-	(859.27)	-	-	-	-
12/5/2000	(859.27)	264.96	-	(594.31)	-	(594.31)	-	(594.31)	-	(859.27)	264.96	-	-	-	264.96	-
12/30/2000	(594.31)	3,008.34	-	2,414.03	-	2,414.03	-	2,414.03	-	(594.31)	3,008.34	-	-	-	10.70	-
2/6/2001	2,414.03	3,301.38	(172.28)	5,715.41	33.62	5,749.03	(172.28)	5,576.75	-	2,414.03	3,301.38	(172.28)	2,241.75	33.63	5,576.76	(0.01)
3/7/2001	5,576.75	3,305.48	(939.29)	8,882.23	-	8,882.23	(939.29)	7,942.94	-	5,543.13	3,305.48	(939.29)	4,603.84	-	7,909.32	-
4/9/2001	7,942.94	2,318.39	(861.42)	10,261.33	-	10,261.33	(861.42)	9,399.91	-	7,909.32	2,318.39	(861.42)	7,047.90	-	9,366.29	-
5/7/2001	9,399.91	1,301.71	(1,258.68)	10,701.62	-	10,701.62	(1,258.68)	9,442.94	-	9,366.29	1,301.71	(1,258.68)	8,107.61	-	9,409.32	-
6/8/2001	9,442.94	543.34	-	9,986.28	-	9,986.28	-	9,986.28	-	9,409.32	543.34	-	9,409.32	-	9,952.66	-
7/6/2001	9,986.28	423.60	(1,318.34)	10,409.88	130.01	10,539.89	(1,318.34)	9,221.55	-	9,952.66	423.60	(1,318.34)	8,634.32	129.51	9,187.43	0.50
8/6/2001	9,221.55	377.77	(1,275.26)	9,599.32	119.19	9,718.51	(1,275.26)	8,443.25	-	9,057.92	377.77	(1,275.26)	7,782.66	116.74	8,277.17	2.45
9/6/2001	8,443.25	428.04	(2,448.59)	8,871.29	-	8,871.29	(2,448.59)	6,422.70	-	8,160.43	428.04	(2,448.59)	5,711.84	-	6,139.88	-
10/4/2001	6,422.70	373.38	-	6,796.08	-	6,796.08	-	6,796.08	-	6,139.88	373.38	-	6,139.88	-	6,513.26	-
11/8/2001	6,796.08	1,103.84	-	7,899.92	-	7,899.92	-	7,899.92	-	6,513.26	1,103.84	-	6,513.26	-	7,617.10	-
12/7/2001	7,899.92	1,276.00	(1,369.59)	9,175.92	-	9,175.92	(1,369.59)	7,806.33	-	7,617.10	1,276.00	(1,369.59)	6,247.51	-	7,523.51	-
1/8/2002	7,806.33	1,931.66	-	9,737.99	117.09	9,855.08	-	9,855.08	-	7,523.51	1,931.66	-	7,523.51	112.85	9,568.02	4.24
2/7/2002	9,855.08	2,392.79	-	12,247.87	146.06	12,393.93	-	12,393.93	-	9,455.17	2,392.79	-	9,455.17	141.83	11,989.79	4.23
3/7/2002	12,393.93	2,129.56	(1,087.34)	14,523.49	169.59	14,693.08	(1,087.34)	13,605.74	-	11,847.96	2,129.56	(1,087.34)	10,760.62	161.41	13,051.59	8.18
4/4/2002	13,605.74	1,742.38	-	15,348.12	201.54	15,549.66	-	15,549.66	-	12,890.18	1,742.38	-	12,890.18	193.35	14,825.91	8.19
5/3/2002	15,549.66	1,593.67	(2,855.01)	17,143.33	190.41	17,333.74	(2,855.01)	14,478.73	-	14,632.56	1,593.67	(2,855.01)	11,777.55	176.66	13,547.88	13.75
6/1/2002	14,478.73	915.25	-	15,393.98	214.32	15,608.30	-	15,608.30	-	13,371.22	915.25	-	13,371.22	200.57	14,487.04	13.75
7/4/2002	15,608.30	420.72	-	16,029.02	228.05	16,257.07	-	16,257.07	-	14,286.47	420.72	-	14,286.47	214.30	14,921.49	13.75
8/6/2002	16,257.07	341.98	-	16,599.05	234.36	16,833.41	-	16,833.41	-	14,707.19	341.98	-	14,707.19	220.61	15,269.78	13.75
9/4/2002	16,833.41	273.22	(2,638.97)	17,106.63	239.49	17,346.12	(2,638.97)	14,707.15	-	15,049.17	273.22	(2,638.97)	12,410.20	186.15	12,869.57	53.34
10/4/2002	14,707.15	286.16	-	14,993.31	220.60	15,213.91	-	15,213.91	-	12,683.42	286.16	-	12,683.42	190.25	13,159.83	30.35
11/7/2002	15,213.91	861.64	-	16,075.55	224.89	16,300.44	-	16,300.44	-	12,969.58	861.64	-	12,969.58	194.54	14,025.76	30.35
12/4/2002	16,300.44	1,349.81	-	17,650.25	237.82	17,888.07	-	17,888.07	-	13,831.22	1,349.81	-	13,831.22	207.47	15,388.50	30.35
1/7/2003	17,888.07	2,110.85	(1,918.41)	19,998.92	239.54	20,238.46	(1,918.41)	18,320.05	-	15,181.03	2,110.85	(1,918.41)	13,262.62	198.94	15,572.41	40.60
2/8/2003	18,320.05	2,586.55	-	20,906.60	271.20	21,177.80	-	21,177.80	-	15,373.47	2,586.55	-	15,373.47	230.60	18,190.62	40.60
3/8/2003	21,177.80	1,982.58	-	23,160.38	310.00	23,470.38	-	23,470.38	-	17,960.02	1,982.58	-	17,960.02	269.40	20,212.00	40.60
4/8/2003	23,470.38	1,730.61	-	25,200.99	339.74	25,540.73	-	25,540.73	-	19,942.60	1,730.61	-	19,942.60	299.14	21,972.35	40.60
5/7/2003	25,540.73	1,376.75	-	26,917.48	365.70	27,283.18	-	27,283.18	-	21,673.21	1,376.75	-	21,673.21	325.10	23,375.06	40.60
6/7/2003	27,283.18	550.43	-	27,833.61	386.35	28,219.96	-	28,219.96	-	23,049.96	550.43	-	23,049.96	345.75	23,946.14	40.60
7/8/2003	28,219.96	418.73	-	28,638.69	394.61	29,033.30	-	29,033.30	-	23,600.39	418.73	-	23,600.39	354.01	24,373.13	40.60
8/6/2003	29,033.30	403.24	-	29,436.54	400.89	29,837.43	-	29,837.43	-	24,019.12	403.24	-	24,019.12	360.29	24,782.65	40.60
9/8/2003	29,837.43	337.57	-	30,175.00	406.94	30,581.94	-	30,581.94	-	24,422.36	337.57	-	24,422.36	366.34	25,126.27	40.60
9/30/2003	30,581.94	(28,772.80)	-	1,809.14	-	1,809.14	-	1,809.14	-	24,759.93	(28,772.80)	-	24,759.93	-	(4,012.87)	-
10/6/2003	1,809.14	379.57	(4,147.93)	2,188.71	-	2,188.71	(4,147.93)	(1,959.22)	-	(4,012.87)	379.57	(4,147.93)	-	-	379.57	-
11/2/2003	(1,959.22)	1,071.97	-	(887.25)	-	(887.25)	-	(887.25)	-	(7,781.23)	1,071.97	-	-	-	1,071.97	-
11/3/2003	(887.25)	887.25	-	0.00	-	0.00	-	0.00	-	(6,709.26)	887.25	-	-	-	887.25	-
12/6/2003	0.00	1,359.34	-	1,359.34	-	1,359.34	-	1,359.34	-	(5,822.01)	1,359.34	-	-	-	1,359.34	-
1/7/2004	1,359.34	2,383.25	(521.39)	3,742.59	12.56	3,755.15	(521.39)	3,233.76	-	(4,462.67)	2,383.25	(521.39)	-	-	2,383.25	12.56
1/14/2004	3,233.76	28,772.80	-	32,006.56	-	32,006.56	-	32,006.56	-	(2,600.81)	28,772.80	-	-	-	28,772.80	-
2/9/2004	32,006.56	2,585.11	-	34,591.67	479.91	35,071.58	-	35,071.58	-	26,171.99	2,585.11	-	26,171.99	392.58	29,149.68	87.33
3/4/2004	35,071.58	2,248.67	-	37,320.25	518.68	37,838.93	-	37,838.93	-	28,757.10	2,248.67	-	28,757.10	431.36	31,437.13	87.32
4/7/2004	37,838.93	1,941.25	-	39,780.18	552.41	40,332.59	-	40,332.59	-	31,005.77	1,941.25	-	31,005.77	465.09	33,412.11	87.32
5/6/2004	40,332.59	1,254.07	-	41,586.66	581.53	42,168.19	-	42,168.19	-	32,947.02	1,254.07	-	32,947.02	494.21	34,695.30	87.32
6/7/2004	42,168.19	443.68	-	42,611.87	600.34	43,212.21	-	43,212.21	-	34,201.09	443.68	-	34,201.09	513.02	35,157.79	87.32
7/8/2004	43,212.21	302.15	(1,434.79)	43,514.36	607.00	44,121.36	(1,434.79)	42,686.57	-	34,644.77	302.15	(1,434.79)	33,209.98	498.15	34,010.28	108.85
8/6/2004	42,686.57	308.02	-	42,994.59	611.53	43,606.12	-	43,606.12	-	33,512.13	308.02	-	33,512.13	502.68	34,322.83	108.85
9/8/2004	43,606.12	286.96	-	43,893.08	616.15	44,509.23	-	44,509.23	-	33,820.15	286.96	-	33,820.15	507.30	34,614.41	108.85
10/8/2004	44,509.23	334.64	-	44,843.87	620.45	45,464.32	-	45,464.32	-	34,107.11	334.64	-	34,107.11	511.61	34,953.36	108.84
11/5/2004	45,464.32	623.47	-	46,087.79	625.47	46,713.26	-	46,713.26	-	34,441.75	623.47	-	34,441.75	516.63	35,581.85	108.84
12/7/2004	46,713.26	1,680.17	-	48,393.43	634.83	49,028.26	-	49,028.26	-	35,065.22	1,680.17	-	35,065.22	525.98	37,271.37	108.85
1/7/2005	49,028.26	2,522.41	-	51,550.67	660.03	52,210.70	-	52,210.70	-	36,745.39	2,522.41	-	36,745.39	551.18	39,818.98	108.85
2/7/2005	52,210.70	2,823.30	(12,623.14)	55,034.00	593.81	55,627.81	(12,623.14)	43,004.67	-	39,267.80	2,823.30	(12,623.14)	26,644.66	399.67	29,867.63	194.14

SBG CG/SG EXHIBIT 3

Account Number 539547187 SA Number 1162325601

Calculation Per PGW

Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
3/7/2005	43,004.67	2,852.94	(4,147.02)	45,857.61	636.16	46,493.77	(4,147.02)	42,346.75
4/7/2005	42,346.75	2,709.52	(10,138.62)	45,056.27	483.12	45,539.39	(10,138.62)	35,400.77
5/6/2005	35,400.77	872.76		36,273.53	523.76	36,797.29	-	36,797.29
5/12/2005	36,797.29	(1,643.04)		35,154.25		35,154.25	-	35,154.25
6/7/2005	35,154.25	669.83	(2,720.21)	35,824.08	486.51	36,310.59	(2,720.21)	33,590.38
7/8/2005	33,590.38	418.39		34,008.77	496.55	34,505.32	-	34,505.32
8/5/2005	34,505.32	296.68	(2,073.20)	34,802.00	486.48	35,288.48	(2,073.20)	33,215.28
9/7/2005	33,215.28	317.76	(1,269.05)	33,533.04	479.19	34,012.23	(1,269.05)	32,743.18
10/6/2005	32,743.18	370.13		33,113.31	483.95	33,597.26	-	33,597.26
11/7/2005	33,597.26	827.54		34,424.80	489.51	34,914.31	-	34,914.31
12/7/2005	34,914.31	2,359.15	(1,772.54)	37,273.46	497.12	37,770.58	(1,772.54)	35,998.04
1/9/2006	35,998.04	3,697.86		39,695.90	532.51	40,228.41	-	40,228.41
2/7/2006	40,228.41	3,414.31		43,642.72	587.98	44,230.70	-	44,230.70
3/7/2006	44,230.70	3,346.31		47,577.01	639.19	48,216.20	-	48,216.20
4/8/2006	48,216.20	3,572.52	(1,738.98)	51,788.72	689.39	52,478.11	(1,738.98)	50,739.13
5/5/2006	50,739.13	1,735.36		52,474.49	742.97	53,217.46	-	53,217.46
6/7/2006	53,217.46	1,159.05		54,376.51	769.00	55,145.51	-	55,145.51
7/7/2006	55,145.51	845.47		55,990.98	786.39	56,777.37	-	56,777.37
8/7/2006	56,777.37	621.37		57,398.74	799.07	58,197.81	-	58,197.81
9/9/2006	58,197.81	666.62		58,864.43	808.39	59,672.82	-	59,672.82
10/6/2006	59,672.82	562.05		60,234.87	818.39	61,053.26	-	61,053.26
11/7/2006	61,053.26	1,215.34		62,268.60	826.82	63,095.42	-	63,095.42
12/7/2006	63,095.42	1,870.25		64,965.67	845.05	65,810.72	-	65,810.72
1/8/2007	65,810.72	2,395.01		68,205.73	873.11	69,078.84	-	69,078.84
2/5/2007	69,078.84	3,202.70		72,281.54	909.03	73,190.57	-	73,190.57
3/5/2007	73,190.57	3,482.23	(1,169.10)	76,672.80	957.07	77,629.87	(1,169.10)	76,460.77
4/4/2007	76,460.77	2,698.88		79,159.65	1,009.31	80,168.96	-	80,168.96
5/3/2007	80,168.96	1,705.69		81,874.65	1,049.79	82,924.44	-	82,924.44
6/6/2007	82,924.44	883.38		83,807.82	1,075.37	84,883.19	-	84,883.19
7/5/2007	84,883.19	561.23		85,444.42	1,088.62	86,533.04	-	86,533.04
8/3/2007	86,533.04	513.05		87,046.09	1,097.04	88,143.13	-	88,143.13
9/6/2007	88,143.13	414.28		88,557.41	1,104.74	89,662.15	-	89,662.15
10/3/2007	89,662.15	387.35		90,049.50	1,110.95	91,160.45	-	91,160.45
11/5/2007	91,160.45	561.77		91,722.22	1,116.76	92,838.98	-	92,838.98
12/3/2007	92,838.98	39.32	(701.20)	92,878.30	1,125.19	94,003.49	(701.20)	93,302.29
12/5/2007	93,302.29	1,918.04		95,220.33	1,154.55	96,374.88	-	96,374.88
1/6/2008	96,374.88	2,672.70		99,047.58	1,194.64	100,242.22	-	100,242.22
2/5/2008	100,242.22	3,294.82		103,537.04	1,244.06	104,781.10	-	104,781.10
3/5/2008	104,781.10	2,917.16		107,698.26	1,287.82	108,986.08	-	108,986.08
4/3/2008	108,986.08	2,910.71		111,896.79	1,331.48	113,228.27	-	113,228.27
5/5/2008	113,228.27	2,039.46		115,267.73	1,362.07	116,629.80	-	116,629.80
6/4/2008	116,629.80	866.15		117,495.95	1,375.07	118,871.02	-	118,871.02
7/7/2008	118,871.02	973.97		119,844.99	1,389.67	121,234.66	-	121,234.66
8/5/2008	121,234.66	924.00		122,158.66	1,403.53	123,562.19	-	123,562.19
9/5/2008	123,562.19	853.39		124,415.58	1,416.34	125,831.92	-	125,831.92
10/4/2008	125,831.92	1,166.21		126,998.13	1,433.83	128,431.96	-	128,431.96
11/5/2008	128,431.96	1,379.69		129,811.65	1,454.52	131,266.17	-	131,266.17
12/4/2008	131,266.17	2,227.91		133,494.08	1,487.94	134,982.02	-	134,982.02
1/6/2009	134,982.02	3,287.37		138,269.39	1,537.25	139,806.64	-	139,806.64
2/4/2009	139,806.64	3,168.95		142,975.59		142,975.59	-	142,975.59
2/5/2009	142,975.59	(3,168.95)		139,806.64		139,806.64	-	139,806.64
2/5/2009	139,806.64	(1,537.25)		138,269.39		138,269.39	-	138,269.39
2/5/2009	138,269.39	3,168.95		141,438.34		141,438.34	-	141,438.34
3/5/2009	141,438.34	3,096.68		144,535.02	1,584.79	146,119.81	-	146,119.81
4/4/2009	146,119.81	2,607.80		148,727.61	1,631.24	150,358.85	-	150,358.85



Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
29,467.96	2,852.94	(4,147.02)	25,320.94	379.81	28,553.69	256.35
28,173.88	2,709.52	(10,138.62)	18,035.26	270.53	21,015.31	212.59
20,744.78	872.76	-	20,744.78	311.17	21,928.71	212.59
21,617.54	(1,643.04)	-	21,617.54	-	19,974.50	-
19,974.50	669.83	(2,720.21)	17,254.29	258.81	18,182.93	227.70
17,924.12	418.39	-	17,924.12	268.86	18,611.37	227.69
18,342.51	296.68	(2,073.20)	16,269.31	244.04	16,810.03	242.44
16,565.99	317.76	(1,269.05)	15,296.94	229.45	15,844.15	249.74
15,614.70	370.13	-	15,614.70	234.22	16,219.05	249.73
15,984.83	827.54	-	15,984.83	239.77	17,052.14	249.74
16,812.37	2,359.15	(1,772.54)	15,039.83	225.60	17,624.58	271.52
17,398.98	3,697.86	-	17,398.98	260.98	21,357.82	271.53
21,096.84	3,414.31	-	21,096.84	316.45	24,827.60	271.53
24,511.15	3,346.31	-	24,511.15	367.67	28,225.13	271.52
27,857.46	3,572.52	(1,738.98)	26,118.48	391.78	30,082.78	297.61
29,691.00	1,735.36	-	29,691.00	445.37	31,871.73	297.61
31,426.36	1,159.05	-	31,426.36	471.40	33,056.81	297.60
32,585.41	845.47	-	32,585.41	488.78	33,919.66	297.61
33,430.88	621.37	-	33,430.88	501.46	34,553.71	297.61
34,052.25	666.62	-	34,052.25	510.78	35,229.65	297.61
34,718.87	562.05	-	34,718.87	520.78	35,801.70	297.61
35,280.92	1,215.34	-	35,280.92	529.21	37,025.47	297.61
36,496.26	1,870.25	-	36,496.26	547.44	38,913.95	297.61
38,366.51	2,395.01	-	38,366.51	575.50	41,337.02	297.61
40,761.52	3,202.70	-	40,761.52	611.42	44,575.64	297.61
43,964.22	3,482.23	(1,169.10)	42,795.12	641.93	46,919.28	315.14
46,277.35	2,698.88	-	46,277.35	694.16	49,670.39	315.15
48,976.23	1,705.69	-	48,976.23	734.64	51,416.56	315.15
50,681.92	883.38	-	50,681.92	760.23	52,325.53	315.14
51,565.30	561.23	-	51,565.30	773.48	52,900.01	315.14
52,126.53	513.05	-	52,126.53	781.90	53,421.48	315.14
52,639.58	414.28	-	52,639.58	789.59	53,843.45	315.15
53,053.86	387.35	-	53,053.86	795.81	54,237.02	315.14
53,441.21	561.77	-	53,441.21	801.62	54,804.60	315.14
54,002.98	39.32	(701.20)	53,301.78	799.53	54,140.63	325.66
53,341.10	1,918.04	-	53,341.10	800.12	56,059.26	354.43
55,259.14	2,672.70	-	55,259.14	828.89	58,760.73	365.75
57,931.84	3,294.82	-	57,931.84	868.98	62,095.64	375.08
61,226.66	2,917.16	-	61,226.66	918.40	65,062.22	369.42
64,143.82	2,910.71	-	64,143.82	962.16	68,016.69	369.32
67,054.53	2,039.46	-	67,054.53	1,005.82	70,099.81	356.25
69,093.99	866.15	-	69,093.99	1,036.41	70,996.55	338.66
69,960.14	973.97	-	69,960.14	1,049.40	71,983.51	340.27
70,934.11	924.00	-	70,934.11	1,064.01	72,922.12	339.52
71,858.11	853.39	-	71,858.11	1,077.87	73,789.37	338.47
72,711.50	1,166.21	-	72,711.50	1,090.67	74,968.38	343.16
73,877.71	1,379.69	-	73,877.71	1,108.17	76,365.57	346.35
75,257.40	2,227.91	-	75,257.40	1,128.86	78,614.17	359.08
77,485.31	3,287.37	-	77,485.31	1,162.28	81,934.96	374.97
80,772.68	3,168.95	-	80,772.68	-	83,941.63	-
83,941.63	(3,168.95)	-	83,941.63	-	80,772.68	-
80,772.68	(1,537.25)	-	80,772.68	-	79,235.43	-
79,235.43	3,168.95	-	79,235.43	-	82,404.38	-
82,404.38	3,096.68	-	82,404.38	1,236.07	86,737.13	348.72
85,501.06	2,607.80	-	85,501.06	1,282.52	89,391.38	348.72

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Account Number 539547187 SA Number 1162325601

Calculation Per PGW																	
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due		Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff	
5/5/2009	150,358.85	1,654.25		152,013.10	1,670.35	153,683.45	-	153,683.45	-	88,108.86	1,654.25	-	88,108.86	1,321.63	91,084.74	348.72	
6/4/2009	153,683.45	889.23		154,572.68	1,695.17	156,267.85	-	156,267.85	-	89,763.11	889.23	-	89,763.11	1,346.45	91,998.79	348.72	
7/8/2009	156,267.85	694.57		156,962.42	1,708.51	158,670.93	-	158,670.93	-	90,652.34	694.57	-	90,652.34	1,359.79	92,706.70	348.72	
8/6/2009	158,670.93	556.71		159,227.64	1,718.93	160,946.57	-	160,946.57	-	91,346.91	556.71	-	91,346.91	1,370.20	93,273.82	348.73	
9/5/2009	160,946.57	432.69		161,379.26	1,727.28	163,106.54	-	163,106.54	-	91,903.62	432.69	-	91,903.62	1,378.55	93,714.86	348.73	
10/6/2009	163,106.54	642.66		163,749.20	1,733.77	165,482.97	-	165,482.97	-	92,336.31	642.66	-	92,336.31	1,385.04	94,364.01	348.73	
11/6/2009	165,482.97	906.48		166,389.45	1,743.41	168,132.86	-	168,132.86	-	92,978.97	906.48	-	92,978.97	1,394.68	95,280.13	348.73	
12/7/2009	168,132.86	1,062.36		169,195.22	1,757.00	170,952.22	-	170,952.22	-	93,885.45	1,062.36	-	93,885.45	1,408.28	96,356.09	348.72	
1/6/2010	170,952.22	1,665.94		172,618.16	1,772.94	174,391.10	-	174,391.10	-	94,947.81	1,665.94	-	94,947.81	1,424.22	98,037.97	348.72	
2/4/2010	174,391.10	2,051.44		176,442.54	1,797.93	178,240.47	-	178,240.47	-	96,613.75	2,051.44	-	96,613.75	1,449.21	100,114.40	348.72	
3/4/2010	178,240.47	2,211.82		180,452.29	1,828.70	182,280.99	-	182,280.99	-	98,665.19	2,211.82	-	98,665.19	1,479.98	102,356.99	348.72	
4/7/2010	182,280.99	1,974.88		184,255.87	1,861.88	186,117.75	-	186,117.75	-	100,877.01	1,974.88	-	100,877.01	1,513.16	104,365.05	348.72	
5/6/2010	186,117.75	1,181.69		187,299.44	1,891.50	189,190.94	-	189,190.94	-	102,851.89	1,181.69	-	102,851.89	1,542.78	105,576.36	348.72	
6/4/2010	189,190.94	737.86		189,928.80	1,909.23	191,838.03	-	191,838.03	-	104,033.58	737.86	-	104,033.58	1,560.50	106,331.94	348.73	
7/6/2010	191,838.03	570.68		192,408.71	1,920.29	194,329.00	-	194,329.00	-	104,771.44	570.68	-	104,771.44	1,571.57	106,913.69	348.72	
8/5/2010	194,329.00	350.22		194,679.22	1,928.85	196,608.07	-	196,608.07	-	105,342.12	350.22	-	105,342.12	1,580.13	107,272.47	348.72	
9/4/2010	196,608.07	317.00		196,925.07	1,934.11	198,859.18	-	198,859.18	-	105,692.34	317.00	-	105,692.34	1,585.39	107,594.73	348.72	
10/5/2010	198,859.18	344.78		199,203.96	1,938.86	201,142.82	-	201,142.82	-	106,009.34	344.78	-	106,009.34	1,590.14	107,944.26	348.72	
11/3/2010	201,142.82	610.86		201,753.68	1,944.03	203,697.71	-	203,697.71	-	106,354.12	610.86	-	106,354.12	1,595.31	108,560.29	348.72	
12/6/2010	203,697.71	1,827.66		205,525.37	1,953.20	207,478.57	-	207,478.57	-	106,964.98	1,827.66	-	106,964.98	1,604.47	110,397.11	348.73	
1/5/2011	207,478.57	2,077.75		209,556.32	1,980.61	211,536.93	-	211,536.93	-	108,792.64	2,077.75	-	108,792.64	1,631.89	112,502.28	348.72	
2/4/2011	211,536.93	2,569.10		214,106.03	2,011.78	216,117.81	-	216,117.81	-	110,870.39	2,569.10	-	110,870.39	1,663.06	115,102.55	348.72	
3/5/2011	216,117.81	1,891.65		218,009.46	2,050.31	220,059.77	-	220,059.77	-	113,439.49	1,891.65	-	113,439.49	1,701.59	117,032.73	348.72	
4/4/2011	220,059.77	2,346.27		222,406.04	2,078.69	224,484.73	-	224,484.73	-	115,331.14	2,346.27	-	115,331.14	1,729.97	119,407.38	348.72	
5/6/2011	224,484.73	1,532.36		226,017.09	2,113.88	228,130.97	-	228,130.97	-	117,677.41	1,532.36	-	117,677.41	1,765.16	120,974.93	348.72	
6/4/2011	228,130.97	923.95	(120.21)	229,054.92	2,136.87	231,191.79	(120.21)	231,071.58	-	119,209.77	923.95	(120.21)	119,089.56	1,786.34	121,799.85	350.53	
7/5/2011	231,071.58	701.14		231,772.72	2,150.73	233,923.45	-	233,923.45	-	120,013.51	701.14	-	120,013.51	1,800.20	122,514.85	350.53	
8/3/2011	233,923.45	634.10		234,557.55	2,161.24	236,718.79	-	236,718.79	-	120,714.65	634.10	-	120,714.65	1,810.72	123,159.47	350.52	
9/6/2011	236,718.79	683.59	(28.55)	237,402.38	2,170.76	239,573.14	(28.55)	239,544.59	-	121,348.75	683.59	(28.55)	121,320.20	1,819.80	123,823.59	350.96	
10/6/2011	239,544.59	611.32		240,155.91	2,181.01	242,336.92	-	242,336.92	-	122,003.79	611.32	-	122,003.79	1,830.06	124,445.17	350.95	
11/5/2011	242,336.92	747.19		243,084.11	2,190.18	245,274.29	-	245,274.29	-	122,615.11	747.19	-	122,615.11	1,839.23	125,201.53	350.95	
12/5/2011	245,274.29	1,426.28		246,700.57	2,201.39	248,901.96	-	248,901.96	-	123,362.30	1,426.28	-	123,362.30	1,850.43	126,639.01	350.96	
1/5/2012	248,901.96	1,938.11		250,840.07	2,222.78	253,062.85	-	253,062.85	-	124,788.58	1,938.11	-	124,788.58	1,871.83	128,598.52	350.95	
2/4/2012	253,062.85	2,527.94		255,590.79	2,251.85	257,842.64	-	257,842.64	-	126,726.69	2,527.94	-	126,726.69	1,900.90	131,155.53	350.95	
3/6/2012	257,842.64	1,840.26		259,682.90	2,289.77	261,972.67	-	261,972.67	-	129,254.63	1,840.26	-	129,254.63	1,938.82	133,033.71	350.95	
4/5/2012	261,972.67	1,744.92		263,717.59	2,317.38	266,034.97	-	266,034.97	-	131,094.89	1,744.92	-	131,094.89	1,966.42	134,806.23	350.96	
5/4/2012	266,034.97	1,248.69		267,283.66	2,343.55	269,627.21	-	269,627.21	-	132,839.81	1,248.69	-	132,839.81	1,992.60	136,081.10	350.95	
6/5/2012	269,627.21	741.96		270,369.17		270,369.17	-	270,369.17	-	134,088.50	741.96	-	134,088.50	2,011.33	136,841.79	(2,011.33)	
7/6/2012	270,369.17	548.82	(271,519.09)	270,917.99		270,917.99	(271,519.09)	(601.10)	-	134,830.46	548.82	(271,519.09)	-	-	548.82	-	
8/7/2012	(601.10)	405.25		(195.85)		(195.85)	-	(195.85)	-	(136,139.81)	405.25	-	-	-	405.25	-	
8/22/2012	(195.85)	91.67		(104.18)		(104.18)	-	(104.18)	-	(135,734.56)	91.67	-	-	-	91.67	-	
8/22/2012	(104.18)	-		(104.18)		(104.18)	-	(104.18)	-	(135,642.89)	-	-	-	-	-	-	
8/22/2012	(104.18)	28.54		(75.64)		(75.64)	-	(75.64)	-	(135,642.89)	28.54	-	-	-	28.54	-	
8/22/2012	(75.64)	28.55		(47.09)		(47.09)	-	(47.09)	-	(135,614.35)	28.55	-	-	-	28.55	-	
9/4/2012	(47.09)	47.09		0.00		0.00	-	0.00	-	(135,585.80)	47.09	-	-	-	47.09	-	
9/6/2012	0.00	369.48		369.48		369.48	-	369.48	-	(135,538.71)	369.48	-	-	-	369.48	-	
10/4/2012	369.48	356.35		725.83	5.54	731.37	-	731.37	-	(135,169.23)	356.35	-	-	-	356.35	5.54	
11/6/2012	731.37	922.69		1,654.06	10.88	1,664.94	-	1,664.94	-	(134,812.88)	922.69	-	-	-	922.69	10.88	
12/6/2012	1,664.94	2,111.95		3,776.89	24.72	3,801.61	-	3,801.61	-	(133,890.19)	2,111.95	-	-	-	2,111.95	24.72	
TOTAL		203,349.23	(335,127.47)		135,579.85		(335,127.47)			203,349.23	(335,127.47)			107,305.51		28,274.34	

Account Number 539547187
SA Number 4395848077

Calculation Per PGW									
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due	
4/9/2001	-	96.45		96.45		96.45	-	96.45	
5/7/2001	96.45	394.04		490.49		490.49	-	490.49	
6/8/2001	490.49	15.59		506.08		506.08	-	506.08	
7/5/2001	506.08	15.59		521.67	7.59	529.26	-	529.26	
8/6/2001	529.26	15.59	(18.03)	544.85	7.66	552.51	(18.03)	534.48	
9/6/2001	534.48	15.59	(168.90)	550.07		550.07	(168.90)	381.17	
10/4/2001	381.17	15.59		396.76		396.76	-	396.76	
11/6/2001	396.76	54.92		451.68		451.68	-	451.68	
12/7/2001	451.68	48.77	(83.52)	500.45		500.45	(83.52)	416.93	
1/8/2002	416.93	65.90		482.83	6.25	489.08	-	489.08	
2/7/2002	489.08	19.26		508.34	7.24	515.58	-	515.58	
3/7/2002	515.58	64.23	(61.30)	579.81	6.81	586.62	(61.30)	525.32	
4/4/2002	525.32	45.99		571.31	7.77	579.08	-	579.08	
5/3/2002	579.08	32.28	(139.30)	611.36	6.59	617.95	(139.30)	478.65	
6/1/2002	478.65	202.97		681.62	7.08	688.70	-	688.70	
7/4/2002	688.70	19.26		707.96	10.12	718.08	-	718.08	
8/6/2002	718.08	19.26		737.34	10.41	747.75	-	747.75	
9/4/2002	747.75	178.96	(116.44)	926.71	10.70	937.41	(116.44)	820.97	
10/4/2002	820.97	19.26		840.23	12.31	852.54	-	852.54	
11/7/2002	852.54	20.39		872.93	12.60	885.53	-	885.53	
12/4/2002	885.53	358.71		1,244.24	12.90	1,257.14	-	1,257.14	
1/7/2003	1,257.14	190.25	(107.09)	1,447.39	17.25	1,464.64	(107.09)	1,357.55	
2/8/2003	1,357.55	116.68		1,474.23	20.10	1,494.33	-	1,494.33	
3/6/2003	1,494.33	140.47		1,634.80	21.85	1,656.65	-	1,656.65	
4/8/2003	1,656.65	265.66		1,922.31	23.96	1,946.27	-	1,946.27	
5/7/2003	1,946.27	1,343.74		3,290.01	27.94	3,317.95	-	3,317.95	
6/7/2003	3,317.95	20.62		3,338.57	48.10	3,386.67	-	3,386.67	
7/8/2003	3,386.67	1,059.03		4,445.70	48.41	4,494.11	-	4,494.11	
8/6/2003	4,494.11	794.35		5,288.46	64.29	5,352.75	-	5,352.75	
9/8/2003	5,352.75	120.61		5,473.36	76.21	5,549.57	-	5,549.57	
9/30/2003	5,549.57	(5,332.45)		217.12		217.12	-	217.12	
10/6/2003	217.12	1,597.42	(217.12)	1,814.54		1,814.54	(217.12)	1,597.42	
11/2/2003	1,597.42	2,927.08		4,524.50		4,524.50	-	4,524.50	
12/6/2003	4,524.50	1,355.59	(2,307.60)	5,880.09	33.25	5,913.34	(2,307.60)	3,605.74	
1/7/2004	3,605.74	5,492.06	(2,749.60)	9,097.80	12.84	9,110.64	(2,749.60)	6,361.04	
1/14/2004	6,361.04	5,332.45		11,693.49	-	11,693.49	-	11,693.49	
2/9/2004	11,693.49	7,909.26		19,602.75	175.20	19,777.95	-	19,777.95	
3/4/2004	19,777.95	6,738.23		26,516.18	293.84	26,810.02	-	26,810.02	
4/7/2004	26,810.02	6,514.96		33,324.98	394.92	33,719.90	-	33,719.90	
5/6/2004	33,719.90	4,186.47		37,906.37	492.64	38,399.01	-	38,399.01	
6/7/2004	38,399.01	2,763.19		41,162.20	555.44	41,717.64	-	41,717.64	
7/8/2004	41,717.64	1,541.39	(1,016.59)	43,259.03	596.89	43,855.92	(1,016.59)	42,839.33	
8/6/2004	42,839.33	673.49		43,512.82	620.01	44,132.83	-	44,132.83	
9/8/2004	44,132.83	171.17		44,304.00	630.11	44,934.11	-	44,934.11	
10/8/2004	44,934.11	76.89		45,011.00	632.68	45,643.68	-	45,643.68	
11/5/2004	45,643.68	195.41		45,839.09	633.83	46,472.92	-	46,472.92	
12/7/2004	46,472.92	475.24		46,948.16	636.76	47,584.92	-	47,584.92	
1/7/2005	47,584.92	1,270.00		48,854.92	643.89	49,498.81	-	49,498.81	
2/7/2005	49,498.81	5,881.29	(12,672.94)	55,380.10	552.38	55,932.48	(12,672.94)	43,259.54	
3/7/2005	43,259.54	7,315.71	(37,088.09)	50,575.25	640.60	51,215.85	(37,088.09)	14,127.76	
4/7/2005	14,127.76	6,833.21	(9,722.79)	20,960.97	562.74	21,523.71	(9,722.79)	11,800.92	
5/6/2005	11,800.92	3,148.77		14,949.69	665.24	15,614.93	-	15,614.93	
5/12/2005	15,614.93	(1,868.58)		13,746.35		13,746.35	-	13,746.35	
6/7/2005	13,746.35	2,209.00		15,955.35	206.19	16,161.54	-	16,161.54	
7/8/2005	16,161.54	463.95		16,625.49	239.33	16,864.82	-	16,864.82	
8/5/2005	16,864.82	30.61	(663.45)	16,895.43	243.02	17,138.45	(663.45)	16,475.00	
9/7/2005	16,475.00	35.48	(546.85)	16,510.48	238.92	16,749.40	(546.85)	16,202.55	
10/6/2005	16,202.55	22.64		16,225.19	239.45	16,464.64	-	16,464.64	
11/7/2005	16,464.64	45.38		16,510.02	239.79	16,749.81	-	16,749.81	
12/7/2005	16,749.81	5,838.81	(883.77)	22,588.62	237.99	22,826.61	(883.77)	21,942.84	
1/9/2006	21,942.84	3,663.31		25,606.15	325.57	25,931.72	-	25,931.72	

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
	96.45					
96.45	394.04	-	96.45	-	490.49	-
490.49	15.59	-	490.49	-	506.08	-
506.08	15.59	-	506.08	7.59	529.26	(0.00)
521.67	15.59	(18.03)	503.64	7.55	526.78	0.11
519.23	15.59	(168.90)	350.33	-	365.92	-
365.92	15.59	-	365.92	-	381.51	-
381.51	54.92	-	381.51	-	436.43	-
436.43	48.77	(83.52)	352.91	-	401.68	-
401.68	65.90	-	401.68	6.03	473.61	0.22
467.58	19.26	-	467.58	7.01	493.85	0.23
486.84	64.23	(61.30)	425.54	6.38	496.15	0.43
489.77	45.99	-	489.77	7.35	543.11	0.42
535.76	32.28	(139.30)	396.46	5.95	434.69	0.64
428.74	202.97	-	428.74	6.43	638.14	0.65
631.71	19.26	-	631.71	9.48	660.45	0.64
650.97	19.26	-	650.97	9.76	679.99	0.65
670.23	178.96	(116.44)	553.79	8.31	741.06	2.39
732.75	19.26	-	732.75	10.99	763.00	1.32
752.01	20.39	-	752.01	11.28	783.68	1.32
772.40	358.71	-	772.40	11.59	1,142.70	1.31
1,131.11	190.25	(107.09)	1,024.02	15.36	1,229.63	1.89
1,214.27	116.68	-	1,214.27	18.21	1,349.16	1.89
1,330.95	140.47	-	1,330.95	19.96	1,491.38	1.89
1,471.42	265.66	-	1,471.42	22.07	1,759.15	1.89
1,737.08	1,343.74	-	1,737.08	26.06	3,106.88	1.88
3,080.82	20.62	-	3,080.82	46.21	3,147.65	1.89
3,101.44	1,059.03	-	3,101.44	46.52	4,206.99	1.89
4,160.47	794.35	-	4,160.47	62.41	5,017.23	1.88
4,954.82	120.61	-	4,954.82	74.32	5,149.75	1.89
5,075.43	(5,332.45)	-	5,075.43	-	(257.02)	-
(257.02)	1,597.42	(217.12)	-	-	1,597.42	-
1,123.28	2,927.08	-	1,123.28	-	4,050.36	-
4,050.36	1,355.59	(2,307.60)	1,742.76	26.14	3,124.49	7.11
3,098.35	5,492.06	(2,749.60)	348.75	5.23	5,846.04	7.61
5,840.81	5,332.45	-	5,840.81	-	11,173.26	-
11,173.26	7,909.26	-	11,173.26	167.60	19,250.12	7.60
19,082.52	6,738.23	-	19,082.52	286.24	26,106.99	7.60
25,820.75	6,514.96	-	25,820.75	387.31	32,723.02	7.61
32,335.71	4,186.47	-	32,335.71	485.04	37,007.22	7.60
36,522.18	2,763.19	-	36,522.18	547.83	39,833.20	7.61
39,285.37	1,541.39	(1,016.59)	38,268.78	574.03	40,384.20	22.86
39,810.17	673.49	-	39,810.17	597.15	41,080.81	22.86
40,483.66	171.17	-	40,483.66	607.25	41,262.08	22.86
40,654.83	76.89	-	40,654.83	609.82	41,341.54	22.86
40,731.72	195.41	-	40,731.72	610.98	41,538.11	22.85
40,927.13	475.24	-	40,927.13	613.91	42,016.28	22.85
41,402.37	1,270.00	-	41,402.37	621.04	43,293.41	22.85
42,672.37	5,881.29	(12,672.94)	29,999.43	449.99	36,330.71	102.39
35,880.72	7,315.71	(37,088.09)	-	-	7,315.71	640.60
6,108.34	6,833.21	(9,722.79)	-	-	6,833.21	562.74
3,218.76	3,148.77	-	3,218.76	48.28	6,415.81	616.96
6,367.53	(1,868.58)	-	6,367.53	-	4,498.95	-
4,498.95	2,209.00	-	4,498.95	67.48	6,775.43	138.71
6,707.95	463.95	-	6,707.95	100.62	7,272.52	138.71
7,171.90	30.61	(663.45)	6,508.45	97.63	6,636.69	145.39
6,539.06	35.48	(546.85)	5,992.21	89.88	6,117.57	149.04
6,027.69	22.64	-	6,027.69	90.42	6,140.75	149.03
6,050.33	45.38	-	6,050.33	90.75	6,186.46	149.04
6,095.71	5,838.81	(883.77)	5,211.94	78.18	11,128.93	159.81
11,050.75	3,663.31	-	11,050.75	165.76	14,879.82	159.81

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Account Number SA Number 4395848077
539547187

Calculation Per PGW

Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
2/7/2006	25,931.72	1,464.13		27,395.85	380.52	27,776.37	-	27,776.37
3/7/2006	27,776.37	4,789.59		32,565.96	402.48	32,968.44	-	32,968.44
4/8/2006	32,968.44	4,744.52	(1,060.01)	37,712.96	474.32	38,187.28	(1,060.01)	37,127.27
5/5/2006	37,127.27	1,726.47		38,853.74	545.49	39,399.23	-	39,399.23
6/7/2006	39,399.23	1,014.57		40,413.80	571.39	40,985.19	-	40,985.19
7/7/2006	40,985.19	826.54		41,811.73	586.61	42,398.34	-	42,398.34
8/7/2006	42,398.34	572.17		42,970.51	599.00	43,569.51	-	43,569.51
9/9/2006	43,569.51	609.57		44,179.08	607.59	44,786.67	-	44,786.67
10/6/2006	44,786.67	634.82		45,421.49	616.73	46,038.22	-	46,038.22
11/7/2006	46,038.22	19.26		46,057.48	626.25	46,683.73	-	46,683.73
12/7/2006	46,683.73	4,807.78		51,491.51	626.54	52,118.05	-	52,118.05
1/8/2007	52,118.05	3,820.06		55,938.11	698.66	56,636.77	-	56,636.77
2/5/2007	56,636.77	4,946.13		61,582.90	755.96	62,338.86	-	62,338.86
3/5/2007	62,338.86	5,451.70	(865.01)	67,790.56	830.15	68,620.71	(865.01)	67,755.70
4/4/2007	67,755.70	4,399.16		72,154.86	911.93	73,066.79	-	73,066.79
5/3/2007	73,066.79	2,573.26		75,640.05	977.91	76,617.96	-	76,617.96
6/6/2007	76,617.96	965.01		77,582.97	1,016.51	78,599.48	-	78,599.48
7/5/2007	78,599.48	575.23		79,174.71	1,030.99	80,205.70	-	80,205.70
8/3/2007	80,205.70	530.14		80,735.84	1,039.62	81,775.46	-	81,775.46
9/6/2007	81,775.46	456.08		82,231.54	1,047.57	83,279.11	-	83,279.11
10/3/2007	83,279.11	421.62		83,700.73	1,054.41	84,755.14	-	84,755.14
11/5/2007	84,755.14	506.16		85,261.30	1,060.73	86,322.03	-	86,322.03
12/3/2007	86,322.03	35.43		86,357.46		86,357.46	-	86,357.46
12/5/2007	86,357.46	2,865.72	(650.54)	89,223.18	1,068.33	90,291.51	(650.54)	89,640.97
1/6/2008	89,640.97	4,445.36		94,086.33	1,111.84	95,198.17	-	95,198.17
2/5/2008	95,198.17	5,103.55		100,301.72	1,178.52	101,480.24	-	101,480.24
3/5/2008	101,480.24	4,652.91		106,133.15	1,255.08	107,388.23	-	107,388.23
4/3/2008	107,388.23	3,775.77		111,164.00	1,324.87	112,488.87	-	112,488.87
5/5/2008	112,488.87	1,597.36		114,086.23	1,381.51	115,467.74	-	115,467.74
6/4/2008	115,467.74	442.79		115,910.53	1,405.47	117,316.00	-	117,316.00
7/7/2008	117,316.00	378.15		117,694.15	1,412.11	119,106.26	-	119,106.26
8/5/2008	119,106.26	407.64		119,513.90	1,417.78	120,931.68	-	120,931.68
9/5/2008	120,931.68	394.40		121,326.08	1,423.90	122,749.98	-	122,749.98
10/4/2008	122,749.98	410.16		123,160.14	1,429.81	124,589.95	-	124,589.95
11/5/2008	124,589.95	894.85		125,484.80	1,435.97	126,920.77	-	126,920.77
12/4/2008	126,920.77	3,279.03		130,199.80	1,449.39	131,649.19	-	131,649.19
1/6/2009	131,649.19	7,057.82		138,707.01	1,498.57	140,205.58	-	140,205.58
2/4/2009	140,205.58	7,585.08		147,790.66	1,604.44	149,395.10	-	149,395.10
2/5/2009	149,395.10	(1,604.44)		147,790.66		147,790.66	-	147,790.66
2/5/2009	147,790.66	(7,585.08)		140,205.58		140,205.58	-	140,205.58
2/5/2009	140,205.58	7,585.08		147,790.66		147,790.66	-	147,790.66
3/5/2009	147,790.66	6,917.82		154,708.48	1,718.22	156,426.70	-	156,426.70
4/4/2009	156,426.70	5,903.12		162,329.82	1,821.98	164,151.80	-	164,151.80
5/5/2009	164,151.80	3,281.91		167,433.71	1,910.53	169,344.24	-	169,344.24
6/4/2009	169,344.24	1,344.68		170,688.92	1,959.76	172,648.68	-	172,648.68
7/8/2009	172,648.68	993.46		173,642.14	1,979.93	175,622.07	-	175,622.07
8/6/2009	175,622.07	1,006.71		176,628.78	1,994.83	178,623.61	-	178,623.61
9/5/2009	178,623.61	675.96		179,299.57	2,009.93	181,309.50	-	181,309.50
10/6/2009	181,309.50	863.32		182,172.82	2,020.07	184,192.89	-	184,192.89
11/6/2009	184,192.89	1,646.31		185,839.20	2,033.02	187,872.22	-	187,872.22
12/7/2009	187,872.22	2,622.52		190,494.74	2,057.72	192,552.46	-	192,552.46
1/6/2010	192,552.46	4,405.38		196,957.84	2,097.05	199,054.89	-	199,054.89
2/4/2010	199,054.89	5,173.37		204,228.26	2,163.14	206,391.40	-	206,391.40
3/4/2010	206,391.40	5,213.98		211,605.38	2,240.74	213,846.12	-	213,846.12
4/7/2010	213,846.12	4,054.67		217,900.79	2,318.95	220,219.74	-	220,219.74
5/6/2010	220,219.74	1,964.50		222,184.24	2,379.77	224,564.01	-	224,564.01
6/4/2010	224,564.01	1,100.11		225,664.12	2,409.23	228,073.35	-	228,073.35
7/6/2010	228,073.35	947.34		229,020.69	2,425.73	231,446.42	-	231,446.42
8/5/2010	231,446.42	786.70		232,233.12	2,439.94	234,673.06	-	234,673.06
9/4/2010	234,673.06	726.31		235,399.37	2,451.75	237,851.12	-	237,851.12
10/5/2010	237,851.12	845.07		238,696.19	2,462.64	241,158.83	-	241,158.83

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
14,714.06	1,464.13	-	14,714.06	220.71	16,398.90	159.81
16,178.19	4,789.59	-	16,178.19	242.67	21,210.45	159.81
20,967.78	4,744.52	(1,060.01)	19,907.77	298.62	24,950.91	175.70
24,652.29	1,726.47	-	24,652.29	369.78	26,748.54	175.71
26,378.76	1,014.57	-	26,378.76	395.68	27,789.01	175.71
27,393.33	826.54	-	27,393.33	410.90	28,630.77	175.71
28,219.87	572.17	-	28,219.87	423.30	29,215.34	175.70
28,792.04	609.57	-	28,792.04	431.88	29,833.49	175.71
29,401.61	634.82	-	29,401.61	441.02	30,477.45	175.71
30,036.43	19.26	-	30,036.43	450.55	30,506.24	175.70
30,055.69	4,807.78	-	30,055.69	450.84	35,314.31	175.70
34,863.47	3,820.06	-	34,863.47	522.95	39,206.48	175.71
38,683.53	4,946.13	-	38,683.53	580.25	44,209.91	175.71
43,629.66	5,451.70	(865.01)	42,764.65	641.47	48,857.82	188.68
48,216.35	4,399.16	-	48,216.35	723.25	53,338.76	188.68
52,615.51	2,573.26	-	52,615.51	789.23	55,978.00	188.68
55,188.77	965.01	-	55,188.77	827.83	56,981.61	188.68
56,153.78	575.23	-	56,153.78	842.31	57,571.32	188.68
56,729.01	530.14	-	56,729.01	850.94	58,110.09	188.68
57,259.15	456.08	-	57,259.15	858.89	58,574.12	188.68
57,715.23	421.62	-	57,715.23	865.73	59,002.58	188.68
58,136.85	506.16	-	58,136.85	872.05	59,515.06	188.68
58,643.01	35.43	-	58,643.01	-	58,678.44	-
58,678.44	2,865.72	(650.54)	58,027.90	870.42	61,764.04	197.91
60,893.62	4,445.36	-	60,893.62	913.40	66,252.38	198.44
65,338.98	5,103.55	-	65,338.98	980.08	71,422.61	198.44
70,442.53	4,652.91	-	70,442.53	1,056.64	76,152.08	198.44
75,095.44	3,775.77	-	75,095.44	1,126.43	79,997.64	198.44
78,871.21	1,597.36	-	78,871.21	1,183.07	81,651.64	198.44
80,468.57	442.79	-	80,468.57	1,207.03	82,118.39	198.44
80,911.36	378.15	-	80,911.36	1,213.67	82,503.18	198.44
81,289.51	407.64	-	81,289.51	1,219.34	82,916.49	198.44
81,697.15	394.40	-	81,697.15	1,225.46	83,317.01	198.44
82,091.55	410.16	-	82,091.55	1,231.37	83,733.08	198.44
82,501.71	894.85	-	82,501.71	1,237.53	84,634.09	198.44
83,396.56	3,279.03	-	83,396.56	1,250.95	87,926.54	198.44
86,675.59	7,057.82	-	86,675.59	1,300.13	95,033.54	198.44
93,733.41	7,585.08	-	93,733.41	1,406.00	102,724.49	198.44
101,318.49	(1,604.44)	-	101,318.49	-	99,714.05	-
99,714.05	(7,585.08)	-	99,714.05	-	92,128.97	-
92,128.97	7,585.08	-	92,128.97	-	99,714.05	-
99,714.05	6,917.82	-	99,714.05	1,495.71	108,127.58	222.51
106,631.87	5,903.12	-	106,631.87	1,599.48	114,134.47	222.50
112,534.99	3,281.91	-	112,534.99	1,688.02	117,504.92	222.51
115,816.90	1,344.68	-	115,816.90	1,737.25	118,898.83	222.51
117,161.58	993.46	-	117,161.58	1,757.42	119,912.46	222.51
118,155.04	1,006.71	-	118,155.04	1,772.33	120,934.08	222.50
119,161.75	675.96	-	119,161.75	1,787.43	121,625.14	222.50
119,837.71	863.32	-	119,837.71	1,797.57	122,498.60	222.50
120,701.03	1,646.31	-	120,701.03	1,810.52	124,157.86	222.50
122,347.34	2,622.52	-	122,347.34	1,835.21	126,805.07	222.51
124,969.86	4,405.38	-	124,969.86	1,874.55	131,249.79	222.50
129,375.24	5,173.37	-	129,375.24	1,940.63	136,489.24	222.51
134,548.61	5,213.98	-	134,548.61	2,018.23	141,780.82	222.51
139,762.59	4,054.67	-	139,762.59	2,096.44	145,913.70	222.51
143,817.26	1,964.50	-	143,817.26	2,157.26	147,939.02	222.51
145,781.76	1,100.11	-	145,781.76	2,186.73	149,068.60	222.50
146,881.87	947.34	-	146,881.87	2,203.23	150,032.44	222.50
147,829.21	786.70	-	147,829.21	2,217.44	150,833.35	222.50
148,615.91	726.31	-	148,615.91	2,229.24	151,571.46	222.51
149,342.22	845.07	-	149,342.22	2,240.13	152,427.42	222.51

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Calculation Per PGW								
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
11/3/2010	241,158.83	1,257.94		242,416.77	2,475.32	244,892.09	-	244,892.09
12/6/2010	244,892.09	3,860.41		248,752.50	2,494.18	251,246.68	-	251,246.68
1/5/2011	251,246.68	4,987.51		256,234.19	2,552.09	258,786.28	-	258,786.28
2/4/2011	258,786.28	6,014.82		264,801.10	2,626.90	267,428.00	-	267,428.00
3/5/2011	267,428.00	4,204.64		271,632.64	2,717.13	274,349.77	-	274,349.77
4/4/2011	274,349.77	5,035.84		279,385.61	2,780.20	282,165.81	-	282,165.81
5/6/2011	282,165.81	3,043.62		285,209.43	2,855.73	288,065.16	-	288,065.16
6/4/2011	288,065.16	1,342.96	(149.86)	289,408.12	2,901.39	292,309.51	(149.86)	292,159.65
7/5/2011	292,159.65	1,125.52		293,285.17	2,921.53	296,206.70	-	296,206.70
8/3/2011	296,206.70	796.02		297,002.72	2,938.41	299,941.13	-	299,941.13
9/6/2011	299,941.13	876.98	(36.05)	300,818.11	2,950.36	303,768.47	(36.05)	303,732.42
10/6/2011	303,732.42	1,314.55		305,046.97	2,963.51	308,010.48	-	308,010.48
11/5/2011	308,010.48	1,218.74		309,229.22	2,983.23	312,212.45	-	312,212.45
12/5/2011	312,212.45	4,483.73		316,696.18	3,001.51	319,697.69	-	319,697.69
1/5/2012	319,697.69	4,569.55		324,267.24	3,068.77	327,336.01	-	327,336.01
2/4/2012	327,336.01	6,457.04		333,793.05	3,137.31	336,930.36	-	336,930.36
3/6/2012	336,930.36	4,187.53		341,117.89	3,234.16	344,352.05	-	344,352.05
4/5/2012	344,352.05	3,119.40		347,471.45	3,296.98	350,768.43	-	350,768.43
5/4/2012	350,768.43	1,677.46		352,445.89	3,343.77	355,789.66	-	355,789.66
6/5/2012	355,789.66	1,192.08		356,981.74		356,981.74	-	356,981.74
5/22/2012	356,981.74	621.40		357,603.14		357,603.14	-	357,603.14
7/6/2012	357,603.14	1,068.71		358,671.85		358,671.85	-	358,671.85
8/7/2012	358,671.85	805.10	(358,671.85)	359,476.95		359,476.95	(358,671.85)	805.10
8/22/2012	805.10	114.28		919.38		919.38	-	919.38
8/22/2012	919.38	35.58		954.96		954.96	-	954.96
8/22/2012	954.96	36.05		991.01		991.01	-	991.01
8/22/2012	991.01	-		991.01		991.01	-	991.01
9/6/2012	991.01	789.78		1,780.79		1,780.79	-	1,780.79
10/4/2012	1,780.79	788.79		2,569.58	23.92	2,593.50	-	2,593.50
11/6/2012	2,593.50	1,031.77		3,625.27	35.75	3,661.02	-	3,661.02
12/6/2012	3,661.02	3,734.70		7,395.72	51.23	7,446.95	-	7,446.95
TOTAL		291,118.73	(429,996.70)		146,324.92		(429,996.70)	

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
150,187.29	1,257.94	-	150,187.29	2,252.81	153,698.04	222.51
151,445.23	3,860.41	-	151,445.23	2,271.68	157,577.32	222.50
155,305.64	4,987.51	-	155,305.64	2,329.58	162,622.73	222.51
160,293.15	6,014.82	-	160,293.15	2,404.40	168,712.37	222.50
166,307.97	4,204.64	-	166,307.97	2,494.62	173,007.23	222.51
170,512.61	5,035.84	-	170,512.61	2,557.69	178,106.14	222.51
175,548.45	3,043.62	-	175,548.45	2,633.23	181,225.30	222.50
178,592.07	1,342.96	(149.86)	178,442.21	2,676.63	182,461.80	224.76
179,785.17	1,125.52	-	179,785.17	2,696.78	183,607.47	224.75
180,910.69	796.02	-	180,910.69	2,713.66	184,420.37	224.75
181,706.71	876.98	(36.05)	181,670.66	2,725.06	185,272.70	225.30
182,547.64	1,314.55	-	182,547.64	2,738.21	186,600.40	225.30
183,862.19	1,218.74	-	183,862.19	2,757.93	187,838.86	225.30
185,080.93	4,483.73	-	185,080.93	2,776.21	192,340.87	225.30
189,564.66	4,569.55	-	189,564.66	2,843.47	196,977.68	225.30
194,134.21	6,457.04	-	194,134.21	2,912.01	203,503.26	225.30
200,591.25	4,187.53	-	200,591.25	3,008.87	207,787.65	225.29
204,778.78	3,119.40	-	204,778.78	3,071.68	210,969.86	225.30
207,898.18	1,677.46	-	207,898.18	3,118.47	212,694.11	225.30
209,575.64	1,192.08	-	209,575.64	-	210,767.72	-
210,767.72	621.40	-	210,767.72	-	211,389.12	-
211,389.12	1,068.71	-	211,389.12	-	212,457.83	-
212,457.83	805.10	(358,671.85)	-	-	805.10	-
(145,408.92)	114.28	-	-	-	114.28	-
(145,294.64)	35.58	-	-	-	35.58	-
(145,259.06)	36.05	-	-	-	36.05	-
(145,223.01)	-	-	-	-	-	-
(145,223.01)	789.78	-	-	-	789.78	-
(144,433.23)	788.79	-	-	-	788.79	23.92
(143,644.44)	1,031.77	-	-	-	1,031.77	35.75
(142,612.67)	3,734.70	-	-	-	3,734.70	51.23
291,118.73	(429,996.70)		127,225.57		19,099.35	

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Account Number 539547187
SA Number 8569221065

Calculation Per PGW

Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due	Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
10/4/2000	-	859.27		859.27		859.27	-	859.27		859.27					
11/6/2000	859.27	1,213.65		2,072.92	12.88	2,085.80	-	2,085.80	859.27	1,213.65	-	859.27	12.89	2,085.81	(0.01)
12/30/2000	2,085.80	6,529.99	(2,085.80)	8,615.79		8,615.79	(2,085.80)	6,529.99	2,072.92	6,529.99	(2,085.80)	-	-	6,529.99	-
2/6/2001	6,529.99	4,249.98	(466.03)	10,779.97	90.95	10,870.92	(466.03)	10,404.89	6,517.11	4,249.98	(466.03)	6,051.08	90.77	10,391.83	0.18
3/7/2001	10,404.89	8,767.82	(2,540.81)	19,172.71		19,172.71	(2,540.81)	16,631.90	10,301.06	8,767.82	(2,540.81)	7,760.25	-	16,528.07	-
4/9/2001	16,631.90	7,252.10	(2,330.12)	23,884.00		23,884.00	(2,330.12)	21,553.88	16,528.07	7,252.10	(2,330.12)	14,197.95	-	21,450.05	-
5/7/2001	21,553.88	4,525.89	(1,844.65)	26,079.77		26,079.77	(1,844.65)	24,235.12	21,450.05	4,525.89	(1,844.65)	19,605.40	-	24,131.29	-
6/8/2001	24,235.12	1,924.07		26,159.19		26,159.19	-	26,159.19	24,131.29	1,924.07	-	24,131.29	-	26,055.36	-
7/6/2001	26,159.19	1,705.29	(2,820.40)	27,864.48	350.08	28,214.56	(2,820.40)	25,394.16	26,055.36	1,705.29	(2,820.40)	23,234.96	348.52	25,288.77	1.56
8/6/2001	25,394.16	1,328.33	(3,156.68)	26,722.49	333.56	27,056.05	(3,156.68)	23,899.37	24,940.25	1,328.33	(3,156.68)	21,783.57	326.75	23,438.65	6.81
9/6/2001	23,899.37	1,436.24	(6,527.13)	25,335.61		25,335.61	(6,527.13)	18,808.48	23,111.90	1,436.24	(6,527.13)	16,584.77	-	18,021.01	-
10/4/2001	18,808.48	1,176.84		19,985.32		19,985.32	-	19,985.32	18,021.01	1,176.84	-	18,021.01	-	19,197.85	-
11/6/2001	19,985.32	3,603.79		23,589.11		23,589.11	-	23,589.11	19,197.85	3,603.79	-	19,197.85	-	22,801.64	-
12/7/2001	23,589.11	3,796.85	(3,969.03)	27,385.96		27,385.96	(3,969.03)	23,416.93	22,801.64	3,796.85	(3,969.03)	18,832.61	-	22,629.46	-
1/8/2002	23,416.93	5,313.33		28,730.26	351.25	29,081.51	-	29,081.51	22,629.46	5,313.33	-	22,629.46	339.44	28,282.23	11.81
2/7/2002	29,081.51	6,230.59		35,312.10	430.95	35,743.05	-	35,743.05	27,942.79	6,230.59	-	27,942.79	419.14	34,592.52	11.81
3/7/2002	35,743.05	5,803.92	(3,266.88)	41,546.97	487.14	42,034.11	(3,266.88)	38,767.23	34,173.38	5,803.92	(3,266.88)	30,906.50	463.60	37,174.02	23.54
4/4/2002	38,767.23	4,409.28		43,176.51	574.20	43,750.71	-	43,750.71	36,710.42	4,409.28	-	36,710.42	550.66	41,670.36	23.54
5/3/2002	43,750.71	3,506.82	(8,405.91)	47,257.53	530.17	47,787.70	(8,405.91)	39,381.79	41,119.70	3,506.82	(8,405.91)	32,713.79	490.71	36,711.32	39.46
6/1/2002	39,381.79	2,095.53		41,477.32	582.77	42,060.09	-	42,060.09	36,220.61	2,095.53	-	36,220.61	543.31	38,859.45	39.46
7/4/2002	42,060.09	1,546.60		43,606.69	614.20	44,220.89	-	44,220.89	38,316.14	1,546.60	-	38,316.14	574.74	40,437.48	39.46
8/6/2002	44,220.89	1,555.28		45,776.17	637.40	46,413.57	-	46,413.57	39,862.74	1,555.28	-	39,862.74	597.94	42,015.96	39.46
9/4/2002	46,413.57	1,316.83	(7,111.30)	47,730.40	660.73	48,391.13	(7,111.30)	41,279.83	41,418.02	1,316.83	(7,111.30)	34,306.72	514.60	36,138.15	146.13
10/4/2002	41,279.83	1,513.19		42,793.02	619.19	43,412.21	-	43,412.21	35,623.55	1,513.19	-	35,623.55	534.35	37,671.09	84.84
11/7/2002	43,412.21	2,823.41		46,235.62	641.89	46,877.51	-	46,877.51	37,136.74	2,823.41	-	37,136.74	557.05	40,517.20	84.84
12/4/2002	46,877.51	4,407.12		51,284.63	684.24	51,968.87	-	51,968.87	39,960.15	4,407.12	-	39,960.15	599.40	44,966.67	84.84
1/7/2003	51,968.87	6,379.90	(5,384.57)	58,348.77	698.76	59,047.53	(5,384.57)	53,662.96	44,367.27	6,379.90	(5,384.57)	38,982.70	584.74	45,947.34	114.02
2/8/2003	53,662.96	7,983.34		61,646.30	794.46	62,440.76	-	62,440.76	45,362.60	7,983.34	-	45,362.60	680.44	54,026.38	114.02
3/6/2003	62,440.76	5,826.32		68,267.08	914.21	69,181.29	-	69,181.29	53,345.94	5,826.32	-	53,345.94	800.19	59,972.45	114.02
4/8/2003	69,181.29	5,386.43		74,567.72	1,001.60	75,569.32	-	75,569.32	59,172.26	5,386.43	-	59,172.26	887.58	65,446.27	114.02
5/7/2003	75,569.32	4,169.02		79,738.34	1,082.40	80,820.74	-	80,820.74	64,558.69	4,169.02	-	64,558.69	968.38	69,696.09	114.02
6/7/2003	80,820.74	2,729.18		83,549.92	1,144.93	84,694.85	-	84,694.85	68,727.71	2,729.18	-	68,727.71	1,030.92	72,487.81	114.01
7/8/2003	84,694.85	1,234.67		85,929.52	1,185.87	87,115.39	-	87,115.39	71,456.89	1,234.67	-	71,456.89	1,071.85	73,763.41	114.02
8/6/2003	87,115.39	1,629.39		88,744.78	1,204.39	89,949.17	-	89,949.17	72,691.56	1,629.39	-	72,691.56	1,090.37	75,411.32	114.02
9/8/2003	89,949.17	1,880.61		91,829.78	1,228.83	93,058.61	-	93,058.61	74,320.95	1,880.61	-	74,320.95	1,114.81	77,316.37	114.02
9/30/2003	93,058.61	(87,628.93)		5,429.68		5,429.68	-	5,429.68	76,201.56	(87,628.93)	-	76,201.56	-	(11,427.37)	-
10/6/2003	5,429.68	483.35	(5,429.68)	5,913.03		5,913.03	(5,429.68)	483.35	(11,427.37)	483.35	(5,429.68)	-	-	483.35	-
11/2/2003	483.35	1,031.60		1,514.95	1.82	1,516.77	-	1,516.77	(16,373.70)	1,031.60	-	-	-	1,031.60	1.82
11/3/2003	1,516.77	(887.25)		629.52		629.52	-	629.52	(15,342.10)	(887.25)	-	-	-	(887.25)	-
12/6/2003	629.52	\$3,342.29	(152.74)	3,971.81	7.15	3,978.96	(152.74)	3,826.22	(16,229.35)	3,342.29	(152.74)	-	-	3,342.29	7.15
1/7/2004	3,826.22	\$1,884.84	(1,761.48)	5,711.06	30.97	5,742.03	(1,761.48)	3,980.55	(13,039.80)	1,884.84	(1,761.48)	-	-	1,884.84	30.97
1/14/2004	3,980.55	\$87,628.93		91,609.48		91,609.48	-	91,609.48	(12,916.44)	87,628.93	-	-	-	87,628.93	-
2/9/2004	91,609.48	\$22.05		91,631.53	1,373.67	93,005.20	-	93,005.20	74,712.49	22.05	-	74,712.49	1,120.69	75,855.23	252.98
3/4/2004	93,005.20	\$23.45		93,028.65	1,374.00	94,402.65	-	94,402.65	74,734.54	23.45	-	74,734.54	1,121.02	75,879.01	252.98
4/7/2004	94,402.65	\$20.70		94,423.35	1,374.36	95,797.71	-	95,797.71	74,757.99	20.70	-	74,757.99	1,121.37	75,900.06	252.99
5/6/2004	95,797.71	\$19.26		95,816.97	1,374.67	97,191.64	-	97,191.64	74,778.69	19.26	-	74,778.69	1,121.68	75,919.63	252.99
6/7/2004	97,191.64	\$19.26		97,210.90	1,374.95	98,585.85	-	98,585.85	74,797.95	19.26	-	74,797.95	1,121.97	75,939.18	252.98
7/8/2004	98,585.85	\$177.17	(3,579.61)	98,763.02	1,375.24	100,138.26	(3,579.61)	96,558.65	74,817.21	177.17	(3,579.61)	71,237.60	1,068.56	72,483.33	306.68
8/6/2004	96,558.65	\$867.80		97,426.45	1,377.90	98,804.35	-	98,804.35	71,414.77	867.80	-	71,414.77	1,071.22	73,353.79	306.68
9/8/2004	98,804.35	\$1,446.82		100,251.17	1,390.92	101,642.09	-	101,642.09	72,282.57	1,446.82	-	72,282.57	1,084.24	74,813.63	306.68
10/8/2004	101,642.09	\$1,787.73		103,429.82	1,412.62	104,842.44	-	104,842.44	73,729.39	1,787.73	-	73,729.39	1,105.94	76,623.06	306.68
11/5/2004	104,842.44	\$2,939.18		107,781.62	1,439.44	109,221.06	-	109,221.06	75,517.12	2,939.18	-	75,517.12	1,132.76	79,589.06	306.68
12/7/2004	109,221.06	\$5,619.99		114,841.05	1,483.52	116,324.57	-	116,324.57	78,456.30	5,619.99	-	78,456.30	1,176.84	85,253.13	306.68
1/7/2005	116,324.57	\$6,553.95		122,878.52	1,567.82	124,446.34	-	124,446.34	84,076.29	6,553.95	-	84,076.29	1,261.14	91,891.38	306.68
2/7/2005	124,446.34	\$2,488.25	(29,109.45)	126,934.59	1,430.05	128,364.64	(29,109.45)	99,255.19	90,630.24	2,488.25	(29,109.45)	61,520.79	922.81	64,931.85	507.24
3/7/2005	99,255.19	\$732.96	(43,046.12)	99,988.15	1,467.37	101,455.52	(43,046.12)	58,409.40	64,009.04	732.96	(43,046.12)	20,962.92	314.44	22,010.32	1,152.93
4/7/2005	58,409.40	\$543.44	(24,288.93)	58,952.84	1,008.47	59,961.31	(24,288.93)	35,672.38	21,695.88	543.44	(24,288.93)	-	-	543.44	1,008.47
5/6/2005	35,672.38	\$675.39		36,347.77	1,016.62	37,364.39	-	37,364.39	(2,049.61)	675.39	-	-	-	675.39	1,016.62

Account Number 539547187
SA Number 8569221065

Calculation Per PGW

Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
5/12/2005	37,364.39	(\$3,492.46)		33,871.93		33,871.93	-	33,871.93
6/7/2005	33,871.93	\$152.75	(3,147.80)	34,024.68	460.86	34,485.54	(3,147.80)	31,337.74
7/8/2005	31,337.74	\$1,633.45		32,971.19	463.15	33,434.34	-	33,434.34
8/5/2005	33,434.34	\$1,627.18	(1,939.25)	35,061.52	472.42	35,533.94	(1,939.25)	33,594.69
9/7/2005	33,594.69	\$1,953.26	(1,203.18)	35,547.95	485.87	36,033.82	(1,203.18)	34,830.64
10/6/2005	34,830.64	\$2,273.00		37,103.64	515.17	37,618.81	-	37,618.81
11/7/2005	37,618.81	\$3,871.47		41,490.28	549.26	42,039.54	-	42,039.54
12/7/2005	42,039.54	\$3,840.38	(1,797.26)	45,879.92	603.63	46,483.55	(1,797.26)	44,686.29
1/9/2006	44,686.29	\$7,762.32		52,448.61	661.23	53,109.84	-	53,109.84
2/7/2006	53,109.84	\$9,001.75		62,111.59	777.67	62,889.26	-	62,889.26
3/7/2006	62,889.26	\$4,243.98		67,133.24	912.70	68,045.94	-	68,045.94
4/8/2006	68,045.94	\$4,611.58	(2,158.68)	72,657.52	976.36	73,633.88	(2,158.68)	71,475.20
5/5/2006	71,475.20	\$1,835.53		73,310.73	1,045.53	74,356.26	-	74,356.26
6/7/2006	74,356.26	\$1,515.14		75,871.40	1,073.06	76,944.46	-	76,944.46
7/7/2006	76,944.46	\$1,286.75		78,231.21	1,095.79	79,327.00	-	79,327.00
8/7/2006	79,327.00	\$1,036.96		80,363.96	1,115.09	81,479.05	-	81,479.05
9/9/2006	81,479.05	\$1,133.38		82,612.43	1,130.65	83,743.08	-	83,743.08
10/6/2006	83,743.08	\$1,095.40		84,838.48	1,147.65	85,986.13	-	85,986.13
11/7/2006	85,986.13	\$1,812.43		87,798.56	1,164.08	88,962.64	-	88,962.64
12/7/2006	88,962.64	\$3,398.61		92,361.25	1,191.26	93,552.51	-	93,552.51
1/8/2007	93,552.51	\$3,646.12		97,198.63	1,242.24	98,440.87	-	98,440.87
2/5/2007	98,440.87	\$4,546.63		102,987.50	1,296.93	104,284.43	-	104,284.43
3/5/2007	104,284.43	\$4,698.42	(1,648.41)	108,982.85	1,365.13	110,347.98	(1,648.41)	108,699.57
4/4/2007	108,699.57	\$4,007.28		112,706.85	1,435.61	114,142.46	-	114,142.46
5/3/2007	114,142.46	\$2,761.41		116,903.87	1,495.72	118,399.59	-	118,399.59
6/6/2007	118,399.59	\$1,734.21		120,133.80	1,537.14	121,670.94	-	121,670.94
7/5/2007	121,670.94	\$1,333.93		123,004.87	1,563.15	124,568.02	-	124,568.02
8/3/2007	124,568.02	\$1,325.62		125,893.64	1,583.16	127,476.80	-	127,476.80
9/6/2007	127,476.80	\$1,190.78		128,667.58	1,603.05	130,270.63	-	130,270.63
10/3/2007	130,270.63	\$1,084.42		131,355.05	1,620.91	132,975.96	-	132,975.96
11/5/2007	132,975.96	\$1,263.81		134,239.77	1,637.17	135,876.94	-	135,876.94
12/3/2007	135,876.94	\$88.47	(1,014.12)	135,965.41	1,656.13	137,621.54	(1,014.12)	136,607.42
12/5/2007	136,607.42	\$2,881.94		139,489.36		139,489.36	-	139,489.36
1/6/2008	139,489.36	\$3,929.85		143,419.21	1,700.69	145,119.90	-	145,119.90
2/5/2008	145,119.90	\$4,548.87		149,668.77	1,759.64	151,428.41	-	151,428.41
3/5/2008	151,428.41	\$4,076.28		155,504.69	1,827.87	157,332.56	-	157,332.56
4/3/2008	157,332.56	\$3,732.47		161,065.03	1,889.01	162,954.04	-	162,954.04
5/5/2008	162,954.04	\$2,742.37		165,696.41	1,945.00	167,641.41	-	167,641.41
6/4/2008	167,641.41	\$1,511.77		169,153.18	1,986.14	171,139.32	-	171,139.32
7/7/2008	171,139.32	\$1,386.30		172,525.62	2,008.81	174,534.43	-	174,534.43
8/5/2008	174,534.43	\$1,293.12		175,827.55	2,029.61	177,857.16	-	177,857.16
9/5/2008	177,857.16	\$1,207.06		179,064.22	2,049.00	181,113.22	-	181,113.22
10/4/2008	181,113.22	\$1,385.38		182,498.60	2,067.11	184,565.71	-	184,565.71
11/5/2008	184,565.71	\$1,783.51		186,349.22	2,087.89	188,437.11	-	188,437.11
12/4/2008	188,437.11	\$2,822.59		191,259.70	2,114.64	193,374.34	-	193,374.34
1/6/2009	193,374.34	\$3,434.91		196,809.25	2,156.98	198,966.23	-	198,966.23
2/4/2009	198,966.23	\$2,805.25		201,771.48	2,208.51	203,979.99	-	203,979.99
2/5/2009	203,979.99	(\$2,805.25)		201,174.74		201,174.74	-	201,174.74
2/5/2009	201,174.74	(\$2,208.51)		198,966.23		198,966.23	-	198,966.23
2/5/2009	198,966.23	\$2,805.25		201,771.48		201,771.48	-	201,771.48
3/5/2009	201,771.48	\$2,369.56		204,141.04	2,250.58	206,391.62	-	206,391.62
4/4/2009	206,391.62	\$1,378.56		207,770.18	2,286.13	210,056.31	-	210,056.31
5/5/2009	210,056.31	\$584.43		210,640.74	2,306.81	212,947.55	-	212,947.55
6/4/2009	212,947.55	\$151.70		213,099.25	2,315.57	215,414.82	-	215,414.82
7/8/2009	215,414.82	\$211.23		215,626.05	2,317.85	217,943.90	-	217,943.90
8/6/2009	217,943.90	\$246.46		218,190.36	2,321.02	220,511.38	-	220,511.38
9/5/2009	220,511.38	\$236.92		220,748.30	2,324.71	223,073.01	-	223,073.01

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
(1,374.22)	(3,492.46)	-	-	-	(3,492.46)	-
(4,866.68)	152.75	(3,147.80)	-	-	152.75	460.86
(7,861.73)	1,633.45	-	-	-	1,633.45	463.15
(6,228.28)	1,627.18	(1,939.25)	-	-	1,627.18	472.42
(6,540.35)	1,953.26	(1,203.18)	-	-	1,953.26	485.87
(5,790.27)	2,273.00	-	-	-	2,273.00	515.17
(3,517.27)	3,871.47	-	-	-	3,871.47	549.26
354.20	3,840.38	(1,797.26)	-	-	3,840.38	603.63
2,397.32	7,762.32	-	2,397.32	35.96	10,195.60	625.27
10,159.64	9,001.75	-	10,159.64	152.39	19,313.78	625.28
19,161.39	4,243.98	-	19,161.39	287.42	23,692.79	625.28
23,405.37	4,611.58	(2,158.68)	21,246.69	318.70	26,176.97	657.66
25,858.27	1,835.53	-	25,858.27	387.87	28,081.67	657.66
27,693.80	1,515.14	-	27,693.80	415.41	29,624.35	657.65
29,208.94	1,286.75	-	29,208.94	438.13	30,933.82	657.66
30,495.69	1,036.96	-	30,495.69	457.44	31,990.09	657.65
31,532.65	1,133.38	-	31,532.65	472.99	33,139.02	657.66
32,666.03	1,095.40	-	32,666.03	489.99	34,251.42	657.66
33,761.43	1,812.43	-	33,761.43	506.42	36,080.28	657.66
35,573.86	3,398.61	-	35,573.86	533.61	39,506.08	657.65
38,972.47	3,646.12	-	38,972.47	584.59	43,203.18	657.65
42,618.59	4,546.63	-	42,618.59	639.28	47,804.50	657.65
47,165.22	4,698.42	(1,648.41)	45,516.81	682.75	50,897.98	682.38
50,215.23	4,007.28	-	50,215.23	753.23	54,975.74	682.38
54,222.51	2,761.41	-	54,222.51	813.34	57,797.26	682.38
56,983.92	1,734.21	-	56,983.92	854.76	59,572.89	682.38
58,718.13	1,333.93	-	58,718.13	880.77	60,932.83	682.38
60,052.06	1,325.62	-	60,052.06	900.78	62,278.46	682.38
61,377.68	1,190.78	-	61,377.68	920.67	63,489.13	682.38
62,568.46	1,084.42	-	62,568.46	938.53	64,591.41	682.38
63,652.88	1,263.81	-	63,652.88	954.79	65,871.48	682.38
64,916.69	88.47	(1,014.12)	63,902.57	958.54	64,949.58	697.59
66,991.04	2,881.94	-	63,991.04	959.87	67,832.85	(959.87)
66,872.98	3,929.85	-	66,872.98	1,003.09	71,805.92	697.60
70,802.83	4,548.87	-	70,802.83	1,062.04	76,413.74	697.60
75,351.70	4,076.28	-	75,351.70	1,130.28	80,558.26	697.59
79,427.98	3,732.47	-	79,427.98	1,191.42	84,351.87	697.59
83,160.45	2,742.37	-	83,160.45	1,247.41	87,150.23	697.59
85,902.82	1,511.77	-	85,902.82	1,288.54	88,703.13	697.60
87,414.59	1,386.30	-	87,414.59	1,311.22	90,112.11	697.59
88,800.89	1,293.12	-	88,800.89	1,332.01	91,426.02	697.60
90,094.01	1,207.06	-	90,094.01	1,351.41	92,652.48	697.59
91,301.07	1,385.38	-	91,301.07	1,369.52	94,055.97	697.59
92,686.45	1,783.51	-	92,686.45	1,390.30	95,860.26	697.59
94,469.96	2,822.59	-	94,469.96	1,417.05	98,709.60	697.59
97,292.55	3,434.91	-	97,292.55	1,459.39	102,186.85	697.59
100,727.46	2,805.25	-	100,727.46	1,510.91	105,043.62	697.60
103,532.71	(2,805.25)	-	103,532.71	1,552.99	102,280.45	(1,552.99)
100,727.46	(2,208.51)	-	100,727.46	1,510.91	100,029.86	(1,510.91)
98,518.95	2,805.25	-	98,518.95	1,477.78	102,801.98	(1,477.78)
101,324.20	2,369.56	-	101,324.20	1,519.86	105,213.62	730.72
103,693.76	1,378.56	-	103,693.76	1,555.41	106,627.73	730.72
105,072.32	584.43	-	105,072.32	1,576.08	107,232.83	730.73
105,656.75	151.70	-	105,656.75	1,584.85	107,393.30	730.72
105,808.45	211.23	-	105,808.45	1,587.13	107,606.81	730.72
106,019.68	246.46	-	106,019.68	1,590.30	107,856.44	730.72
106,266.14	236.92	-	106,266.14	1,593.99	108,097.05	730.72

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Account Number 539547187 SA Number 8569221065

Calculation Per PGW								
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
10/6/2009	223,073.01	\$342.56		223,415.57	2,328.27	225,743.84	-	225,743.84
11/6/2009	225,743.84	\$423.78		226,167.62	2,333.41	228,501.03	-	228,501.03
12/7/2009	228,501.03	\$821.49		229,322.52	2,339.76	231,662.28	-	231,662.28
1/6/2010	231,662.28	\$857.10		232,519.38	2,352.08	234,871.46	-	234,871.46
2/4/2010	234,871.46	\$967.43		235,838.89	2,364.94	238,203.83	-	238,203.83
3/4/2010	238,203.83	\$657.54		238,861.37	2,379.45	241,240.82	-	241,240.82
4/7/2010	241,240.82	\$358.95		241,599.77	2,389.32	243,989.09	-	243,989.09
5/6/2010	243,989.09	\$147.24		244,136.33	2,394.70	246,531.03	-	246,531.03
6/4/2010	246,531.03	\$51.78		246,582.81	2,396.91	248,979.72	-	248,979.72
7/6/2010	248,979.72	\$58.19		249,037.91	2,397.68	251,435.59	-	251,435.59
8/5/2010	251,435.59	\$52.87		251,488.46	2,398.56	253,887.02	-	253,887.02
9/4/2010	253,887.02	\$54.37		253,941.39	2,399.35	256,340.74	-	256,340.74
10/5/2010	256,340.74	\$67.53		256,408.27	2,400.17	258,808.44	-	258,808.44
11/3/2010	258,808.44	\$134.20		258,942.64	2,401.18	261,343.82	-	261,343.82
12/6/2010	261,343.82	\$446.96		261,790.78	2,403.19	264,193.97	-	264,193.97
1/5/2011	264,193.97	\$1,199.35		265,393.32	2,409.90	267,803.22	-	267,803.22
2/4/2011	267,803.22	\$1,690.64		269,493.86	2,427.89	271,921.75	-	271,921.75
3/5/2011	271,921.75	\$1,151.03		273,072.78	2,453.25	275,526.03	-	275,526.03
4/4/2011	275,526.03	\$1,013.36		276,539.39	2,470.51	279,009.90	-	279,009.90
5/6/2011	279,009.90	\$459.46		279,469.36	2,485.71	281,955.07	-	281,955.07
6/4/2011	281,955.07	\$124.32	(150.63)	282,079.39	2,492.60	284,571.99	(150.63)	284,421.36
7/5/2011	284,421.36	\$76.75		284,498.11	2,494.47	286,992.58	-	286,992.58
8/3/2011	286,992.58	\$73.46		287,066.04	2,495.62	289,561.66	-	289,561.66
9/6/2011	289,561.66	\$88.45	(35.33)	289,650.11	2,496.72	292,146.83	(35.33)	292,111.50
10/6/2011	292,111.50	\$133.31		292,244.81	2,498.05	294,742.86	-	294,742.86
11/5/2011	294,742.86	\$187.61		294,930.47	2,500.05	297,430.52	-	297,430.52
12/5/2011	297,430.52	\$780.72		298,211.24	2,502.86	300,714.10	-	300,714.10
1/5/2012	300,714.10	\$847.64		301,561.74	2,514.57	304,076.31	-	304,076.31
2/4/2012	304,076.31	\$1,089.90		305,166.21	2,527.29	307,693.50	-	307,693.50
3/6/2012	307,693.50	\$785.19		308,478.69	2,543.64	311,022.33	-	311,022.33
4/5/2012	311,022.33	\$376.67		311,399.00	2,555.41	313,954.41	-	313,954.41
5/4/2012	313,954.41	\$90.00		314,044.41	2,561.06	316,605.47	-	316,605.47
6/5/2012	316,605.47	\$83.09		316,688.56		316,688.56	-	316,688.56
7/6/2012	316,688.56	\$78.48		316,767.04		316,767.04	-	316,767.04
8/7/2012	316,767.04	\$63.88	(316,767.04)	316,830.92		316,830.92	(316,767.04)	63.88
8/22/2012	63.88	\$114.82		178.70		178.70	-	178.70
8/22/2012	178.70	\$35.81		214.51		214.51	-	214.51
8/22/2012	214.51	\$0.00		214.51		214.51	-	214.51
8/22/2012	214.51	\$35.33		249.84		249.84	-	249.84
9/4/2012	249.84	(\$47.09)		202.75		202.75	-	202.75
9/6/2012	202.75	\$76.66		279.41		279.41	-	279.41
10/4/2012	279.41	\$84.89		364.30	2.10	366.40	-	366.40
11/6/2012	366.40	\$157.93		524.33	3.38	527.71	-	527.71
12/6/2012	527.71	\$615.16		1,142.87	5.75	1,148.62	-	1,148.62
	8,250.45			8,250.45				
TOTAL								
	-	293,597.89	(487,139.02)		194,689.75		(487,139.02)	



Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
106,503.06	342.56	-	106,503.06	1,597.55	108,443.17	730.72
106,845.62	423.78	-	106,845.62	1,602.68	108,872.08	730.73
107,269.40	821.49	-	107,269.40	1,609.04	109,699.93	730.72
108,090.89	857.10	-	108,090.89	1,621.36	110,569.35	730.72
108,947.99	967.43	-	108,947.99	1,634.22	111,549.64	730.72
109,915.42	657.54	-	109,915.42	1,648.73	112,221.69	730.72
110,572.96	358.95	-	110,572.96	1,658.59	112,590.50	730.73
110,931.91	147.24	-	110,931.91	1,663.98	112,743.13	730.72
111,079.15	51.78	-	111,079.15	1,666.19	112,797.12	730.72
111,130.93	58.19	-	111,130.93	1,666.96	112,856.08	730.72
111,189.12	52.87	-	111,189.12	1,667.84	112,909.83	730.72
111,241.99	54.37	-	111,241.99	1,668.63	112,964.99	730.72
111,296.36	67.53	-	111,296.36	1,669.45	113,033.34	730.72
111,363.89	134.20	-	111,363.89	1,670.46	113,168.55	730.72
111,498.09	446.96	-	111,498.09	1,672.47	113,617.52	730.72
111,945.05	1,199.35	-	111,945.05	1,679.18	114,823.58	730.72
113,144.40	1,690.64	-	113,144.40	1,697.17	116,532.21	730.72
114,835.04	1,151.03	-	114,835.04	1,722.53	117,708.60	730.72
115,986.07	1,013.36	-	115,986.07	1,739.79	118,739.22	730.72
116,999.43	459.46	-	116,999.43	1,754.99	119,213.88	730.72
117,458.89	124.32	(150.63)	117,308.26	1,759.62	119,192.20	732.98
117,432.58	76.75	-	117,432.58	1,761.49	119,270.82	732.98
117,509.33	73.46	-	117,509.33	1,762.64	119,345.43	732.98
117,582.79	88.45	(35.33)	117,547.46	1,763.21	119,399.12	733.51
117,635.91	133.31	-	117,635.91	1,764.54	119,533.76	733.51
117,769.22	187.61	-	117,769.22	1,766.54	119,723.37	733.51
117,956.83	780.72	-	117,956.83	1,769.35	120,506.90	733.51
118,737.55	847.64	-	118,737.55	1,781.06	121,366.25	733.51
119,585.19	1,089.90	-	119,585.19	1,793.78	122,468.87	733.51
120,675.09	785.19	-	120,675.09	1,810.13	123,270.41	733.51
121,460.28	376.67	-	121,460.28	1,821.90	123,658.85	733.51
121,836.95	90.00	-	121,836.95	1,827.55	123,754.50	733.51
121,926.95	83.09	-	121,926.95	-	122,010.04	-
122,010.04	78.48	-	122,010.04	-	122,088.52	-
122,088.52	63.88	(316,767.04)	-	-	63.88	-
(194,614.64)	114.82	-	-	-	114.82	-
(194,499.82)	35.81	-	-	-	35.81	-
(194,464.01)	-	-	-	-	-	-
(194,464.01)	35.33	-	-	-	35.33	-
(194,428.68)	(47.09)	-	-	-	(47.09)	-
(194,475.77)	76.66	-	-	-	76.66	-
(194,399.11)	84.89	-	-	-	84.89	2.10
(194,314.22)	157.93	-	-	-	157.93	3.38
(194,156.29)	615.16	-	-	-	615.16	5.75
TOTAL						
	293,597.89	(487,139.02)		133,583.59		61,106.16

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Account Number 6128000245
SA Number 1144725680/1375369694

Billing Date	Calculation Per PGW							Total Due
	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	-	-	-	-	-	-	-
2/18/2005	-	311.52	-	311.52	-	311.52	-	311.52
2/18/2005	311.52	1,360.47	-	1,671.99	-	1,671.99	-	1,671.99
2/18/2005	1,671.99	2,646.09	-	4,318.08	-	4,318.08	-	4,318.08
2/18/2005	4,318.08	1,015.19	-	5,333.27	-	5,333.27	-	5,333.27
2/18/2005	5,333.27	1,018.19	-	6,351.46	-	6,351.46	-	6,351.46
2/18/2005	6,351.46	1,158.42	-	7,509.88	-	7,509.88	-	7,509.88
2/18/2005	7,509.88	1,164.76	-	8,674.64	-	8,674.64	-	8,674.64
2/18/2005	8,674.64	1,336.37	-	10,011.01	-	10,011.01	-	10,011.01
2/18/2005	10,011.01	1,344.42	-	11,355.43	-	11,355.43	-	11,355.43
2/18/2005	11,355.43	1,663.52	-	13,018.95	-	13,018.95	-	13,018.95
3/3/2005	13,018.95	3,762.26	-	16,781.21	195.28	16,976.49	-	16,976.49
4/4/2005	16,976.49	1,325.34	(1,224.08)	18,301.83	236.28	18,538.11	(1,224.08)	17,314.03
5/3/2005	17,314.03	1,310.36	-	18,624.39	256.16	18,880.55	-	18,880.55
6/2/2005	18,880.55	1,087.25	(2,774.21)	19,967.80	241.59	20,209.39	(2,774.21)	17,435.18
7/1/2005	17,435.18	887.40	(1,825.99)	18,322.58	234.13	18,556.71	(1,825.99)	16,730.72
8/3/2005	16,730.72	953.92	(1,734.57)	17,684.64	224.94	17,909.58	(1,734.57)	16,175.01
9/2/2005	16,175.01	814.23	(2,437.28)	16,989.24	206.06	17,195.30	(2,437.28)	14,758.02
10/4/2005	14,758.02	1,030.20	(1,107.75)	15,788.22	204.75	15,992.97	(1,107.75)	14,885.22
10/9/2005	14,885.22	(107.02)	-	14,778.20	-	14,778.20	-	14,778.20
11/2/2005	14,778.20	1,640.20	(908.21)	16,418.40	208.04	16,626.44	(908.21)	15,718.23
12/5/2005	15,718.23	2,153.87	(1,295.51)	17,872.10	216.34	18,088.44	(1,295.51)	16,792.93
1/5/2006	16,792.93	2,629.29	-	19,422.22	248.64	19,670.86	-	19,670.86
2/6/2006	19,670.86	2,341.96	-	22,012.82	288.08	22,300.90	-	22,300.90
3/7/2006	22,300.90	2,366.78	(2,449.69)	24,667.68	297.76	24,965.44	(2,449.69)	22,515.75
4/6/2006	22,515.75	1,998.83	(3,183.91)	24,514.58	289.97	24,804.55	(3,183.91)	21,620.64
5/5/2006	21,620.64	1,854.13	-	23,474.77	319.96	23,794.73	-	23,794.73
6/5/2006	23,794.73	1,737.64	-	25,532.37	347.77	25,880.14	-	25,880.14
7/6/2006	25,880.14	1,243.56	-	27,123.70	373.83	27,497.53	-	27,497.53
8/4/2006	27,497.53	1,192.40	-	28,689.93	392.49	29,082.42	-	29,082.42
9/5/2006	29,082.42	1,452.10	-	30,534.52	410.37	30,944.89	-	30,944.89
10/4/2006	30,944.89	1,268.39	(3,135.77)	32,213.28	417.13	32,630.41	(3,135.77)	29,494.64
11/2/2006	29,494.64	1,494.53	-	30,989.17	436.16	31,425.33	-	31,425.33
12/5/2006	31,425.33	1,785.17	-	33,210.50	458.58	33,669.08	-	33,669.08
1/8/2007	33,669.08	1,706.29	-	35,375.37	485.35	35,860.72	-	35,860.72
2/7/2007	35,860.72	1,857.62	(6,050.93)	37,718.34	510.95	38,229.29	(6,050.93)	32,178.36
3/7/2007	32,178.36	1,791.12	-	33,969.48	482.67	34,452.15	-	34,452.15
4/5/2007	34,452.15	1,663.22	-	36,115.37	509.54	36,624.91	-	36,624.91
5/7/2007	36,624.91	1,464.90	(2,251.57)	38,089.81	515.60	38,605.41	(2,251.57)	36,353.84
6/6/2007	36,353.84	1,322.10	-	37,675.94	537.57	38,213.51	-	38,213.51
7/6/2007	38,213.51	1,213.57	(599.22)	39,427.08	557.40	39,984.48	(599.22)	39,385.26
8/6/2007	39,385.26	1,232.57	-	40,617.83	575.60	41,193.43	-	41,193.43
9/5/2007	41,193.43	1,418.19	-	42,611.62	594.09	43,205.71	-	43,205.71
10/4/2007	43,205.71	1,342.92	-	44,548.63	615.37	45,164.00	-	45,164.00
11/2/2007	45,164.00	1,029.16	(1,397.31)	46,193.16	635.51	46,828.67	(1,397.31)	45,431.36
12/5/2001	45,431.36	1,403.94	-	46,835.30	650.95	47,486.25	-	47,486.25
1/7/2008	47,486.25	1,392.16	(3,078.36)	48,878.41	666.11	49,544.52	(3,078.36)	46,466.16
2/5/2008	46,466.16	1,546.43	-	48,012.59	687.00	48,699.59	-	48,699.59

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	311.52	-	-	-	311.52	-
311.52	1,360.47	-	311.52	-	1,671.99	-
1,671.99	2,646.09	-	1,671.99	-	4,318.08	-
4,318.08	1,015.19	-	4,318.08	-	5,333.27	-
5,333.27	1,018.19	-	5,333.27	-	6,351.46	-
6,351.46	1,158.42	-	6,351.46	-	7,509.88	-
7,509.88	1,164.76	-	7,509.88	-	8,674.64	-
8,674.64	1,336.37	-	8,674.64	-	10,011.01	-
10,011.01	1,344.42	-	10,011.01	-	11,355.43	-
11,355.43	1,663.52	-	11,355.43	-	13,018.95	-
13,018.95	3,762.26	-	13,018.95	-	16,781.21	195.28
16,781.21	1,325.34	(1,224.08)	15,557.13	233.36	17,115.83	2.92
16,880.47	1,310.36	-	16,882.47	253.24	18,446.07	2.92
18,192.83	1,087.25	(2,774.21)	15,418.62	231.28	16,737.15	10.31
16,505.87	887.40	(1,825.99)	14,679.88	220.20	15,787.48	13.93
15,567.28	953.92	(1,734.57)	13,832.71	207.49	14,994.12	17.45
14,786.63	814.23	(2,437.28)	12,349.35	185.24	13,348.82	20.82
13,163.58	1,030.20	(1,107.75)	12,055.83	180.84	13,266.87	23.91
13,086.03	(107.02)	-	13,086.03	-	12,979.01	-
12,979.01	1,640.20	(908.21)	12,070.80	181.06	13,892.06	26.98
13,711.00	2,153.87	(1,295.51)	12,415.49	186.23	14,755.59	30.11
14,569.36	2,629.29	-	14,569.36	218.54	17,417.19	30.10
17,198.65	2,341.96	-	17,198.65	257.98	19,798.59	30.10
19,540.61	2,366.78	(2,449.69)	17,090.92	256.36	19,714.06	41.40
19,457.70	1,998.83	(3,183.91)	16,273.79	244.11	18,516.73	45.86
18,272.62	1,854.13	-	18,272.62	274.09	20,400.84	45.87
20,126.75	1,737.64	-	20,126.75	301.90	22,166.29	45.87
21,864.39	1,243.56	-	21,864.39	327.97	23,435.92	45.86
23,107.95	1,192.40	-	23,107.95	346.62	24,646.97	45.87
24,300.35	1,452.10	-	24,300.35	364.51	26,116.96	45.86
25,752.45	1,268.39	(3,135.77)	22,616.68	339.25	24,224.32	77.88
23,885.07	1,494.53	-	23,885.07	358.28	25,737.88	77.88
25,379.60	1,785.17	-	25,379.60	380.69	27,545.46	77.89
27,164.77	1,706.29	-	27,164.77	407.47	29,278.53	77.88
28,871.06	1,857.62	(6,050.93)	22,820.13	342.30	25,020.05	168.65
24,677.75	1,791.12	-	24,677.75	370.17	26,839.04	112.50
26,468.87	1,663.22	-	26,468.87	397.03	28,529.12	112.51
28,132.09	1,464.90	(2,251.57)	25,880.52	388.21	27,733.63	127.39
27,345.42	1,322.10	-	27,345.42	410.18	29,077.70	127.39
28,667.52	1,213.57	(599.22)	28,068.30	421.02	29,702.89	136.38
29,281.87	1,232.57	-	29,281.87	439.23	30,953.67	136.37
30,514.44	1,418.19	-	30,514.44	457.72	32,390.35	136.37
31,932.63	1,342.92	-	31,932.63	478.99	33,754.54	136.38
33,275.55	1,029.16	(1,397.31)	31,878.24	478.17	33,385.57	157.34
32,907.40	1,403.94	-	32,907.40	493.61	34,804.95	157.34
34,311.34	1,392.16	(3,078.36)	31,232.98	468.49	33,093.63	197.62
32,625.14	1,546.43	-	32,625.14	489.38	34,660.95	197.62

Account Number 6128000245
SA Number 1144725680/1375369694

Calculation Per PGW								
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
3/5/2008	48,699.59	1,501.99	-	50,201.58	710.19	50,911.77	-	50,911.77
4/4/2008	50,911.77	1,530.36	-	52,442.13	732.72	53,174.85	-	53,174.85
5/5/2008	53,174.85	1,300.70	-	54,475.55	755.68	55,231.23	-	55,231.23
5/6/2008	55,231.23	(1,321.76)	-	53,909.47		53,909.47	-	53,909.47
5/6/2008	53,909.47	(6,274.00)	-	47,635.47		47,635.47	-	47,635.47
6/4/2008	47,635.47	1,398.22	-	49,033.69	661.25	49,694.94	-	49,694.94
7/7/2008	49,694.94	1,127.62	-	50,822.56	682.22	51,504.78	-	51,504.78
8/4/2008	51,504.78	1,072.46	-	52,577.24	699.14	53,276.38	-	53,276.38
9/3/2008	53,276.38	1,585.65	-	54,862.03	715.23	55,577.26	-	55,577.26
10/2/2008	55,577.26	995.43	-	56,572.69	739.01	57,311.70	-	57,311.70
10/31/2008	57,311.70	1,461.11	-	58,772.81	753.94	59,526.75	-	59,526.75
12/5/2008	59,526.75	1,903.27	-	61,430.02	775.86	62,205.88	-	62,205.88
1/6/2009	62,205.88	2,272.35	-	64,478.23	804.41	65,282.64	-	65,282.64
2/4/2009	65,282.64	1,915.12	-	67,197.76	838.49	68,036.25	-	68,036.25
3/5/2009	68,036.25	1,665.71	-	69,701.96	867.22	70,569.18	-	70,569.18
4/4/2009	70,569.18	1,249.90	(1,932.55)	71,819.08	892.21	72,711.29	(1,932.55)	70,778.74
5/5/2009	70,778.74	1,455.05	-	72,233.79	910.95	73,144.74	-	73,144.74
6/5/2009	73,144.74	1,139.26	-	74,284.00	932.78	75,216.78	-	75,216.78
7/6/2009	75,216.78	917.48	-	76,134.26	949.87	77,084.13	-	77,084.13
8/5/2009	77,084.13	1,041.52	-	78,125.65	963.63	79,089.28	-	79,089.28
9/3/2009	79,089.28	895.72	-	79,985.00	979.25	80,964.25	-	80,964.25
10/3/2009	80,964.25	950.86	-	81,915.11	992.69	82,907.80	-	82,907.80
11/2/2009	82,907.80	1,189.67	-	84,097.47	1,006.95	85,104.42	-	85,104.42
12/4/2009	85,104.42	1,389.68	-	86,494.10	1,024.80	87,518.90	-	87,518.90
1/6/2010	87,518.90	1,749.62	-	89,268.52	1,045.64	90,314.16	-	90,314.16
2/3/2010	90,314.16	1,562.89	-	91,877.05	1,071.89	92,948.94	-	92,948.94
3/4/2010	92,948.94	1,741.08	-	94,690.02	1,095.33	95,785.35	-	95,785.35
4/5/2010	95,785.35	1,396.35	-	97,181.70	1,121.45	98,303.15	-	98,303.15
5/5/2010	98,303.15	1,419.00	-	99,722.15	1,142.39	100,864.54	-	100,864.54
6/4/2010	100,864.54	1,109.87	-	101,974.41	1,163.68	103,138.09	-	103,138.09
7/9/2010	103,138.09	1,054.24	-	104,192.33	1,180.32	105,372.65	-	105,372.65
8/3/2010	105,372.65	631.34	-	106,003.99	1,196.14	107,200.13	-	107,200.13
9/2/2010	107,200.13	832.74	-	108,032.87	1,205.61	109,238.48	-	109,238.48
10/4/2010	109,238.48	941.96	-	110,180.44	1,218.10	111,398.54	-	111,398.54
11/2/2010	111,398.54	1,229.79	-	112,628.33	1,232.23	113,860.56	-	113,860.56
12/3/2010	113,860.56	1,598.43	-	115,458.99	1,250.68	116,709.67	-	116,709.67
1/5/2011	116,709.67	2,012.11	-	118,721.78	1,274.65	119,996.43	-	119,996.43
2/3/2011	119,996.43	1,643.42	-	121,639.85	1,304.83	122,944.68	-	122,944.68
3/7/2011	122,944.68	1,481.51	-	124,426.19	1,329.49	125,755.68	-	125,755.68
4/4/2011	125,755.68	1,369.74	-	127,125.42	1,351.71	128,477.13	-	128,477.13
5/4/2011	128,477.13	1,467.68	-	129,944.81	1,372.25	131,317.06	-	131,317.06
6/3/2011	131,317.06	1,129.47	-	132,446.53	1,394.27	133,840.80	-	133,840.80
7/5/2011	133,840.80	908.50	-	134,749.30	1,411.21	136,160.51	-	136,160.51
8/3/2011	136,160.51	871.04	-	137,031.55	1,424.84	138,456.39	-	138,456.39
9/3/2011	138,456.39	817.07	-	139,273.46	1,437.90	140,711.36	-	140,711.36
10/4/2011	140,711.36	978.82	-	141,690.18	1,450.16	143,140.34	-	143,140.34
11/2/2011	143,140.34	854.83	-	143,995.17	1,464.84	145,460.01	-	145,460.01
12/2/2011	145,460.01	895.22	(140,742.25)	146,355.23	70.76	146,425.99	(140,742.25)	5,683.74
1/4/2012	5,683.74	892.35	-	6,576.09	84.19	6,660.28	-	6,660.28
2/3/2012	6,660.28	1,117.95	-	7,778.23	97.57	7,875.80	-	7,875.80
3/6/2012	7,875.80	1,015.45	-	8,891.25	114.34	9,005.59	-	9,005.59
4/5/2012	9,005.59	867.85	-	9,873.44	129.58	10,003.02	-	10,003.02
5/5/2012	10,003.02	863.89	-	10,866.91	142.59	11,009.50	-	11,009.50
6/5/2012	11,009.50	711.10	-	11,720.60	-	11,720.60	-	11,720.60
7/6/2012	11,720.60	470.13	-	12,190.73	-	12,190.73	-	12,190.73
8/4/2012	12,190.73	415.19	-	12,605.92	-	12,605.92	-	12,605.92
9/5/2012	12,605.92	495.19	-	13,101.11	-	13,101.11	-	13,101.11

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
34,171.57	1,501.99	-	34,171.57	512.57	36,186.13	197.62
35,673.56	1,530.36	-	35,673.56	535.10	37,739.02	197.62
37,203.92	1,300.70	-	37,203.92	558.06	39,062.68	197.62
38,504.62	(1,321.76)	-	38,504.62	-	37,182.86	-
37,182.86	(6,274.00)	-	37,182.86	-	30,908.86	-
30,908.86	1,398.22	-	30,908.86	463.63	32,770.71	197.62
32,307.08	1,127.62	-	32,307.08	484.61	33,919.31	197.61
33,434.70	1,072.46	-	33,434.70	501.52	35,008.68	197.62
34,507.16	1,585.65	-	34,507.16	517.61	36,610.42	197.62
36,092.81	995.43	-	36,092.81	541.39	37,629.63	197.62
37,088.24	1,461.11	-	37,088.24	556.32	39,105.67	197.62
38,549.35	1,903.27	-	38,549.35	578.24	41,030.86	197.62
40,452.62	2,272.35	-	40,452.62	606.79	43,331.76	197.62
42,724.97	1,915.12	-	42,724.97	640.87	45,280.96	197.62
44,640.09	1,665.71	-	44,640.09	669.60	46,975.40	197.62
46,305.80	1,249.90	(1,932.55)	44,373.25	665.60	46,288.75	226.61
45,623.15	1,455.05	-	45,623.15	684.35	47,762.55	226.60
47,078.20	1,139.26	-	47,078.20	706.17	48,923.63	226.61
48,217.46	917.48	-	48,217.46	723.26	49,858.20	226.61
49,134.94	1,041.52	-	49,134.94	737.02	50,913.48	226.61
50,176.46	895.72	-	50,176.46	752.65	51,824.83	226.60
51,072.18	950.86	-	51,072.18	766.08	52,789.12	226.61
52,023.04	1,189.67	-	52,023.04	780.35	53,993.06	226.60
53,212.71	1,389.68	-	53,212.71	798.19	55,400.58	226.61
54,602.39	1,749.62	-	54,602.39	819.04	57,171.05	226.60
56,352.01	1,562.89	-	56,352.01	845.28	58,760.18	226.61
57,914.90	1,741.08	-	57,914.90	868.72	60,524.70	226.61
59,655.98	1,396.35	-	59,655.98	894.84	61,947.17	226.61
61,052.33	1,419.00	-	61,052.33	915.78	63,387.11	226.61
62,471.33	1,109.87	-	62,471.33	937.07	64,518.27	226.61
63,581.20	1,054.24	-	63,581.20	953.72	65,589.16	226.60
64,635.44	631.34	-	64,635.44	969.53	66,236.31	226.61
65,266.78	832.74	-	65,266.78	979.00	67,078.52	226.61
66,099.52	941.96	-	66,099.52	991.49	68,032.97	226.61
67,041.48	1,229.79	-	67,041.48	1,005.62	69,276.89	226.61
68,271.27	1,598.43	-	68,271.27	1,024.07	70,893.77	226.61
69,869.70	2,012.11	-	69,869.70	1,048.05	72,929.86	226.60
71,881.81	1,643.42	-	71,881.81	1,078.23	74,603.46	226.60
73,525.23	1,481.51	-	73,525.23	1,102.88	76,109.62	226.61
75,006.74	1,369.74	-	75,006.74	1,125.10	77,501.58	226.61
76,376.48	1,467.68	-	76,376.48	1,145.65	78,989.81	226.60
77,844.16	1,129.47	-	77,844.16	1,167.66	80,141.29	226.61
78,973.63	908.50	-	78,973.63	1,184.60	81,066.73	226.61
79,882.13	871.04	-	79,882.13	1,198.23	81,951.40	226.61
80,753.17	817.07	-	80,753.17	1,211.30	82,781.54	226.60
81,570.24	978.82	-	81,570.24	1,223.55	83,772.61	226.61
82,549.06	854.83	-	82,549.06	1,238.24	84,642.13	226.60
83,403.89	895.22	(140,742.25)	-	-	895.22	70.76
(56,443.14)	892.35	-	-	-	892.35	84.19
(55,550.79)	1,117.95	-	-	-	1,117.95	97.57
(54,432.84)	1,015.45	-	-	-	1,015.45	114.34
(53,417.39)	867.85	-	-	-	867.85	129.58
(52,549.54)	863.89	-	-	-	863.89	142.59
(51,685.65)	711.10	-	-	-	711.10	-
(50,974.55)	470.13	-	-	-	470.13	-
(50,504.42)	415.19	-	-	-	415.19	-
(50,089.23)	495.19	-	-	-	495.19	-

Account Number SA Number 1144725680/1375369694
6128000245

Billing Date	Previous Balance	Current Bill	Payments	Calculation Per PGW		Subtotal	Payments	Total Due
				Subtotal	Current LPC			
10/5/2012	13,101.11	567.57	-	13,668.68	186.93	13,855.61	-	13,855.61
11/3/2012	13,855.61	784.73	-	14,640.34	195.44	14,835.78	-	14,835.78
12/6/2012	14,835.78	938.69	-	15,774.47		15,774.47	-	15,774.47
						-	-	-
TOTAL		130,826.11	(178,129.16)		63,077.52		(178,129.16)	

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
(49,594.04)	567.57	-	-	-	567.57	186.93
(49,026.47)	784.73	-	-	-	784.73	195.44
(48,241.74)	938.69	-	-	-	938.69	-
(58,160.70)	-	-	-	-	-	-
<u>130,826.11</u>	<u>(178,129.16)</u>			<u>49,298.85</u>		<u>13,778.67</u>

Account Number 6128000245 SA Number 4018739567

Calculation Per PGW								
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
6/4/2003	-	3,367.34		3,367.34		3,367.34	-	3,367.34
7/3/2003	3,367.34	2,186.07		5,553.41		5,553.41	-	5,553.41
8/2/2003	5,553.41	1,993.37	(3,348.40)	7,546.78	33.07	7,579.85	(3,348.40)	4,231.45
9/4/2003	4,231.45	2,196.19	(2,205.01)	6,427.64	30.39	6,458.03	(2,205.01)	4,253.02
10/3/2003	4,253.02	2,205.67	(1,993.68)	6,458.69	33.89	6,492.58	(1,993.68)	4,498.90
11/1/2003	4,498.90	2,582.59	(2,259.34)	7,081.49	33.59	7,115.08	(2,259.34)	4,855.74
12/4/2003	4,855.74	3,065.02		7,920.76	72.33	7,993.09	-	7,993.09
1/23/2004	7,993.09	2,915.15	(4,855.74)	10,908.24	45.33	10,953.57	(4,855.74)	6,097.83
2/21/2004	6,097.83	2,999.12	(3,157.19)	9,096.95	42.38	9,139.33	(3,157.19)	5,982.14
2/23/2004	5,982.14	(115.02)		5,867.12		5,867.12	-	5,867.12
3/23/2004	5,867.12	2,138.08	(2,825.62)	8,005.20	45.62	8,050.82	(2,825.62)	5,225.20
4/22/2004	5,225.20	1,151.54	(5,225.20)	6,376.74		6,376.74	(5,225.20)	1,151.54
5/21/2004	1,151.54	277.58		1,429.12	17.27	1,446.39	-	1,446.39
6/22/2004	1,446.39	1,952.77		3,399.16	21.43	3,420.59	-	3,420.59
7/22/2004	3,420.59	799.83	(1,446.39)	4,220.42	29.61	4,250.03	(1,446.39)	2,803.64
8/20/2004	2,803.64	781.77	(2,803.64)	3,585.41	-	3,585.41	(2,803.64)	781.77
9/22/2004	781.77	980.60	-	1,762.37	11.72	1,774.09	-	1,774.09
10/21/2004	1,774.09	972.95	(1,774.09)	2,747.04	-	2,747.04	(1,774.09)	972.95
11/20/2004	972.95	1,071.65	(972.95)	2,044.60	-	2,044.60	(972.95)	1,071.65
12/20/2004	1,071.65	1,083.19	(1,071.65)	2,154.84	-	2,154.84	(1,071.65)	1,083.19
1/21/2005	1,083.19	1,334.88	-	2,418.07	16.24	2,434.31	-	2,434.31
3/3/2005	2,434.31	3,062.12	(1,083.19)	5,496.43	20.26	5,516.69	(1,083.19)	4,433.50
4/4/2005	4,433.50	1,066.05	(127.04)	5,499.55	64.59	5,564.14	(127.04)	5,437.10
05/03/2005	5,437.10	1,049.58	-	6,486.68	80.58	6,567.26	-	6,567.26
06/02/2005	6,567.26	831.69	(287.91)	7,398.95	94.19	7,493.14	(287.91)	7,205.23
7/1/2005	7,205.23	619.51	(565.40)	7,824.74	99.59	7,924.33	(565.40)	7,358.93
8/3/2005	7,358.93	640.60	(625.37)	7,999.53	101.00	8,100.53	(625.37)	7,475.16
09/02/2005	7,475.16	514.96	(988.57)	7,990.12	97.29	8,087.41	(988.57)	7,098.84
10/4/2005	7,098.84	729.98	(486.77)	7,828.82	99.18	7,928.00	(486.77)	7,441.23
11/2/2005	7,441.23	1,263.63	(420.98)	8,704.86	105.30	8,810.16	(420.98)	8,389.18
12/5/2005	8,389.18	1,615.03	(622.27)	10,004.21	116.50	10,120.71	(622.27)	9,498.44
01/05/2006	9,498.44	1,980.88	-	11,479.32	140.72	11,620.04	-	11,620.04
2/6/2006	11,620.04	1,799.00	-	13,419.04	170.44	13,589.48	-	13,589.48
03/07/2006	13,589.48	1,736.97	(1,319.21)	15,326.45	184.05	15,510.50	(1,319.21)	14,191.29
4/6/2006	14,191.29	1,402.12	(1,815.62)	15,593.41	185.63	15,779.04	(1,815.62)	13,963.42
5/5/2006	13,963.42	1,300.83	-	15,264.25	206.66	15,470.91	-	15,470.91
6/6/2006	15,470.91	1,174.27	-	16,645.18	226.17	16,871.35	-	16,871.35
7/6/2006	16,871.35	816.16	-	17,687.51	243.79	17,931.30	-	17,931.30
8/4/2006	17,931.30	747.30	-	18,678.60	256.03	18,934.63	-	18,934.63
9/5/2006	18,934.63	971.59	-	19,906.22	267.24	20,173.46	-	20,173.46
10/4/2006	20,173.46	813.72	(2,044.23)	20,987.18	271.93	21,259.11	(2,044.23)	19,214.88
11/2/2006	19,214.88	1,010.37	-	20,225.25	284.14	20,509.39	-	20,509.39
12/5/2006	20,509.39	1,246.57	-	21,755.96	299.29	22,055.25	-	22,055.25
1/8/2007	22,055.25	1,226.15	-	23,281.40	317.99	23,599.39	-	23,599.39
2/7/2007	23,599.39	1,375.58	(3,949.07)	24,974.97	336.39	25,311.36	(3,949.07)	21,362.29
3/7/2007	21,362.29	1,338.53	-	22,700.82	320.43	23,021.25	-	23,021.25
4/5/2007	23,021.25	1,214.76	-	24,236.01	340.51	24,576.52	-	24,576.52
5/7/2007	24,576.52	1,010.83	(1,484.21)	25,587.35	346.38	25,933.73	(1,484.21)	24,449.52
6/6/2007	24,449.52	870.64	-	25,320.16	361.54	25,681.70	-	25,681.70
7/5/2007	25,681.70	851.10	(400.78)	26,532.80	374.60	26,907.40	(400.78)	26,506.62
8/6/2007	26,506.62	892.87	-	27,399.49	387.37	27,786.86	-	27,786.86
09/05/2007	27,786.86	1,037.66	-	28,824.52	400.76	29,225.28	-	29,225.28
10/4/2007	29,225.28	998.22	-	30,223.50	416.33	30,639.83	-	30,639.83
11/2/2007	30,639.83	725.70	(940.40)	31,365.53	431.30	31,796.83	(940.40)	30,856.43
12/5/2007	30,856.43	\$1,053.74	-	31,910.17	442.18	32,352.35	-	32,352.35
1/7/2008	32,352.35	1,053.27	(2,082.62)	33,405.62	454.04	33,859.66	(2,082.62)	31,777.04
2/5/2008	31,777.04	1,172.65	-	32,949.69	469.84	33,419.53	-	33,419.53

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
3,367.34	2,186.07	-	3,367.34	-	5,553.41	-
5,553.41	1,993.37	(3,348.40)	2,205.01	33.08	4,231.46	(0.01)
4,198.38	2,196.19	(2,205.01)	1,993.37	29.90	4,219.46	0.49
4,189.56	2,205.67	(1,993.68)	2,195.88	32.94	4,434.49	0.95
4,401.55	2,582.59	(2,259.34)	2,142.21	32.13	4,756.93	1.46
4,724.80	3,065.02	-	4,724.80	70.87	7,860.69	1.46
7,789.82	2,915.15	(4,855.74)	2,934.08	44.01	5,893.24	1.32
5,849.23	2,999.12	(3,157.19)	2,692.04	40.38	5,731.54	2.00
5,691.16	(115.02)	-	5,691.16	-	5,576.14	-
5,576.14	2,138.08	(2,825.62)	2,750.52	41.26	4,929.86	4.36
4,888.60	1,151.54	(5,225.20)	-	-	1,151.54	-
814.94	277.58	-	814.94	12.22	1,104.74	5.05
1,092.52	1,952.77	-	1,092.52	16.39	3,061.68	5.04
3,045.29	799.83	(1,446.39)	1,598.90	23.98	2,422.71	5.63
2,398.73	781.77	(2,803.64)	-	-	781.77	-
376.86	980.60	-	376.86	5.65	1,363.11	6.07
1,357.46	972.95	(1,774.09)	-	-	972.95	-
556.32	1,071.65	(972.95)	-	-	1,071.65	-
655.02	1,083.19	(1,071.65)	-	-	1,083.19	-
666.56	1,334.88	-	666.56	10.00	2,011.44	6.24
2,001.44	3,062.12	(1,083.19)	918.25	13.77	3,994.14	6.49
3,980.37	1,066.05	(127.04)	3,853.33	57.80	4,977.18	6.79
4,919.38	1,049.58	-	4,919.38	73.79	6,042.75	6.79
5,968.96	831.69	(287.91)	5,681.05	85.22	6,597.96	8.97
6,512.74	619.51	(565.40)	5,947.34	89.21	6,656.06	10.38
6,566.85	640.60	(625.37)	5,941.48	89.12	6,671.20	11.88
6,582.08	514.96	(988.57)	5,593.51	83.90	6,192.37	13.39
6,108.47	729.98	(486.77)	5,621.70	84.33	6,436.01	14.85
6,351.68	1,263.63	(420.98)	5,930.70	88.96	7,283.29	16.34
7,194.33	1,615.03	(622.27)	6,572.06	98.58	8,285.67	17.92
8,187.09	1,980.88	-	8,187.09	122.81	10,290.78	17.91
10,167.97	1,799.00	-	10,167.97	152.52	12,119.49	17.92
11,966.97	1,736.97	(1,319.21)	10,647.76	159.72	12,544.45	24.33
12,384.73	1,402.12	(1,815.62)	10,569.11	158.54	12,129.77	27.09
11,971.23	1,300.83	-	11,971.23	179.57	13,451.63	27.09
13,272.06	1,174.27	-	13,272.06	199.08	14,645.41	27.09
14,446.33	816.16	-	14,446.33	216.69	15,479.18	27.10
15,262.49	747.30	-	15,262.49	228.94	16,238.73	27.09
16,009.79	971.59	-	16,009.79	240.15	17,221.53	27.09
16,981.38	813.72	(2,044.23)	14,937.15	224.06	15,974.93	47.87
15,750.87	1,010.37	-	15,750.87	236.26	16,997.50	47.88
16,761.24	1,246.57	-	16,761.24	251.42	18,259.23	47.87
18,007.81	1,226.15	-	18,007.81	270.12	19,504.08	47.87
19,233.96	1,375.58	(3,949.07)	15,284.89	229.27	16,889.74	107.12
16,660.47	1,338.53	-	16,660.47	249.91	18,248.91	70.52
17,999.00	1,214.76	-	17,999.00	269.99	19,483.75	70.53
19,213.76	1,010.83	(1,484.21)	17,729.55	265.94	19,006.32	80.44
18,740.38	870.64	-	18,740.38	281.11	19,892.13	80.43
19,611.02	851.10	(400.78)	19,210.24	288.15	20,349.49	86.45
20,061.34	892.87	-	20,061.34	300.92	21,255.13	86.45
20,954.21	1,037.66	-	20,954.21	314.31	22,306.18	86.45
21,991.87	998.22	-	21,991.87	329.88	23,319.97	86.45
22,990.09	725.70	(940.40)	22,049.69	330.75	23,106.14	100.55
22,775.39	1,053.74	-	22,775.39	341.63	24,170.76	100.55
23,829.13	1,053.27	(2,082.62)	21,746.51	326.20	23,125.98	127.84
22,799.78	1,172.65	-	22,799.78	342.00	24,314.43	127.84

Account Number 6128000245
SA Number 4018739567

Billing Date	Previous Balance		Current Bill	Payments	Calculation Per PGW		Subtotal	Current LPC	Subtotal	Payments	Total Due
03/05/2008	33,419.53	1,104.74	-	-	34,524.27	487.43	35,011.70	-	35,011.70	-	35,011.70
04/04/2008	35,011.70	1,111.03	-	-	36,122.73	504.00	36,626.73	-	36,626.73	-	36,626.73
05/05/2008	36,626.73	935.96	-	-	37,562.69	520.67	38,083.36	-	38,083.36	-	38,083.36
6/4/2008	38,083.36	975.65	-	-	39,059.01	534.71	39,593.72	-	39,593.72	-	39,593.72
7/1/2008	39,593.72	718.78	-	-	40,312.50	549.34	40,861.84	-	40,861.84	-	40,861.84
8/4/2008	40,861.84	648.16	-	-	41,510.00	560.12	42,070.12	-	42,070.12	-	42,070.12
9/3/2008	42,070.12	1,129.20	-	-	43,199.32	569.84	43,769.16	-	43,769.16	-	43,769.16
10/2/2008	43,769.16	613.10	-	-	44,382.26	586.78	44,969.04	-	44,969.04	-	44,969.04
10/31/2008	44,969.04	1,048.87	-	-	46,017.91	595.98	46,613.89	-	46,613.89	-	46,613.89
12/5/2008	46,613.89	1,420.54	-	-	48,034.43	611.71	48,646.14	-	48,646.14	-	48,646.14
1/6/2009	48,646.14	1,779.40	-	-	50,425.54	633.02	51,058.56	-	51,058.56	-	51,058.56
2/4/2009	51,058.56	1,528.73	-	-	52,587.29	659.71	53,247.00	-	53,247.00	-	53,247.00
3/5/2009	53,247.00	1,289.65	-	-	54,536.65	682.64	55,219.29	-	55,219.29	-	55,219.29
4/4/2009	55,219.29	936.42	-	(1,511.30)	56,155.71	701.99	56,857.70	-	55,346.40	(1,511.30)	55,346.40
5/5/2009	55,346.40	1,110.54	-	-	56,456.94	716.03	57,172.97	-	57,172.97	-	57,172.97
6/5/2009	57,172.97	826.67	-	-	57,999.64	732.69	58,732.33	-	58,732.33	-	58,732.33
7/6/2009	58,732.33	633.04	-	-	59,365.37	745.09	60,110.46	-	60,110.46	-	60,110.46
8/5/2009	60,110.46	728.43	-	-	60,838.89	754.59	61,593.48	-	61,593.48	-	61,593.48
9/3/2009	61,593.48	606.86	-	-	62,200.34	765.51	62,965.85	-	62,965.85	-	62,965.85
10/3/2009	62,965.85	651.13	-	-	63,616.98	774.62	64,391.60	-	64,391.60	-	64,391.60
11/2/2009	64,391.60	886.16	-	-	65,277.76	784.38	66,062.14	-	66,062.14	-	66,062.14
12/4/2009	66,062.14	1,055.91	-	-	67,118.05	797.68	67,915.73	-	67,915.73	-	67,915.73
1/6/2010	67,915.73	1,390.89	-	-	69,306.62	813.51	70,120.13	-	70,120.13	-	70,120.13
2/3/2010	70,120.13	1,213.59	-	-	71,333.72	834.38	72,168.10	-	72,168.10	-	72,168.10
3/4/2010	72,168.10	1,348.08	-	-	73,516.18	852.58	74,368.76	-	74,368.76	-	74,368.76
4/5/2010	74,368.76	1,074.39	-	-	75,443.15	872.80	76,315.95	-	76,315.95	-	76,315.95
5/5/2010	76,315.95	1,019.38	-	-	77,335.33	888.92	78,224.25	-	78,224.25	-	78,224.25
6/4/2010	78,224.25	820.02	-	-	79,044.27	904.21	79,948.48	-	79,948.48	-	79,948.48
7/2/2010	79,948.48	557.13	-	-	80,505.61	916.51	81,422.12	-	81,422.12	-	81,422.12
8/3/2010	81,422.12	468.03	-	-	81,890.15	924.87	82,815.02	-	82,815.02	-	82,815.02
9/2/2010	82,815.02	524.22	-	-	83,339.24	931.89	84,271.13	-	84,271.13	-	84,271.13
10/4/2010	84,271.13	616.63	-	-	84,887.76	939.75	85,827.51	-	85,827.51	-	85,827.51
11/2/2010	85,827.51	895.21	-	-	86,722.72	949.00	87,671.72	-	87,671.72	-	87,671.72
12/3/2010	87,671.72	1,246.29	-	-	88,918.01	962.43	89,880.44	-	89,880.44	-	89,880.44
1/5/2011	89,880.44	1,572.81	-	-	91,453.25	981.12	92,434.37	-	92,434.37	-	92,434.37
2/3/2011	92,434.37	1,262.71	-	-	93,697.08	1,004.71	94,701.79	-	94,701.79	-	94,701.79
3/7/2011	94,701.79	1,097.06	-	-	95,798.85	1,023.66	96,822.51	-	96,822.51	-	96,822.51
4/4/2011	96,822.51	1,024.94	-	-	97,847.45	1,040.11	98,887.56	-	98,887.56	-	98,887.56
5/4/2011	98,887.56	1,072.38	-	-	99,959.94	1,055.49	101,015.43	-	101,015.43	-	101,015.43
6/3/2011	101,015.43	803.48	-	-	101,818.91	1,071.57	102,890.48	-	102,890.48	-	102,890.48
7/5/2011	102,890.48	628.12	-	-	103,518.60	1,083.62	104,602.22	-	104,602.22	-	104,602.22
8/3/2011	104,602.22	566.66	-	-	105,168.88	1,093.04	106,261.92	-	106,261.92	-	106,261.92
9/3/2011	106,261.92	535.16	-	-	106,797.08	1,101.54	107,898.62	-	107,898.62	-	107,898.62
10/4/2011	107,898.62	668.57	-	-	108,567.19	1,109.57	109,676.76	-	109,676.76	-	109,676.76
11/2/2011	109,676.76	4,125.80	-	-	113,802.56	1,119.60	114,922.16	-	114,922.16	-	114,922.16
11/4/2011	114,922.16	(642.60)	-	-	114,279.56	-	114,279.56	-	114,279.56	-	114,279.56
12/2/2011	114,279.56	1,194.60	-	(107,921.23)	115,474.16	95.37	115,569.53	-	(107,921.23)	7,648.30	7,648.30
12/13/2011	7,648.30	642.60	-	-	8,290.90	-	8,290.90	-	8,290.90	-	8,290.90
12/13/2011	8,290.90	(642.60)	-	-	7,648.30	-	7,648.30	-	7,648.30	-	7,648.30
1/4/2012	7,648.30	1,219.30	-	-	8,867.60	114.72	8,982.32	-	8,982.32	-	8,982.32
2/3/2012	8,982.32	1,411.86	-	-	10,394.18	133.01	10,527.19	-	10,527.19	-	10,527.19
3/6/2012	10,527.19	1,315.68	-	-	11,842.87	154.19	11,997.06	-	11,997.06	-	11,997.06
4/5/2012	11,997.06	1,099.30	-	-	13,096.36	173.92	13,270.28	-	13,270.28	-	13,270.28
5/5/2012	13,270.28	1,103.26	-	-	14,373.54	190.41	14,563.95	-	14,563.95	-	14,563.95
6/5/2012	14,563.95	922.10	-	-	15,486.05	-	15,486.05	-	15,486.05	-	15,486.05
7/6/2012	15,486.05	639.05	-	-	16,125.10	-	16,125.10	-	16,125.10	-	16,125.10
8/4/2012	16,125.10	596.88	-	-	16,721.98	-	16,721.98	-	16,721.98	-	16,721.98

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
23,972.43	1,104.74	-	23,972.43	359.59	25,436.76	127.84
25,077.17	1,111.03	-	25,077.17	376.16	26,564.36	127.84
26,188.20	935.96	-	26,188.20	392.82	27,516.98	127.85
27,124.16	975.65	-	27,124.16	406.86	28,506.67	127.85
28,099.81	718.78	-	28,099.81	421.50	29,240.09	127.84
28,818.59	648.16	-	28,818.59	432.28	29,899.03	127.84
29,466.75	1,129.20	-	29,466.75	442.00	31,037.95	127.84
30,595.95	613.10	-	30,595.95	458.94	31,667.99	127.84
31,209.05	1,048.87	-	31,209.05	468.14	32,726.06	127.84
32,257.92	1,420.54	-	32,257.92	483.87	34,162.33	127.84
33,678.46	1,779.40	-	33,678.46	505.18	35,963.04	127.84
35,457.86	1,528.73	-	35,457.86	531.87	37,518.46	127.84
36,986.59	1,289.65	-	36,986.59	554.80	38,831.04	127.84
38,276.24	936.42	(1,511.30)	36,764.94	551.47	38,252.83	150.52
37,701.36	1,110.54	-	37,701.36	565.52	39,377.42	150.51
38,811.90	826.67	-	38,811.90	582.18	40,220.75	150.51
39,638.57	633.04	-	39,638.57	594.58	40,866.19	150.51
40,271.61	728.43	-	40,271.61	604.07	41,604.11	150.52
41,000.04	606.86	-	41,000.04	615.00	42,221.90	150.51
41,606.90	651.13	-	41,606.90	624.10	42,882.13	150.52
42,258.03	886.16	-	42,258.03	633.87	43,778.06	150.51
43,144.19	1,055.91	-	43,144.19	647.16	44,847.26	150.52
44,200.10	1,390.89	-	44,200.10	663.00	46,253.99	150.51
45,590.99	1,213.59	-	45,590.99	683.86	47,488.44	150.52
46,804.58	1,348.08	-	46,804.58	702.07	48,854.73	150.51
48,152.66	1,074.39	-	48,152.66	722.29	49,949.34	150.51
49,227.05	1,019.38	-	49,227.05	738.41	50,984.84	150.51
50,246.43	820.02	-	50,246.43	753.70	51,820.15	150.51
51,066.45	557.13	-	51,066.45	766.00	52,389.58	150.51
51,623.58	468.03	-	51,623.58	774.35	52,865.96	150.52
52,091.61	524.22	-	52,091.61	781.37	53,397.20	150.52
52,615.83	616.63	-	52,615.83	789.24	54,021.70	150.51
53,232.46	895.21	-	53,232.46	798.49	54,926.16	150.51
54,127.67	1,246.29	-	54,127.67	811.92	56,185.88	150.51
55,373.96	1,572.81	-	55,373.96	830.61	57,777.38	150.51
56,946.77	1,262.71	-	56,946.77	854.20	59,063.68	150.51
58,209.48	1,097.06	-	58,209.48	873.14	60,179.68	150.52
59,306.54	1,024.94	-	59,306.54	889.60	61,221.08	150.51
60,331.48	1,072.38	-	60,331.48	904.97	62,308.83	150.52
61,403.86	803.48	-	61,403.86	921.06	63,128.40	150.51
62,207.34	628.12	-	62,207.34	933.11	63,768.57	150.51
62,835.46	566.66	-	62,835.46	942.53	64,344.65	150.51
63,402.12	535.16	-	63,402.12	951.03	64,888.31	150.51
63,937.28	668.57	-	63,937.28	959.06	65,564.91	150.51
64,605.85	4,125.80	-	64,605.85	969.09	69,700.74	150.51
68,731.65	(642.60)	-	68,731.65	-	68,089.05	-
68,089.05	1,194.60	(107,921.23)	-	-	1,194.60	95.37
(38,637.58)	642.60	-	-	-	642.60	-
(37,994.98)	(642.60)	-	-	-	(642.60)	-
(38,637.58)	1,219.30	-	-	-	1,219.30	114.72
(37,418.28)	1,411.86	-	-	-	1,411.86	133.01
(36,006.42)	1,315.68	-	-	-	1,315.68	154.19
(34,690.74)	1,099.30	-	-	-	1,099.30	173.92
(33,591.44)	1,103.26	-	-	-	1,103.26	190.41
(32,488.18)	922.10	-	-	-	922.10	-
(31,566.08)	639.05	-	-	-	639.05	-
(30,927.03)	596.88	-	-	-	596.88	-

Account Number 6128000245 SA Number 4018739567

Calculation Per PGW								
Billing Date	Previous Balance	Current Bill	Payments	Subtotal	Current LPC	Subtotal	Payments	Total Due
9/5/2012	16,721.98	\$691.64	-	17,413.62	-	17,413.62	-	17,413.62
10/5/2012	17,413.62	\$756.20	-	18,169.82	249.71	18,419.53	-	18,419.53
11/3/2012	18,419.53	\$972.05	-	19,391.58	261.05	19,652.63	-	19,652.63
12/6/2012	19,652.63	\$1,129.54	-	20,782.17	-	20,782.17	-	20,782.17
TOTAL		132,467.01	(162,615.07)	47,562.89		(162,615.07)		

Before Bill	New Charges	Payments	After Payment	LPC	Total Bill	LPC Diff
(30,330.15)	691.64	-	-	-	691.64	-
(29,638.51)	756.20	-	-	-	756.20	249.71
(28,882.31)	972.05	-	-	-	972.05	261.05
(27,910.26)	1,129.54	-	-	-	1,129.54	-
	132,467.01	(162,615.07)		37,932.46		9,630.43

15

Property	Docket	Lien Date	Lien amt	Status	Lien Status Details	Number of Periods	Interest @ 1.5%	Interest @ .5%	Difference
Simon Gardens	100130873	1/22/2010	38,493.85	Vacated	V-10/7/2011	22	14,918.82	4,464.21	10,454.60
Simon Gardens	100130871	1/22/2010	38,493.86	Vacated	V-8/20/2010	8	4,869.19	1,566.97	3,302.22
Simon Gardens	100130875	1/22/2010	\$99,384.21	Vacated	V- 10/7/2011	22	38,517.71	11,525.80	26,991.91
Simon Gardens	100130876	1/22/2010	\$99,384.21	Vacated	V- 8/20/2010	8	12,571.37	4,045.64	8,525.73
Simon Gardens	100531541	5/14/2010	\$75,968.05	Vacated	V- 8/04/2011	15	19,009.64	5,901.41	13,108.24
Simon Gardens	100531542	5/14/2010	\$82,896.78	Satisfied	S-7/12/2012	26	39,186.10	11,477.85	27,708.25
Simon Gardens	100531540	5/14/2010	\$202,746.97	Satisfied	S-7/12/2012	26	95,840.43	28,072.25	67,768.17
Simon Gardens	100632366	6/19/2010	\$75,968.05	Vacated	V- 8/20/2010	2	2,296.13	761.58	1,534.55
Simon Gardens	100632368	6/19/2010	\$82,896.78	Vacated	V-8/20/2010	2	2,505.56	831.04	1,674.51
Simon Gardens	100632367	6/19/2010	\$202,746.97	Satisfied	S-7/12/2012	25	91,427.80	26,923.90	64,503.90
Simon Gardens	100632426	6/22/2010	\$147,576.01	Satisfied	S-7/12/2012	25	66,548.72	19,597.44	46,951.27
Simon Gardens	110532638	5/27/2011	\$140,489.15	Satisfied	S-7/12/2012	14	32,559.17	10,160.33	22,398.83
Simon Gardens	110630243	6/2/2011	\$40,714.25	Satisfied	S-7/12/2012	13	8,694.63	2,727.29	5,967.33
Simon Gardens	110630244	6/2/2011	\$45,849.98	Satisfied	S-7/12/2012	13	9,791.38	3,071.32	6,720.06
Simon Gardens	110731730	7/20/2011	\$5,458.51	Satisfied	S-7/12/2012	12	1,067.78	336.67	731.11
Simon Gardens	110731731	7/20/2011	\$5,792.48	Satisfied	S-7/12/2012	12	1,133.11	357.27	775.85
Simon Gardens	110831159	8/10/2011	\$2,569.08	Satisfied	S-7/12/2012	11	457.17	144.89	312.28
Simon Gardens	110831157	8/10/2011	\$2,795.44	Satisfied	S-7/12/2012	11	497.45	157.65	339.79
Simon Gardens	110831158	8/10/2011	\$12,457.30	Satisfied	S-7/12/2012	11	2,216.76	702.54	1,514.22
Simon Gardens	111030829	10/12/2011	\$7,488.02	Satisfied	S-7/12/2012	9	1,073.71	343.78	729.93
Simon Gardens	111030830	10/12/2011	\$43,254.05	Satisfied	S-7/12/2012	9	6,202.20	1,985.82	4,216.38
Simon Gardens	111030879	10/12/2011	\$105,336.21	Satisfied	S-7/12/2012	9	15,104.16	4,836.05	10,268.11
Simon Gardens	111231523	12/30/2011	\$599.10	Satisfied	S-7/12/2012	7	65.81	21.29	44.52
Simon Gardens	111231528	12/30/2011	\$5,971.24	Satisfied	S-7/12/2012	7	655.91	212.15	443.76
Simon Gardens	111231526	12/30/2011	\$6,231.17	Satisfied	S-7/12/2012	7	684.46	221.39	463.07
Simon Gardens	111231527	12/30/2011	\$11,687.21	Satisfied	S-7/12/2012	7	1,283.78	415.24	868.54
Simon Gardens	120532631	5/23/2012	\$19,476.46	Satisfied	S-7/12/2012	2	588.68	195.25	393.42
Simon Gardens	120532626	5/23/2012	\$21,766.61	Satisfied	S-7/12/2012	2	657.90	218.21	439.69
Simon Gardens	120532634	5/23/2012	\$27,844.17	Satisfied	S-7/12/2012	2	841.59	279.14	562.45
Simon Gardens	120631412	6/14/2012	1,990.75	Satisfied	S-7/12/2012	1	29.86	9.95	19.91
Simon Gardens	120631413	6/14/2012	3,468.64	Satisfied	S-7/12/2012	1	52.03	17.34	34.69
Simon Gardens	120730809	7/10/2012	257.57	Satisfied	S-7/12/2012	0.064516129	0.25	0.08	0.16
Simon Gardens	120730811	7/10/2012	548.72	Satisfied	S-7/12/2012	0.064516129	0.53	0.18	0.35
Simon Gardens	120730810	7/10/2012	1,692.11	Satisfied	S-7/12/2012	0.064516129	1.63	0.54	1.08
						Total	471,351.38	141,582.47	329,768.91

SBG CG/SG EXHIBIT 4
updated

Property	Docket	Lien Date	Lien amt	Status	Lien Status Details	Number of Periods	Interest @ 1.5%	Interest @ .5%	Difference

NOTES:

1. Interest above estimated and calculated using the compound interest formula

$$FV = PV \cdot (1+R)^N$$

Where:

FV = the future value of the amount, including interest

PV= the principal value of the amount

R = the annual interest rate (decimal)

N = the number of periods that interest is compounded per year

- 2. LIENS LIST COMPILED BASED UPON LIEN INFORMATION PROVIDED BY PGW THROUGH DISCOVERY**
- 3. SBG INVESTIGATED AND CONFIRMED THE STATUS OF EACH LIEN LISTED ON THE PHILADELPHIA CCP CIVIL DOCKET WEBSITE**
- 4. SBG WAS UNABLE TO CONFIRM EVERY HISTORICAL LIEN FOR EACH PROPERTY AND PGW DID NOT RESPOND TO REQUEST FOR LIEN INFORMATION PRIOR TO 200**

Property	Docket	Lien Date	Amount	Lien Status	Lien Status Details	Number of Periods	Interest @ 1.5%	Interest @ .5%	Difference
Colonial	090635842	7/9/2009	\$131,983.18	Vacated	V-8/26/09	1	990.93	330.31	660.62
Colonial	091231033	12/17/2009	66,062.14	Vacated	V-8/4/11	20	29,518.89	8,927.08	20,591.82
Colonial	091231034	12/17/2009	85,104.42	Satisfied	S-11/5/11	23	2,524.06	751.28	1,772.79
Colonial	100131129	1/27/2010	6,180.72	Satisfied	S-11/5/11	22	28,822.63	8,624.71	20,197.93
Colonial	100531545	5/14/2010	74,368.76	Vacated	V-11/22/10	6	4,133.79	1,343.86	2,789.93
Colonial	101135002	11/22/2010	44,238.50	Satisfied	S-11/5/11	12	9,871.54	3,112.47	6,759.07
Colonial	110232566	02/18/2011	50,463.29	Satisfied	S-11/5/11	9	1,661.48	531.97	1,129.51
Colonial	110831156	08/10/2011	11,587.13	Satisfied	S-11/5/11	3	2,154.71	711.11	1,443.59
Colonial	110831155	08/10/2011	47,171.25	Satisfied	S-11/5/11	3	215.50	71.12	144.38
Colonial	111230215	12/3/2011	4,717.76	Satisfied	S-8/22/13	20	2,205.42	666.96	1,538.46
Colonial	111230110	12/3/2011	6,358.33	Satisfied	S-9/26/14	33	1,232.49	347.53	884.96
Colonial	120130680	1/12/2012	1,942.52	Satisfied	S-9/26/14	32	1,601.48	454.06	1,147.42
Colonial	120130682	1/12/2012	2,623.99	Satisfied	S-9/26/14	32	2,040.16	578.44	1,461.72
Colonial	120532629	5/23/2012	\$3,342.74	Satisfied	S-9/26/14	28	2,217.83	642.65	1,575.18
Colonial	120532630	5/23/2012	\$4,287.96	Satisfied	S-9/26/14	28	5,435.32	1,574.96	3,860.36
						Total	94,626.23	28,668.50	65,957.73

NOTES:

1. Interest above estimated and calculated using the compound interest formula

$$FV = PV \cdot (1+R)^N$$

Where:

FV = the future value of the amount, including interest

PV= the principal value of the amount

R = the annual interest rate (decimal)

N = the number of periods that interest is compounded per year

2. LIENS LIST COMPILED BASED UPON LIEN INFORMATION PROVIDED BY PGW THROUGH DISCOVERY
3. SBG INVESTIGATED AND CONFIRMED THE STATUS OF EACH LIEN LISTED ON THE PHILADELPHIA CCP CIVIL DOCKET WEBSITE
4. SBG WAS UNABLE TO CONFIRM EVERY HISTORICAL LIEN FOR EACH PROPERTY AND PGW DID NOT RESPOND TO REQUEST FOR LIEN INFORMATION PRIOR TO 2009

SBG CG/SG EXHIBIT 4
Updated

Testimony of Phil Pulley

Date 8/20/13

Pages 52-174

SBC CG/SG 3
Exhibit #

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

- - - - -x
:
SBG Management Services, Inc. : Docket Nos.
v. Philadelphia Gas Works. : C-2012-2304167
: C-2012-2304215
Initial Hearing. : C-2012-2304303
:
- - - - -x

Pages 1 through 270 Fourth Floor Hearing Room
 State Office Building
 801 Market Street
 Philadelphia, Pennsylvania

Monday, August 26, 2013

Met, pursuant to notice, at 10:08 a.m.

BEFORE:

ERANDA VERO, Administrative Law Judge

APPEARANCES:

FRANCINE THORNTON BOONE, Esquire
P.O. BOX 549
Abington, Pennsylvania 19001
(For SBG Management Services)

LAURETO FARINAS, Esquire
800 West Montgomery Avenue
Philadelphia, Pennsylvania 19122
(For Philadelphia Gas Works)

Commonwealth Reporting Company, Inc.
700 Lisburn Road
Camp Hill, Pennsylvania 17011

WITNESS INDEXWITNESSESDIRECTCROSSREDIRECTRECROSS

Bernard L. Cummings

By Ms. Boone

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By Mr. Farinas

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Philip Pulley

By Ms. Boone

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By Mr. Farinas

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Daniel D. McCaffery

By Ms. Boone

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By Mr. Farinas

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Eric Lampert

By Ms. Boone

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By Mr. Farinas

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EXHIBIT INDEXNUMBERFOR IDENTIFICATION IN EVIDENCE

(None.)

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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 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.

By: William J. Horst (M)
William J. Horst

1 MS. BOONE: Yes. My next witness is Mr. Phil Pulley.

2 JUDGE VERO: Good morning, Mr. Pulley.

3 MR. PULLEY: Good morning, Your Honor.

4 JUDGE VERO: Please raise your right hand.

5 Whereupon,

6 PHILIP PULLEY

7 having been duly sworn, testified as follows:

8 JUDGE VERO: Thank you. Would you please state your
9 name, and spell your last name for the record?

10 THE WITNESS: My name is Philip Pulley, P-U-L-L-E-Y.

11 JUDGE VERO: And what is your current address,
12 Mr. Pulley?

13 THE WITNESS: Work is 1095 Reidle Road, Reidle,
14 Pennsylvania.

15 JUDGE VERO: You may proceed, Ms. Boone.

16 MS. BOONE: Thank you.

17 If we could, the binder that has been submitted into
18 evidence of information, Mr. Pulley will need to refer to
19 that.

20 JUDGE VERO: Yes. You may provide him with a copy.

21 MS. BOONE: Thank you.

22 JUDGE VERO: What binder are we talking about?

23 MS. BOONE: This is initially the Fairmount binder.

24 JUDGE VERO: I have two. So which one?

25 MS. BOONE: Oh, I'm sorry. It's Fairmount 1. Or I'm

1 sorry, Fairmount 2. It's under tab seven.

2 JUDGE VERO: Okay.

3 MS. BOONE: I'm sorry. Tab eight. Correspondence.

4 THE WITNESS: Can I get my glasses?

5 MS. BOONE: Sure.

6 (Pause.)

7 THE WITNESS: Thank you.

8 MS. BOONE: I would just say at this point,
9 Mr. Pulley is just to provide examples of the issues that
10 are listed in the complaint, and to just give a background
11 for some of these disputed transactions, and that the
12 individual transactions will be addressed in detail through
13 another witness.

14 JUDGE VERO: Mr. Farinas, do you agree with that
15 process?

16 MR. FARINAS: I do.

17 JUDGE VERO: All right. You may continue, Ms. Boone.

18 MS. BOONE: Thank you.

19 DIRECT EXAMINATION

20 BY MS. BOONE:

21 Q. Mr. Pulley, will you please state your name?

22 A. Philip Pulley.

23 Q. And your position?

24 A. I'm the director of operations for SBC
25 Management.

1 Q. Can you tell us what SBG Management does?

2 A. It's a real estate and property management
3 company.

4 Q. And how is it related to the parties in this
5 case, Fairmount Manor Realty, Elray and Marshall Square?

6 A. It is the management company responsible for
7 those properties.

8 Q. And as the director of operations, what do you do
9 on a day-to-day basis?

10 A. I always think that I do everything. But my
11 specific responsibilities would be the physical attributes
12 of the real estate would be overseeing things like heat,
13 electric, plumbing, sprinklers, fire protection.

14 Would also be responsible for improvements, both from
15 a capital nature as well as what we call instantaneous
16 maintenance as well as deferred maintenance on the
17 properties.

18 It would also include reviews of bills, whether it's
19 from a vendor. Would also include a review for things
20 related to utilities that are considered outside the norm.

21 Q. Okay. And you perform this job function, you
22 have these responsibilities, across all of the properties
23 that are part of the consolidated cases, all nine cases; is
24 that correct?

25 A. That's correct.

1 Q. Including the first three that we're here for
2 today, Fairmount, Elray and Marshall Square?

3 A. That's correct.

4 Q. Can you tell us a little bit about the properties
5 of Fairmount, who the tenants are, the kind of buildings
6 these are?

7 A. Fairmount Manor is a 110-unit garden style
8 apartment complex located between Sixth and Seventh Street
9 in Fairmount.

10 The property was acquired by its owners in 2001. At
11 that point in time the property was owned by the City of
12 Philadelphia, the Philadelphia Housing Development
13 Corporation.

14 The property was under a Hack (phonetic) contract
15 with the U.S. Department of Housing and Urban Development.

16 The property to this day, because of relations with
17 the community and so forth, even though it's sitting in
18 basically Northern Liberties, the property is still a low
19 and moderate income property. And the property has not gone
20 through a conversion to what I call yuppie housing.

21 The property is still there, even though the area has
22 re-gentrified around it. For the good of the community,
23 that was the understanding and arrangement with the city
24 council representatives, as well as the state
25 representatives from that area and beyond.

1 Q. So these are tenants who don't have a lot of
2 disposable money, a lot of extra cash to kind of waste?

3 A. No. Most of the tenants are either on, they're
4 receiving some aspect of Section 8 or some other subsidy, or
5 welfare, or they're disabled vets and they're receiving
6 subsidies from the Federal Government.

7 Some have family members taking care of them, because
8 they can't comply with the program because of the program
9 requirements.

10 Q. So are these tenants where if their gas bill is
11 off five percent or ten percent or 20 percent, it affects
12 what they have to spend on their basic necessities?

13 A. Yes.

14 Q. Substantially it affects them?

15 A. Very substantially.

16 Q. Are these also the kinds of tenants who at some
17 point have trouble paying their bills?

18 A. Yes, they do.

19 Q. And so what happens to a landlord's management of
20 a property like that in terms of addressing bills and
21 receiving bills?

22 A. Well, it becomes of a critical nature. We watch
23 the bottom lines very careful. We watch everything from the
24 amount of time the police spend at a property to what we
25 spend on lawn cutting, snow plowing, roof repairs, tree

1 maintenance, the utilities. The utilities are always a big
2 part of it.

3 In this particular instance, with this property, the
4 landlord is watching everything. I mean the real estate
5 taxes; I mean we're looking at the new AVI stuff, and how
6 all those little nuances affect the property so that we can
7 keep it there for the residents.

8 Q. So if you found a bill that seems to be
9 excessive, or not within the realm of reasonableness, what
10 do you do?

11 A. Well, the general format is we basically have a
12 ten-percent plus/minus. So if a bill comes in on a monthly
13 basis, and let's say it's 1,000 one month, it's 1,100 the
14 next month, it's 900 the next month, that then that doesn't
15 raise a red flag.

16 If we get a bill that's out of line, we're going to
17 question it. We're going to question the vendor, we'll
18 question the utility, we'll question an array of different
19 people, depending upon what that bill is.

20 There has to be an explanation of why it is. We've
21 got a responsibility to make sure that everything we do is
22 correct, is proper, and that we're not overpaying for goods
23 of services.

24 When we were under the strict guidelines of the Hack
25 contract, I mean we were under a contractual obligation with

1 the Federal Government to do it that way. We had to
2 challenge things.

3 Q. Okay. Now, when you challenge bills in general,
4 what do you look for as components in terms of figuring out
5 what you should pay?

6 A. Well, it has to be an explanation of why the bill
7 went up or why something is not, doesn't seem proper.
8 Sometimes it's the scope of work with a vendor. Other
9 times, with a utility, we're questioning usage. We're
10 questioning why did it go up.

11 In the instance of Fairmount Manor, it's eleven
12 buildings that are all identical that have similar
13 occupancy. So if one building is getting a bill, let's say
14 for electric, of \$1,000 per month, and all the rest of them
15 are \$998, \$1,100, \$1,200, and all of a sudden you get one
16 for \$10,000, that raises a major red flag.

17 Q. Have you had issues like that with PGW bills?

18 A. Yes.

19 Q. I'd like to turn your attention to page 101 in
20 the Fairmount 2 binder, under Section 8.

21 A. That was the SBG Fairmount 101?

22 Q. Yes.

23 A. I'm at the right place.

24 Q. If you could just take a look at that email. If
25 you would just read it for the record?

1 A. Which part do you want to read, December 2 or
2 November 20?

3 Q. If you could start with November 20.

4 A. This is an email to, from Gwen Ormsby (phonetic).
5 Gwen was the paralegal or assistant to David Hyman.

6 Q. I'm actually, if you could go to where it starts,
7 at page seven, which is on page -- I'm sorry, on page 105.
8 That's where it starts. November 17.

9 A. SBG Fairmount 105, Gwen Ormsby email,
10 November 17, 2008. Gwen was a paralegal or attorney with
11 David Hyman, with the law firm of Klein, Bard, Bell &
12 Brecker (phonetic).

13 She wrote to me, and, Good afternoon, Mr. Pulley.
14 Please let me know your availability for two proposed
15 meeting dates. Friday, November 21, at 3:30, and Tuesday,
16 November 25, at 2:00. These are the dates that Mr. Guzman
17 can meet. I am told that this meeting will probably last
18 about two hours. Also, PGW is under the impression that the
19 property list below is incomplete. They want to discuss
20 your accounts in their entirety at the meeting. Please
21 confirm.

22 Q. And then on the next page it lists the properties
23 as?

24 A. It lists the disputed properties at that time.

25 Q. Okay. So that was the information of

1 David Hyman. Who is David Hyman?

2 A. David was an attorney we hired to help us in
3 trying to resolve our differences with PGW. We weren't
4 getting response from PGW.

5 So we hired David to reach out to PGW. He came
6 highly recommended. He was the past president of the Gas
7 Commission. And he said he could help us in trying to
8 resolve our differences and get to the bottoms of the
9 billing and disputes.

10 Q. And what were the disputes?

11 A. The disputes were high billings. The disputes
12 were problems with meter reads. The disputes were liens.
13 It went on and on.

14 Q. So you had already been in touch with PGW about
15 this matter before you engaged Mr. Hyman; is that correct?

16 A. Oh, yeah. I mean going back to the very
17 beginning, we had attempted our own contacts during, like
18 say 2001, 2002, 2003.

19 We then employed Daniel McCaffery, Esquire to aid in
20 our efforts in 2004, -5, -6. Dan had thrown up his hands.
21 We then had hired Klein, Bard, Bell & Brecker to assist us
22 in trying to get to a resolution from that standpoint.

23 Q. What happened to this meeting that they were in
24 the process of scheduling? Look at the next email.

25 A. There was a lot of misses on getting the meeting

1 scheduled. PGW demanded a listing of all of our accounts.
2 Which we don't know why they wanted that, because we only
3 had certain ones that were in dispute.

4 But we went back and forth. Then it was going to
5 become a telephone conference, and then it didn't become.
6 And it couldn't get scheduled. And then ultimately we were
7 able to get a telephone conference together in December.

8 Q. Okay. In the December telephone conference, what
9 was said?

10 A. The December telephone conference lasted more
11 than an hour, probably a little bit less than two hours.
12 But essentially it went over that what all of us were going
13 to do.

14 That included PGW providing a breakdown of all of the
15 information that was requested, which included the issues in
16 regards to the high bills, the meter issues, breakdowns of
17 principal and interest.

18 So we could analyze the bills rather than you just
19 get a bill that says, hey, here's what you're owed. And
20 that was a lot of what was going on.

21 They were supposed to provide us with this
22 information. We were supposed to pay certain aspects of
23 this. We were supposed to get together, and Mr. Dunn was
24 supposed to provide us with information.

25 Q. And did you receive that information?

1 A. We eventually did, in preparation of a meeting
2 about six months later, with Mr. Dunn.

3 Q. I'd like you to turn to page 99 of the same
4 binder. And if you can read the email that you wrote to
5 John Dunn dated December 7, 2008, 11:16 a.m.

6 A. John, in follow-up to our agreement of the other
7 evening, the following is to transpire in regards to SBG
8 Management managed properties. We shall pay the current
9 usage charge. If there is a dispute with those charges, we
10 are to immediately contact you and advise accordingly of our
11 concern. I would like to take this opportunity to wish your
12 family a healthy and happy holiday.

13 Q. After sending that email, was there a response
14 from Mr. Dunn saying that that wasn't the procedure to
15 follow if there is a dispute?

16 (No response.)

17 Q. Did he list some other alternative in contacting
18 him if there was a dispute?

19 A. Well, it took approximately, it was more than a
20 month, to get a response back to that email. Which Mr. Dunn
21 did apologize for.

22 He indicated that he would start working the
23 following week on the preparation of the materials so that
24 we could all meet and review this information.

25 Q. So on December 7, you were told that if there is

1 a dispute, to contact John Dunn, that he would resolve the
2 dispute. You had already told him the problems; is that
3 correct?

4 A. That's correct. They were discussed intimately
5 on the conference call.

6 Q. Now, we just heard about this 30-day cycle in
7 general. When did you hear back from Mr. Dunn after
8 receiving the December 7 email?

9 A. Well, that unto itself was more than 30 days.

10 Q. And at that point did you receive a written
11 explanation of the problem?

12 JUDGE VERO: Just a moment. Ms. Boone, aren't you a
13 little bit outside of the statute of limitation?

14 MS. BOONE: I wanted to talk about that. As we go
15 through this correspondence, and we've now looked at files
16 and documents and records that actually go back to when the
17 properties were acquired in 2001 or so, we find that PGW has
18 engaged in a process and practice of telling SBG we're going
19 to work this out; bring us your disputes; we can take care
20 of it; we will handle it; we will take care of it.

21 And we believe that this is a case where principles
22 of estoppel should apply. That this is a management company
23 that really believed that they could work with their public
24 utility to resolve things, to get answers.

25 You can see the amount of time that's passing. All

1 the effort, even in this one example I'm presenting, SBG is
2 constantly pushing for the meeting, SBG is constantly
3 pushing for a call, SBG is constantly saying can we sit
4 down.

5 And there's this lax attitude. I hate to say that,
6 but there is a certain non-urgency to resolving these issues
7 and questions.

8 JUDGE VERO: All right.

9 MS. BOONE: And so we believe that there is actually
10 a case for estoppel. We will present additional testimony
11 that shows that they waited three years to actually
12 investigate something.

13 MR. FARINAS: Your Honor, I believe this was part of
14 the issues that we discussed. And to the contrary, I
15 believe that there was sufficient amount of notice about all
16 of their specific complaints and disputes that SBG had that
17 they could have filed with the Commission in a timely
18 manner.

19 MS. BOONE: Then why did Mr. Dunn say, if you have a
20 dispute, come to us, come to me? Why didn't he say go to
21 the PUC if there's --

22 MR. FARINAS: As you heard from Mr. Cummings this
23 morning, it's their job to talk about anything, to come with
24 me. I believe that when you do hear testimony from Mr. Dunn
25 and Mr. Savage that it will be there was only so much that

1 they can do. But their job is to be welcoming to the
2 customer.

3 JUDGE VERO: Okay, let's see. So the purpose of this
4 portion of Mr. Pulley's testimony is to establish estoppel;
5 right?

6 MS. BOONE: Yes.

7 JUDGE VERO: Okay.

8 MS. BOONE: Estoppel. As well as to show some of the
9 other issues in this case.

10 BY MS. BOONE:

11 Q. And then on January 20, as you went -- that was
12 for 2009. Ultimately, as you dealt with Mr. Dunn, what
13 ended up happening over the course of the --

14 A. Approximately six months later, we finally got a
15 schedule and had a meeting with Mr. Dunn in our offices. At
16 which time to begin the discussion about the resolution and
17 the accounts. And we had actual numbers and so forth.

18 Those items that we went over, we basically left the
19 meeting, and there was an exorbitant amount of information
20 that Mr. Dunn was to provide.

21 Those again were to be breakdowns of principals,
22 interest, penalties, a description of the accounts. There
23 was, became issues regarding tenant accounts and landlord
24 accounts at that times also.

25 Q. Did you receive this information?

1 A. No.

2 Q. Did you receive it in written?

3 A. We didn't receive it at all, whether written or
4 verbal.

5 Q. And this was for the accounts at Fairmount; is
6 that correct?

7 A. And other accounts, yes.

8 Q. What other accounts?

9 A. Included stuff at Elray. One second, I can tell
10 you.

11 (Witness perusing document.)

12 A. It was Elray, Fern Rock, Simon, Fairmount, I
13 think Oak Lane, Colonial. Just to name some of them.

14 Q. Okay. Now, it's my understanding that you've had
15 issues that your contact with PGW extends back to 2000-2001;
16 is that correct?

17 A. That's correct. I believe it was 2001.

18 Q. I'm just using this as a sample. It's my
19 understanding that even in 2010, which is a statutory
20 period, that there were also problems.

21 Can you turn to page 96, please, of the document?

22 JUDGE VERO: What page are we looking at?

23 MS. BOONE: Page 96. An email that begins 2010.

24 BY MS. BOONE:

25 Q. Or, I'm sorry. If you could go to page 109. I

1 apologize. The correspondence on page 109, in the
2 correspondence binder.

3 A. That's the one in front of me?

4 Q. You have Fairmount. We need to bring you the
5 correspondence binder. It's SBG correspondence, page 109.

6 (Document handed to witness.)

7 A. Okay.

8 JUDGE VERO: Which one is this? An exhibit that was
9 submitted yesterday, or Saturday?

10 MS. BOONE: No, this was submitted last week.

11 JUDGE VERO: The correspondence?

12 MS. BOONE: Yes.

13 JUDGE VERO: Do I have a correspondence binder?

14 MR. FARINAS: Are you still referring to SBG --

15 MS. BOONE: No, it's the binder called SBG
16 correspondence binder. I think that was delivered Thursday,
17 the correspondence.

18 MR. FARINAS: I thought I brought everything. I
19 don't have it.

20 JUDGE VERO: Yes, I don't have one either.

21 MS. BOONE: Do we have an extra?

22 THE WITNESS: What page am I going to?

23 MS. BOONE: It's page 109 of the correspondence.

24 JUDGE VERO: I'm there.

25 THE WITNESS: Do you want me to give them this book?

1 MS. BOONE: No, because I wanted you to read it into
2 the record.

3 JUDGE VERO: Just a moment. Before you proceed, I
4 need to make sure that I have it. So I'm going to call for
5 a recess.

6 MS. BOONE: Okay.

7 JUDGE VERO: You can use this as a personal break.
8 And we will reconvene at half past eleven.

9 MS. BOONE: Thank you.

10 (Recess.)

11 JUDGE VERO: I do have 11:31. So we're back on the
12 record.

13 Ms. Boone, when I interrupted you, you were in the
14 middle of your direct examination of Mr. Pulley. And you
15 were referring to what page?

16 MS. BOONE: On page 109 in the SBG correspondence
17 binder.

18 JUDGE VERO: Thank you.

19 BY MS. BOONE:

20 Q. You just testified that you corresponded with
21 Mr. Dunn in December, and then more than 30 days elapsed.
22 In January there was a response.

23 I'd like to see how this resolution is progressing,
24 if you would just read for the Court the email that you
25 received, the email from Mr. Dunn on May 13, 2009. We're

1 now five months later.

2 A. It was from Mr. Dunn, addressed to me. Hi,
3 Folks. I just want to thank you all for meeting with me
4 yesterday and spending the afternoon to start the review of
5 all the PGW gas accounts. We have already started the
6 review process this morning, and I am having the two
7 settlement checks investigated presently to see where PGW
8 post the payments. More of the accounts we be --

9 Q. Will.

10 A. -- worked on shortly. Please support our meeting
11 time and topics of discussion to David Hyman immediately, as
12 I believe he has made inquiries to PGW staff today asking
13 how we're making out. Gratefully, John Dunn, III.

14 Q. So when you followed through on this, before you
15 got David Hyman involved, you were trying to resolve this on
16 your own. You just read a set of correspondence from
17 November of 2008. You now have a letter, you now have an
18 email from May 13, 2009, where Mr. Dunn is going to start
19 working on it; is that correct? That's more than eight
20 months.

21 A. That's correct. But even more so before
22 Mr. Hyman got involved, we had Dan McCaffery involved in
23 other efforts to try and resolve the differences.

24 So we just didn't start with Mr. Hyman. We started
25 well in advance of that going back to 2000- I think, -3,

1 2004, with someone else. We kept trying to work these
2 things out, and previously had an understanding with PGW.

3 Where we were today with this email in May 13, 2009,
4 was we had sat down, began to go over the things. And some
5 of the issues we sat in that meeting were monumental issues.
6 I mean there's more than \$100,000 in checks missing that
7 were settlement, that were title company checks.

8 Q. Can you talk a bit about the problem with the
9 settlement checks that are referred to in this email?

10 A. They were never posted anywhere. We have no way
11 to see where they were ever applied to any of the accounts
12 from that standpoint.

13 And so this is why we're bringing it up, saying,
14 where's the money; you know, it should be applied to
15 accounts.

16 Q. For the record, can you explain what a settlement
17 check is and what's involved with this kind of payment?

18 A. Well, we went through a refinance of this
19 property back in 2004 or 2005.

20 Q. If we can just take a minute. If you can turn
21 back to the SBG Fairmount binder at page 146, you'll see a
22 settlement sheet from Keystone Agency. It's page 146, under
23 tab 10. The second binder.

24 (Pause.)

25 A. That is a settlement sheet. But that is not

1 pertinent to what these checks were.

2 Q. I'm sorry. I meant page 152. I apologize for
3 that.

4 A. Okay. There are the missing checks.

5 Q. What's the name of the check?

6 A. It's Elkins Park Abstract Company.

7 Q. And it says paid to the order of whom?

8 A. PGW. Philadelphia Gas Works.

9 Q. And the amount?

10 A. \$80,539.68.

11 Q. And the account number on the check?

12 A. 0075710860.

13 Q. And what is that account for? What property is
14 that account?

15 A. It's one of the buildings at Fairmount Manor.

16 Q. And at the bottom there's a note. It says PGW.
17 What does that mean, the escrow amount, balance of the
18 escrow?

19 (Pause.)

20 Q. Under the number 4882.

21 A. Oh. It gives, like I think the title company
22 charges \$100 processing fee, \$75 processing fee. So it
23 netted out -- so they started with an amount of \$80,714, and
24 they netted out their charges.

25 Q. And the date of this check is?

1 A. July 18, 2007.

2 Q. And if I can just turn your attention back to SBG
3 correspondence page 109, where you're talking about the two
4 settlement checks. And this is one of them. What's the
5 date of that email again?

6 A. May 13, 2009.

7 Q. So you made a payment, SBG made a payment, or
8 payment was made to PGW on behalf of the property owner,
9 Fairmount, in the amount of \$80,000, July 18, 2007, and PGW
10 didn't know where the check was?

11 A. No, they didn't know where that one was. Nor,
12 there was another \$22,000 or \$23,000 check that was also the
13 same thing.

14 Q. If you turn to page 153, is this the second
15 check?

16 A. Yes.

17 Q. And what is that amount on that check for?

18 A. \$22,990 and no cents.

19 Q. And the check is payable to the order or, pay to
20 the order of?

21 A. PGW, Philadelphia Gas Works.

22 Q. And the date again?

23 A. July 18, 2007.

24 Q. What's the address on the check that it's paid
25 to?

1 A. P.O. Box 7789, Philadelphia, Pennsylvania.

2 Q. If you just briefly turn back to page 152, what's
3 the address on that check for \$80,000?

4 A. P.O. Box 7789. The same.

5 Q. So they were both sent to the same place, the
6 same date, same paid, to be paid to the same party, PGW; is
7 that correct?

8 A. That's correct.

9 Q. What happened in terms of the bills you received
10 after these checks were paid?

11 A. We never saw the credit. So we kept asking about
12 the credit. And that's in correlation to my meeting with
13 John Dunn on May 13 to say, besides the other 40 issues we
14 had, or 50 issues we had on that schedule that day, there
15 was, okay, well, where's the credit here?

16 Q. When was it that you first found out that the
17 credit wasn't applied?

18 A. Well, it basically went back until August or
19 September of that year. You're looking for your bill to get
20 paid down and see that reflected. And it was never
21 reflected.

22 Q. Now, if you turn back to page 153, it shows the
23 back of that check, doesn't it?

24 A. That's correct.

25 Q. And what does it indicate on the back of the

1 check? Under endorse here, what does it say?

2 A. It says, pay to the order of Bank of America for
3 deposit only, Philadelphia Gas Works, treasury deposits.

4 Q. And the date that that check was cancelled? If
5 you could turn to the side, above the number 457056? You
6 have to turn it sideways.

7 JUDGE VERO: Ms. Boone, are you referring to 153?

8 MS. BOONE: Yes, on 153.

9 THE WITNESS: That check was not deposited until
10 October 18, 2007.

11 BY MS. BOONE:

12 Q. Even though it was written for July 18, 2007; is
13 that correct? So that's three months before that check was
14 deposited?

15 A. That's correct. And that was a title company
16 check sent directly by the title company. We never -- we
17 didn't have that in our possession.

18 Q. And even after it was deposited three months
19 after it was written, how much longer was it before this
20 check was accounted for by PGW? Or if they addressed your
21 question?

22 A. I don't think it was until we just got
23 information as part of these things. In one of the books
24 that we looked at over the weekend, there was something in
25 there that showed, I think, where the check got deposited.

1 Q. This sounds like this took more than 30 days as
2 an investigation to find a payment. Is that correct?

3 A. Well, it took them just shy of six months to just
4 deposit the check. And I mean we sat with Mr. Dunn in May
5 of 2009, and now here we are 2013, and we get something that
6 shows where it was deposited someplace, but it never
7 appeared on any of our bills and statements.

8 Q. Is this one of the questions that you've
9 continued to ask PGW, that you sought information for that
10 you had a question about?

11 A. Yes.

12 Q. Okay.

13 MS. BOONE: Across the properties, we're showing
14 Fairmount as an example of how long it's taken to respond to
15 these issues.

16 But these issues have occurred across the various
17 properties where there have been inquiries that haven't been
18 answered promptly.

19 MR. FARINAS: Your Honor, I'm not sure if Ms. Boone
20 is giving testimony.

21 MS. BOONE: Well, I'm trying to explain the order of
22 the evidence that's being presented.

23 JUDGE VERO: The order of evidence that's being
24 presented. All right.
25

1 BY MS. BOONE:

2 Q. Among the other issues that have come up in this
3 matter, there are issues on the dispute code. It's my
4 understanding that the issues that have also, that have come
5 up here have involved excessive billings. Can you explain
6 how that's a problem, or where that's been a problem?

7 JUDGE VERO: Just a moment. I'm sorry, Ms. Boone,
8 Mr. Pulley. Since you are moving ahead and going to another
9 issue, I understand that you are done, or you have exhausted
10 the issue of estoppel; right?

11 MS. BOONE: No. I have other witnesses to testify on
12 other examples of it.

13 JUDGE VERO: All right. You may proceed.

14 MR. FARINAS: Your Honor, if I may ask a question?
15 If there are other witnesses to testify on estoppel, are we
16 now doing estoppels? Will we have an opportunity to do
17 estoppel through its beginning of its case in this matter
18 with respect to all --

19 JUDGE VERO: Will PGW have an opportunity to address?

20 MR. FARINAS: Estoppel.

21 JUDGE VERO: Estoppel. Yes, that's my problem. I
22 need to determine how far back I will allow SBG to go in
23 terms of its figures and numbers. I need to find out
24 whether estoppel applies to all the statute of limitations.

25 So I would prefer that we exhaust the statute of

1 limitation issue.

2 MS. BOONE: Okay.

3 JUDGE VERO: And the best way to do it is through
4 correspondence. And Mr. Pulley is here testifying of
5 correspondence, or referred to exhibits covering
6 correspondence.

7 And if you have other witnesses available that can
8 cover oral conversation, etcetera, then I would prefer that
9 you bring it all at once so I can make a determination,
10 rather than we jump from general to specific the next day.
11 Do you know what I'm saying?

12 MS. BOONE: Yes, absolutely.

13 JUDGE VERO: Because we can have Mr. Pulley cover
14 everything in general terms, and then you will have to go
15 back to another witness to cover it in specifics.

16 And that is not something I prefer to do. I would
17 like to have one issue done with, next issue done with, next
18 issue, next issue, and so on and so forth. I cannot keep
19 going back and forth. It's counterproductive, in my
20 opinion. And confusing.

21 MS. BOONE: I understand that. But we were told that
22 we have certain witnesses only for a limited part of time,
23 and that we need to cover all the issues with them.

24 JUDGE VERO: So you're saying that you are reserving
25 the rest of estoppel until Mr. Dunn is available tomorrow?

1 MS. BOONE: Right. Because I think he has to provide
2 testimony too.

3 JUDGE VERO: It's highly unusual. I'm not saying
4 it's not doable. But it's unusual, and it might lead to
5 confusion. Okay?

6 MS. BOONE: Okay.

7 JUDGE VERO: And here, subpoenas would have been
8 helpful to have Mr. Dunn when you needed Mr. Dunn.

9 MS. BOONE: If I can just speak?

10 JUDGE VERO: Yes.

11 MS. BOONE: I'm also offering this information from
12 the period beyond three years because I think it's relevant.
13 It's relevant in terms of the practices and the procedures
14 of this organization.

15 Under Rule 406, you can show evidence of practice and
16 pattern, if it's relevant.

17 JUDGE VERO: Rule 406 of what?

18 MS. BOONE: The federal rules of procedure and the
19 Pennsylvania rules.

20 JUDGE VERO: This is a state agency.

21 MS. BOONE: I understand. But even under the
22 Pennsylvania Rules of Civil Procedure, you can show. But
23 even within the PUC rules, I know that the decisions have to
24 be based on relevant evidence, that the complainant is to
25 present a full case.

1 One of the things that we may ask the Commission to
2 do is to issue a penalty because so many violations have
3 occurred here.

4 In deciding whether a penalty will be issued, the
5 Commission will look at how long the actions have occurred,
6 what corrective actions were taken, did the agency go in to
7 try to stop it, or if it just continued to do this.

8 So if we were only to talk about something that
9 happened within a three-year period, I think we would be
10 denying the Commission the opportunity to see the full
11 breadth, to have a full understanding of how far back these
12 violations go, and the fact that they were not corrected.

13 So even if the Commission decided I don't want to
14 give a refund for those years that are out of statute under
15 a theory of estoppel, they still need, this Commission still
16 needs this information to reach a determination on whether
17 to impose a penalty in terms of these violations occurring
18 over so many years.

19 So the evidence is offered for two purposes.

20 MR. FARINAS: Your Honor, I believe that the evidence
21 should not be offered without first establishing that they
22 have a right to show that they have not slept on their
23 rights with respect to the estoppel question.

24 It simply becomes prejudicial of how many things
25 occurred in the past for the wrongs that actually can come

1 before you.

2 MS. BOONE: If I may speak to that. Prejudicial
3 means that prejudice would be unfair bias. This isn't
4 unfair bias. This is what you actually did. This is how
5 you actually responded to customers' issues.

6 JUDGE VERO: I don't need you to characterize PGW's
7 behavior.

8 MS. BOONE: Okay.

9 JUDGE VERO: Because then you'd be testifying.

10 MS. BOONE: That's true.

11 JUDGE VERO: All right. I don't need that. What I
12 need is to determine is how far SBG will be allowed to go
13 into details.

14 Because there's one thing establishing a pattern of
15 behavior and really quickly mentioning that it's been going
16 on for this many years, and it's another thing going into a
17 lot of details, talking numbers in the hundreds of
18 thousands, or whatever.

19 And if I let it in, I will need to go and look for
20 that check and see if it was cashed, and who sent it to
21 whom, when, etcetera, etcetera. If I allow it, I will need
22 to dedicate a lot of attention to it.

23 MS. BOONE: And we're prepared for that.

24 JUDGE VERO: But technically, it's outside of statute
25 of limitations. Do you understand? I cannot let it slide.

1 I have to dedicate a lot of attention to it, or I will just
2 let it summarize real quickly, or be summarized real
3 quickly.

4 However, I think that we can work with it.

5 MS. BOONE: Okay. Thank you.

6 JUDGE VERO: And I can reserve my opinion or my
7 rule-making until after I've heard everything that you need
8 to bring in.

9 MS. BOONE: Thank you, Your Honor.

10 JUDGE VERO: All right.

11 BY MS. BOONE:

12 Q. Mr. Pulley, if you would turn to page 137 on the
13 SBG correspondence, please.

14 A. Yes.

15 MR. FARINAS: Your Honor, as I'm reviewing this
16 document, I just want to be clear. If this is the time to
17 establish the issue of the statute of limitations, we are
18 about to discuss a property that is not part of the dockets
19 we're discussing today. Again, I'm not sure of the
20 organization.

21 JUDGE VERO: Page 37 in the correspondence binder
22 does not --

23 MS. BOONE: 137.

24 JUDGE VERO: 137. And you're saying this is for a
25 property that's not covered --

1 MR. FARINAS: It's for the Simon Garden Realty. I'm
2 assuming it's not for Fairmount or the other two, Elray or
3 Marshall, that we're discussing in these three days.

4 MS. BOONE: But I was told that you wanted witnesses
5 to provide general information across the board for all the
6 properties.

7 JUDGE VERO: We're off the record for a moment.

8 (Discussion off the record.)

9 JUDGE VERO: We are back on the record.

10 You may proceed with Mr. Pulley's direct testimony.

11 MS. BOONE: Okay. Thank you.

12 BY MS. BOONE:

13 Q. With respect to Elray Gardens, can you turn to
14 SBG correspondence page 122?

15 A. Yes.

16 Q. Would you read this email into the record? And
17 state the date, please.

18 A. Sunday, December 7, 2008. John, good morning.
19 Just getting caught up from the week. Our contact at PGW re
20 the installation of meters at Elray 3608 and 3610 Spring
21 Garden Street is Joanne Strong. She was referred to us by
22 Robin Burt. The message we got was that until bill is
23 current we cannot get meter installation. The installation
24 at 3608 is ready for inspection; 3610 is being piped at this
25 time. Any assistance in this matter would be greatly

1 appreciated.

2 Q. And what was Mr. Dunn's response thereafter? If
3 you could turn to page 123.

4 A. Thank you.

5 Q. That same correspondence.

6 (Pause.)

7 Q. If you could read from John Dunn, December 15,
8 2008?

9 A. Yes. It says, Vince, the PGW collector did call
10 me, and I told him to ignore the collection notices. He
11 had, as we, PGW, do have a working agreement with SEB. And
12 I was off last Friday, and still do have to set up the holds
13 on your gas account, as it should be done by day's end.

14 Q. Now, again, this email is from whom?

15 A. This is from John Dunn, dated December 15, 2008.

16 Q. Who works for?

17 A. PGW.

18 Q. Once again he's telling you that if there's a
19 problem, who are you to refer to for that problem?

20 A. Him.

21 Q. And what does this email tell you that will
22 happen if you have this problem, say, with your gas meter?
23 What is this leading you to believe?

24 A. He'll address them to satisfaction.

25 Q. Did he say in this email to go to the PDC and

1 file a complaint?

2 A. No.

3 Q. Did he make that verbally to you?

4 A. No.

5 Q. I'd like now to turn your attention to page 126
6 in the SBG correspondence binder. If you could start
7 reading at December 10, 2008, 12:42 p.m., that email?

8 A. From me to John Dunn. Just received the attached
9 termination notices. Can you please address. The response
10 back, I got back, same --

11 Q. Can you say the date of the response?

12 A. It was also December 10, 2008. It was
13 approximately five minutes later, at 12:47 p.m.

14 Q. From whom?

15 A. From John Dunn.

16 Q. To?

17 A. To me, Phil Pulley. Phil, I know I am behind.
18 But I will get caught up on all of your matters. For now
19 these termination notices have been cancelled. Thanks.

20 Q. Once again, you had a problem, you had a
21 question. Was it answered by -- was the response to go file
22 a PUC complaint?

23 A. No.

24 Q. What was the answer?

25 A. He was addressing them.

1 Q. That was in 2008. Mr. Dunn is still working on
2 your account in 2009; is that correct? The SBG managed
3 properties; is that correct?

4 A. That's correct. We met him, I believe it was in
5 May of 2009.

6 Q. I'd like for you to turn your attention to SBG
7 correspondence binder page 116. If you can read the email
8 that starts, Thursday, March 12, 2009. If you can read who
9 it's from, who wrote the email, who it goes to, the date,
10 state the date again.

11 JUDGE VERO: What page is this, again?

12 MS. BOONE: It's SBG correspondence book, the binder.

13 JUDGE VERO: What page?

14 MS. BOONE: Page 116.

15 JUDGE VERO: Thank you.

16 THE WITNESS: The email is from John Dunn to me.
17 Phil, I'll look into it today. It appears by our meter
18 reading history that there has been no usage during this
19 time. Do you know why this apartment was put in the name of
20 SBG? Let me know. Thanks, John.

21 I responded back --

22 BY MS. BOONE:

23 Q. On what date?

24 A. The same date. The time's a little messed up.
25 But it says, no -- it says, but know that. It should

1 probably have said no, but thank you.

2 Q. What was this issue about, this meter reading
3 issue? What was that?

4 A. I believe this was one of the apartments. If you
5 go back to 118, and you go back to 119, that's dealing with
6 an apartment.

7 Q. Okay. Let's take a look at that bill. It's in
8 SBG correspondence binder page 118. This is a PGW works
9 bill; is that correct?

10 A. That's correct.

11 Q. When you look at the past-due amount on that
12 bill, what does it say it is?

13 MR. FARINAS: Your Honor, if I may, I thought we were
14 doing testimony on the concept of estoppel generally. I
15 understood the communications and the timing, but now we're
16 discussing the bill again. We're discussing details. Or
17 did I hear wrong?

18 MS. BOONE: I'm not asking for the calculation of
19 this. I'm asking for the kind of information he sent to
20 Mr. Dunn, and whether Mr. Dunn promptly responded to it.

21 And I'm also trying to show that if you look at this
22 bill, it looks like it probably had a monthly charge,
23 normally a 53.28, and all of a sudden it gets a new amount.

24 Or, I'm sorry, there's a credit. But there's a
25 question about this bill. I just want to provide the

1 context for the kinds of questions that are being given to
2 Mr. Dunn, that they are the kind of billing disputes or
3 billing questions that Mr. Cummings testified would be in
4 the purview of CRC.

5 MR. FARINAS: Just one more. If I'm hearing right,
6 we're discussing matters from February of 2009. However,
7 previously we've gone over emails from later in 2009.

8 So I was thinking if you're going to show at some
9 point there was reliance, it wouldn't be going back in the
10 past, it would be up to the meetings of 2009.

11 That's where the reliance would be, rather than going
12 backwards in history to outline another issue and another
13 issue, as opposed to --

14 JUDGE VERO: I agree with Mr. Farinas.

15 MS. BOONE: I am jumping around a bit, that's true.

16 JUDGE VERO: Well, that just muddles the record, just
17 causes confusion. We are dealing with the reliance and
18 estoppel, and I need you to show me.

19 MS. BOONE: Okay.

20 BY MS. BOONE:

21 Q. Go on, continue. But some of these issues that
22 we're talking about from 2008, 2009 and 2010 with Mr. Dunn,
23 essentially the issues involved what? What were the
24 problems in terms of at SSG with the properties?

25 A. There was missing payments, it was high bills, it

1 was -- they would present a bill that made absolutely no
2 sense, and then we'd try to dissect it. Then we would ask
3 for a breakdown of the usage, principal of the bill, and the
4 late charges and so forth so we could ascertain what the
5 bill meant.

6 Q. In terms of being vigilant about pursuing this,
7 you say that you're director of operations. Did you refer
8 any other employees at SBG to get involved in this matter?

9 A. I asked Eric Lampert to help, as well as
10 Mrs. Shor.

11 Q. And also, did you employ outside counsel?

12 A. Yes, I did.

13 Q. The issues that we're talking about, even though
14 they're 2008-2009, do they go back much further than that?

15 A. Yes, they do.

16 Q. To how far, would you say? Were they also
17 problems in 2004 and 2005?

18 A. Yes.

19 Q. Okay. In terms of Elray, in terms of Fairmount
20 Manor. At Fairmount; if you can just turn to page 116.
21 Were you aware of the problem at Fairmount Manor in 2004?
22 If you would turn to, actually, page --

23 MR. FARINAS: Your Honor?

24 MS. BOONE: I said that I am going back in time.

25 JUDGE VERO: That's okay. We're referring to the

1 second binder from Fairmount?

2 MS. BOONE: Yes, the second binder from Fairmount,
3 page 112.

4 JUDGE VERO: 112?

5 MS. BOONE: Yes.

6 THE WITNESS: Oh.

7 JUDGE VERO: Okay.

8 THE WITNESS: Yes, I'm there.

9 BY MS. BOONE:

10 Q. On page 112, can you read the date of the letter?

11 A. June 18, 2004. It was from Eric Lampert to PGW.

12 Q. And Mr. Lampert is the controller; is that
13 correct?

14 A. Yeah.

15 Q. What was the issue here?

16 A. It's a high bill. It's a \$13,000 bill.

17 MS. BOONE: I'm going to ask if Mr. Lampert can be
18 called to testify about this matter, since you said you
19 wanted to provide testimony.

20 MR. FARINAS: Your Honor, I believe when I last spoke
21 I was referring --

22 JUDGE VERO: Just a moment.

23 MR. FARINAS: Sure.

24 (Pause.)

25 JUDGE VERO: But you have come to the conclusion that

1 this is the extent of Mr. Pulley's testimony with regards to
2 correspondence, statute of limitation and estoppel?

3 MS. BOONE: Just a few more questions, and then I
4 will actually turn to Mr. Lampert. I would like to reserve
5 the right to call Mr. Pulley back on the statute of
6 limitations, based on what Mr. Dunn may say.

7 JUDGE VERO: But for today Mr. Pulley is done on this
8 issue?

9 MS. BOONE: With just a few more questions.

10 JUDGE VERO: Well, I would prefer for you to complete
11 your questioning of Mr. Pulley. He will be available to SBG
12 for cross examination, and then you can bring your next
13 witness on the issue of statute of limitations.

14 MS. BOONE: Okay.

15 BY MS. BOONE:

16 Q. Now, in addition to working with Mr. Dunn, was
17 there another employee at CRC that you worked with, a
18 Mr. Savage?

19 A. Yes.

20 Q. If you would turn to SBG correspondence page 84?

21 JUDGE VERO: And Ms. Boone, please don't asking
22 leading questions. This is your witness.

23 MS. BOONE: Pardon me?

24 JUDGE VERO: You just asked a leading question.

25 MS. BOONE: Oh. Okay.

1 THE WITNESS: Yes.

2 BY MS. BOONE:

3 Q. Please read this letter, this email.

4 A. Email from me to Ted Savage, Ralph Savage, dated
5 July 5, 2010. I wrote to him, Ted, got these the other day
6 in the mail. We are still waiting for the breakdown in
7 reconciliation that Dunn promised us a year ago. I think we
8 need to meet. The PGW bills are still wrong in a host of
9 our buildings. Also, PGW has placed liens on our properties
10 for tenant issues of which we are not responsible. PGW
11 placed liens on a property that we don't owe you any money.
12 Give me a call when you're back. And there is an attachment
13 to that. That email.

14 Q. If you turn to page -- in SBG binder
15 correspondence page 86. Is that the attachment?

16 A. Yes.

17 Q. And 87. Is that also an attachment?

18 A. Yes.

19 Q. And 88, 89?

20 A. Correct.

21 Q. 90?

22 A. Correct.

23 Q. 91?

24 A. Correct.

25 Q. What's the title of each of these --

1 A. Correct. They say non-residential post-
2 termination notice.

3 Q. It says on this notice that we will shut your gas
4 service off on -- is there a date listed there?

5 A. No.

6 Q. And in terms of the amount that's past due, what
7 was your understanding about that?

8 A. Which one are you looking at?

9 Q. Page 86.

10 A. Sorry. It shows \$31,752.52. Which didn't make
11 any sense.

12 Q. Why not?

13 A. First off, we don't believe we owed that money.
14 Secondly, there's no breakdown of interest. Thirdly, when
15 we did ask for breakdowns, we still had never received the
16 breakdowns.

17 There's no way for us to back into this. It doesn't
18 make any sense. We added up bills that didn't pan out. The
19 numbers are different.

20 Q. And is that the same for the shutoff for the
21 document identified as SBG correspondence 87, page 87?

22 A. Yes.

23 Q. And for 88?

24 A. Yes.

25 Q. And for 89?

1 A. Yes.

2 Q. And 90 and 91?

3 A. That's correct.

4 Q. So you had questions about these. You sent this
5 to Mr. Savage. And what was his response?

6 A. I think it was too bad, in the response, about
7 how to handle them. We continued to ask for a meeting. If
8 you go by the date here, this was July 5, 2010.

9 Q. Right. If you'll turn to SBG correspondence page
10 92. If you could just read that email.

11 JUDGE VERO: What page was this?

12 MS. BOONE: SBG correspondence book page 92.

13 BY MS. BOONE:

14 Q. If you'll read the original message?

15 A. Yes.

16 Q. Which is from Phil Pulley to?

17 A. To Ralph. Please find attached --

18 Q. And his last name?

19 A. Savage.

20 Q. The date?

21 A. Account number 0700249550. The name on the bill
22 is for another unrelated property that has nothing to do
23 with this location. How PGW ever put it in the corporate
24 name for an unrelated property is a mystery. Moreover the
25 address and unit number are for a tenant at Admiral Court.

1 This should have been in the tenant's name and not this
2 entity.

3 Q. And then for the next? Was there another
4 account?

5 A. Account number 0373007503. This is one of the
6 accounts that we have been waiting for PGW to reconcile for
7 three years. For PGW to place a lien against this property
8 will cause irreparable harm. PGW has ten days in which to
9 remove this erroneous lien. These are two examples of how
10 PGW acts without any regard for its customers, legal
11 principles or consumer responsibility. I thank you in
12 advance for correcting both of these matters immediately.

13 Q. This email is dated what? What's the date?

14 A. August 25.

15 Q. If you read the email above it, what's the date
16 of that email response?

17 A. September 20 -- excuse me. September 17, 2010.

18 Q. And who's it from?

19 A. It's from me to Ralph Savage. Ralph, just
20 touching base. Call me when you're ready to meet.

21 Q. What correspondence or contact transpired between
22 the date of the August 25 email and the September 17 email
23 with Mr. Savage?

24 A. I don't believe any.

25 Q. And with anyone else on this issue?

1 A. No.

2 Q. Okay. Thank you.

3 A. I was directed by John Dunn to deal with
4 Ted Savage when John Dunn retired.

5 Q. And approximately when did John Dunn retire?

6 A. I believe it was the latter part of '09, like
7 August, September-ish. It was summer.

8 Q. Prior to his retiring, did he say that on these
9 disputes that have been outstanding you should file a PUC
10 complaint and stop coming to them? What was his --

11 A. He never said that. I thought we were working it
12 all out. We were waiting for information, which goes back
13 to our December 2008 conference call with Mr. McCaffery,
14 Rochelle Guzman, John Dunn was on that call. I don't
15 remember. I mean there's a whole host of people from PGW.
16 I was the only one from our side of the table.

17 MS. BOONE: If I could just have a moment.

18 (Pause.)

19 MS. BOONE: All right.

20 BY MS. BOONE:

21 Q. Now, in 2010, let's move a little bit forward,
22 I'd like you to turn your attention to SBG Fairmount page
23 92.

24 A. 92?

25 Q. Yes. Fairmount 92.

1 A. I'm on that page. I just read that one.

2 Q. You read it in the correspondence. This is the
3 Fairmount binder.

4 A. Oh.

5 Q. In the Fairmount binder, page 92.

6 A. You got me there.

7 (Pause.)

8 A. Yes.

9 Q. If you can just read this email?

10 A. It's dated August 3, 2010, to Ralph Savage from
11 Phil Pulley. Ted, this is what we've been working off of.
12 Everything with a T or a V is a tenant units, of which we
13 are not responsible for. Let's focus on everything else.
14 Can we get a breakdown as follows, usage and distribution
15 cost, penalties, interest, miscellaneous.

16 Q. Okay. And when you turn to page 93, what is that
17 document?

18 A. This is the list, the infamous list that we began
19 to -- we met with John Dunn in May of 2009, and sat with him
20 and went through this list. This was the information that
21 was given to us in regards to our responses and concerns of
22 accounts.

23 Q. Right. So over these several years, you've been
24 asking for information on everything from what happened to
25 checks, a breakdown of bills. And even today, in the

1 meeting that occurred just a few months ago, what kind of
2 information did you seek at the April meeting? Is it
3 similar to the information that you sought in this 2010
4 letter?

5 A. Well, it was very generalized. They talked about
6 assays and service agreements. They talked about assays and
7 so forth. But there's still a lot of loose odds and ends
8 that were all open, and no resolution to anything.

9 Q. When did you finally file the PUC action?

10 A. The PUC action, I'm not exactly sure.

11 Q. What led you to finally file the PUC action in
12 2012, the PUC complaints, on behalf of the parties that own
13 Fairmount, Elray and Marshall?

14 A. We were told to do so by Ralph Savage.

15 Q. In what year is that?

16 A. I believe it was 2012.

17 Q. All right. If you could turn your attention to
18 page 35 in the SBG correspondence?

19 Or, I'm sorry. This starts with page 37, the SBG
20 correspondence binder. Please state who this email is from.

21 A. SBG correspondence 37 is from Kathy Treadwell to
22 me, dated January 30, 2012. Phil, attached is a listing of
23 PGW accounts in dispute. Let me know if you need anything
24 else.

25 Q. Are these pretty much the same accounts that were

1 in dispute in 2010?

2 A. I didn't cross-reference the list, but a lot of
3 them look the same to me.

4 Q. And who is Kathy Treadwell is our -- she is an
5 accountant in our accounting department that came on and
6 joined us the latter part of 2011. And getting frustrated
7 with PGW, I more or less said, Kathy, try and help us clean
8 this up.

9 Q. So you dedicated an employee to follow up on
10 these issues?

11 A. That's correct.

12 Q. About how much --

13 MR. FARINAS: Your Honor?

14 BY MS. BOONE:

15 Q. About how much time?

16 JUDGE VERO: Do you have an objection, Mr. Farinas?

17 MR. FARINAS: No.

18 JUDGE VERO: Okay. Continue, Ms. Boone.

19 THE WITNESS: I would say full time.

20 BY MS. BOONE:

21 Q. Okay. If you turn to page 36 in the SBG
22 correspondence binder, what did you do with the information
23 from Ms. Treadwell?

24 A. I sent it to Ralph Savage on January 31, 2012.

25 Q. Please read that. Please state who the email is

1 from, who it's to, the date and the contents of the email.

2 A. It's from Phil Pulley to Ralph Savage,
3 January 31, 2012. Ralph, please see the attached list of
4 accounts and disputes. Can we sit down with PGW accountants
5 and yourself to review; many of these are tenant matters.

6 Q. Who's copied on this email?

7 A. Gerald Clark, who's an attorney at PGW. I had a
8 lot of interaction with Mr. Clark. Trying to reach out to
9 him. He was something with liens. Daniel McCaffery, who
10 was our counsel at that time involved with us. And also
11 Kathy Treadwell, the accountant I spoke about.

12 Q. And then what's the next email that follows? It
13 begins on page, SBG correspondence binder page 35.

14 A. I sent the email on SBG correspondence 36 on
15 January 31.

16 Q. Okay.

17 A. I then wrote back on -- I wrote to Ralph Savage
18 on March 2. Ralph --

19 Q. Please state the year.

20 A. That was March 2, 2012. Ralph, see the attached
21 as requested. Any questions, you can speak to Kathy or me.

22 Q. Why did you need to send him this email on
23 March 2, 2012, when you sent the email on January 31, 2012?

24 A. Because I got no response. And that's a non --
25 what's the word I'm looking for? Nice way to remind

1 someone, hey, by the way.

2 Q. Okay. So what's the next email that follows?

3 A. Approximately a week later I received an email
4 from Ralph Savage on March 8, 2012, to me. And he had
5 carbon-copied Daniel Murray and Gerald Clark.

6 Ralph had said, Phil, we have reviewed your list of
7 accounts. I have added a review column to reflect our
8 investigation results. If the row is blank, this account
9 number and its debt was recorded. If the row says not on
10 list, then no debt was recorded. If the row says correct
11 account number, it means that the number you provided was
12 incorrect, and the debt was recorded under the corrected
13 account number as shown. As I stated before, tenant debt
14 can be liened to the property where the gas was consumed.
15 If you have any -- if you have anything else to dispute, you
16 can file a complaint with the Public Utility Commission.
17 Their contact information is 1-800-692-7380. There is no
18 need for us to meet regarding this debt.

19 Q. Okay. So when did your inquiry about these
20 accounts first start?

21 (No response.)

22 Q. About bills from PGW across the various
23 properties.

24 A. December -- well, August 2008 was when we hired
25 Mr. Hyman. And we had a conversation with PGW in December

1 of 2008. Some four years back.

2 Q. And prior to hiring Mr. Hyman, what were you
3 doing about billing disputes?

4 A. Writing to PGW. We retained Daniel McCaffery,
5 Esquire to reach out to their attorneys to discuss with
6 their attorneys how we can resolve these things.

7 Q. Okay.

8 MS. BOONE: That would be all. I'd like to call
9 Eric Lampert, please.

10 JUDGE VERO: Let Mr. Farinas cross-examine
11 Mr. Pulley.

12 Do you have any questions? I'm assuming you do.

13 MR. FARINAS: Yes, I do.

14 JUDGE VERO: Okay. You may proceed.

15 MR. FARINAS: Thank you, Your Honor.

16 **CROSS EXAMINATION**

17 BY MR. FARINAS:

18 Q. Mr. Pulley, I want to visit several areas. First
19 of a general nature. I'm going to kind of bounce around
20 just to touch on the various points in your testimony.

21 First, in the correspondence you mentioned and the
22 problems that you had with the Fairmount properties
23 accounts, the discussion about some were tenants and some
24 are not. And you mentioned the tenants which we're not
25 responsible for. Can you tell me what you were referring

1 to?

2 A. Well, it goes back beyond that.

3 Q. No, I'm asking, when you referred to that, what
4 are you referring to with that?

5 A. There were account numbers that PGW had come back
6 and said they were tenant accounts, but they had put them in
7 our name.

8 Q. And did any of your discussion involve the
9 liening of the properties for the tenant debt?

10 A. Not in 2008 and 2009. We were unaware of all
11 these liens until sometime in 2011.

12 Q. And when you became aware of the liens, is that
13 when you again tried to step up and dispute them, dispute
14 the underlying debt?

15 A. Yes.

16 Q. And was it your view that because the liens were
17 based on tenant debt, SBG should not be held responsible for
18 them?

19 A. Well, the answer is yes. But I'd like to qualify
20 that. Because in some instances the accounts were in tenant
21 names.

22 Then PGW took them out of the tenant names and put
23 them in our name. And has no such authority in which to do
24 that. Meanwhile the tenants still resided in the units.

25 Q. But it was your view, part of your dispute, that

1 the accounts that remained in the tenants' names, and for
2 the period that they were in the tenants' names, even before
3 they were put into SBG's name, those you were still
4 disputing, even though Mr. Savage told you that these
5 amounts could be -- the property could be lienied?

6 A. Well, each one of those is independent. We had
7 one particular tenant where who resided in another property
8 not owned by us. They incurred a couple thousand dollars
9 worth of gas obligations to PGW in that property.

10 When they then moved into our property, that debt
11 carried with them. So in trying to put a number -- let's
12 say they owe \$2,000 to Acme Real Estate. Then they moved
13 into SBG building and incurred \$3,000. PGW now was seeking
14 to collect \$5,000 from us for that matter.

15 Q. And that was a problem that you introduce to
16 Mr. Savage, which he answered you, not 30 days, but he
17 answered you? He was forthright and told you that there was
18 an error, and corrected the error; correct?

19 A. Well, we're not sure. And the reason being is,
20 PGW refused to turn over tenant account information with the
21 names on the bills, who originally took out the services.

22 So even though you want to say, hey, you got a lease,
23 or you have a bill, we couldn't decipher what the bill was,
24 because you refused to give us copies.

25 Once you finally did give us something, you redacted

1 all the information from it. So we're sitting back and
2 we're still scratching our heads, going, should we be
3 responsible for that under the tariff. And we don't know.

4 Because if you gave us a breakdown -- another example
5 is how misapplied LIHEAP payments were done by PGW.

6 Q. I think we're going far afield.

7 JUDGE VERO: Let's stick to one issue. Continue.

8 BY MR. FARINAS:

9 Q. So the issue of not being given tenant account
10 information absent a subpoena or anything like that was also
11 part of your continuing issue with PGW?

12 A. Yes.

13 Q. All right. Let's go back.

14 MR. FARINAS: Your Honor, actually I did distribute
15 this to the parties by email, and I have brought enough
16 copies. I'll present you with a copy. This represents
17 PGW's correspondence folder.

18 BY MR. FARINAS:

19 Q. I want to change gears a little bit and go back
20 to the period of 2008, I won't go back any further, where
21 there was a relationship established. I believe that was
22 the period that you hired Mr. Hyman; correct?

23 A. That's correct.

24 MS. BOONE: I think that the witness needs a copy of
25 the correspondence.

1 MR. FARINAS: Oh, I'm sorry.

2 THE WITNESS: That's okay.

3 {Document handed to witness.}

4 THE WITNESS: Thank you.

5 BY MR. FARINAS:

6 Q. I believe if I can direct your attention to PGW
7 correspondence, C-O-R-R, page one of this folder.

8 A. Wait. To what number?

9 Q. Page one. First page.

10 A. Oh, okay.

11 Q. Do you have any recollection of, shall we say,
12 the condition of the relationship between PGW and your
13 organization when you acquired the services of David Hyman?

14 A. I'm not sure I understand the question.

15 Q. Did discussions between PGW improve when you
16 acquired the services of David Hyman?

17 A. A little bit. Not much.

18 Q. Okay. Now I'll direct your attention to page
19 three. I'd like to point you at an email from you dated
20 Friday, January 23, 2009. Would you read that email? And I
21 believe you're addressing Mr. Hyman, your counsel.

22 A. That's correct.

23 Q. Can you read that for me?

24 A. It says, David, just a heads-up. We have heard
25 from John Dunn of PGW. He is on top of everything and is

1 helping greatly. Eric and he should be meeting within the
2 week. At this point everything is harmonious.

3 Q. Now, let's jog my memory to your direct testimony
4 in which you referred to a meeting that was finally held
5 with John Dunn, and you said was an awful lot of material
6 presented.

7 A. Right.

8 Q. Do you remember when that meeting took place?

9 A. In May.

10 Q. In May of 2009?

11 A. That's correct.

12 Q. And the material, did it include all of the
13 properties that you had disputed, or all the addresses from
14 the Fairmount property that you disputed?

15 A. I think it did. I'm not sure.

16 Q. Okay. And can you tell us where this meeting
17 took place?

18 A. The meeting in May?

19 Q. Yes.

20 A. Took place at our offices at 1241 Welsh Road.

21 Q. Did you ever meet with John Dunn anywhere else?

22 A. I'm not sure.

23 Q. Do you remember coming to your house to meet with
24 him?

25 A. That's the same place, 1241 Welsh Road.

1 Q. Oh, okay.

2 A. Okay. And you're right, I did meet with him
3 previously. I met with him with Mary Mandabi (phonetic),
4 your counsel, Atty. McCaffery, Tom Murphy and those guys.
5 So I met him in connection with the 2004 settlement with
6 PGW.

7 Q. Okay. 2000?

8 A. Four.

9 Q. Four.

10 A. Sorry.

11 Q. And now we're talking about 2009?

12 A. Correct.

13 Q. This was the last meeting you had with John Dunn;
14 correct?

15 A. That was the only meeting and the last meeting.

16 Q. Well, and after that he retired?

17 A. Yes.

18 Q. Just to get a little bit more detail. How much,
19 and I don't know if you want to describe it in reams of
20 paper, or binds, how many spreadsheets did Mr. Dunn bring to
21 this meeting in May of 2009?

22 A. I think it was just -- if you go back to SBG
23 Fairmount 000093 and 94, I believe that was it.

24 Q. And you said he brought a lot of -- if I remember
25 your testimony, he brought a lot of information with him.

1 Correct?

2 A. Well, this is a lot of information. It's a lot
3 of information here. Account numbers, meter numbers and so
4 forth. Right here.

5 Q. understood. And how long was this meeting?

6 A. Maybe a couple hours.

7 Q. And then there was no other papers beside these
8 four sheets that he brought with the meeting to show you?

9 A. I believe it was these two sheets. I'm not sure
10 what else he brought or didn't bring. But I remember these
11 two sheets, because I remember a copy of these in someplace
12 somewhere. I've got handwritten notes on one of these
13 someplace.

14 Q. Do you remember that other pieces of paper at
15 that meeting supporting these sheets?

16 A. I remember Mr. Lampert pulled out a lot of paper,
17 and pulled out invoices to say that this doesn't make any
18 sense. And they sat there with a whole lot of paper. Well,
19 Eric did, I remember that.

20 Q. If I'm looking at what you just referenced, SBG
21 Fairmount 00094, the bottom of this document says prepared
22 by PGW 7/22/2010. So this couldn't have been a copy of that
23 document at that meeting in 2009. It may have been similar
24 to them?

25 A. It's similar. Similar. I apologize.

1 Q. And at this meeting, in addition to your person
2 Eric, was anyone else from PGW there?

3 A. No.

4 Q. And during those couple of hours, did John Dunn
5 attempt to explain to you what was going on, whether he had
6 other papers with him or not?

7 A. My impression of the meeting -- and you're asking
8 my opinion.

9 Q. Uh-huh.

10 A. John Dunn went back with an array of notes on a
11 lot of the topics, subject matters. And we tried to take
12 small bites of the apple.

13 We didn't try to hit everything. We tried to take
14 small bites with small issues to try and knock these issues
15 down, so then we can move on.

16 Q. But did you receive an explanation at that
17 meeting? It wasn't just an assignment meeting. He did come
18 at you with some explanation as to what was going on with
19 the accounts; correct?

20 A. I don't recollect, I mean, a whole lot. I
21 remember Eric was pulling out invoices saying this doesn't
22 make any sense.

23 I remember the bill on Colonial Garden that showed
24 \$1,200 in past due, \$1,200 incurred charges, and added up to
25 21,000. And he looked at that and was going, I don't know.

1 We were making copies of things, a lot of documents that
2 Eric had to give to him so that he could then go back and
3 research these things.

4 Q. Well, Mr. Dunn didn't bring any information even
5 in an attempt to satisfy your inquiry about what was going
6 on with the accounts? Is that your testimony?

7 A. I don't remember him coming in with a voluminous
8 amount. He came in with a couple pages, and he --

9 Q. Did he try to explain what was going on with the
10 accounts to you?

11 A. No. No. There were more questions coming out of
12 that meeting than there were answers.

13 Q. Well, I can see that, because there were two
14 people from SBG asking questions about material. But did
15 Mr. Dunn explain to you what was going on with the accounts?
16 Or did he just sit there, and you just asked him questions?

17 A. No. It was a good exchange of information.

18 Q. And if it was a good exchange of information, do
19 you believe that Mr. Dunn thought that he satisfied at least
20 your initial inquiry

21 MS. BOONE: Objection. He's asking him to testify as
22 to Mr. Dunn's state of mind.

23 MR. FARINAS: I asked him what he believed about it.

24 MS. BOONE: He can only testify as to what he
25 believes, not what he believes that Mr. Dunn believes.

1 Mr. Dunn has to speak for himself.

2 BY MR. FARINAS:

3 Q. Did Mr. Dunn look satisfied with the information
4 that he did give you?

5 MS. BOONE: Objection. That's a compound question.

6 THE WITNESS: I can't answer that.

7 JUDGE VERO: All right. Can you rephrase it?

8 BY MR. FARINAS:

9 Q. Other than the additional questions that Mr. Dunn
10 was sent away with, did Mr. Dunn provide you with such
11 information that he believed he had fulfilled --

12 MS. BOONE: Objection.

13 JUDGE VERO: He can't testify to what Mr. Dunn
14 believed.

15 Did Mr. Dunn give you any indication that he felt PGW
16 had satisfied its duty in providing you with information?
17 Did he say that we have done what we could, this is what I
18 have for you? Did he give any indication that the
19 investigation had occurred, that he had information for you,
20 and this is the information, this is a lot of work?
21 Something so that Mr. Dunn was under the impression that he
22 was responding to your questions and inquiries?

23 MS. BOONE: You know what? Excuse me, Your Honor.
24 But on redirect I can show you correspondence between
25 Mr. Dunn and Mr. Pulley that may address this issue.

1 JUDGE VERO: And the correspondence follows the
2 meeting date of May --

3 MS. BOONE: Yes, it follows.

4 JUDGE VERO: May of 2009?

5 MS. BOONE: Yes, it does.

6 JUDGE VERO: All right.

7 THE WITNESS: Well --

8 JUDGE VERO: Hold on.

9 THE WITNESS: I was going to try and answer her
10 question.

11 JUDGE VERO: Yes, answer my question. Is my question
12 anything that --

13 MR. FARINAS: Yes, yes.

14 THE WITNESS: I think it was good.

15 JUDGE VERO: It was good, all right.

16 THE WITNESS: There was no finality in regards to any
17 of the accounts. If anything, more questions came out of
18 the meeting in regards to all of the accounts.

19 And even when we came back to issues versus tenant
20 versus non-tenant issues, it was, well, who's the tenant?
21 When was it turned on? What was the circumstances?

22 And I don't believe there's any finality to any of
23 the accounts that came out of that meeting. There was more
24 questions.

25 And as I said, I thought it was a good exchange of

1 dialog. And everybody had to go back and get more
2 information.

3 BY MR. FARINAS:

4 Q. And do you think that the lack of finality was
5 more a function of your not being able to agree to any of
6 the information that Mr. Dunn provided for you?

7 A. No, I don't. There was an account listing put
8 together of what we're going to term disputed accounts, or
9 something accounts, and then trying to go through all those.
10 Okay?

11 I don't believe there was rigidity on either party's
12 part sitting in that meeting. I thought it was a very good
13 meeting. I thought everybody was going to leave there and
14 go back and gain more information, and then regroup again to
15 try and satisfy questions that were raised or issues that
16 were raised during the meeting. Or at the same time, an
17 exchange more of information, like I said, in regards to
18 just the tenant items.

19 Well, who are the tenants? When did they move in?
20 Was there a security deposit place? I mean, and those --
21 and he's like, okay, we'll have to get you that information.

22 Q. Well, so the practice is every time Mr. Dunn came
23 to you with information that he thought would be helpful,
24 you sent him away with more questions?

25 A. That's a horrible characterization, because we

1 met once since my meeting with him with Mary Mandabi in
2 either '04 or '05. So with one meeting in that time frame,
3 and then he proceeded to retire three months later.

4 It's a horrible characterization about how we
5 conducted business or how we got along with Mr. Dunn.

6 Q. After any of your meetings with either Mr. Dunn,
7 or conversations with Mr. Dunn by correspondence or
8 otherwise, did you ever indicate that you would pay the
9 outstanding balance, but you were just waiting for some
10 money from the government in order to make payment on any of
11 the accounts?

12 A. You're asking a very broad question. Because we
13 get an array of different things from different payments
14 from people and so forth.

15 So on one account, yeah, we may have been waiting for
16 money from the government to pay that particular account.
17 And without being more specific, I can't answer.

18 Q. Did you ever give that in response to any
19 explanation about a bill that you were -- that you had an
20 inquiry about --

21 A. To Mr. Dunn?

22 Q. Yes.

23 A. I don't believe so.

24 Q. Okay.

25 JUDGE VERO: And we're still referring to the May

1 2009 meeting?

2 MR. FARINAS: Yes.

3 JUDGE VERO: Okay.

4 MR. FARINAS: Or anything up to that, leading up to
5 that, in that general area.

6 THE WITNESS: No, I don't believe I did. At that
7 point we're all getting along, we're trying to resolve
8 information. And I'm glad we finally had a meeting with
9 John.

10 BY MR. FARINAS:

11 Q. You mentioned that you employed the services of
12 two attorneys. The first one was Mr. Hyman. And if I can
13 ask you, I believe you mentioned he was the president of the
14 Gas Commission? Was that what you said?

15 A. I believe that's what I was told by the person
16 who recommended him, that he was head of the Gas Commission.

17 Q. Well, wasn't he the president of the nonprofit
18 that manages PGW as opposed to the Gas Commission, which is
19 a city agency?

20 A. That could be. I don't know the difference. But
21 he's president of something, and I know it's not the United
22 States.

23 Q. And so did you know that -- so you knew somehow
24 he had some prior professional contact with PGW?

25 A. That's correct.

1 Q. And did you rely upon his employment with you for
2 his connections, or his legal acumen?

3 A. The law firm of Kline, Bard, Bell and Brecker
4 began representing me in -- and I'm trying to pick a year.
5 '95 or '96. So I had a long history with the law firm from
6 that standpoint.

7 When I spoke to a gentleman who's name was
8 John Payonne (phonetic), and John kind of guided him through
9 another gentleman, say, how can I help resolve my problems
10 with PGW? And he recommended David Hyman.

11 And it was just a coincidence that David had
12 represented me from 1996 through the passing of the
13 attorney, Steve Waxman.

14 Q. Was he, in your view, was he a good utility
15 attorney?

16 A. David?

17 Q. Yes.

18 A. Yes and no. I think David relied upon some of
19 the younger-lings in his office and which do draft and stuff
20 like that.

21 But I was desperate and needed help. I wanted to
22 resolve the open issues with PGW, and was kind of using the,
23 well, if I got to go use a center city lawyer to try and get
24 to someone at PGW so we can resolve the differences, then so
25 be it.

1 Q. Do you think he knew enough to advise you that if
2 you were dissatisfied or still not, problems unresolved,
3 that as an alternative --

4 MS. BOONE: Objection.

5 BY MR. FARINAS:

6 Q. -- you could have a, file a complaint with the
7 PUC?

8 JUDGE VERO: On what grounds?

9 MS. BOONE: Once again, he's asking what David Hyman
10 thought.

11 JUDGE VERO: No, he asked him what he thought about
12 David Hyman.

13 MS. BOONE: Well, I thought the question was, did he
14 think that David Hyman thought he knew enough. He's asking
15 about David Hyman.

16 JUDGE VERO: No, I think Mr. Pulley is able to come
17 to a conclusion and reach an opinion with regards to an
18 attorney that he hired, and subsequently, I believe, no
19 longer used his services.

20 Well, obviously today Mr. Hyman is not representing
21 SRG. So I do believe that Mr. Pulley can testify as to the
22 legal knowledge and ability of the attorney that he hired.

23 THE WITNESS: I think he's a very good attorney. I
24 think he had a pretty good knowledge about the working
25 relationships with PGW.

1 You know, our intention here was to go through a
2 resolution with PGW, and to the items in an exchange of
3 information.

4 BY MR. FARINAS:

5 Q. But you were dissatisfied for years and years and
6 years and years and years. Didn't you know, did he tell you
7 that you could have filed a complaint with the PUC?

8 A. No, I don't believe he did.

9 Q. And did you know that there was a method of
10 finding relief when you're dissatisfied with PGW?

11 A. Not until years later.

12 Q. And how long have you been in the business of
13 renting properties for tenants?

14 A. 20 years, 25 years.

15 Q. How long have you, or any of the organizations
16 that you are connected to, been a recipient of utility
17 services?

18 A. I'm not sure I understand the question.

19 Q. As an entrepreneur in the business of renting
20 property, how long have you been a recipient of utility
21 services in that capacity?

22 A. 20, 25 years.

23 Q. Did you know there was such a thing as a Public
24 Utility Commission?

25 A. No, I didn't.

1 Q. In all of your years of being an electric
2 customer and a gas customer and a water customer, you didn't
3 know there was a regulatory scheme that provided you with
4 relief, or an opportunity for relief, if you're
5 dissatisfied?

6 A. Well, maybe this sounds naive, but the utility
7 that we seemed to have the problems with was PGW, not with
8 electric, not with water.

9 Q. I'm asking did you know. Did you know that there
10 was a place you could go to get relief with any utility?

11 A. No.

12 Q. So being dissatisfied, is it safe to say that
13 your dissatisfaction resulted in -- did it manifest itself
14 in other ways?

15 A. What do you mean?

16 Q. Did you withhold payment for utility services?

17 MS. BOONE: Objection.

18 JUDGE VERO: On what grounds?

19 MS. BOONE: Relevancy. The issue here isn't payment,
20 the issue here is the statute of limitations and whether PGW
21 has resolved the billing issue.

22 JUDGE VERO: I understand. But I want to hear the
23 answer. So your objection is overruled.

24 THE WITNESS: In many of these items, we felt that
25 PGW was overpaid. To the tune of in excess of \$1 million.

1 BY MR. FARINAS:

2 Q. So did you believe that you had a right to set
3 off the amount that you believe you were owed versus paying
4 for utility services that you were taking?

5 A. Well, if you believe a bill is wrong, and you
6 reach out to the vendor, and then you say there's a problem
7 here, you expect some rational reasonableness that somebody
8 will get back to you in some amount of reasonable time frame
9 in which to try and address this. Okay?

10 At the same time, where does all this extra money
11 come from if you feel that you've overpaid a utility in
12 excess of \$1 million?

13 Q. But you were represented by David Hyman. Didn't
14 you know that there was a method of getting relief for your
15 dispute?

16 A. Well, I believe based on that December conference
17 call that we all had an agreement that we were going to work
18 together to work through these things.

19 JUDGE VERO: December of what year?

20 THE WITNESS: That would have been 2008.

21 BY MR. FARINAS:

22 Q. Did you ever agree to pay your current bill while
23 you were working out these disputes?

24 A. Yes, we did, on certain accounts.

25 Q. And did you pay them?

1 A. Yes, we did.

2 Q. Did you pay on other accounts?

3 A. On certain disputed accounts, no. But that was
4 based upon the conversation.

5 Q. And when you did pay on disputed accounts, did
6 you withhold payment of the disputed amount, or did you
7 simply stop paying on the account?

8 A. I don't know off the top of my head.

9 MR. FARINAS: Will be getting a witness that will
10 comment, will be able to give testimony about what payments
11 were withheld?

12 MS. BOONE: I'd like to just go on the record
13 objecting to this. This inquiry is about a billing dispute.
14 It's not about a payment dispute, it's about a billing
15 dispute.

16 This customer has again and again and again gone to
17 ask for explanations of how the bills are calculated,
18 whether payments were applied.

19 To try to change the issue to whether he paid is to
20 run away from the issue of whether the bills were calculated
21 properly, whether payments were made properly, or
22 improperly, and whether interest was applied properly.

23 This line of questioning has nothing to do with the
24 case in chief that's been presented, and this is irrelevant.

25 JUDGE VERO: All right. Just a moment. I allowed

1 you to enter testimony into the record to establish pattern
2 of behavior. And your objection is on the record, but it's
3 overruled.

4 You may continue.

5 MR. FARINAS: Thank you.

6 BY MR. FARINAS:

7 Q. I need to visit that a little bit more.

8 A. Sure.

9 Q. Your belief is that if your dispute is that you
10 have over --

11 JUDGE VERO: I'm sorry, Mr. Farinas. I think you
12 were addressing a question to Ms. Boone with regard to a
13 witness.

14 MR. FARINAS: Oh.

15 Will we have another witness that will answer the
16 reason for withholding payment?

17 MS. BOONE: For withholding payment?

18 MR. FARINAS: For not, for payment on the account,
19 withholding payment on the various accounts.

20 MS. BOONE: If you subpoena them, sure. If you
21 submit a subpoena for someone, I'll be happy to provide that
22 witness for you.

23 JUDGE VERO: All right. Let's rephrase the question.
24 Will there be another witness who will testify on SEG's
25 payment history?

1 MS. BOONE: We haven't received a subpoena asking for
2 a witness to testify on that. But as soon as we do, we will
3 certainly provide one.

4 JUDGE VERO: Mr. Farinas?

5 MR. FARINAS: Well, Your Honor, under the witness
6 list, Ms. Kathy Treadwell will be speaking to each and every
7 one of the various disputes on the individual statements of
8 account. And I would imagine it would be her ability to
9 discuss the payments that were made on that account.

10 JUDGE VERO: You can cross-examine her. She'll be
11 available for cross examination.

12 MS. BOONE: I would just say that it was my
13 understanding that we were in a line of questioning about
14 the statute of limitations.

15 JUDGE VERO: Yes.

16 MS. BOONE: Not about the payment history. If
17 there's a witness that you want to talk about payment
18 history, it could be Mr. Pulley, it could be someone else.

19 But he hasn't subpoenaed, sent me a subpoena saying
20 that he wanted someone to provide information on that. And
21 that is not our case in chief, the payment history of this
22 person.

23 JUDGE VERO: Okay.

24 MS. BOONE: So this is new. This is surprise.

25 JUDGE VERO: All right, just a moment. The

1 complaints that we're here for do discuss missing payments,
2 cancelled payments, etcetera. So payments are part of your
3 complaint.

4 MS. BOONE: How the payments were applied is a part
5 of the complaint.

6 JUDGE VERO: How the payments were applied.

7 MS. BOONE: And whether PGW has accounted for those
8 payments properly.

9 JUDGE VERO: All right.

10 MS. BOONE: It's a narrower issue, I believe.

11 JUDGE VERO: Just a moment. I don't think
12 Mr. Farinas was asking for a specific individual to appear
13 as a witness. He only asked you whether there will be a
14 witness that you would present that would have the
15 knowledge, firsthand knowledge, of payments to made to
16 certain accounts.

17 MS. BOONE: And I would say that this is new.

18 I would also say that in terms of this information,
19 this is prejudicial. It doesn't go to the heart of whether
20 PGW has complied with the tariff.

21 Whether a customer has paid or not has nothing to do
22 with PGW's responsibility to investigate a high meter, a bad
23 meter.

24 JUDGE VERO: Ms. Boone, I was interrupting. You are
25 making it a bigger issue than I think it is. You, right

1 now, you're making it a bigger issue. It's not that big of
2 an issue.

3 I think he asked you a question, and you could have
4 responded yes, no, maybe.

5 MS. BOONE: I would have to just confer with my
6 client. And it may be Mr. Pulley, it may be someone else.
7 So I can probably get back to you tomorrow on the person to
8 answer that question, if that's okay.

9 JUDGE VERO: Is that satisfactory?

10 MR. FARINAS: Yes.

11 JUDGE VERO: All right

12 MS. BOONE: Thank you.

13 JUDGE VERO: That's doable.

14 You can proceed, Mr. Farinas, if you have any further
15 questions for Mr. Pulley.

16 MR. FARINAS: Yes, I do.

17 BY MR. FARINAS:

18 Q. Mr. Pulley, did you instruct your staff not to
19 pay on accounts while your dispute was pending?

20 MS. BOONE: Objection. I just said that we would
21 address this issue tomorrow. So I'm not sure why he's
22 asking Mr. Pulley a question when I said I would provide
23 someone tomorrow.

24 JUDGE VERO: I understand. And your objection is
25 overruled.

1 THE WITNESS: No.

2 JUDGE VERO: Move on, Mr. Farinas. Next question.

3 BY MR. FARINAS:

4 Q. If I may ask. Is your relief that you're looking
5 for in this matter, any part of the relief that you're
6 looking for in this matter, requesting the return of late
7 payment charges that were the result of debts under tenant
8 accounts for which you were lienied?

9 (Pause.)

10 MS. BOONE: Objection.

11 JUDGE VERO: On what grounds?

12 MS. BOONE: He said earlier that we shouldn't be
13 addressing the lien issues of tenant accounts.

14 MR. FARINAS: I'm asking about the request he made.

15 MS. BOONE: So I don't understand why he's raising a
16 question by his offering a question to this witness that he
17 said in my place was irrelevant.

18 JUDGE VERO: Sustained.

19 Mr. Farinas, rephrase it.

20 BY MR. FARINAS:

21 Q. Mr. Pulley, the relief that you've requested,
22 does it include the return of, the refund to you of late
23 payment charges, or credit for late payment charges?

24 MS. BOONE: Objection. If he's discussing settlement
25 negotiations, I believe that those are not to be presented

1 in the trial.

2 MR. FARINAS: I'm not discussing --

3 JUDGE VERO: He didn't report a settlement
4 discussion, or the information where it was obtained.

5 MS. BOONE: Okay.

6 JUDGE VERO: Just what type of relief are you
7 requesting from this Commission.

8 MS. BOONE: Okay, I'm sorry.

9 JUDGE VERO: Is that correct?

10 MR. FARINAS: Correct.

11 MS. BOONE: I apologize. I misunderstood your
12 question. Sorry.

13 JUDGE VERO: It's okay.

14 Mr. Pulley?

15 THE WITNESS: I believe some of it, yes. I believe
16 that PGW has charged us for tenant charges from other
17 properties. I believe that PGW has misapplied LIHEAP
18 payments.

19 BY MR. FARINAS:

20 Q. I'm specifically asking --

21 A. Wait, wait. You asked. You opened the door.
22 Okay? So the interest in some instances, yes. In all
23 instances, I can't state.

24 Only on Saturday did we get a list of all the tenant
25 names, tenant accounts, that now we can even go back to see

1 if those people were tenants in our buildings.

2 Prior to that date you didn't provide us any
3 information. So just now, Saturday, we get this information
4 with the tenant names. Now we have to go back and cross-
5 reference were they really tenants.

6 Did PGW put gas in the name of someone who didn't
7 even have a lease there or was a tenant of ours?

8 So the answer is, I don't know until we now do
9 additional research to the information you provided.

10 Q. Fine. Just the fact that if there were a tenant
11 that you verified to be a tenant that left your building
12 with an outstanding bill, with late payment charges, and the
13 property was liened, are you seeking return on those, or any
14 of those amounts?

15 MS. BOONE: Objection. He's once again talking about
16 liens.

17 JUDGE VERO: Well, here's the thing. I don't know if
18 you got an opportunity to read my order on Mr. Farinas
19 preliminary objection back in 2011.

20 MS. BOONE: I did.

21 JUDGE VERO: But my order did say that while the
22 Commission doesn't have jurisdiction over liens, the
23 Commission does have jurisdiction over the billing that led
24 to the lien. Okay?

25 MS. BOONE: Yes, okay.

1 JUDGE VERO: And all the calculations that led to the
2 amount that was deemed, we, as the Commission, have
3 jurisdiction to relieve.

4 MS. BOONE: Okay.

5 JUDGE VERO: So if Mr. Pulley is now disputing
6 portions of those calculations, or the entire calculation,
7 although it went to a lien, the Commission has jurisdiction
8 to review those calculations.

9 MS. BOONE: Oh. Oh, thank you, Your Honor. Thank
10 you.

11 THE WITNESS: So trying to answer your question, we
12 just got the information that included the tenants' names
13 and addresses. And I can't really give you a definitive
14 answer until we look at this to say is it right, is it
15 wrong. Are the bills right; are the bills wrong.

16 I hope I've answered your question.

17 BY MR. FARINAS:

18 Q. In principle, do you believe that you should not
19 be held responsible for the debt? In principle, do you
20 believe that your property should not be lienied for the debt
21 of tenants at your property?

22 A. In principle, I don't believe we should be.
23 We're not the ones who decide to turn their gas on. When
24 tenants sit there in our building and run up \$3-, \$4-,
25 \$5,000 gas bills, and then PGW turns it off, and then seven

1 days later reinstates service, and then all of a sudden it
2 goes for another \$3-, \$4,000, why should I be responsible?

3 You made the same financial risk that I did when I
4 rented to that tenant that they're going to pay rent. You
5 made the same risk whether you turn gas service on for them
6 or not.

7 Q. So is this the motivating basis for your filing
8 this complaint?

9 A. No. In all honesty, no. This is just part of
10 it. The way in which PGW has liened properties to the tune
11 of \$2 million on Simon Garden when your final bill was only
12 \$944,000, but meanwhile when I sat with Mr. Savage, he goes,
13 well, you only owe 680. And we asked for a breakdown of
14 principal and interest. And I have still yet to ever
15 receive that.

16 Or the fact in Colonial Garden, PGW put \$450,000 in
17 liens on the property. I sit with Ted Savage on October 4,
18 2009. He goes, Oh, you only have \$185,000 of liens. But
19 the title company tells me there's 450, and he tells me my
20 bill's only 185. And then a month later, miraculously --
21 now, you opened it up. Miraculous, a month later, my bill
22 goes from 185 to 244, and I can't get an explanation of
23 where the bill was.

24 And then Gerald Clark makes the comment that my title
25 report that was from August of 2011 is inaccurate, is

1 unacceptable.

2 That's why we're here. Because I feel that you've
3 been overpaid on all these other properties as well as the
4 tenant issues and so forth. That's why we're here. Because
5 of tyranny.

6 Q. Have you recently paid any amounts for gas bills?

7 A. Yeah. I paid you \$275,000 last week.

8 Q. What did that represent?

9 A. That supposedly represented the current amounts
10 due. And your bill was wrong. And I overpaid you. And I
11 asked her why --

12 Q. So is that why you --

13 A. No, excuse me. I asked her why are we not filing
14 another PUC complaint against him. He overcharges; you
15 double-billed us on that bill alone.

16 But that's my joke. Because I said, I'll write the
17 check, Francine. I'm arguing with her that I should deduct.
18 She goes, Write the check, keep your mouth shut. Okay?

19 So I overpaid you on that 275,000, and your bill was
20 wrong on that also.

21 Q. So you said, arguing with Francine, that you
22 should deduct? Does that mean that you believe that you
23 have some offset right against what you believe you owe --

24 MS. BOONE: Objection.
25

1 BY MR. FARINAS:

2 Q. -- rather than what you should pay as an
3 undisputed amount?

4 JUDGE VERO: Mr. Farinas, where are these questions
5 leading to? Because it is what is it is. The complaints
6 are what they are. The inspiration, or the driving force,
7 or the driving thought behind, it's not something that I'm
8 concerned with.

9 I want to know whether or not PGW violated a
10 Commission statute, regulation or order in its dealing with
11 the complainants. Okay?

12 So why he filed a complaint, you have wasted way too
13 many questions with regard to that. So proceed.

14 BY MR. FARINAS:

15 Q. Mr. Pulley, to what extent is your
16 dissatisfaction with PGW's information regarding your
17 billings over the years simply a way of prolonging payment
18 for services that are rendered to you?

19 A. That has nothing to do with it. And you're
20 trying to cast me out that I'm a deadbeat. And at the same
21 time I'm saying that you guys are organized thieves worse
22 than the mafia.

23 We have no problem paying our bills. If we
24 understand them, if they're accurate, and if they make
25 sense. That goes with every vendor, that goes with every

1 other utility.

2 And do we have utility disputes with other ones?

3 Sure. The water company just billed us \$115,000 on a
4 property, threatened to file a lien.

5 And once we got them on the phone, we're like, it's a
6 little bit off by about \$100,000, they corrected it. Boy,
7 they corrected it in one phone call, and somebody can look
8 and see that.

9 As opposed to PGW, where you can't even get someone
10 on the phone. Or we have to go to this extreme to try and
11 figure out what it is I'm paying for.

12 Explain to me the August meeting with Ted Savage.
13 Colonial Garden. \$185,000 lien, of what he tells me is on
14 the building, but there's \$450,000 --

15 Q. Well, that's not --

16 A. Excuse me, I'm talking. Please don't interrupt
17 me.

18 JUDGE VERO: Mr. Pulley, please, just calm down and
19 try to be less emotional. I understand the amount of money
20 that's involved and the years that you have been dealing
21 with, or the parties have been dealing with each other, have
22 caused some animosity. But, please, let's keep it
23 professional and courteous.

24 MR. FARINAS: I have one more question.

25 JUDGE VERO: All right.

1 BY MR. FARINAS:

2 Q. Mr. Pulley, were you present at the meeting of
3 April at which Mr. Cummings referred to earlier concerning
4 the resolution of some of the issues that were raised?

5 A. Yes, I was there the entire time. And
6 Mr. Cummings was only there part of the time.

7 Q. Thank you. Was there any explanation for any
8 issue raised that SBG accepted?

9 A. I believe there may -- I'm not sure. I'm not
10 sure. I believe that I remember somebody bringing up
11 something about an assay, and there were some things.

12 But the fact that somebody said, Well, you're getting
13 charged \$50 because the tenant called up on an emergency
14 service. But we still didn't agree with the bill, the
15 overall calculation. That was just one part of it.

16 Q. So that was not something that you can accept as
17 a resolution for that \$50 charge?

18 A. That was just part of the overalls.

19 Q. But did you accept that as the \$50 charge?

20 A. No.

21 Q. So there was no issue that SBG felt was resolved
22 by any explanation by PGW on April? There was no
23 explanation that SBG felt that was resolved by any meeting
24 with John Dunn; is that correct?

25 A. John Dunn, there was no finality to any issues.

1 The April meeting, I'm not sure. I'd have to go back and
2 meet with these nice people.

3 Q. And with respect to your familiarity, whether or
4 not you knew there was a relief to file with the PUC, has
5 SBG ever filed a complaint, a high bill complaint, a dispute
6 with the Bureau of Consumer Services or the Public Utility
7 Commission?

8 A. For PGW?

9 Q. Yes.

10 A. Yeah, we just did this after we were directed to
11 do it.

12 Q. No, before this. Before these nine complaints.

13 A. I'm not sure.

14 Q. DO you recall anytime between 2003 and 2005 that
15 you filed a complaint about a bill, disputing a bill, a PGW
16 bill?

17 A. Don't remember.

18 Q. At the time between 2003 and 2005, would you have
19 been the one that ordered or instructed staff to file a
20 dispute, disputing a bill?

21 A. Don't know. It depends on how the accounting was
22 set up way back then.

23 Q. And did you mentioned earlier in your testimony
24 that SBG is on top of everything, and they look at costs,
25 you look at this, would you have known that if there was a

1 dispute filed by SBG concerning -- or any of the buildings
2 of SBG, would you have known that a high bill dispute was
3 filed?

4 A. A high bill dispute with PGW?

5 Q. Or a building dispute, yes.

6 A. With PGW? There's always building disputes with
7 PGW. That's why we're here.

8 Q. Filed with the PUC, a dispute with PGW with the
9 Commission, between 2003 and 2005?

10 A. Don't know the answer to that. It could have
11 been the accountant in the office at that time. Don't know.

12 MR. FARINAS: I have no further questions, Your
13 Honor.

14 JUDGE VERO: Thank you, Mr. Farinas.

15 Any redirect, Ms. Boone?

16 MS. BOONE: Yes. I just wanted to turn Mr. Pulley's
17 attention to the January 23, 2009, letter that
18 Mr. Farinas -- it's in the PGW correspondence binder.

19 THE WITNESS: What number?

20 MS. BOONE: That was page three. That Mr. Farinas
21 mentioned.

22 REDIRECT EXAMINATION

23 BY MS. BOONE:

24 Q. Please state the date of the email from you to
25 Mr. Hyman.

1 A. January 23, 2009, from me to David Hyman.

2 Q. And as read, what did it say about Mr. Dunn?

3 A. Said, David, just a heads up. We have heard from
4 John Dunn at PGW. He's on top of everything and is helping
5 greatly. Eric and I should be meeting him within the week.

6 Q. Okay. I'd like you to turn your attention to the
7 binder, SBG correspondence, page 107.

8 A. Yes.

9 Q. There's an email dated February 18, 2009. And
10 it's from Debra Pulley to Phil Pulley and John Dunn. Can
11 you read that?

12 A. 8:02 a.m.

13 Q. Actually, can you start with February 11, the one
14 just below there?

15 A. Okay. February 11.

16 JUDGE VERO: What page? I'm sorry.

17 MS. BOONE: I'm sorry. It's SBG correspondence, page
18 107.

19 JUDGE VERO: Oh, okay.

20 You may proceed, Mr. Pulley.

21 BY MS. BOONE:

22 Q. You testified that you dealt with a lot of
23 different properties with Ms. Guzman and others in January
24 of 2009. So in February of 2009, please read that letter,
25 that email from Phil Pulley to John Dunn, February 11.

1 MR. FARINAS: Your Honor, I object. Again, this
2 matter concerns an issue that involves the Marchwood
3 Apartments, the hearings for which are scheduled in
4 September.

5 MS. BOONE: Except that this is showing how Mr. Dunn
6 responded to all of the properties that were on the list
7 that they had the meeting on in January. Just to show the
8 context of his response.

9 JUDGE VERO: I will allow it. And if we need to, we
10 can refer to it again in September.

11 MS. BOONE: Okay. Thank you.

12 JUDGE VERO: Keeping in mind that this issue's not
13 exhausted. But if you need it as an example to what's
14 already been testified to, you can use it.

15 MS. BOONE: Thank you.

16 BY MS. BOONE:

17 Q. If you would read the email?

18 A. Which one?

19 Q. John. It starts with February 11, 2009. Now,
20 this is about three weeks, roughly, after you had your
21 meeting. Or the email from Ms. Guzman.

22 A. From me to John Dunn, dated February 11, 2009.
23 John, this is our property, the Marchwood Apartments, at
24 5515 Wissahicken Avenue. Please see accounting response re
25 accounting errors by PGW. Our staff has now spent five

1 hours over two days trying to get some help with this, but
2 spends lots of time on hold and gets disconnected, and the
3 process starts all over again. Any help you could add would
4 be greatly appreciated.

5 Q. Okay. Then the next email from Debra Pulley, if
6 you can explain who Ms. Pulley is?

7 A. That's from her to me, dated February 18, 2009.
8 And it was also to John Dunn. It says, The money, or at
9 least \$9,498.04, was applied to the wrong account. I can't
10 seem to get any help by phone. Who can help me get this
11 situation resolved?

12 Q. And your response?

13 A. At 8:08 a.m. on the same date, to Debra and to
14 John Dunn. Debra, please be patient. John will help. Just
15 give him time. Please don't panic. Relax.

16 Q. So basically, within a month of your meeting in
17 January, what did you think was your relationship with PGW
18 in terms of billing questions and billing disputes?

19 A. I thought it was pretty good. I thought we're
20 all working together. I thought we're beginning to move the
21 process along.

22 Q. Now, if you could just turn to page 109 in the
23 SBG correspondence binder, and look at the email dated
24 May 14, 2009. That's the SBG correspondence binder.

25 A. Right. From John Dunn to Phil Pulley, Thursday,

1 May 14, 2009.

2 Q. Actually, excuse me. If you would start with the
3 Wednesday email?

4 A. Okay. So that's May 13. Wednesday, May 13,
5 2009, John Dunn to Philip Pulley and Eric Lampert. Hi,
6 folks. I just want to thank you all for meeting with me
7 yesterday and spending the afternoon to start the review of
8 all of our PGW accounts. We have already started the review
9 process this morning, and I am having the two settlement
10 checks investigated presently to see where PGW post the
11 payments. More of the accounts will be worked on shortly.
12 Please report our meeting time and topics of discussion to
13 David Hyman immediately, as I believe he made inquiries to
14 PGW staff today asking how we're making out.

15 Q. Okay. And then the next email from John Dunn?
16 And if you'll say the date?

17 A. Which is dated May 14, 2009, 11:00 a.m., from
18 John Dunn to Phil Pulley only. Thanks, Phil. I was told
19 yesterday morning in an email that he was inquiring to PGW
20 about where we are progressing. Maybe he didn't get to read
21 the email you sent him the prior evening, Tuesday, after we
22 met. Hopefully he is okay now.

23 Q. Okay. And then the next email. It's above.
24 May 14. This is the next day, just above, on the same page,
25 109.

1 A. Oh. I sent an email Thursday, May 14, 11:00
2 a.m., to John Dunn, carbon copied David Hyman. David,
3 everything is progressing. Please give us time to complete.

4 Q. So what have you pretty much informed your
5 attorney about at this point, within a couple of months
6 after meeting?

7 A. Well, it's a couple months after the phone
8 conference call that we're all getting along, we're working
9 this out. We're exchanging information. We had a great
10 meeting the day before.

11 Q. And why did you need to -- what did you think
12 would result from these conversations and emails?

13 A. The conversations with who?

14 Q. With John Dunn, on the disputes and the questions
15 about the bills.

16 A. I was hoped that we could get clarity and get an
17 idea of the billing process so that we could resolve these
18 things, and know what they're charging us.

19 Q. Now, if you'll turn to page 110 in the SBG
20 correspondence binder. And I would turn your attention to
21 the June 9, 2009, email. It's page 110.

22 A. From Phil Pulley to John Dunn, carbon copy
23 Debra Pulley, Eric Lampert and Phil Pulley. Redundant.
24 Read below. None of these accounts should be in our names.
25 Please terminate all service immediately. It's the tenant's

1 responsibility to have the service in their names and not
2 ours.

3 Q. And then above it, the next email.

4 A. Dated August 31, 2009, email to Phil Pulley,
5 carbon copy Debra Pulley, Eric Lampert, Ralph Savage,
6 Edward Circo (phonetic). Phil, Eric -- or Phil, Debra,
7 Eric, I am retiring as of today from PGW. Please forward
8 Ted Savage a complete list of all of your properties so that
9 they can pick up where we left off. Thanks for all your
10 help and assistance.

11 Q. Now, if you would just turn to page 97 in the
12 Fairmount binder. SBG Fairmount binder.

13 A. I'm there.

14 Q. Okay. At the top of the page, if you'll read the
15 date of that email?

16 A. Monday, July 5, 2010. From Phil Pulley to
17 Ted Savage and Eric Lampert.

18 Q. Excuse me for just one second. How much time has
19 elapsed between this email on July 5, 2010, and the email
20 from Ms. Guzman?

21 A. Almost a year.

22 Q. Well, her email is dated January 23, 2009. So
23 how much time has passed between January 2009 and July 2001?

24 A. Oh, a year and a half. Sorry. New math.

25 Q. If you would just read the statement in your

1 email?

2 A. Ted, got these the other day in the mail. We are
3 still waiting for a breakdown and reconciliation that Dunn
4 promised us a year ago. I think we need to meet. The PGW
5 bills are still wrong in a host of our buildings. Also PGW
6 has placed liens on our properties for tenant issues of
7 which we are not responsible. PGW placed liens on
8 properties that we didn't owe you any money. Give me a call
9 when you're back.

10 Q. So you went from Mr. Dunn, who took the
11 questions. And what resolution came out of his
12 investigation?

13 A. Nothing.

14 Q. Did you receive a written statement from
15 Mr. Dunn?

16 A. No.

17 Q. Okay. It went to Ted Savage. What happened?

18 A. Well, in between Ted Savage and Mr. Dunn, we
19 weren't getting anywhere. We weren't getting responses from
20 Ted Savage. And I even reached out to Gerald Clark on
21 numerous occasions and asked for Gerald Clark for
22 assistance.

23 Matter of fact, I ran into Gerald Clark at an auction
24 of a building where PGW is owed a lot of money on that
25 property.

1 And he and I chatted at that meeting. And I said,
2 Listen, I was trying to work out everything here. I need
3 help.

4 Q. You mentioned some LIHEAP problems. Can you just
5 explain what that is just for the record?

6 A. LIHEAP is a state or Federal Government program
7 where tenants get their heat bills paid. I don't remember
8 what the abbreviation for LIHEAP means.

9 But essentially the tenants can then apply, and they
10 become part of the program. And I'm not exactly sure how it
11 works.

12 But the tenants get their gas bill or heat bill,
13 depending upon what service they have, paid for by the
14 utility through -- or get it paid through the state through
15 the utility.

16 Q. Okay. So why is that a problem that you needed
17 information about from PGW?

18 A. Well, because tenants that we've gone after tell
19 us that they're part of the LIHEAP program, and PGW got,
20 should have gotten paid directly from LIHEAP, and there
21 shouldn't be any outstanding balance for those tenants.

22 Q. So if you don't receive the information, what's
23 the problem for the landlord or the owner of the property?

24 A. Well, Francine, that's the whole premise of why
25 we're here. I mean if they don't give us the information

1 that shows that there's no LIHEAP, or they did get paid
2 LIHEAP, then I can't go back and talk to the tenant to say,
3 excuse me, you didn't get LIHEAP. Now show me your
4 paperwork where you did get LIHEAP, or you didn't get
5 LIHEAP.

6 I'm not going to say the tenants are perfect. But
7 all of a sudden, we're talking to them and they're saying
8 they're in LIHEAP, and they're not in LIHEAP, and they don't
9 check with somebody, and they say, well, as far as we know
10 they got paid.

11 Q. And if there isn't a payment made, what happens
12 to the bill?

13 A. If the payment's not made under LIHEAP, and the
14 tenant doesn't make the payment, then PGW comes looking to
15 us.

16 Q. Who has the source of information to resolve who
17 needs to pay or what's been paid?

18 A. PGW.

19 Q. So when you went to Mr. Savage and Mr. Dunn, what
20 were you looking for?

21 A. Who the tenants were, who opened the accounts,
22 you know, and I'll go back further reconciliation of these.
23 I mean, did PGW force the tenants to put up a security
24 deposit? I mean, are they charging them the whole thing and
25 not even accounting for the security deposit? We've got no

1 way to even go back to say, is it right; is it wrong?

2 Listen, I've got a bill that adds up 1,200 plus 1,200
3 equals 21,000. And Mr. Murray at PGW couldn't explain the
4 bill. Okay?

5 MR. FARINAS: Your Honor, I object to that.

6 MS. BOONE: No further questions.

7 JUDGE VERO: What is it?

8 MR. FARINAS: It's a mean characterization of
9 Mr. Murray's abilities. And he simply said he can't add and
10 subtract. And it was not really addressing the question.
11 It's just another anecdotal insult.

12 JUDGE VERO: That's all right. I can use my own
13 discretion in reading the transcript. I'll figure out which
14 are opinions and which are facts, and I think I can manage.
15 But your objection is duly noted.

16 You, Ms. Boone, noted that you have further
17 questions?

18 MS. BOONE: Yes.

19 JUDGE VERO: No further questions?

20 MR. FARINAS: I do have very slim.

21 JUDGE VERO: You have more? All right.

22 MR. FARINAS: If I may.

23 RECROSS EXAMINATION

24 BY MR. FARINAS:

25 Q. Mr. Pulley, your most recent tirade about PGW and

1 LINEAP and the customers, you don't have any information,
2 and you can't get information from PGW because it's tenant
3 information.

4 You control, you draft the lease which all of the
5 tenants of SBG and related entities move into those
6 apartments; correct?

7 A. That's correct.

8 Q. Did it ever occur to you that you could have such
9 and information by simply making it a requisite of living
10 there in order to share their utility bill, including PGW,
11 information?

12 A. Well, we do have it in the lease that they are
13 required to have their utilities on.

14 Q. Yes, but that's --

15 A. Excuse me.

16 Q. -- not what I asked you.

17 A. Excuse me.

18 Q. Do you realize that you can make it a requirement
19 that they share with you their utility information? Do you
20 realize that?

21 A. Can I finish my response to you?

22 Q. Well, you're responding to some other questions.

23 JUDGE VERO: Well, you'll have to answer his
24 question.

25 THE WITNESS: Right now he's got two questions, one

1 on top of the other.

2 JUDGE VERO: I think it's one. But make your best
3 effort to respond to it.

4 THE WITNESS: Our leases make it a requirement that
5 they have the utilities on. Okay? Which is what we do.
6 Now we go ahead, and you want me to get a copy of the bill
7 from them. Okay?

8 And we've tried this. And the tenants don't want to
9 produce their bills. Whether they're behind, they're not
10 diligent, and --

11 MR. FARINAS: I object, Your Honor. He's not
12 answering my question. It was not the question whether he's
13 asked the tenants, if he said please.

14 BY MR. FARINAS:

15 Q. What I'm asking is, do you realize that you can
16 require the tenants to provide the utility bill information
17 by making it part of their lease? Do you realize that?

18 JUDGE VERO: Were you aware, Mr. Pulley, there is a
19 requirement you can put in the lease?

20 THE WITNESS: Yes, but it's not enforceable under the
21 law. Next?

22 JUDGE VERO: With regard to that question. How does
23 it happen? I've never heard of it. How does it work out?
24 If you put it in the lease, is the landlord served with a
25 copy of the lease automatically?

1 MR. FARINAS: There is a provision that in PGW's
2 tariff that they can designate a third party to receive a
3 copy of the bill.

4 The point in a lease, does not have to actually make
5 PGW have the bill. They can request that with your rent,
6 give me a copy of your utility bills to see that you're
7 paying them to so that you're not violating your lease.

8 I mean, any sorts of innovative ways to have that in
9 the lease, that is a possibility.

10 MS. BOONE: I just have one objection. He has not
11 designated when this provision went into effect. Because
12 the leases that are on the properties may have preceded this
13 provision. And so now, how can a landlord amend his --

14 MR. FARINAS: By giving the usual 30-day notice that
15 I'm going to change the lease.

16 MS. BOONE: But you can't change it unilaterally.
17 You have to have the tenant's agreement to change the lease.

18 MR. FARINAS: Of course.

19 MS. BOONE: And they didn't come into the -- the
20 parties, when you negotiate a lease, you're on equal terms.
21 If there's one party that wants to amend and change the
22 lease, the relationship is no longer equal. So we can't
23 guarantee that every tenant is going to go along with this.

24 MR. FARINAS: To raise the rent, you have to ask for
25 permission?

1 JUDGE VERO: Aren't these leases renewed every year?
2 They usually come with a finite number of years for which
3 they are in effect.

4 MS. BOONE: I'll let him.

5 THE WITNESS: Well, yes and no. In the case of
6 contracts with Philadelphia Housing Authority, they're
7 two-year contracts. With HUD, the HUD contracts can be five
8 or ten years out from that standpoint. So you don't have
9 the ability to do that.

10 Plus, going back to what Mr. Loreda (phonetic) is
11 saying, in the leases, when you have tenants that are in
12 transitional housing, Philadelphia Housing Authority, 1260
13 housing, you're signing their lease.

14 They're putting forth their lease, which is
15 commensurate with CFR, the Federal Government, as to what
16 those leases are.

17 So it becomes almost impossible to do something like
18 this.

19 BY MR. FARINAS:

20 Q. Even with those kind of leases, are you allowed
21 to have addendums that regulate the behavior in the pty
22 property, or time, place and manner type? With those
23 leases, are you able to make simple addendums to the lease?

24 A. The answer is no.

25 Q. I have a question to ask you. You made a

1 reference in your last redirect to checks that you or
2 Mr. Dunn was working on. Can I direct your attention to SBG
3 Fairmount 152? And that's Fairmount binder two of two.

4 A. Yes.

5 Q. And 152 and 153, are these the checks you're
6 talking about?

7 A. Yes. But I believe there's also a third check.
8 But I don't think that's in here.

9 Q. I'm asking you about these two.

10 A. Okay.

11 Q. Do you recall providing these to PGW at the April
12 2013 meeting?

13 A. Yes, I believe so.

14 Q. And do you recall PGW asking you for a copy of
15 the back of the check in order to adequately trace it?

16 A. I don't remember. The accounting people may have
17 better knowledge.

18 Q. Would you agree with me that in order to -- like
19 if I can show you the second shoulder, on page 153, there's
20 a copy of the back of the check, which shows that it was
21 deposited and where the check ended up in the trace.

22 A. Yeah.

23 Q. Okay. And so did you ever provide Mr. Dunn with
24 the back of the check when you first asked him to trace it?

25 A. I don't believe he ever asked.

FORM 2

1 Q. I know. But did you --

2 A. I didn't offer. I don't believe he asked.

3 Q. Okay. And the check numbers are in sequence.

4 The check on page 153 is check no. 4881, and the check on
5 page 152 is 4882. Do you see that?

6 A. Yes.

7 Q. And they're both dated for July 18, 2007?

8 A. That's correct.

9 Q. Do you recall having any change of service done
10 at the Fairmount address in July of 2007?

11 A. Don't remember the exact date, but yeah, in that
12 summer-ish, we sub-metered out the cooking gas and the heat.

13 Q. And so there was a great deal of work being
14 performed to put individual meters for the units?

15 A. Oh, yeah, we did a ton of work in there. Yeah.

16 Q. If these checks went to that effort, would you
17 agree that it would not be attributed to a bill for gas
18 account, would be for covering some other costs if it went
19 toward that effort?

20 A. I don't think if it did or didn't. But at least
21 we have an explanation five years or six years later as
22 to -- I mean if PGW said we took it from here and put it
23 there, hey, I understand that. But somebody account for it.

24 Q. Would that resolve this issue? When PGW tells
25 you where it went, would that resolve this issue?

1 A. I'd have to figure out why PGW would be charging
2 us for putting, doing the gas work.

3 Q. So again, you're telling me this doesn't resolve
4 an issue, the explanation doesn't resolve an issue?

5 A. Exactly. Because you can't tell me where you
6 applied it.

7 Q. Well, not yet. But we'll do --

8 A. Well, that's why we're working together. We're
9 working together.

10 Q. Sure are.

11 MR. FARINAS: No further questions, Your Honor.

12 JUDGE VERO: Good. All right.

13 It is now 1:30. Let us consider a lunch break. How
14 long and when shall we take? Because it looks like we're
15 going to be here all day. Anybody has a preferences? An
16 hour, half an hour? Now; maybe later on?

17 MS. BOONE: Defer to your schedule.

18 JUDGE VERO: All right. I do have some questions for
19 Mr. Pulley. And I understand as I'm done with the
20 questions, Mr. Pulley can step down from the witness stand
21 and he can sit in the audience or he can take the day off.
22 It's up to you.

23 But we can take a 30-minute break and be back with me
24 asking questions to Mr. Pulley, or I press on, and then when
25 I'm done we go for a break.

1 Would you prefer an hour break or a half an hour
2 break?

3 THE WITNESS: Half hour's fine with me.

4 JUDGE VERO: Half an hour?

5 MR. FARINAS: Half an hour's fine.

6 JUDGE VERO: Half an hour's good.

7 Would you prefer me to press on and finish my
8 questions that I have for you, or would you like to come
9 back, and then I can ask you questions?

10 MS. BOONE: Press on.

11 JUDGE VERO: It's up to you. I mean if you're tired,
12 you've been testifying for a while. It's up to you.

13 THE WITNESS: I'm fine either way.

14 JUDGE VERO: All right.

15 Now, I do have some questions for you, Mr. Pulley.
16 My first question is, How many people does SBG employ? How
17 many employees does it have?

18 THE WITNESS: SBG employs probably, let's say 40, 50
19 employees total.

20 JUDGE VERO: 40, 50?

21 THE WITNESS: 40 to 50, somewhere in there.

22 JUDGE VERO: 40 to 50, okay. And how is gas service
23 provided to the tenants? Let's talk about Fairmount. You
24 testified that Fairmount is comprised of 110 units and
25 eleven buildings that are identical.

1 How is gas service provided to Fairmount? Is each
2 unit metered? Was each unit metered? Has it always been
3 the same? How does it work?

4 THE WITNESS: In the case of Fairmount Manor, it was
5 the landlord was responsible for heating, cooking gas. That
6 was up until roughly 2007, when we subdivided it to make the
7 tenants responsible for cooking gas and heat.

8 JUDGE VERO: Okay.

9 THE WITNESS: This was in part of a guideline from
10 HUD, because they found that when the tenant had to pay the
11 utilities themselves, they didn't keep it at 85 degrees. It
12 was more energy efficient.

13 The bills came down, this came down, everything came
14 down. And it was at a point in time in which HUD was
15 encouraging landlords to have additional tenant
16 responsibilities.

17 JUDGE VERO: To give the tenants additional
18 responsibilities, or assume?

19 THE WITNESS: Assume. I'm sorry. Assume additional
20 responsibilities.

21 JUDGE VERO: From the tenants?

22 THE WITNESS: Exactly.

23 JUDGE VERO: Okay.

24 THE WITNESS: So the tenants became responsible for
25 this.

1 JUDGE VERO: So HUD was encouraging the landlords
2 to --

3 THE WITNESS: Reduce the energy dependency of the
4 building.

5 JUDGE VERO: Okay.

6 THE WITNESS: And this is one of the many ways in
7 which they had encouraged to do it.

8 JUDGE VERO: But up until July of 2007, how was
9 Fairmount?

10 THE WITNESS: Each tenant had their own furnace like
11 you'd have in a normal house. It was controlled by an
12 indoor thermostat that had it where it couldn't go above, I
13 think it was 70 degrees. Even though HUD said that the
14 guidelines were 68.

15 And the units were not turned on by management until,
16 I think it was October 15. And then they were subsequently
17 turned off on April 1, April 15, whatever that guideline is
18 from that standpoint.

19 So that's when the tenant would get that, from that
20 standpoint.

21 JUDGE VERO: But the bill was one large bill for
22 Fairmount that went to SBG; correct?

23 THE WITNESS: It was each building.

24 JUDGE VERO: Of course, each building.

25 THE WITNESS: Each building.

1 JUDGE VERO: Okay. So until 2007 it was SBG that was
2 the customer of record; right?

3 THE WITNESS: Exactly.

4 JUDGE VERO: PGW wasn't aware of who the tenant was
5 or what the tenant's past history of payments was, or
6 anything like that?

7 THE WITNESS: Exactly.

8 JUDGE VERO: Okay. Was the same true for the other
9 two properties? We're talking Marshall and Elray.

10 THE WITNESS: In Elray, 4012 through 4028 Bering was
11 always individual gas services on the tenants. They were
12 responsible for the heat and cooking gas.

13 At 3608 and 3610, they were converted in 2007 also
14 for tenant responsibility.

15 JUDGE VERO: Okay.

16 THE WITNESS: 3612 Spring Garden was tenant
17 responsibility. Marshall is on the landlord, because it has
18 central boilers for both -- and so the landlord pays heat,
19 hot water and cooking gas.

20 In Elray the tenants paying cooking, or hot water
21 also.

22 JUDGE VERO: So basically SBG began having this
23 tenant building problems after 2007?

24 THE WITNESS: Right.

25 JUDGE VERO: Before that, whatever bills came in,

1 other than a meter reading dispute, where you're saying,
2 well, this is too high, it shouldn't be this much, you
3 didn't have any issue that required PGW to reveal
4 third-party information to SBG?

5 THE WITNESS: Well, in the case of Fairmount, no.
6 But in the case of parts of Elray, the answer is yes. We've
7 always had problems like at 4012 through 4028 Bering Street.

8 JUDGE VERO: Okay.

9 THE WITNESS: In the case of Marshall, Marshall, as I
10 said, the landlord is still responsible for heat, hot water
11 and cooking gas.

12 JUDGE VERO: All right. So how many units does Elray
13 have?

14 THE WITNESS: Elray is 59 units divided amongst two
15 sites.

16 JUDGE VERO: 59 units. And Marshall?

17 THE WITNESS: The Bering Street has 30 at Elray, and
18 Spring Garden is 29 units. That's your 59. Marshall is 44
19 units.

20 JUDGE VERO: 44, okay. You testified that at one
21 point in time you hired Mr. McCaffery, David McCaffery,
22 Esquire. Was his name David?

23 THE WITNESS: Daniel.

24 JUDGE VERO: Daniel?

25 THE WITNESS: Daniel McCaffery.

1 JUDGE VERO: Daniel, okay.

2 THE WITNESS: That goes back to the original disputes
3 with PGW in 2002, 2003, 2004, 2005, where --

4 JUDGE VERO: 2002 through 2005?

5 THE WITNESS: Exactly. Sorry.

6 JUDGE VERO: All right.

7 THE WITNESS: Again, we were having some high bill
8 issues, we're having -- we can't get breakdowns of bills.
9 We all of a sudden get a bill for, I'm picking a number,
10 \$100,000. And we go, wait a minute, it's wrong. We need a
11 breakdown. We want a breakdown. We're demanding a
12 breakdown of the bill.

13 And we had reached out to Mr. McCaffery because of
14 his intimacy with the City of Philadelphia, the city
15 agencies, and so forth.

16 JUDGE VERO: All right. And would you say that after
17 that, after 2005, you went with Mr. Hyman as your counsel?

18 THE WITNESS: Well, no, I went with David in 2008.

19 JUDGE VERO: 2008. All right.

20 THE WITNESS: And again, that became because of
21 frustrations in trying to get information from PGW, even in
22 the 2005 time frame, because they wouldn't give us those.

23 In 2004 we refinanced Fairmount, Elray and Marshall.
24 And here we are again getting bills and things that make
25 absolutely no sense. And we're trying to get explanation.

1 I mean in all indifference, when a title company
2 calls up Mr. Savage and says, hey, so-and-so, give us a
3 payoff on this date, it's not broken down. I'm picking a
4 number. \$600,000, take it or leave it.

5 JUDGE VERO: I understand.

6 THE WITNESS: There's no breakdown. So we're trying
7 to figure out all these things as we move forward.

8 At the same time, even going back into the early
9 2000, there were errors by PGW to the tune of \$30,000. And
10 that dealt with, we bought the properties from the
11 Philadelphia Housing Development Corporation, and PGW failed
12 in some instances for three years after we bought the
13 properties to take them out of their name to put them in our
14 name, even though their own schedules say that they changed
15 the names.

16 JUDGE VERO: Okay. So while Mr. McCaffery was
17 assisting you with issues with PGW back in 2002 through
18 2005, were those issues resolved ultimately?

19 THE WITNESS: Some of them, yes. Some of them after
20 like 2005 precipitated on the Fairmount, Elray and Marshall.

21 JUDGE VERO: So what happened between 2005 and 2008,
22 when you got Mr. Hyman on board?

23 THE WITNESS: We were basically dialoging and writing
24 to PGW without response. And then in 2008 it was like, this
25 has got to stop. And that's when I met with Mr. McCaffery.

1 And he said, Phil, I'm trying to do everything I can
2 for you. You got to reach out, try something new. And then
3 that's how I got to David.

4 JUDGE VERO: All right. Mr. Farinas asked you
5 whether or not Mr. Hyman advised you to elevate your
6 disputes from dealing directly with PGW to going to the PUC,
7 to the Pennsylvania Public Utility Commission. And you said
8 either that he didn't or you didn't recall.

9 Did Mr. McCaffery suggest such a thing, that you
10 elevate your dispute?

11 MS. BOONE: Mr. McCaffery is prepared to discuss what
12 happened in his representation of SBG. So we can just ask
13 him directly, if you prefer.

14 JUDGE VERO: It's okay.

15 MS. BOONE: We're going to call him, actually, next,
16 after the break.

17 JUDGE VERO: Okay. Well, this is the extent of my
18 questioning. I won't go any further.

19 MS. BOONE: Okay.

20 THE WITNESS: The answer's no.

21 JUDGE VERO: Okay. Now, are you familiar with the
22 Landlord Protection Program that PGW has in place?

23 THE WITNESS: Yes, I am.

24 JUDGE VERO: Are you enrolled with this program?

25 THE WITNESS: Well, we couldn't enroll in the

1 program.

2 JUDGE VERO: Why is that?

3 THE WITNESS: And the reason being is -- and I'm
4 going to try and break this down. When we acquired
5 Fairmount, Elray, Marshall from the Philadelphia Housing
6 Development Corporation, those properties were nonprofits in
7 accordance with the City of Philadelphia.

8 So we acquired those. And we then began to move
9 forward. The City of Philadelphia changed the BRTs, changed
10 the address of those properties. Which resulted in us not
11 getting any real estate tax bills.

12 So when the LCP program came around, meanwhile we're
13 trying to resolve the real estate tax issue with the City of
14 Philadelphia where they never billed us, we could not get
15 tenant licenses. Therefore we could not get into the
16 landlord cooperation program.

17 JUDGE VERO: Okay.

18 THE WITNESS: So that, so other things that happened
19 in the city prevented us from joining the LCP program.

20 JUDGE VERO: But were the BRT and taxing issues that
21 you had with these three properties, were they resolved?

22 THE WITNESS: They were eventually resolved.

23 JUDGE VERO: When were they resolved?

24 THE WITNESS: They were resolved in 2010 or 2011.

25 JUDGE VERO: Could you enroll with the Landlord

1 Protection Program, PGW's Landlord Protection Program, now?

2 THE WITNESS: I don't know the answer to that.

3 JUDGE VERO: All right. But you're not enrolled?

4 THE WITNESS: I think with some properties we are
5 enrolled, other ones I'm not sure.

6 JUDGE VERO: Considering what a big problem liens are
7 for you and how much protection this program offered, I
8 would assume that SBG would have pursued the enrollment more
9 energetically. But it is what it is.

10 THE WITNESS: I believe there's more reasons why.

11 JUDGE VERO: Like what?

12 THE WITNESS: And, you know, and then I'm doing this
13 from memory. I believe that if you have a building
14 violation against the property, you can't be enrolled. If
15 you have a dispute with the city on BPT or PPT, it's those
16 type -- I'm trying to do this from memory, and I don't
17 remember.

18 JUDGE VERO: Okay. But you did pursue enrollment?
19 It's just for whatever reason that you don't qualify?

20 THE WITNESS: We don't qualify.

21 JUDGE VERO: Okay. But you did pursue it? This was
22 my question. You did try to enroll --

23 THE WITNESS: Yes.

24 JUDGE VERO: -- repeatedly, and as these problems or
25 hurdles came up, you did try to overcome them or work around

1 them to achieve enrollment. It just hasn't been able for
2 some of the properties. Am I correct?

3 THE WITNESS: That's correct.

4 JUDGE VERO: All right. So you testified that in
5 December of 2008 you had a meeting, right, with Mr. Dunn?
6 Do I have it correctly?

7 THE WITNESS: No, we did a conference call.

8 JUDGE VERO: A conference call, okay.

9 THE WITNESS: With Ms. Guzman, Mr. McCaffery, I
10 believe. No, Mr. Hyman, I believe was on that call.
11 Myself, and a host of other people from PGW.

12 JUDGE VERO: Okay. And you said that six months
13 later you got a communication from Mr. Dunn saying that he's
14 working on the disputes and issues raised; am I correct?
15 And would fall in May of 2009?

16 THE WITNESS: We finally met with him in May of 2009
17 to go over those issues.

18 JUDGE VERO: You met.

19 THE WITNESS: And Mr. Dunn left PGW's employ in
20 August of 2009.

21 JUDGE VERO: All right. And because of that, because
22 sort of an interruption in communications, although you did
23 have Mr. Savage, or his information, and the promise that he
24 would take over Mr. Dunn's past or position, this is what
25 occurred, sort of like there was an interruption in

1 communication since Mr. Dunn retired, and another PGW
2 employee took over his position or his work load.

3 THE WITNESS: I'm not sure.

4 JUDGE VERO: Because my question was that you met
5 with Mr. Dunn in May of 2009, and then you said that in six
6 months after that you still hadn't gotten the information
7 that Mr. Dunn promised to give you.

8 So after that one would expect SBG to have tried to
9 escalate it further. I mean, one way doesn't work out,
10 dealing with PGW doesn't work out. So what do you do next?

11 THE WITNESS: I was dealing with Gerald Clark, and
12 corresponding with Gerald Clark, because I wasn't getting
13 any responses from Ted Savage.

14 JUDGE VERO: Okay.

15 THE WITNESS: And it wasn't until almost a year later
16 that Ted and us were dialoging. And it wasn't till August
17 of 2010 that we had our first meeting with Ted to go over
18 the accounts.

19 And at that time he handed us a piece of paper and
20 said, Here's all your properties, here's the liens, and
21 here's what you owe. No breakdowns again.

22 JUDGE VERO: Okay. At one point you reach a point if
23 dissatisfaction with PGW. When do you throw in the towel
24 and give up? Obviously you haven't been satisfied with
25 their performance for many years.

1 And usually, residential customers, they get a bill
2 that's \$50 higher than last year's bill, and they will file
3 a formal complaint. They will skip the informal complaint
4 process altogether. They go straight to formal, and find
5 out about the \$100, \$50 bill, and have a resolution.

6 And here you have a multitude of issues, over
7 hundreds of transactions. And, well, now it's been
8 simplified down to, I think 28 accounts overall. Right?
9 For all nine, for all eight properties.

10 But it could have been dealt one at a time when it
11 first started. Why didn't you? Why didn't SBC address each
12 problem as it started rather than address them all together?

13 Because by 2008, I can see how PGW would take months
14 to review a list of disputes and issues, and come back to
15 you, and then you would review what they gave you. So the
16 process of communication would take a long time.

17 But if it's addressed when issues arise one at a
18 time, I would think that it wouldn't take that long, and
19 eventually you would get someone that says if you are not
20 satisfied with our resolution, approach the PUC.

21 THE WITNESS: I think you had several breakdowns in
22 several areas.

23 JUDGE VERO: Okay.

24 THE WITNESS: The first is not trying to be litigious
25 and just sue people and sue people. If you can work through

1 things without suing people, that's always my preference.
2 Let's resolve things, let's move on with life and do with
3 that standpoint.

4 Because I've always found that when you have
5 litigation, nobody wins in these things. It just costs
6 money, and the lawyers do very, very well.

7 So trying to get the help and reach out to the
8 external people to help us resolve this. I thought we were
9 on a great track after the December 2008 conference call,
10 moving everything forward.

11 And yes, we hit a bump in the road when John Dunn
12 retired. You know, at the same time, one of his last emails
13 was, please take it easy on poor Ted. You know?

14 I mean, and I understand that. The guy's going to
15 come into his shoes. He's going to be inundated with how
16 many different things.

17 And this is a monumental task. And it has grown and
18 grown and grown, and continued to grow.

19 In me dealing with Gerald Clark before the time that
20 Ted and I were communicating, you know, listen, I get that.
21 I mean, Ted's busy. He's got things. And this is big.

22 Gerald Clark, you know, was like, listen, I'll follow
23 up. I know he spoke to Mr. McCaffery on a regular basis.
24 And to some extent, it wasn't until we get to the point in
25 2010 when the lien issue, and these liens that are in

1 arrears.

2 And then that's when you know how big the problem is,
3 is when these liens pop up, and all of a sudden you're
4 staring at millions of dollars that they claim that you owe
5 them in liens on one property. And you go, it makes
6 absolutely no sense.

7 And so that's what kind of exacerbated the whole
8 situation. They never give us breakdowns, and they're
9 tacking on late charges, this fee, that fee, and we can't
10 make any correlation to the bill. We can't figure it out.

11 And then here we are in 2010, when, on Colonial
12 Garden, there's \$450,000 of liens. And that caused a
13 non-monetary technical default to the mortgage because of
14 the PGW liens, which turned out to be erroneous based upon
15 Ted's August 4 document, where he says, oh, well, I only
16 have \$185,000 in liens. But Gerald Clark put \$450,000 on
17 liens. He says the title company was wrong.

18 And that's what's happened. And then all of a sudden
19 as you move forward, and now we're becoming cognizant of
20 this with the liens and how all of a sudden we're not going
21 to get breakdowns, we're not going to get bills, and these
22 things are sliding in under the liens. This is where this
23 all kind of blew up.

24 JUDGE VERO: But that's the thing, though. With a
25 lien document itself, you won't get a breakdown. But before

1 the lien, there is billing, there's accounts. And each
2 account has monthly bills that come their way. So that's
3 where you get the breakdown.

4 THE WITNESS: But even the bills that we got, and we
5 can show you, Kathleen will show you. They don't add up.

6 You know, I go back to the 1,200 plus 1,200 equals
7 21,000. You know, and I went to Mr. Murray with that bill
8 and said, just explain this one bill to me. Let's get a
9 starting point. Just explain this bill, just this one bill.

10 And here we are today, and that bill's never been
11 explained.

12 JUDGE VERO: All right. Mr. Farinas did ask you
13 whether SBG has approached the Commission before, and
14 whether SBG knew of the Commission's existence.

15 Because I understand your reluctance to use the
16 services of attorneys and to litigate, because it is
17 expensive. But it doesn't look like it has, proceeding on
18 your own, directly with the company, it doesn't look like it
19 has worked out for SBG.

20 Yes, it might be just this one utility. But
21 obviously these issues have been compounding for years. And
22 I understand, it takes a lot of tenacity to not get the
23 result through years, exactly what you're looking for, and
24 still not take it to a formal legal forum to address it.

25 If you are not satisfied with someone, then you file

1 a lawsuit. And this is the equivalent when it comes to
2 utilities. It's the equivalent of filing a lawsuit. You
3 file a complaint.

4 And this is something that I can't wrap my head
5 around, the fact that SBG -- and I did go and research the
6 Commission's records. And there is almost nothing before
7 2011.

8 And I will get back to that almost. But as far as
9 Commission, this is the first, almost the first time we hear
10 of SBG and its problems that you insist have persisted for
11 years.

12 And you do realize that what you have caused is
13 statute of limitation issues. And that even if you had
14 valid claims, they might very well be kept out of this forum
15 because of the untimeliness of these complaints.

16 Yes? An objection?

17 MS. BOONE: Not an objection. Just a point of
18 information, that Mr. McCaffery is here, and he can
19 certainly talk about this.

20 JUDGE VERO: All right. I will get to Mr. McCaffery.
21 But my understanding is that Mr. Pulley is the one who filed
22 the original complaints, and that he is pretty much in
23 charge of SBG.

24 MS. BOONE: But I think it may be helpful just to get
25 this also historical information on resolving this from

1 their outside counsel.

2 JUDGE VERO: All right.

3 Let's see. Any other questions.

4 (Pause.)

5 JUDGE VERO: There was a lot of going back and forth
6 between the parties in terms of those two checks that came
7 from the settlement of refinancing, I understand. And I
8 think one of the checks has the back portion copied. And I
9 can see that that check was cleared.

10 The other check doesn't. Do you know if that check
11 ever cleared? Was it actually paid to PGW?

12 THE WITNESS: I believe it was paid. I'm trying to
13 research the title company. But they have changed entities,
14 entities, entities over time.

15 JUDGE VERO: So the first check, they were pretty
16 much cut or issued at the same time.

17 THE WITNESS: Right.

18 JUDGE VERO: I think they even bear the same date,
19 and they're in consecutive numbers.

20 THE WITNESS: Right.

21 JUDGE VERO: And the first one was cleared within a
22 matter of months. I think a couple of months. Right?

23 THE WITNESS: Yes, like three, four months.

24 JUDGE VERO: I think from July to October, if I'm not
25 mistaken.

1 THE WITNESS: Yes.

2 JUDGE VERO: It's about two months and a half, or
3 something like that.

4 So you did see that it was cleared, it was posted
5 somewhere. You could see the reflection of it.

6 When it comes to a check for \$80,000, and you don't
7 see it, do you inquire with the title company. The Elkins
8 Park Abstract Company is the one who cut it. Maybe they
9 issued a bad check, for all you know.

10 Or, did you inquire with PGW? Because it wasn't you
11 who issued the check. Although you were charged for it, the
12 check was issued by a third party.

13 THE WITNESS: We did inquire with PGW in 2007 or
14 2008. And then we inquired again with Mr. Dunn. And going
15 back into the conversations we had with them during the fall
16 of '08, that was all part of it. Guys, we're missing
17 payments here. You know, we got to account for these
18 things. It's an accounting function.

19 JUDGE VERO: Okay.

20 THE WITNESS: And going back to exactly, you said,
21 anything's possible. Okay? But like Mr. Farinas said,
22 maybe it was applied over here because you incurred services
23 from PGW that had been paid for. Maybe that's where it
24 went.

25 But as long as we know where it went -- and that's

1 the problem. We don't even know. I mean, now we're mere
2 speculating.

3 JUDGE VERO: But this is a check from 2007. Did you
4 get a confirmation from the title company that that check
5 cleared, that PGW got paid, and whether they applied that
6 payment, whether they applied it to current bills, past
7 bills, service bills.

8 No matter where it was applied, whether or not you
9 could see it where you expected to see it, did you get a
10 confirmation that actually it was cashed?

11 THE WITNESS: No.

12 JUDGE VERO: So you don't know that PGW got it?

13 THE WITNESS: No, I don't know that.

14 JUDGE VERO: All right.

15 THE WITNESS: But they would have both been sent at
16 the same time, I believe.

17 JUDGE VERO: Okay. Also during your testimony, and I
18 think it was during your direct testimony while you were
19 answering questions, while you were answering Ms. Boone's
20 questions, there was a lot of, a list of dates where you had
21 contacted PGW, and a list of emails, and correspondence, I
22 believe.

23 And some of those emails would address specific
24 issues, and some of those emails would refer to this, what
25 I'm going to call a global list of issues.

1 Through your dealings from 2008 forward, has PGW
2 resolved any of the issues?

3 THE WITNESS: I don't know the answer to that.

4 JUDGE VERO: When you come to an account, you had the
5 question how billing was applied, how late payment charges
6 were calculated, etcetera. Whatever the question was. And
7 you got either information from Mr. Savage or Mr. Dunn, or
8 somebody else from PGW. Oh, this is how it, back; and then
9 that particular issue was considered resolved. It's dropped
10 off the global list.

11 THE WITNESS: It's a difficult question to answer.
12 But I'm going to try to do it this way. If we have roughly
13 1,000 PGW meters in our various properties, and we're only
14 dealing with this list, I would tend to say that they're not
15 all problematic.

16 And that if there was something that was an issue,
17 well, it may have gotten taken care of by accounting or
18 somebody else and cleaned up. So it's not on that list.

19 So that's probably the best way to answer that.

20 JUDGE VERO: All right. I have no further questions
21 for you at this time. Thank you very much. Hopefully I
22 will not importune you with further questions in the future.

23 THE WITNESS: Okay.

24 JUDGE VERO: But this is all the questions I have for
25 the moment.

1 Do the parties?

2 MR. FARINAS: Yes.

3 JUDGE VERO: Mr. Farinas.

4 MR. FARINAS: I have one question on recross.

5 RECROSS EXAMINATION, (Resumed)

6 BY MR. FARINAS:

7 Q. Mr. Pulley, you talked about trying to enroll in
8 the Landlord Cooperation Program.

9 A. Yes.

10 Q. How many times did you try to enroll in the
11 Landlord Cooperation Program?

12 A. I don't know the answer to that.

13 Q. Do you know, in fact, if you actually did try to
14 enroll in the Landlord Cooperation Program?

15 A. The answer is yes. I do know they absolutely
16 tried to enroll in the cooperation program. I just don't
17 know if they kept trying repeatedly, or what have you.

18 Q. Do you believe that you are now qualified at
19 least for some properties to enroll in the Landlord
20 Cooperation Program?

21 A. I don't know the answer to that. Because I don't
22 know all the requirements of the LCP.

23 Q. If you were qualified to enroll in the Landlord
24 Cooperation Program, would you like to enroll in the
25 Landlord Cooperation Program?

1 A. Yes.

2 MR. FARINAS: No further questions.

3 JUDGE VERO: Ms. Boone?

4 MS. BOONE: No questions.

5 JUDGE VERO: All right. Then since we have come to
6 the conclusion of Mr. Pulley's direct and cross examination,
7 I think this is a good time to take a 30-minute break.

8 Let's reconvene at 2:35, and we'll proceed with SBG's
9 next witness.

10 MS. BOONE: Thank you.

11 THE WITNESS: Thank you, ma'am.

12 JUDGE VERO: You're welcome. You may step down.

13 (Witness excused.)

14 (Whereupon, at 2:00 p.m., the hearing was adjourned,
15 to reconvene at 2:35 p.m. this same day.)

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Testimony of Dan Mcaffery

Date 8/20/13

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Exhibit # SBG CG/SG 8

PUBLIC UTILITY COMMISSION

- - - - -x
:
SBG Management Services, Inc. : Docket Nos.
v. Philadelphia Gas Works. : C-2012-2304167
: C-2012-2304215
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:
- - - - -x

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Fourth Floor Hearing Room
State Office Building
801 Market Street
Philadelphia, Pennsylvania

Monday, August 26, 2013

Met, pursuant to notice, at 10:08 a.m.

BEFORE:

ERANDA VERO, Administrative Law Judge

APPEARANCES:

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EXHIBIT INDEXNUMBERFOR IDENTIFICATION IN EVIDENCE

(None.)

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C E R T I F I C A T E

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COMMONWEALTH REPORTING COMPANY, INC.

By:

William J. Horst (w)

William J. Horst

AFTERNOON SESSION

(2:40 p.m.)

JUDGE VERO: I have the individuals that I need in the hearing room, and the rest may trickle in.

Ms. Boone, you do have your next witness; right?

MS. BOONE: Yes, I do.

JUDGE VERO: All right. Please call your next witness.

MS. BOONE: I call Dan McCaffery, Esquire.

JUDGE VERO: Good afternoon, Mr. McCaffery.

MR. McCAFFERY: Good afternoon.

JUDGE VERO: Please raise your right hand.

Whereupon,

DANIEL D. McCAFFERY

having been duly sworn, testified as follows:

JUDGE VERO: Mr. McCaffery, please state your name, and spell your last name for the record.

THE WITNESS: My name is Daniel D. McCaffery,
M-C-C-A-F-F-E-R-Y.

JUDGE VERO: You may proceed, Ms. Boone.

MS. BOONE: Thank you, Your Honor.

DIRECT EXAMINATION

BY MS. BOONE:

Q. Mr. McCaffery, state your name, date of birth and address for the record, please.

1 A. Daniel McCaffery, M-C-C-A-F-F-E-R-Y. My date of
2 birth is 20 July, 1964. My office address is 101 Greenwood,
3 that is G-R-E-E-N-W-O-O-D, Avenue, Fifth Floor. And that is
4 Jenkintown, Pennsylvania 19046.

5 Q. Will you please state for the record where you're
6 employed?

7 A. Currently I'm employed as a shareholder at a law
8 firm called Friedman, Shuman, Nemeroff, Applebaum &
9 McCaffery, PC. We are a regional law firm based in Eastern
10 Montgomery County, with approximately 25 attorneys.

11 Q. How long have you worked there?

12 A. I graduated law school in 1991. I served as an
13 assistant district attorney in the City of Philadelphia
14 through 1996. I joined the firm as an associate in 1990-,
15 end of 1996, early 1997; became a shareholder in 2000.

16 Q. Okay. Do you have an area of specialty?

17 A. Yes. Well, obviously, the first half of my
18 career I was a prosecutor. The second half I've been a
19 commercial litigator. I specialize in complex commercial
20 litigation.

21 Q. Was SBG a client of yours at some point?

22 A. SBG was a client of my law firm's, yes.

23 Q. Yes. Does it continue to be a client of your law
24 firm today?

25 A. Yes.

1 Q. Approximately when did SBG first engage your law
2 firm and you?

3 A. I believe -- well, in one form or another,
4 Mr. Pulley first engaged our law firm when I first came in
5 contact with Mr. Pulley and various entities, I guess in the
6 late 1990's.

7 Upon first joining the law firm, I represented
8 Mr. Pulley in dispute. There had been a development company
9 that Mr. Pulley had started with two or three other
10 partners.

11 It was a longstanding dispute. We ended up settling
12 that matter for an exchange of income producing properties,
13 which are basically strip malls.

14 Mr. Pulley took several strip malls and two of his
15 other partners took the strip malls. And then throughout
16 the years we've represented Mr. Pulley, SBG Management
17 Company, and many of his single-purpose entities.

18 During the late 1990's, early 2000's, Your Honor,
19 Mr. Pulley kind of got out of the commercial business, and
20 he started acquiring multi-unit residential complexes in the
21 City of Philadelphia when PHDC and HUD basically started
22 decentralizing their operations.

23 Q. Were you the attorney, or your firm the attorney,
24 to handle some of those transactions for the multi-family
25 units?

1 A. Yes. We handled extensively the acquisition from
2 PHDC and HUD.

3 Q. Did the law firm handle Fairmount, Elray,
4 Marshall, the acquisitions?

5 A. I believe we did.

6 Q. As well as the other properties that are the
7 subject of this complaint?

8 A. I think we handled just about all of them in one
9 form or another.

10 Q. Okay. So in providing real estate transactions
11 service, legal services, to Mr. Pulley, as well as some
12 litigation services, did you at some point get involved with
13 PGW issues that were confronting SBG properties?

14 A. Yeah. Just understand, Your Honor, I don't do
15 utilities work. This is why -- and I can kind of get to
16 that later. But Mr. Pulley first came to, you know, need my
17 assistance. My partner, Kerry Shuman, usually handles the
18 acquisition, the financing, the refinancing of the
19 properties from nonprofit PHDC owned properties to a profit.

20 I got involved in, I believe, 2003 or 2002 when the
21 City of Philadelphia and PGW first filed actions against
22 Fern Rock. And I believe it was Simon Garden, another
23 property Mr. Pulley owned.

24 They sell properties to -- they filed petitions to
25 sell the properties free and clear of any liens. Which was,

1 I guess, the final step in the process. They just liened
2 the properties and moved to sell them to satisfy the debt.

3 Q. In the documents listed as Dan McCaffery
4 correspondence, the documents you can refer to that go to
5 the heart of some of the issues in this matter.

6 JUDGE VERO: Just a moment, Ms. Boone. Are these the
7 documents that I received over the weekend?

8 MS. BOONE: Yes.

9 JUDGE VERO: Okay, it's that same package of
10 documents.

11 MS. BOONE: Yes.

12 JUDGE VERO: You may proceed.

13 MS. BOONE: Thank you.

14 THE WITNESS: Yes, in various forms or another. What
15 those documents comprise are documents that I pulled through
16 our system that had something or other to do with the PGW
17 disputes. Specifically, these had to do with the original
18 Fern Rock and Simon Gardens disputes.

19 BY MS. BOONE:

20 Q. Okay. And what was the nature, and why were you
21 engaged? How did you get involved with these PGW disputes?

22 A. Just as I mentioned, PGW filed petition to sell
23 the property free and clear of any liens. When I got --

24 Q. Excuse me. Do you mean SBG?

25 A. No. PGW had filed motions in the Philadelphia

1 Court of Common Pleas to sell off both the Simon Garden and
2 the Fern Rock properties to satisfy the PGW liens.

3 These were issues that the client, SBG Management,
4 had difficulty obtaining information. Because either Fern
5 Rock or Simon Garden had been acquired over the, I guess, 24
6 or 36 months preceding that.

7 And instantly there had been problems with PGW,
8 because PGW had liened the property. And Mr. Pulley at SBG
9 was working out some kind of -- was trying to get
10 information from PGW as far as how payments had been applied
11 on the property.

12 Q. And how payment was calculated, was that one of
13 the issues?

14 A. If I recall -- and understand, Your Honor, I'm
15 not what I once was.

16 MR. FARINAS: Your Honor, I really understand very
17 well, but that was a leading question, and I object.

18 JUDGE VERO: Okay.

19 MR. FARINAS: And also, if I may object on the
20 grounds that I understand that we're discussing, again,
21 properties that are not within the three dockets we're
22 discussing Monday, Tuesday and Wednesday. However, they do
23 have some bearing on the estoppel issue.

24 However, these are older, and they're matters that
25 are not related to the estoppel issue, and they're actually

1 liens. They're in the context of liens. The Commission
2 doesn't have jurisdiction over liens.

3 JUDGE VERO: I understand. But I was under the
4 impression that Mr. McCaffery was in the process of
5 establishing foundation for his testimony in terms of how he
6 was involved with SBG.

7 MR. FARINAS: All right.

8 JUDGE VERO: Is that correct, Ms. Boone?

9 MS. BOONE: Yes, it is. And also, there were
10 questions on cross examination to Mr. Pulley about whether
11 actions had been taken earlier, and what action was taken,
12 and what was the history of Mr. McCaffery's -- his name was
13 mentioned several times in cross examination.

14 JUDGE VERO: Okay. You may proceed. But keep in
15 mind the focus here is these three complaints, and that's
16 all. Estoppel.

17 MS. BOONE: Okay.

18 THE WITNESS: Sure.

19 BY MS. BOONE:

20 Q. With the extent of in terms of filing PUC
21 complaints for SBG --

22 A. Well, I didn't file PUC complaints. As a matter
23 of fact, I knew nothing about the PUC or the PUC processes.
24 This particular case dealt with payment applications on the
25 properties.

1 Essentially, this matter was resolved.

2 Judge Gene Cohen had the matters consolidated, and ordered
3 PGW to provide an accounting of and detail all the payments
4 received.

5 Rather than do that, PGW settled the case, and
6 basically wiped off over \$60,000, if I -- it's on the
7 payment which I provided as well. They wiped off that
8 \$60,000 in late fees.

9 The litigation attorney from PGW was Maryanne
10 Mandabi, which is how we established a relationship with
11 somebody at PGW. That was Ms. Mandabi.

12 MR. FARINAS: Your Honor, again, is this a settlement
13 about which Mr. McCaffery's speaking offered to show some
14 wrongdoing as evidence on PGW's part rather than proceed
15 with the matter, they settled and forgave late payment fees?

16 If so, I object to the testimony, because it's being
17 offered to show that there's a problem at PGW because it
18 settled a matter in court.

19 MS. BOONE: And if I could just speak to that,
20 address that point?

21 JUDGE VERO: Yes.

22 MS. BOONE: We received several questions about the
23 involvement of attorneys early on in SBC managed properties,
24 and what happened and why.

25 And we also pursued a line of questioning as to the

1 properties across the board having issues that were not
2 answered by PGW, and what actions SBG took and what happened
3 with those cases.

4 And so his testimony is pertinent in terms of showing
5 even receiving a payment plan, even writing it off, there
6 still wasn't an explanation of the late payment charges and
7 the applications of some of the payments.

8 So even with a judge ordering, or suggesting that it
9 to go the PUC, and then the case ultimately settling, PGW
10 still refused to give the calculation information.

11 That's his testimony. And I think that's relevant.

12 JUDGE VERO: Are you stating, Ms. Boone, that
13 somewhere a judge from the court of common pleas, I
14 understand, ordered SBG to take the matter to PUC?

15 THE WITNESS: That actually did happen, Your Honor,
16 in 2011. To answer the question you made to Mr. Pulley.
17 This was actually 2005.

18 Judge Cohen had these petitions, and ordered PGW to
19 provide an accounting, detailing where the payments were
20 made and how they were applied.

21 JUDGE VERO: And this was in what year?

22 THE WITNESS: This was 2005. PGW settled these
23 particular cases in 2005 by wiping off the late penalties
24 and the late charges. I think it was the late fees. Not
25 interest. Rather than provide the detailed accounting

1 information that we were referring to and asking for.

2 MR. FARINAS: Your Honor, again I would object, that
3 supposed to know why PGW settled and know for a fact that
4 the settlement was made rather than supplying, rather than
5 supply the information, or just settling it in the normal
6 course of settling a lawsuit.

7 MS. BOONE: I can rephrase the question.

8 JUDGE VERO: Please do.

9 MS. BOONE: Okay.

10 BY MS. BOONE:

11 Q. What did the judge order?

12 A. Just what I said. He ordered -- we had a
13 pretrial conference that we talked about what the issues
14 were.

15 Judge Cohen ordered PGW to produce a detailed
16 accounting showing where the payments -- because we had a
17 list, a binder, of all of the payments. And the payments
18 aren't reflected on the bills.

19 So Judge Cohen ordered PGW to produce a list of all
20 of, a detailed accounting of where the payments were
21 applied.

22 Q. What detailed accounting was provided before the
23 judge's order by PGW?

24 A. None.

25 Q. And after the judge's order?

1 A. None.

2 Q. Why not?

3 A. I don't know why not.

4 Q. Instead of providing accounting, your testimony
5 is that detailed accounting wasn't provided before the
6 judge's order, wasn't provided after the judge's order.
7 Instead, what happened with the case?

8 A. Well, SBG never disputed the bills. They
9 disputed the late fees, and how they were calculated. So
10 what PGW did, they wiped away the late fees. And we settled
11 the case by paying what amounts were due. And that's
12 reflected on -- I think there's a settlement agreement I
13 have in there.

14 Q. Okay.

15 A. I don't know why they did it. But they just
16 didn't produce anything.

17 Q. But your testimony today is, in terms of
18 calculations, what have you --

19 MR. FARINAS: Excuse me, Your Honor. She's asking
20 what testimony --

21 JUDGE VERO: This matter was essentially settled in a
22 different court. Okay?

23 MS. BOONE: Okay.

24 JUDGE VERO: And once it was settled, it was to
25 everyone's satisfaction, I understand it. Okay?

1 THE WITNESS: I was satisfied.

2 JUDGE VERO: Right?

3 THE WITNESS: I was satisfied.

4 JUDGE VERO: Yes.

5 MS. BOONE: We were satisfied, because --

6 JUDGE VERO: Well, it was an agreement. So that's
7 what I'm saying. It was settled to everyone's satisfaction.
8 So let's move on. I understand there was a case brought in
9 front of the court of common pleas involving SBG and PGW
10 liens. And that particular case was settled in 2005.
11 Moving along.

12 BY MS. BOONE:

13 Q. Thereafter, what happened, and how are you
14 involved with PGW and SBG issues?

15 A. Literally almost upon the conclusion of that
16 particular matter, there was another matter. And I don't
17 know if it's before you today. Colonial Gardens. There was
18 a dispute regarding Colonial Gardens. And since I had just
19 resolved the PGW Fern Rock dispute in 2005, I was kind of
20 involved in that.

21 The settlement that we just referred to, Your Honor,
22 in 2005 required two initial payments of \$33,000. PGW -- I
23 got reinvolved, because five or six months later PGW had
24 contacted me to find out where the payments were. And I had
25 to track down the actual payments themselves.

1 Turned out they were written on February 3, 2005,
2 from Elkins Park Abstract Company, and cashed on
3 February 10, 2005, by PGW.

4 However, PGW had no record of the roughly \$66,000 in
5 payments that were made pursuant to this settlement
6 agreement. So I had to kind of get involved for the next
7 six months trying to track that down.

8 Simultaneously there was an issue with Colonial
9 Gardens. And that's when I first met Mr. Dunn.

10 Q. What were the dates of the checks? Are they in
11 the documents that you provided?

12 A. Yes. If I can, Your Honor, these are -- I can
13 hand these to you, if you want. They are Elkins Park
14 Abstract Company charge no. 4282 and 4283, both dated
15 February 3, 2005.

16 JUDGE VERO: I have copies in the binder, I believe.

17 THE WITNESS: And they're both in the amount of
18 \$33,111.16 made payable to PGW. There are checks. And then
19 there's another set of checks which indicate the date of
20 deposit of, I think it's February 10, Your Honor. And I
21 can't really make the stamp out.

22 Which are later in here, because Ms. Mandabi had
23 contacted me about asking for the payments. So I had to
24 track these down.

1 BY MS. BOONE:

2 Q. Were there cover letters that went with the
3 payments to explain the issue?

4 A. I believe there were. I can't put my hands on
5 them right now. But Ms. Mandabi had contacted me, and I
6 then contacted Elkins Park Abstract Company to find out
7 where the checks were.

8 And I received copies of the check, and the front and
9 back, which I then produced to Ms. Mandabi and Mr. Dunn to
10 show that we had complied with the settlement agreement and
11 paid the first two payments of \$66,000 which were due. I
12 think one was due January 31 and the other was due
13 February 15.

14 Q. As an experienced commercial litigator, when
15 there is a conflict or a problem between two parties, is
16 litigation the only way to seek a resolution?

17 A. Usually litigation's a last resort.

18 Q. What are the various means that parties can
19 pursue to solve a dispute?

20 A. Reconciliation, mediation, telephone call,
21 letters, meetings.

22 Q. In commercial litigation, when one party doesn't
23 understand a bill, how can that be resolved without
24 litigation?

25 A. Usually through a meeting, and to explain the

1 nature of the bill, I would imagine. In this particular
2 case, what happened with Colonial was very simple. It was
3 the same type of issue. Which payments were made; and the
4 bills that were received usually have the amount of the
5 usage, the rate charged, and then a credit for the last
6 payment made. And then to the extent that I think Mr., was
7 it Cummings, testified, if late charges are applicable,
8 they'll be added on to the actual principal.

9 The problem that Mr. Pulley had, dating back to these
10 first two cases and the Colonial Gardens case, was that he
11 would make a payment. The payment wouldn't be reflected on
12 the bill. So we had no way of knowing.

13 And more importantly -- and this is just, Your Honor,
14 if I may, indicative of the problem --

15 MR. FARINAS: Your Honor, I object. He's testifying
16 for Mr. Pulley. We're looking at two checks that were lost
17 and found and then cashed, and then everything was okay.
18 And now Mr. McCaffery's talking about --

19 JUDGE VERO: Instruct, Ms. Boone, your witness that
20 we're trying to focus on these three properties, Fairmount,
21 Marshall and Elray.

22 And also, while I wanted to learn more with regard to
23 SBC's attempts to address these issues in a timely manner, I
24 don't need the details of a case that was settled in
25 different court.

1 MS. BOONE: Okay.

2 JUDGE VERO: I don't need the minutia, all the
3 details. It's settled.

4 MS. BOONE: I guess what we were trying to -- I won't
5 talk about the 2005 case anymore.

6 JUDGE VERO: Okay.

7 MS. BOONE: I guess what we are trying to do is, once
8 again, we may ask the Commission to impose a penalty on PGW
9 based on the fact that they have not delivered good service
10 under the statute and in line with other cases where they
11 have not responded to customer complaints, they have not
12 answered properly, they have not shown good service.

13 And one of the things that we want to do is to look
14 at what is the extent of this. Is this something that just
15 happened a month ago? Anyone can have one mistake. Or is
16 this a series of many, many, many mistakes over many, many
17 years?

18 And so the Commission really has to take action.
19 Otherwise lots of other people will be involved, or will be
20 harmed.

21 So this is really a case, it's relevant to understand
22 the history and the extent of these kinds of violations.

23 JUDGE VERO: I understand. But you have the hurdle
24 of the statute of limitations that hasn't been overcome yet.

25 And my issue is you are going into a lot of detail.

1 If you are just trying to establish a pattern of behavior,
2 you are going into a lot more detail than that's necessary.

3 By statute of limitation, I'm limited to look at the
4 last three years from the date the complaint was filed,
5 which is May of 2012. So I can only look back until May of
6 2009.

7 There might be some leeway. But first of all,
8 estoppel, I still am not convinced that you have overcome
9 the burden of establishing that the doctrine applies.

10 And the other thing is, I understand what you're
11 saying. I understand that this behavior has been ongoing.
12 That's sufficient. We can move on with what's pertinent.

13 MS. BOONE: Okay.

14 BY MS. BOONE:

15 Q. If you can talk about the more recent matters
16 that are within the statute, the 2011?

17 A. Sure. I think answering the Judge's questions
18 about Fairmount and Marshall and Elray, my involvement with
19 Fairmount, Elray and Marshall has been over the years I've
20 set up multiple meetings with PGW representatives,
21 Mr. Pulley, Mr. Lampert, Ms. Treadwell, myself.

22 As a matter of fact, on two separate occasions I met
23 with members of city council because we weren't getting
24 anywhere with PGW officials, just to find -- as a
25 constituent service matter. Just can you please have

1 somebody from PGW who can answer these particular questions,
2 get us in there.

3 My involvement most recently had been on July 10,
4 2010, the city filed a petition against Fern Rock again to
5 sell, free and sell the property.

6 They followed up with a petition to sell against
7 Marchwood on January 7, 2011. And then on February 7, 2012,
8 they filed one against Oak Lane.

9 All three of these matters had been consolidated in
10 front of Judge Idie Fox (phonetic). Mr. Clark and I
11 represented -- Jerry Clark represents PGW in that matter.

12 And it was the same type of issues. Which is
13 requesting information regarding payment applications.

14 Getting to the Judge's question specifically, I don't
15 do utilities law. And I don't know anything about utilities
16 law. And as far back as 2008, I told Mr. Pulley and SBG
17 that to seek out counsel.

18 I think someone from Mr. Feinman's firm, was that the
19 other fellow, who I don't know.

20 In 2011 we're in front of Judge Idie Fox on a
21 consolidated status conference. And Judge Fox was the one
22 who actually suggested filing a PUC complaint.

23 I had no experience in that whatsoever. I came out
24 into the hallway. Still remember it, 4-26. And I told
25 Mr. Pulley, Judge Fox recommended the filing of a PUC

1 complaint.

2 Mr. Pulley then, and I, we interviewed at least three
3 or four different attorneys who were represented to us to be
4 utilities attorneys with experience in this. One was
5 actually Rhoads & Sinon out in Harrisburg. There was a
6 fellow downtown named Mr. Denenberg (phonetic).

7 And again, Your Honor, I don't know this area of law,
8 so I can't vouch for any of them. But I can tell you that I
9 had multiple meetings with multiple attorneys to kind of
10 fill them in on the background. And that was it.

11 That's why this thing was not filed until 2011.
12 Because, frankly, I didn't know about the utility process.
13 Judge Fox was the one who told me about it, and I
14 recommended it to Mr. Pulley.

15 JUDGE VERO: When did the judge instruct you about
16 filing with PUC?

17 THE WITNESS: It would have been either late 2010 or
18 early 2011. Jerry Clark could probably tell you better than
19 I could.

20 JUDGE VERO: And you're aware that Mr. Pulley did not
21 file until May of 2012?

22 THE WITNESS: I don't know with Mr. Pulley filed it.
23 Well, I can tell you right now, it would have been after --
24 it would have been sometime in 2011. Because it was, there
25 was a consolidated matter between Fern Rock and Marchwood.

1 BY MS. BOONE:

2 Q. What was the date of that meeting, of the hearing
3 before --

4 A. The filing on Marchwood was January 7, 2011,
5 according to the docket entries in the Philadelphia Court of
6 Common Pleas.

7 Looking back on my records, we had multiple hearings
8 in front of Judge Fox with Mr. Clark, trying to get
9 information again.

10 And then Judge Fox was the one who made the
11 recommendation. Which would have been either late 2011 or
12 early 2012.

13 Q. Thank you.

14 A. I'm just looking at that. And the only reason I
15 say early 2012 is because Oak Lane was filed on February 7,
16 2012. And I know all three matters were consolidated at the
17 same time.

18 Q. Okay. Throughout your experience in handling or
19 working on some of the PGW and SBG matters, did SBG stop
20 asking questions? What was your experience about their
21 vigilance?

22 A. Oh, SBG was consistently raising questions.
23 Because -- I mean, I didn't meet the lovely lady sitting to
24 your right, because they specifically hired someone to
25 address these issues. It was a constant source of questions

1 from 2000 -- and I'm not exaggerating, Your Honor -- 2005
2 until 2012.

3 Q. Why did you get city council and other
4 Philadelphia government officials involved, or employees
5 involved?

6 A. Well, usually I find city -- PGW's kind of a body
7 politic. And they answer to city council. And some of
8 these properties are located in city council managed
9 districts and had been servicing PHDC and former HUD
10 residents.

11 Specifically, I think I reached out to Daryl Clark,
12 because I think Fairmount was in his district. Elray
13 Garden, Bering, another property, was in City Councilwoman
14 Tasco's (phonetic) district.

15 No other reason than to see if they could supply me
16 with somebody from a constituent service standpoint to
17 interface with PGW, somebody higher up the food chain, to
18 kind of get an answer was far as what was going on as far as
19 the payment applications are concerned.

20 Because frankly, all I was getting every time I asked
21 were the printouts. And I don't know how to read the
22 printouts.

23 Q. In terms of --

24 A. They weren't supplying information. But all I
25 was getting from Jerry Clark, and even Mary Mandabi before

1 that, was a printout. And I had no idea how they were being
2 applied or why they were being applied.

3 The one constant source of problems, Your Honor, was
4 the check would be written from SBG on a particular bill.
5 That wasn't cashed for six months later. And then we -- or
6 three months later, or four months later.

7 And in that time, the late charges were continuously
8 applied month after month after month.

9 JUDGE VERO: But that was issue was resolved.

10 THE WITNESS: The issue was never resolved.

11 JUDGE VERO: Through settlement.

12 THE WITNESS: No, no, no. I'm not talking -- the
13 settlement issue was late --

14 JUDGE VERO: You're talking after 2000 and --

15 THE WITNESS: I'm talking after that. That's why I
16 kept on this.

17 JUDGE VERO: All right.

18 THE WITNESS: Believe me, Judge, the last thing I
19 want to do is deal with, you know, PGW late charges for the
20 rest of my career.

21 JUDGE VERO: All right.

22 THE WITNESS: Until December. Which I'm done.

23 BY MS. BOONE:

24 Q. When the government officials got involved, what
25 explanations were --

1 A. Well, let me -- the government official didn't
2 get involved. What they would do is they would appoint
3 somebody from their staff usually as a constituent services
4 rep.

5 I mean, the Councilwoman Tasco and Councilman Clark
6 never personally got involved. They did set up meetings
7 with PGW reps. And in fact, that's how I met Mr. Dunn.

8 As a matter of fact, at one point we got as far up as
9 Craig White, I think who's, he's the big boss --

10 Q. The CEO.

11 A. -- at PGW. And he wrote a letter one time saying
12 that we would, you know, get a meeting together.

13 Q. The CEO promised a meeting? Is that your
14 testimony?

15 A. I don't know if he's a CEO or not. I know
16 he's -- he does the commercials for PGW. He's a pretty
17 high-up guy.

18 Q. Right. So throughout the years, over and over
19 again, PGW is making more kinds of representations for this?

20 A. That we'll provide you with the information or
21 we'll get you the explanation. And then they would follow
22 up usually with a spreadsheet that, frankly, I didn't know
23 how to read.

24 And the real issue was, I was trying to get somebody
25 from PGW who could explain it to me. Which is why I think

1 at one point Mr. Dunn did, in fact, come out to Phil's
2 office at 1241 Welsh Road.

3 We had a meeting out there. We had a meeting at
4 Eleventh and Cecil B. Moore. I think you have offices down
5 there near Temple's campus.

6 Q. Okay.

7 A. Several meetings down there, both before
8 Ms. Mandabi and after Ms. Mandabi.

9 JUDGE VERO: When did this occur?

10 THE WITNESS: They've occurred literally almost
11 yearly from 2004 until I guess Phil got PUC counsel.

12 My involvement was primarily because when PGW would
13 file the petitions to sell the properties that Mr. Pulley
14 owns, I would get involved at that point, because they were
15 in the court of common pleas of Philadelphia County.

16 Since I don't do utilities work, I would from time to
17 time recommend Mr. Pulley to get utilities counsel.

18 But the actual interfacing with PGW officials
19 occurred, I want to say -- I mean after we settled the case,
20 probably started up again in 2007 through 2012.

21 BY MS. BOONE:

22 Q. At any point in the recent cases, did you receive
23 a written explanation -- what explanation did you receive on
24 the calculations? You said that you couldn't read it. How
25 did you handle that?

1 A. The last time we were in front of Judge Fox,
2 Mr. Clark and I, Jerry gave me a copy of their printout.
3 And again, it was just that, it was a printout with usage,
4 rate charge and, I think, late fees for the total bill owed
5 with a running tally.

6 But it didn't provide any explanation as far as when
7 payments were received, when they were applied, anything
8 like that.

9 Q. Why do you need to know when the payments are
10 received to understand the bill?

11 A. I don't. The client does.

12 Q. Do you know why the client needed to know that?

13 A. Well, I would assume because of the late fees.
14 The late fees are, I mean -- and I don't want to speak for
15 PGW. But my understanding is the late fees are applied
16 against the outstanding balance.

17 And unless you know when the actual payment was
18 received and applied, you don't know to what the late fee
19 was applied against.

20 That's the way it was explained to me from Mr. Pulley
21 and Mr. Lampert. I'm not an accountant.

22 Q. Was this information, this particular question,
23 put to PGW or to Gerald Clark as one attorney to another,
24 the problem of the explanation?

25 A. I can't tell you if I mentioned that to Jerry or

1 not.

2 Q. Okay. Was any written explanation of that
3 provided?

4 A. No, never.

5 Q. Okay, thank you. Are there any other documents
6 you could provide that you would like to share with us?

7 (Witness shaking head negatively.)

8 Q. Okay. Thank you.

9 A. Everything I have I produced and sent you this
10 week.

11 Q. Oh, I did have one other question. Why do we
12 need to get the late payment charges right in terms of what
13 happens later on to the property? If you don't have the
14 late payment charges right, if you don't have the usage
15 right, what happens?

16 A. Well, from a litigation perspective, there's no
17 way to zero out the account.

18 Q. Why do you need the account zeroed out?

19 A. Well, I'll give you the for instance. On Fern
20 Rock, when they couldn't, when they didn't pick up the
21 \$33,000 payments, I got involved again because six months
22 later they had another huge balance after we had just
23 settled the case.

24 Because then they -- the settlement agreement was
25 January 19, 2003. They mis -- I don't want to say they

misapplied. The checks were sent to them, received and cashed. But they didn't apply them to the settlement.

And then six months later, eight months later, towards the end of the year, I think it was in August, according to my records, they had another huge account balance applying a whole bunch of late fees from January on, when they had received the checks in February.

Q. Now, as a commercial litigator, how often do you get involved with matters will bills are contested or debts are contested?

A. I do very little of that. This is probably one of the few cases that I've ever been involved in, because it's Phil.

Q. Okay.

A. I stay away from those kind of collection cases.

MS. BOONE: Okay.

JUDGE VERO: Mr. Farinas, any cross examination?

MR. FARINAS: Yes, Your Honor, I do.

JUDGE VERO: Proceed.

MR. FARINAS: Thank you. Your Honor, may I approach?

JUDGE VERO: Yes.

CROSS EXAMINATION

BY MR. FARINAS:

Q. Mr. McCaffery, you made reference to printouts that, I guess, Jerry Clark provided to Mr. Pulley and

1 yourself and in the cases with Judge Fox; is that correct?

2 A. Yes.

3 Q. Do these look like the printouts?

4 (Documents handed to witness.)

5 Q. Are these the type of document that was shared?

6 A. Similar. It could be. I don't remember the -- I
7 don't remember this, the headings on it. I remember like
8 the line items.

9 Q. I see. Okay.

10 A. And also, it looks a little bit different from
11 the ones I -- I don't want to go through your binder. But
12 it could be.

13 Q. Okay. And you'll agree with me that this
14 printout here shows -- if I could just show you the second
15 column, bills and late payment charges, and it says L-P-C.

16 A. Late payment charges.

17 Q. Right. And L-P-C W-V-E. Various -- do you see
18 anything -- if I told you that the symbol for a payment
19 would be P-A-Y, would that seem logical to you if it
20 appeared on that column?

21 A. Would the symbol P-A-Y reflecting payment seem
22 logical to me?

23 Q. Right.

24 A. Yeah.

25 Q. Okay. And you stated that there was no -- you

1 weren't able to understand them. Do you remember seeing any
2 P-A-Y's on the documents that you saw?

3 A. I don't remember any designation whatsoever on
4 the documents that I saw from Mr. Clark. All we had were,
5 from my recollection -- and I probably could have got this
6 from my file, and I apologize for not doing so. But all I
7 recall were the amount billed, the late charges, and then
8 current amounts, with a running tally.

9 Q. Okay.

10 A. I don't remember seeing any kind of designation
11 regarding P-A-Y, L-P-C's or anything like that on the
12 left-hand margin.

13 Q. Okay. But if an account, this is an account
14 document, and it shows bills and late payment charges, but no
15 P-A-Y's, could it possibly mean that there were no payments
16 made during in that section?

17 A. Yeah, it could mean anything.

18 Q. Okay. When you went to -- did Mr. Clark ever put
19 on, to your knowledge, in any of the cases that you were
20 involved in, any testimony with regard to the accuracy of
21 the bills?

22 A. Jerry and I never had a contested hearing.

23 Q. Okay.

24 A. Jerry and I just -- when they filed the
25 petitions, we literally had two or three status conferences

1 in front of Judge Fox. And then we ended up, I filed a
2 petition to consolidate. There were three outstanding
3 matters, which I just mentioned.

4 And then when they were consolidated, I think it was
5 actually the consolidation hearing in front of Judge Fox,
6 where she recommended the utility, the PUC complaint.

7 Q. And those are the matters that are now still held
8 in abeyance while this matter's pending?

9 A. I have no idea what's -- I don't do that kind of
10 work.

11 Q. Okay.

12 A. I know Mr. Pulley, like I said, interviewed
13 multiple law firms. So I don't know what he filed and what
14 he didn't file.

15 Q. No. Do you know if the matters that are now held
16 in abeyance before Judge Fox, are the matters, are the
17 substantive matters about which we're discussing today, the
18 billing?

19 A. They're not substantive matters, they're
20 petitions to sell the property free and clear that's filed
21 in the court of common pleas.

22 Q. And the matters which Judge Fox instructed or
23 suggested that a PUC complaint be filed concerned what?

24 A. Concerned the payments.

25 Q. And do you know if the payments that were the

1 subject of Judge Fox's suggestion are the matters that we're
2 discussing in this matter?

3 A. I do not.

4 Q. I want to clear up something. You first stated
5 that there were matters you were involved in in 2004, but
6 this was the first time Judge Fox or anyone recommended that
7 in order to, I guess, get to the bottom of what payments
8 were made, to file a PUC complaint. Is that correct?

9 A. When you say this, what do you mean, this?

10 Q. Well, you gave testimony that you were involved
11 in matters involving, in 2004; right?

12 A. Yeah, the 2004 matter was Simon Garden and Fern
13 Rock. And we settled it. And I actually -- the settlement
14 agreement is actually in that packet.

15 Q. But during the 2004 matter, nobody suggested that
16 you file a complaint with the Public Utility Commission?

17 A. Not to my knowledge. I don't even know what the
18 PUC does, to be honest with you. Or how it operates. I
19 kind of operate in my own little world.

20 Q. To your knowledge, was -- now, getting back to
21 the Judge Fox matters. Was the amount, were any of the
22 amounts at issue associated with the late payment charges
23 and having to do with the accounts that were from SBC's
24 tenants?

25 A. I think that's one of the issues, yes.

1 Q. Okay.

2 A. The matters in front of Judge Fox, I've got the
3 court term and number, if you need it.

4 Q. What I'm asking though is, the matters that are
5 disputed, or that you're disputing in this matter or in that
6 matter -- I'm sorry -- did they involve tenant debt?

7 MS. BOONE: Objection.

8 JUDGE VERO: On what grounds?

9 MS. BOONE: On the grounds that cross was limited to
10 SBG accounts and SBG payments. It didn't have anything to
11 do with liens that had been filed for tenant accounts.

12 JUDGE VERO: Cross or direct?

13 MS. BOONE: His cross is going beyond the scope of my
14 direct. My direct was limited to SBG accounts. It did not
15 mention tenant accounts that have been liened. So he's
16 talking about something completely different, off topic.

17 MR. FARINAS: He provided testimony regarding the
18 matters that are currently in abeyance before Judge Fox,
19 about which she asked that Mr. Pulley file a PUC complaint.
20 And I'm asking what was the content, what was the purpose of
21 it.

22 MS. BOONE: With all due respect, in your
23 preliminarily objections you said that municipal liens were
24 not part of this proceedings, and that it had no part in it.
25 Now you're bringing those tenant liens into this.

1 MR. FARINAS: I'm bring it for the reason that --

2 MS. BOONE: And as you know, in evidence, you can
3 certainly present evidence for what's relevant of that
4 evidence. What you're talking about in your own PO is you
5 said was irrelevant. So I'm not sure why you're bringing it
6 up now.

7 MR. FARINAS: I'll tell you, if you like. I'm
8 bringing this matter up because the Commission has held that
9 there have been complainants coming before the Commission
10 that are bringing disputes which are really collateral tax
11 on liens filed.

12 MS. BOONE: And with all due respect, we aren't doing
13 that. We're limiting to SBG accounts.

14 JUDGE VERO: Hold on, hold on.

15 Mr. Farinas, if I recall correctly, they dropped the
16 tenants, all the claims with regards to tenants' accounts
17 once they were identified during discovery. I think those
18 claims were dropped in the amended complaint.

19 Remember, they were present in the original
20 complaints, but then with Mr. DeBroff's involvement and his
21 filing of the amended complaints, those tenant related
22 issues, as they pertained to the liens, were dropped.

23 MS. BOONE: Also, Fern Rock, Marchwood and Oak Lane
24 don't have any tenant, and they have meters.

25 JUDGE VERO: Fairmount, Marchwood and --

1 MS. BOONE: I'm sorry. Fern Rock, Marchwood and Oak
2 Lane.

3 JUDGE VERO: Fern Rock.

4 MS. BOONE: Don't have any tenant meters. So he's
5 talking about matters that don't have tenant meters and
6 wouldn't have tenant liens.

7 JUDGE VERO: Okay. Hold on a moment. I haven't had
8 a chance to look through this, but I did receive it over the
9 weekend.

10 But like the witness, I also operate in my little
11 world.

12 (Laughter.)

13 JUDGE VERO: And I'm not very familiar with the court
14 of common pleas and their terminology, etcetera. So like he
15 said, he doesn't understand the account history very well, I
16 didn't understand this very well.

17 Are you saying that currently these cases, I
18 understand, were held in abeyance or pended until the PUC
19 get an opportunity to conduct a formal hearing and issue a
20 decision?

21 I understand that these cases that I have here, these
22 pages are numbered, but the first, I'm going to say, five or
23 the first ten pages, maybe --

24 MS. BOONE: It's my understanding that Fern Rock,
25 Marchwood, and Oak Lane don't have any tenant meters. So

1 there shouldn't be any tenant --

2 JUDGE VERO: Are these cases in the court of common
3 pleas, do they pertain to straight properties you just
4 mentioned, or do they --

5 MS. BOONE: Yes.

6 JUDGE VERO: -- pertain to any other properties?

7 MS. BOONE: No, just these three properties.

8 JUDGE VERO: Okay.

9 There you have it, Mr. Farinas.

10 MR. FARINAS: Thank you. And I understand also that
11 part of SBG's request for relief does not include any late
12 payment charges associated with tenant debt.

13 JUDGE VERO: Is that question directed to whom?

14 MR. FARINAS: I'm sorry.

15 Is it my understanding that your relief does not
16 include late payment charges associated with tenant debt?

17 MS. BOONE: Well, I'm not sure why we're talking
18 about tenants in this proceeding. I mean the cases have
19 been held in abeyance. Mr. McCaffery's firm is handling it,
20 and Mr. McCaffery. We're here to talk about SBG, what SBG
21 owes and SBG's late payment charges.

22 There are some cases where SBG believes that tenant
23 accounts were put in SBG's name, and shouldn't. But that's
24 a different issue from municipal lien. That, again, goes to
25 service.

1 JUDGE VERO: Yes. Mr. Farinas, why are you asking
2 that question at this time?

3 MR. FARINAS: I was of the understanding that part of
4 the relief going --

5 JUDGE VERO: Are you trying to clarify what type of
6 relief?

7 MR. FARINAS: Yes, yes.

8 JUDGE VERO: And the extent of the relief?

9 MR. FARINAS: The extent of the relief. As I
10 understood, it's still held that there was accountings that
11 were requested even regarding the debt by SBG's tenants.
12 And therefore the late payment charges associated with that
13 debt were part of the request.

14 MS. BOONE: Well, as Mr. Pulley testified to, one of
15 the issues is that there may have been a tenant who lived at
16 a different residence, then moved in to an SBG managed
17 property, and that debt traveled with him.

18 That's not the same as a municipal lien law. The
19 municipal lien law refers to tenants who generate debt
20 within the SBG property, and so that owner of that property
21 has it.

22 This is, again, the issue is being mixed between the
23 municipal lien issue, which is that a municipal lien runs
24 with the property, versus a tenant who's municipal lien
25 should have run with a different property that's transferred

1 to something different.

2 MR. FARINAS: I'm not talking about that. It is not
3 your expectation that PGW will provide information regarding
4 the application of amounts paid in satisfaction of a lien to
5 tenant debt that's at the SBG property?

6 MS. BOONE: You know what, actually, I think I
7 understand what his question is.

8 JUDGE VERO: Okay.

9 MS. BOONE: When we first started these inquiries,
10 one of the questions had -- some of the questions centered
11 on what were the tenants' debt, what were SBG's debts.

12 And one of the things that's happened is, over the
13 course of this year we have started to receive information.
14 So we're able to identify whether a lien or a debt claimed
15 by PGW belongs to SBG or belongs to a tenant.

16 And that's why after reviewing all these documents
17 and having meetings, we have now refined our questions or
18 our disputes to SBG properties.

19 Our internal accountants took the statement of
20 accounts and went through and identified the SBG matters.

21 If a tenant is in there, it's only because it's
22 something that should have gone to the tenant, not because
23 we're saying there shouldn't be a lien there for the tenant
24 debt.

25 JUDGE VERO: Does it answer your question?

1 MR. FARINAS: Yes.

2 JUDGE VERO: Good. Any further questions for the
3 witness?

4 MR. FARINAS: I have no further questions, Your
5 Honor.

6 JUDGE VERO: Any redirect?

7 MS. BOONE: No.

8 JUDGE VERO: All right. I do have a few questions
9 for you, Mr. McCaffery.

10 You testified that you represented SBG in certain
11 issues, or rather certain claims, before the court of common
12 pleas during the period 2002 to 2005, you were involved with
13 SBG?

14 THE WITNESS: Yes.

15 JUDGE VERO: Are you responsible in any form or shape
16 for SBG filing an informal complaint with the Pennsylvania
17 Public Utility Commission during that period of time?

18 THE WITNESS: Am I responsible?

19 JUDGE VERO: Uh-huh. Did you hear of it? Did you
20 encourage it? Did you direct SBG to do that?

21 THE WITNESS: No.

22 JUDGE VERO: Are you aware that they filed something
23 during that period of time?

24 THE WITNESS: Am I aware?

25 JUDGE VERO: Uh-huh.

1 THE WITNESS: No. I don't even know what he process
2 would be for a utilities complaint.

3 JUDGE VERO: Okay.

4 THE WITNESS: That's what I meant to convey when I
5 said I stay in my own little world.

6 JUDGE VERO: All right. You also testified that from
7 about 2007 till 2012, you have had almost annual meetings
8 with PGW representatives at various PGW locations.

9 And you also mentioned something that you got these
10 reassurances from PGW employees, that they would provide the
11 information that you needed for your own cases in front of
12 the court of common pleas.

13 Can you be more specific? What's the exchange or the
14 feedback that you got from PGW in those meetings? I
15 understand that they occurred almost once a year. And the
16 intention was to ask questions, exchange information? What?

17 THE WITNESS: I don't want the Court to get the
18 mis-impression that we had annual meetings. There were
19 annual emails, telephone calls, several meetings. Some may
20 have occurred two or three times during the course of a
21 year.

22 Understood, Your Honor, Mr. Pulley and his entities
23 own multiple properties. There's got to be three, maybe two
24 or three dozen, you know, single-purpose limited entities.

25 Throughout the course of the last six or seven years

1 there have been multiple questions raised regarding these
2 PGW bills.

3 On those occasions I've had -- I think I was in on at
4 least one or maybe even two of the conference calls with
5 Mr. Dunn.

6 I had other meetings with PGW reps, city council
7 reps. Mr. Clark has gotten involved in the last couple of
8 years. I think he took over for Maryanne Mandabi. Jerry's
9 been very, very helpful when he can, answering some of the
10 questions, some of the disputes.

11 So these are not necessarily face-to-face meetings,
12 but there have been conference calls, there've been emails
13 back and forth regarding the bills.

14 I really only get involved from a court hearing when
15 PGW files a petition to sell one of these properties free
16 and clear. Because then it has a court term and number, and
17 it's in the court of common pleas. And that's when I
18 usually get involved.

19 I mean, personally I view this as an accounting
20 function, not really a legal function.

21 JUDGE VERO: Okay. I'm trying to understand the
22 purpose of your testimony, why Ms. Boone brought you here to
23 testify.

24 MS. BOONE: I brought him to show that the issues
25 that we're bringing forth are not recent issues. Again, we

1 want to show the extent, how long it's been where SBG has
2 sought information on how their bills are calculated, how
3 it's done, the extent to which SBG has actually sought help
4 with this.

5 They've gone to outside counsel, several different
6 firms. They've even asked outside counsel to call on
7 government officials, or the staff of city council, people
8 there.

9 JUDGE VERO: Neither one of those actions follow the
10 statute of limitations. And you're aware of it. Because I
11 sent you the language. I sent a citation as well, provided
12 you at the prehearing conference.

13 MS. BOONE: Right.

14 JUDGE VERO: Citations to the case, to the
15 Commission's final opinion and order, I believe, covers the
16 language in terms of what follows the statute of
17 limitations. What it is, how it can get told.

18 MS. BOONE: Yes. And I have researched that case, as
19 well as others, where the courts have said that if you
20 haven't done anything, if you haven't sought information
21 from the utility company, if you've rested on your
22 laurels -- if there's anything that's been shown today, they
23 have sought information from the public utility company.

24 JUDGE VERO: Okay. In providing the citation where
25 the Commission said that just contacting the company with

1 questions, or even with disputes or complaints directed
2 strictly to the company, was sufficient in and of itself to
3 tell the statute of limitations.

4 MS. BOONE: Well, there is a case, and I can produce
5 it.

6 JUDGE VERO: Yes, please do.

7 MS. BOONE: Where the court said, the fact that the
8 complainant did not contact the utility company prior to the
9 statute of limitations, the court would not look beyond the
10 three-year period.

11 So the converse of that is, if a party is contacting
12 them before the statute of limitations, then the judge may
13 look to the fact that they have tried to be vigilant.

14 Here it's not just one contact, it's many, many, many
15 contacts using many, many different vehicles.

16 MR. FARINAS: After the rejection of the information
17 provided again and again.

18 MS. BOONE: And there's also no point where you've
19 heard testimony from PGW that --

20 JUDGE VERO: The utility has not set up its case yet.

21 MS. SCONE: I'll bring it.

22 JUDGE VERO: Okay. No, I'm just saying, PGW has not
23 had an opportunity to present its case. So you cannot say
24 that there has been no point when they have or have not
25 stated something, because they haven't presented their case

1 yet.

2 So you were saying, other than that?

3 MS. BOONE: We looked at their records, and we don't
4 see a written response that defined it. Also, we are going
5 to put on additional testimony that shows that these bills
6 have not been calculated in accordance with the tariff. And
7 so we have asked.

8 Simply giving us the statement of account without
9 talking about the internal calculations, we finally got
10 information this year.

11 Our accountants internally calculated the amount of
12 interest that's being charged on some of these LPCs. And
13 they don't comply with the tariff.

14 JUDGE VERO: Okay.

15 MS. BOONE: But I would be happy to brief this issue.

16 JUDGE VERO: And I'll be very happy to read the
17 brief.

18 Mr. McCaffery, last question. You also mentioned
19 during your questioning that from time to time you counseled
20 Mr. Pulley to get PUC counsel. Can you be more specific?

21 THE WITNESS: Can I be more specific?

22 JUDGE VERO: Uh-huh. Your statement was that you
23 instructed or counseled Mr. Pulley from time to time to get
24 PUC counsel. Or utility counsel.

25 THE WITNESS: Yes. Well, I think -- well,

1 specifically, I can tell you that when Judge Fox made the
2 recommendation to file a PUC complaint, I said you're going
3 to have to find somebody that knows this area of law and is
4 familiar with the process.

5 I think historically I may have told him once or
6 twice beforehand that their -- when the rate issue came up
7 and we had interviewed some experts as far as taking a look
8 at how they were calculating the rates, that he should
9 probably retain utility counsel, somebody from the PUC.

10 JUDGE VERO: And when did this advice occur?

11 THE WITNESS: I couldn't tell you specifically when.
12 I know one time was when we met in his office. Was probably
13 was about 2010 or 2011 maybe.

14 We met with an expert from, I believe he was from
15 Bucks County. He had been a former member of the
16 Pennsylvania Public Utility Commission, and he was looking
17 at the bills and to render an expert opinion. I think that
18 was in 2000 and -- probably two years ago.

19 MS. BOONE: If I can just -- I think it was actually
20 just in 2012.

21 THE WITNESS: I don't know when it was.

22 JUDGE VERO: It's okay.

23 I have no further questions for you, Mr. McCaffery.
24 I believe Mr. Farinas and Ms. Boone also don't have any
25 redirect.

1 of today.

2 (Whereupon, at 4:35 p.m., the hearing was adjourned,
3 to reconvene on Tuesday, August 27, 2013, in Philadelphia,
4 Pennsylvania.)
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1 MS. BOONE: No.

2 JUDGE VERO: Any redirect?

3 MR. FARINAS: No.

4 JUDGE VERO: All right. You may step down. Thank
5 you very much.

6 THE WITNESS: Thank you, Your Honor.

7 JUDGE VERO: Next witness.

8 THE WITNESS: May I be excused?

9 JUDGE VERO: Yes. I said that you can step down.

10 THE WITNESS: May I be excused from the proceedings?

11 JUDGE VERO: Yes, of course.

12 THE WITNESS: Thank you.

13 (Witness excused.)

14 MS. BOONE: Next witness is Eric Lampert.

15 JUDGE VERO: Ms. Boone, what is the scope of
16 Mr. Lampert's testimony?

17 MS. BOONE: Mr. Lampert is the controller for SBG
18 Management Services, and he is the party who actually filed
19 the 2005 complaint. And he can talk about why that was
20 done.

21 He can also talk about some of his interaction where
22 he --

23 JUDGE VERO: Are we still dealing with general issues
24 and estoppel?

25 MS. BOONE: Yes.

Testimony of Eric Lampert

Date 8/20/13

Pages 221-268

Exhibit # SBG CG/SG 8

1

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

- - - - -x
: SBG Management Services, Inc. : Docket Nos.
: v. Philadelphia Gas Works. : C-2012-2304167
: : C-2012-2304215
: Initial Hearing. : C-2012-2304303
: :
- - - - -x

Pages 1 through 270

Fourth Floor Hearing Room
State Office Building
801 Market Street
Philadelphia, Pennsylvania

Monday, August 26, 2013

Met, pursuant to notice, at 10:08 a.m.

BEFORE:

ERANDA VERO, Administrative Law Judge

APPEARANCES:

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(None.)

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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 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.

By: William J. Horst *per*
William J. Horst

1 MS. BOONE: No.

2 JUDGE VERO: Any redirect?

3 MR. FARINAS: No.

4 JUDGE VERO: All right. You may step down. Thank
5 you very much.

6 THE WITNESS: Thank you, Your Honor.

7 JUDGE VERO: Next witness.

8 THE WITNESS: May I be excused?

9 JUDGE VERO: Yes. I said that you can step down.

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11 JUDGE VERO: Yes, of course.

12 THE WITNESS: Thank you.

13 (Witness excused.)

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15 JUDGE VERO: Ms. Boone, what is the scope of
16 Mr. Lampert's testimony?

17 MS. BOONE: Mr. Lampert is the controller for SBG
18 Management Services, and he is the party who actually filed
19 the 2005 complaint. And he can talk about why that was
20 done.

21 He can also talk about some of his interaction where
22 he --

23 JUDGE VERO: Are we still dealing with general issues
24 and estoppel?

25 MS. BOONE: Yes.

1 JUDGE VERO: All right, yes.

2 Mr. Lampert, please raise your right hand.

3 Whereupon,

4 ERIC LAMPERT

5 having been duly sworn, testified as follows:

6 JUDGE VERO: Please state your name, and spell your
7 last name for the record.

8 THE WITNESS: My name is Eric Lampert, L-A-M-P as in
9 Paul, E-R-T. And what else did you want?

10 JUDGE VERO: That's all.

11 Then, Ms. Boone, you may take over.

12 MS. BOONE: Sure. Thank you.

13 DIRECT EXAMINATION

14 BY MS. BOONE:

15 Q. Will you please state your name, birth date,
16 address?

17 A. Eric Lampert, L-A-M-P-E-R-T. Birth date, 9/8/61.
18 My office address is 1095 Reidle Road, Third Floor, Reidle,
19 PA 19046.

20 Q. Please describe your job title and your job
21 responsibilities.

22 A. I am the controller over at SBC Management. I
23 handle mostly all of the -- most of it, if not all of the
24 financial aspects of various properties, bills, etcetera.

25 Q. How do you go about doing that? When a bill

1 comes in, what happens?

2 A. A bill will come in. And normally, because we've
3 diversified a little bit, the bill will come in, and it's
4 usually looked at for reasonableness, validity, somebody
5 ordered it; if there's a mark on there as to who ordered it,
6 what it was for; if the bill is valid or its entered into
7 the system for payment, and then processed along the way.

8 Q. Okay. Have you had a chance to -- if a bill is
9 not proper, then what course of action do you take?

10 A. What we'll tentatively do is, whoever the vendor
11 is, we'll contact them. Or first, actually, whoever -- if
12 it's for material, supplies, something like that, I'll
13 contact whoever ordered it, find out if, in fact, that's
14 what they ordered.

15 If the bill looks like something out of the ordinary,
16 I'll contact them, say, hey, did you order this, or how much
17 was it, how much did you order.

18 If they say no, or that's not the price, I'll then
19 contact the vendor and say, how did you arrive at this, what
20 is this for, what's this charge, and so on.

21 So I'll validate what is on the bill. And then if
22 I'm satisfied, fine. If not, we'll usually work it out
23 somehow. Either they'll send me a revised bill, or I'll
24 understand why they're charging me what they're charging me.

25 And then, okay, I may not like it, but I understand

1 it, and okay, and we entered it into the system.

2 Q. How long have you been employed at SBG?

3 A. I guess since about 2001.

4 Q. And how long have you been working at pretty much
5 reviewing the bills, including utility bills?

6 A. Well, for most of them, pretty much up until, I
7 guess, sometime in late 2010 or early '11, when Kathy came
8 on and I diversified a little bit of some of the stuff to
9 her. Especially the utility stuff.

10 Q. You know that we're here today on three
11 properties in particular.

12 A. Yes.

13 Q. Fairmount, Elray and Marshall Square.

14 A. Yes.

15 Q. I'd like to turn your attention to page 130 in
16 the SBG Fairmount binder.

17 A. I don't know if I have that. Do you have a
18 binder I can --

19 (Document handed to witness.)

20 A. Okay.

21 Q. Okay. On page 130 of the Fairmount binder
22 there's a letter. Can identify the letter for the record?

23 A. Yeah. It's a letter that I wrote to PGW in June
24 of '04.

25 Q. Can you say the exact date, please.

1 A. June 18, 2004. Regarding a bill that I received
2 in June of 2004.

3 Q. I'd like to turn your attention to page 131 and
4 132. Can you identify what those documents are?

5 A. Yes. 131 and 132 are the copies of the bill that
6 I received.

7 Q. Please read the letter into the record.

8 JUDGE VERO: The entire letter?

9 MS. BOONE: It's not that long.

10 THE WITNESS: Do you want me to read fast?

11 MS. BOONE: Okay.

12 THE WITNESS: Pardon me.

13 June 18, 2004, PGW, P.O. Box 3500, Philadelphia, PA
14 19122-0050, regarding Fairmount Manor, 625 North Seventh
15 Street, Account No. 0612167092.

16 To whom it may concern. We are the management
17 company for the above referenced property. We have recently
18 received our PGW bill for the period 4/30/2004 through
19 6/2/2004, and are confused. This property is an eleven-unit
20 apartment building, and it is inconceivable that it could
21 use 6,524 CCF during the month of May, when during the
22 winter months our usage did not exceed 400 CCF. However,
23 speaking to our on-site property manager, she reported that
24 on or about April 25, upon her arrival to work, Seventh
25 Street was closed due to PGW work crews. And apparently

1 were doing work through 4/28/04, when PGW reps M. Hughes and
2 V. McAnders came into the office and spoke with our manager
3 and told her that there was work that needed to be done, and
4 new gas lines had to be installed. Crews came back and
5 performed this work on 6/2 and 6/3. These dates also
6 coincide with the dates of the extremely outrageous bill for
7 one month of service. Upon our review of the information,
8 we feel that this bill is a result of something PGW work
9 crew did and therefore we are not responsible for anything
10 beyond the reasonable charges of approximately 578 versus
11 what was billed, \$12,777.54. In addition, please explain
12 the weather normalization adjustment charge and how it is
13 calculated. We would appreciate your view of the
14 information, and reissue a new reasonable bill. Enclosed is
15 a copy of the disputed bill for your convenience. Thank you
16 for your assistance with this matter. Respectfully,
17 Eric Lampert.

18 BY MS. BOONE:

19 Q. In looking at page 131, why did you suspect the
20 bill was a problem, or you had questions?

21 A. Well, you know, if you look at it, one, this is,
22 the period of time is May. Which is traditionally, I guess,
23 the beginning of the summer months, the warmer months.

24 And the prior months, which are on here, you can see,
25 which are the winter months, you know, January, our bill's

1 maybe only averaged \$500 a month, or the proportionate CCFs.

2 All of a sudden in one month, in May, a summer month,
3 when I would figure it would either be the same if not a
4 little lower, it's not double, it's like, you know, \$12,000.
5 It just doesn't seem, you know, reasonableness that we could
6 possibly have used that in an eleven-unit apartment
7 building, which I don't think at that time was fully
8 occupied either.

9 Q. If you could turn -- and so what was the
10 response?

11 A. I received no response.

12 Q. What happened with the billing?

13 A. What I did get was a subsequent bill, I think the
14 following month, that went back down to \$500.

15 Q. What explanation did you receive in response to
16 your written request?

17 A. None. I received no explanation.

18 Q. What happened? What explanation did you receive
19 for the change in the reduction for --

20 A. Received nothing.

21 Q. Okay. I'd like to turn your attention to SBG
22 Fairmount page number 109. So you're saying that the high
23 charge was taken off?

24 A. That's correct.

25 Q. I'm sorry, the Fairmount binder, on page 109.

1 It's the same binder there.

2 A. Oh, okay.

3 Q. Please state the date of this letter?

4 A. September 12, 2005.

5 MR. FARINAS: Your Honor, I heard the testimony.
6 Again, consistent with your expression of your wishes
7 earlier, we're back in 2005. It's not just a summary.
8 We're actually --

9 MS. BOONE: If I can have your leeway, I can explain
10 to you what's going to happen. We only received documents
11 from PGW on Saturday. Which led us to understand that this
12 matter that was brought up in 2004 was not even investigated
13 internally until 2007, despite receiving correspondence from
14 SBG. And we only received that documentation on Saturday.

15 JUDGE VERO: Did you ask for it?

16 MS. BOONE: We've been asking for explanations since
17 2004. And we asked for it again and again and again.
18 That's the whole reason why we're here.

19 JUDGE VERO: No. Did you ask for it during
20 discovery?

21 MS. BOONE: We asked for explanations for the bills.
22 Yes, we did ask for explanation. It's only when they
23 provided internal records that we saw what happened.

24 JUDGE VERO: Internal records of what type?

25 MS. BOONE: The notes that they make internally. If

1 you look at PGW's Fairmount Manor book, at page 107 -- not
2 107.

3 I'm sorry. It's page 99 of PGW 1, their Fairmount
4 book.

5 THE WITNESS: If I may interject real quick, because
6 you guys keep going back to that meeting we had at 1241
7 Welsh with Mr. Dunn. This was actually part of the
8 information I discussed with Mr. Dunn because I did not
9 receive any response.

10 And then again when it was rebilled, I still got no
11 response. And he said that's one of the things that he
12 would look into.

13 BY MS. BOONE:

14 Q. Now, in the documents we recently received from
15 PGW, if you look at PGW 1 Fairmount, page 99, if you read
16 the notes that are entered, the date of these notes are
17 March 1, 2007. And the notes say -- can you turn to that
18 page?

19 A. I don't have that one.

20 Q. Oh, you don't have it. Okay.

21 (Document handed to witness.)

22 Q. So we've been asking for years and years and
23 years, information --

24 A. Can I mention the other page too, where they
25 acknowledged?

1 Q. Yes. Yes, you can.

2 A. Your Honor, also, if you look on PGW Fairmount,
3 page 107.

4 JUDGE VERO: Yes, I'm there.

5 THE WITNESS: No, that's not -- oh, yeah, there it
6 is. About midway down, the date of June 30, 2004.

7 JUDGE VERO: Uh-huh.

8 THE WITNESS: It says letter and correspondence
9 received from SBG Management.

10 JUDGE VERO: Yes.

11 THE WITNESS: So they do acknowledge receiving my
12 original correspondence.

13 BY MS. BOONE:

14 Q. And what does it show on that page in terms of
15 how they responded to it? What do you see in their notes
16 about what they did?

17 A. Oh. After they got my correspondence, there's
18 nothing in there until -- nothing in there regarding that,
19 oh, until October of '05, when they say, Malita (phonetic)
20 contact made. They spoke with accounts payable, who may be
21 in the process of disputing the bill. He is putting
22 together some information and will get back to us one way or
23 another.

24 Q. Now, that letter, that note is dated October?

25 A. October 2005.

1 Q. 2005. When you looked at SBG page, Fairmount,
2 109, you have a letter that you wrote. What was the date of
3 your letter?

4 A. June of 2004. Which they actually acknowledge
5 receiving June of 2004.

6 Q. What written information did you receive --

7 A. Nothing.

8 Q. -- from PGW after the --

9 A. Nothing.

10 Q. And what happened in 2005? What did you do?

11 A. 2005, when they actually came out, replaced the
12 meter, I then sent that second letter, stating, because they
13 rebilled me for the \$12,000.

14 Q. So let me understand. They took off -- you sent
15 one letter, and they reduced the bill?

16 A. Correct.

17 Q. And then a year later they put the charge back
18 on?

19 A. Correct.

20 Q. Why was that a problem?

21 A. Well, they never -- they corrected the bill, but
22 they never fixed the meter problem.

23 Q. What does that mean?

24 A. Well, that would mean that the meter is still
25 going to be wrong. And any readings that come off the meter

1 are going to be wrong. And they're not going to agree with
2 our bill.

3 And therefore, while I'm making payments, the meter's
4 way ahead. So that once they take an actual physical
5 reading or take that meter out, I'm going to be back to
6 where the bill told me I was. Which is not my charges,
7 because that's what I was questioning.

8 Q. Now, there was testimony today that when there's
9 a question about a meter in general, somebody comes out in
10 30 days.

11 Looking at this information, you sent a letter in
12 '04. The meter that was questioned was actually moved when?

13 A. In '05.

14 Q. What month?

15 A. I want to say I think it was -- well, actually,
16 and I'll tell you something. It doesn't say on their
17 printout here that they removed it, but if you look at the
18 bill that came in September of '05, it shows when it was
19 removed.

20 Q. Okay. And that bill is found at -- can you turn
21 to Fairmount 110, page 110, the Fairmount binder, 110. Page
22 111, I'm sorry, of the Fairmount binder. Is that the bill
23 that you're referring to?

24 A. Yes. And you see on page two where it shows that
25 it was removed, and they didn't --

1 Q. Excuse me. You mean page 111 of the Fairmount
2 binder?

3 A. I'm sorry. Page 111. It's page two of the bill,
4 I guess. But page 111 of the Fairmount binder. It shows
5 the reading. And then when they actually removed it,
6 August 24 of '05. And then just rebilled us the difference.

7 Q. Okay. And you said that this was the kind of
8 thing that you had asked PGW about, you sought information?

9 A. Yes.

10 Q. And what response did you receive?

11 A. I received none.

12 Q. We received these documents about PGW's internal
13 records. What does the next note say?

14 A. The next note actually --

15 Q. If you could say the date of that note as well?

16 A. The date of this note, it's actually their doc
17 action tab. I guess actions taken.

18 Q. Can you say the page number of the PGW binder?

19 A. It's Fairmount 0099. And I think it's 0098. 98
20 and 99.

21 Q. Okay.

22 A. Customer -- the nature of the case. Customer
23 accrued an \$11,000 plus bill 9/1/05. There is an original
24 bill over \$12,000 in '04 that was taken off. Said PGW
25 changed meter here, and in turn rebilled for the \$11,000

1 plus bill. Need investigated.

2 PGW's answer, account was turned on in office with
3 erroneous AMR index 4/3/2001. The last manual read prior to
4 the turn-on was 12/14/1999. And in parentheses, 1.3 years
5 in time. Several manual reads were recorded, but were
6 ignored, where the makeup bill canceled an error and
7 deferred to the AMR reading. A usage pattern analysis was
8 performed using manual readings on record up to the meter
9 exchange of 8/24/05. Calculations made to obtain a
10 justified start index, in parentheses, 5-4-2-9-1 instead of
11 5-1-5-2-9 as of 4/3/2001. Now waiting on approval to
12 proceed with the commercial industrial remedy. For the
13 record, this customer did not dispute the bill until they
14 were seriously in arrears.

15 Q. Now, that's what it says on 3/7 note?

16 A. That's correct.

17 Q. Okay. But on the earlier notes, what did it say
18 happened for 6/30, the 6/30/2000 --

19 A. Four, they received correspondence.

20 Q. Okay. Thank you. So what is the amount of time
21 that passed between when you filed this complaint and when
22 it looks like they fully investigated?

23 A. Well, based on this, I filed the first letter in
24 June of 2004, and it doesn't look like they did this until
25 March 22 of 2007.

1 Q. And what were you doing in between that period in
2 terms of trying to understand the bill?

3 A. Trying to contact, get information, call the CRC,
4 tried to explain. Would either be on hold, or told someone
5 would look into it, or several plies that I got from --

6 JUDGE VERO: Ms. Boone, I'm sorry to interrupt. But
7 you're going into way more detail.

8 MS. BOONE: I'm sorry. I apologize.

9 JUDGE VERO: All right. Don't linger on. This is
10 2005 we're talking here?

11 MS. BOONE: Uh-huh.

12 JUDGE VERO: Okay. And it's being discussed
13 extensively for the purpose of establishing a pattern?

14 MS. BOONE: Yes.

15 JUDGE VERO: All right.

16 MS. BOONE: Thank you.

17 THE WITNESS: Actually, it's 2000 and -- it started
18 in four, but they didn't do it till seven.

19 JUDGE VERO: Okay. I see.

20 THE WITNESS: My first correspondence was in '04.

21 JUDGE VERO: 2004, yes.

22 BY MS. BOONE:

23 Q. I'd like to turn your attention to Marshall
24 Square. We'll hand you the Marshall Square binder.

25 (Document handed to witness.)

1 MS. BOONE: We're not going to go into detail on
2 every issue, but just to give you a sampling of the kinds of
3 issues, in trying to resolve.

4 JUDGE VERO: What time period are we looking at?

5 MS. BOONE: This is 2003.

6 JUDGE VERO: Okay.

7 MS. BOONE: But it's a different property.

8 JUDGE VERO: I understand. But keep in mind that
9 it's for the purpose of establishing a pattern.

10 MS. BOONE: Yes.

11 JUDGE VERO: All right.

12 BY MS. BOONE:

13 Q. Turn to the Marshall Square binder at page 99?

14 A. 99?

15 Q. Yes.

16 A. Okay.

17 Q. Please identify this letter.

18 A. This is a letter I wrote in response to -- this
19 is a follow-up letter I wrote to a conversation that I had
20 had with an individual from PGW regarding a high bill. This
21 letter is dated November 12, 2003, and it was to the POC,
22 Informal Complaint Unit.

23 Q. And can you read the letter?

24 A. Sure.

25 Q. It's not that long.

1 A. Do you want me to give the date, title, all that
2 stuff?

3 Q. Sure.

4 A. November 12, 2003, Bureau of Consumer Services,
5 Informal Complaint Unit, P.O. Box 3265, Harrisburg, PA
6 17105-3265, regarding PGW Account No. 0373007503, 844 North
7 Sixth Street, Philadelphia, PA Marshall Square Realty.

8 To whom it may concern. Please consider this letter
9 an official appeal of PGW's finding on the above-referenced
10 account. See copy of letter attached.

11 When I spoke with a PGW collection rep, Mr. Garris, I
12 explained there's an issue regarding the account. We were
13 assessed \$31,000 in one month with no explanation. He
14 stated that it appears there was, that the, was for back gas
15 service. I stated that we had been receiving bills with
16 actual readings, and were paying them. None of the bills
17 were estimates. I -- I, we -- humm, good grammar --
18 receiving actual bills. How can we be charged for back
19 service? As a result of our conversation he said that he
20 would put the bill in for high bill dispute, and that
21 someone would contact us either by phone or letter within 30
22 days. Enclosed you will find a copy of the correspondence
23 received dated 11/3, which was 30 days after my conversation
24 with Mr. Garris, 10/3/03, which basically stated that the
25 bill was correct. No discussion, no contact as to

1 explanation. Just that an actual meter reading had been
2 obtained. And based on this actual meter read, PGW has
3 found the bill to be correct. Is that is the case, why
4 weren't the bills which were originally received with actual
5 meter readings correct? We are appealing PGW's findings and
6 are asking for your help. Thank you for your assistance
7 with this matter. Should you have any questions or need
8 additional information, please contact us.

9 Q. And what happened as a result of that?

10 A. I heard nothing from PGW. And my response from
11 the PUC, because I think it was an informal complaint, is
12 that the individual -- and I think they called me back. I'm
13 trying to remember, because I don't have it in front of me.

14 That they had gotten my information, attempted to
15 contact PGW, but received no responses from them. My
16 choices were, you know, I could move on, or whatever, you
17 know, I could do from there. I guess file a formal or
18 whatever complaint.

19 But they weren't responding to them. I could take it
20 to the next level.

21 Q. So you contacted PGW in writing and asked for an
22 explanation, and --

23 A. No. Actually, first I spoke with Mr. Garriss, the
24 rep on the phone. And he said that that's what he would do.
25 The letter I got from PGW, which I don't have in here, is

1 that they did look at the account. They determined the
2 meter to be correct and that the reading was right.

3 Q. And when you sent this additional letter, what
4 was the response?

5 A. Nothing.

6 Q. Does this raise a new or additional question?

7 A. Yes. And actually, again, going back to the
8 meeting with Mr. Dunn, this was another thing which I had
9 said to them that I needed an explanation for.

10 Q. I just want to turn your attention to page 121 of
11 the Marshall Square?

12 A. 121?

13 Q. I'm sorry. Actually I mean 109 of the Marshall
14 Square.

15 (Pause.)

16 Q. I'm sorry. That's Fairmount. I apologize. It's
17 109 of Fairmount.

18 A. Oh. She took that back.

19 Q. Okay.

20 (Document handed to witness.)

21 Q. It's actually 121 to 122.

22 A. Fairmount?

23 Q. Uh-huh.

24 A. Okay.

25 MR. FARINAS: Sorry, Your Honor. I'm glad we're not

1 going into a great amount of detail.

2 JUDGE VERO: Yes, I notice.

3 MS. BOONE: I just want to make sure the record is
4 complete when we ask the Commission to consider instituting
5 a violation. Because these dates, these are issues of
6 calling across property lines. They're going over several
7 years, and it's the same pattern of behavior.

8 JUDGE VERO: I understand. But can't we summarize?
9 Rather than reading the entirety of the letter, can we
10 summarize? The letter was sent to PGW, this account number,
11 this property, asking questions with regard to this balance,
12 rather than having Mr. Lampert here read the entire letter.

13 This is what I was driving at when I said let's move
14 on, summarize, keep it short. Because it is for the purpose
15 of establishing a pattern. Okay?

16 MS. BOONE: All right.

17 JUDGE VERO: I have nothing against detail. I love
18 detail. But there should be a limit. We are talking 2004.

19 MS. BOONE: All right.

20 BY MS. BOONE:

21 Q. The letter that's on page 121 in the Fairmount
22 book is involving 2009. April, I think, of 2009.

23 A. Fairmount book?

24 Q. Yes.

25 A. What page?

1 Q. It's page 121 in the Fairmount book.

2 A. It's not a letter, it's an email.

3 Q. I'm sorry, email. I apologize. Email, you're
4 right.

5 A. Okay. Regarding 615 North Seventh?

6 Q. Yes.

7 A. Okay.

8 Q. At the bottom was an email that you're copied
9 from Phil Pulley, dated April 15, 2009.

10 A. Right.

11 Q. What does it say? Or summarize it.

12 A. This may be, I think this is a different issue
13 there. This looks like, because it says G-4. Which would
14 then indicate that it might be a tenant and not the main
15 meter.

16 Because by this point, 2009, they had started
17 putting -- I had gotten -- the bills started to get
18 convoluted with house accounts, tenant accounts, unit and
19 numbers, and all that stuff.

20 Q. So if you turn to page 122, what's the question
21 there that's being put to Mr. Dunn that you were copied on?

22 A. John, here's an invoice we got for an apartment
23 that has been vacant for two years. The amount makes no
24 sense, and shouldn't be in SBG's name.

25 Q. And the response from Mr. Dunn? It's on page

1 121.

2 A. 121, response. Phil. Okay. Can you please open
3 the attachment I provided? Snapshots of the usage and meter
4 readings for the meter 2071223 at 615 North Seventh, G-4,
5 and give an explanation as to what I need from you regarding
6 positive shut off, as well as the questions of the small
7 usage that occurred on the meter from 12/7 through 6/08 for
8 143 CCF. Let me know what you find, as well as how we can
9 get access to the meter. Contact name and number.

10 Gratefully, John Dunn.

11 Q. Even today, what's happened with this account?

12 A. I can't tell you, because this was about the time
13 that, because of the volume of information that we were
14 trying to get, and just with my other duties, I had turned
15 it over to Mr. Pulley to get assistance with this, because
16 they weren't responding to any of the other issues that we
17 had either, in terms of what was the problem, why was I
18 billed; you know, if there was a high meter, can you tell me
19 why.

20 The only responses we used to get is, that's what the
21 meter said.

22 Q. So essentially, Mr. Pulley has testified as to
23 his response from PGW for making inquiries. And what was
24 your experience with their responses?

25 A. I either got no response. And on numerous

1 occasions, if I'd bring up the issue, I would either get,
2 well, if that's what the meter said, then that's the bill
3 and you have to pay it.

4 If I was questioning, you know, why was it higher in
5 this month than last month -- and I'm not talking, you know,
6 small, you know, like I said, going from a small percentage
7 to, you know, like a couple percentage points.

8 In the case of Fairmount, you went from \$500 a month
9 to \$12,000 in a month. And my responses verbally, I think,
10 were, you know, that can't be right, or that can't happen,
11 or that's what the meter said.

12 Q. Right.

13 A. You know, the same case with the Marshall. When
14 I got the response that said the meter's right, it's, well,
15 why wasn't it right when it was reading the first time when
16 I was paying the bills.

17 Q. Okay. Let me ask you something. You're the
18 controller.

19 A. Correct.

20 Q. You see bills from various vendors?

21 A. Almost everybody that comes in, pretty much.

22 Q. Okay. And what --

23 A. I shouldn't say that, you know, but it's most of
24 them.

25 Q. Okay. And when you review bills, what are you

1 looking for?

2 A. I'm looking for, one, accuracy. In other words,
3 first of all, the amount of the bill. You know, then I look
4 at, well, what is it that we ordered, or what is on the
5 bill, what is it for.

6 You know, if it seems accurate based on, you know, if
7 it's for supplies from Home Depot or something, you know,
8 does it look right in terms of what's there.

9 If it's -- like we'll go to a vendor, you know, and
10 they'll bill us for -- well, a guy who does lawn cutting.
11 If the bill comes in and I'm looking, and he's billing me
12 130 bucks, 130 bucks, 130 bucks to maintain one of the
13 properties, all of a sudden he throws 500 bucks on there.
14 Well, what is it?

15 But he's usually got an explanation. A downed tree,
16 cleaned it up. Okay. I'm fine with that.

17 Utility bills. You know, I've had where we've got a
18 PECO bill that'll come in. And maybe the bill's a little
19 higher, and I find out, well, the guys were in the unit, we
20 had the electric on, they were using it. No problem.
21 There's my explanation.

22 Q. What bills do you pay without explanation? What
23 bills come in that say pay this amount?

24 A. Really, none. You know, even if a phone bill
25 comes in and it looks like it's out of whack, I'll look at

1 why. You know?

2 Q. Right. Why do you look at that detail?

3 A. Well, it's almost a fiduciary responsibility to
4 the property owners themselves. You know, we're on a
5 budget. And some of the properties, when they were HUD,
6 your rents were fixed, so you had a limited amount of money
7 coming in, you know, and it was tight. The investors would
8 have to put up more money if we couldn't make the bills.

9 So I wouldn't want to just pay a bill that was out of
10 line without an explanation, because then it's, you know,
11 I've got to justify why I allowed that to go through if
12 it's -- I mean, you know, if it should have been 250 and it
13 was 270, nobody's going to yell at me. But if --

14 Q. Every time there's a problem with the bill, do
15 you immediately file a lawsuit?

16 A. No.

17 Q. What's the general course?

18 A. Usually contact the vendor.

19 Q. And then what happens?

20 A. It's usually worked out. I mean, you know, I've
21 had where we've got to get back and forth, or, you know,
22 maybe it's worked out within the day, maybe they supply me
23 the stuff, I review it, and it seems that we've missed
24 something. Okay, no problem. I know where I am.

25 But it's usually I get information. You know,

1 usually I'll get some information to at least validate or
2 explain. And whether or not I like the explanation, I at
3 least understand it.

4 Q. Okay. Mr. Pulley talked about the LINEAP issue.
5 Is that something that you consider in terms of what
6 subsidies are coming in or what --

7 A. I don't know anything about that. You know,
8 that's something that I've just actually found out about
9 through Kathleen's review of stuff.

10 Q. Okay. Thank you.

11 MS. BOONE: I'm finished.

12 JUDGE VERO: Mr. Farinas, any questions for
13 Mr. Lampert?

14 MR. FARINAS: Yes, Your Honor. And Your Honor, I
15 intend to very briefly, as to each of the three cases that
16 we're here today, I do have a witness, if you want to
17 indulge me. It might be faster that way. But I will do it
18 through cross examination for each of the three cases. If
19 at any time you want to stop me, you can.

20 JUDGE VERO: Just bear in mind it is now ten minutes
21 after four. Okay?

22 MR. FARINAS: Yes.

23 JUDGE VERO: And I will keep an eye out to correct
24 you if you go overboard. But you also check yourself.

25 MR. FARINAS: Yes.

CROSS EXAMINATION

BY MR. FARINAS:

Q. Mr. Lampert, I wanted to ask you about a letter that you wrote in June of 2004.

A. Okay.

Q. The letter is with your correspondence received from SBG Management. If I can direct your attention to PGW 1, Fair 0107, the document that PGW calls the contacts for accounts.

A. Oh, yeah. Okay.

Q. Okay. I want to walk you through this.

A. Uh-huh.

Q. Your letter is indicated June 3 of 2004.

A. Correct.

Q. Letter and correspondence. And then you also testified to the reason that occurred in PGW 1 Fair 98, you read the reason that someone had entered into the PGW record regarding the correction of the bill; and they had done that in March of 2007.

A. Correct.

Q. Before. Okay. And then if I can direct you to go back to 107.

A. Okay.

Q. If I could direct your attention back to the July 24, 2004, entry, which is two entries above your

1 letter.

2 A. Uh-huh.

3 Q. There is a notation that someone had left. Left
4 message with Bill, correction info.

5 A. Right.

6 Q. Would it surprise you if that message refers to
7 the bill correction info that you read from that
8 information?

9 A. Yes, it would.

10 Q. And why is that?

11 A. Well, one, because apparently nobody ever called
12 me. Otherwise I would have gotten the message. Because at
13 that time our office was not that big.

14 Q. Okay.

15 A. We only had a couple people in there. And it was
16 either me answering the phone or somebody else. And this
17 was a hot issue. And I had been calling, and had made
18 subsequent calls.

19 Also, if you look at my conversation in October of
20 2005, if I'm telling them I'm disputing the bill, why
21 wouldn't they have given me the information then?

22 Q. I don't know.

23 A. Well, maybe it's because they didn't know in the
24 2007.

25 Q. No one asked you that it -- are you saying that

1 that record is not, is for something else?

2 A. I have no idea what it's for.

3 Q. Could it be for the fact that someone had left a
4 message entering the correction of the bill, noting the
5 correction of the bill?

6 A. It could be for anything under the sun.

7 Q. Okay. But you did write a letter a month before,
8 actually 24 days before, inquiring. And someone left you a
9 message about a corrected bill.

10 A. No. Not that I was -- I wasn't inquiring about
11 anything. My note explicitly detailed what I was
12 questioning.

13 Q. Right. And they left you a message regarding --

14 A. Nobody left me a message that I was aware of.

15 Q. All right. The second case, you said that this
16 is the one where you did file an informal complaint?

17 A. That's correct.

18 Q. And did you receive a response from PGW?

19 A. Yes. And that was that the meter was correct,
20 and that was it.

21 Q. Did you receive a response from PGW to receive a
22 decision from the Bureau of Consumer Services of the PSC?

23 A. No, I did not.

24 Q. You did not receive --

25 A. I told you it was an informal complaint. What I

1 got from them was a verbal response to my knowledge that
2 they had reached out to PGW, received no response. If I
3 wanted, I could take it a step further.

4 Q. So are you familiar with the informal complaint
5 process?

6 A. No, I wasn't.

7 Q. Okay. Can I direct your attention to PGW
8 M-A-R-S, Marshall 33? This is also another one of those
9 contacts for accounts.

10 MS. BOONE: Excuse me. You said page 33?

11 MR. FARINAS: 33.

12 MS. BOONE: Thank you.

13 THE WITNESS: Okay, 33. Got it.

14 BY MR. FARINAS:

15 Q. 33. I direct your attention to the entry to
16 November 16, 2004. And actually, the one closest to the
17 bottom of the page.

18 A. Uh-huh.

19 Q. You said that you weren't familiar with the
20 informal complaint process. Do you remember when you did
21 complain, did you call the hotline or write a letter?

22 A. Wrote a letter.

23 Q. And when the Bureau of Consumer Services of the
24 PUC, BCS, received your letter, do you know what happened to
25 it then?

1 A. No, I don't.

2 Q. Did you know that the formal complaint process
3 dictates that they send out a summary of your letter, or
4 your letter, to the utility, --

5 A. Uh-huh.

6 Q. -- and it's the utility's obligation to respond
7 in an informal complaint within 30 days? Are you aware of
8 that?

9 A. Okay. If you're telling me that, correct, I
10 received no response.

11 Q. Okay. And actually, the response is sent to the
12 PUC. And so if I direct your attention to November 16,
13 2004, from a type, in that very narrow column, CRU, that
14 stands for Customer Review Unit.

15 A. Uh-huh.

16 Q. There is a notation that says, report BCS, and it
17 gives the number, that is the number of your complaint. And
18 actually, this represents a summary of the response from PGW
19 to your informal complaint. Okay?

20 A. Okay.

21 Q. All right. And then if I can direct your
22 attention, two more --

23 JUDGE VERO: Mr. Farinas, since the report went to
24 BCS, it didn't go to SBG -- I mean PGW's report went to BCS,
25 not to SBG, obviously he has no idea.

1 MR. FARINAS: Right.

2 JUDGE VERO: And the other thing is, do you know if
3 BCS issued a written decision at that time?

4 MR. FARINAS: Yes. That was the next thing I was
5 getting to.

6 BY MR. FARINAS:

7 Q. I direct your attention to December 14, 2004.

8 A. Uh-huh.

9 Q. The narrow column says CRU.

10 A. Right.

11 Q. And then there's a PUC decision, and it gives the
12 BCS number, the same number, 1542342.

13 A. Correct.

14 Q. And it also summarizes the decision provided. So
15 this complaint was called in to the PUC, was reported on by
16 PGW, and then resolved one way or the other by the Bureau of
17 Consumer Services.

18 Did you file an appeal, a formal complaint, after, in
19 December of 2014, (sic) after you received that decision?

20 A. I never received that decision from them. And in
21 fact, since you brought my attention to this, it says here
22 that the analysis shows an adjustment usage to be in line
23 with the actual usage after the exchange.

24 What exchange? We received this on --

25 Q. That was --

1 A. Wait, wait. We received this on Friday --

2 Q. -- (unintelligible) formal complaint.

3 A. Well, you never told us anything.

4 Q. It's from the Public Utility Commission.

5 A. No, no. The exchange here is from the Public
6 Utility Commission? These notes?

7 Q. The decision of December 14, 2009.

8 A. But you never relayed anything to us in terms of
9 exchanges, new meters, nothing. And even when I spoke with
10 Mr. Dunn, I got nothing.

11 Q. I understand you say that you weren't familiar
12 with the informal complaint process.

13 A. Right. But if I've got no response, then why
14 didn't Mr. Dunn tell me that this goes back to 2004 when
15 they exchanged the meter?

16 MS. BOONE: I think it's --

17 THE WITNESS: Then at that point I would have
18 understood.

19 JUDGE VERO: Yes, Ms. Boone, what were you saying?

20 MS. BOONE: I was just saying that he's talking about
21 a decision that was made in 2004. But on direct we were
22 talking about the fact that they reduced the amount, but
23 then they put it back on in 2005.

24 THE WITNESS: No, that's different. That's
25 Fairmount. This is Marshall.

1 MS. BOONE: Not Marshall. Okay.

2 MR. FARINAS: Your Honor, this is precisely why they
3 have statutes of limitation.

4 THE WITNESS: But you're supposed to respond within a
5 timely fashion.

6 JUDGE VERO: All right. I think, Mr. Farinas, you
7 went into even more detail than Ms. Boone is going.

8 MR. FARINAS: Yes. I apologize.

9 JUDGE VERO: Yes, okay. I understand your need to
10 clarify issues in cross, but don't go into any more detail.
11 The time to explain where things, how they happened, where
12 things went, I think it was during discovery as far as these
13 issues that fall outside the statute of limitations go.

14 Are you done?

15 MR. FARINAS: I have one more question.

16 JUDGE VERO: One more question.

17 BY MR. FARINAS:

18 Q. Earlier in testimony, you stated that the way to
19 go when you have a dispute with a vendor, whatever, to avoid
20 a lawsuit.

21 A. Uh-huh.

22 Q. Are you familiar with the number of lawsuits SBC
23 is either the plaintiff or the defendant in?

24 A. No. That's not my department.

25 Q. Not your department? Do you know if it's more

1 than ten?

2 A. No idea.

3 Q. Would it surprise you if it were more than ten?

4 A. No idea.

5 MR. FARINAS: I have no further questions, Your
6 Honor.

7 JUDGE VERO: Redirect?

8 MS. BOONE: Yes.

9 JUDGE VERO: Keep it briefly, please, because we
10 might run out of time.

11 MS. BOONE: Yes. It will be brief.

12 **REDIRECT EXAMINATION**

13 BY MS. BOONE:

14 Q. With respect to the Fairmount issue for July 24,
15 2004, the entry that left the info with Phil.

16 A. Uh-huh.

17 Q. Did PGW -- did SBG have voice mail service in
18 2004?

19 A. In 2004? I don't think so.

20 Q. Does that entry say who at SBG was spoken to?

21 A. No.

22 Q. Does it say the contents of what was stated?

23 A. No.

24 Q. Does it even confirm that the phone number that
25 was dialed was SBG's?

1 A. No.

2 Q. So there's no way to know from that entry who
3 spoke to whom from SBG or PGW, or whether even SBG was
4 contacted?

5 A. No. But if I could note also, with all the other
6 line items, most of them do indicate an individual.
7 Especially when they were talking with me.

8 Q. Right. So it could be that PGW contacted someone
9 at a different company altogether?

10 A. I don't know.

11 Q. Okay. In any event, you sent a written letter
12 requesting information?

13 A. Correct.

14 Q. What written response did you receive?

15 A. I received none.

16 Q. Okay. Thank you. You said that you were not
17 totally familiar with the Bureau of Consumer Services?

18 A. No, I winged that one.

19 Q. Confirmed that their letter -- what happened?
20 The letter that he's referring to, did you receive that
21 letter?

22 A. No, I don't remember seeing that, no.

23 Q. No response. Okay.

24 A. But that's why -- I mean, I do remember the
25 conversation. That's why it vividly sticks out, because,

1 you know, I remember thinking to myself, if they can't do
2 it, who, you know, what else do I, you know, what's my other
3 choice?

4 Q. Right.

5 MS. BOONE: That's all.

6 JUDGE VERO: All right. I do have a few questions
7 for you, Mr. Lampert.

8 THE WITNESS: Sure. I'm here.

9 JUDGE VERO: Okay. So you are the one who filed the
10 sole informal complaint, or the sole contact through the
11 years from SBG with the Public Utility Commission?

12 THE WITNESS: Uh-huh.

13 JUDGE VERO: Finally we found who is responsible for
14 that. And this is the sole contact through the years until
15 May of 2012?

16 THE WITNESS: Correct.

17 JUDGE VERO: Okay. How did you come about to hear
18 about the PUC and to file this?

19 THE WITNESS: In all honesty, I don't remember. I
20 just may have been fumbling around, trying to figure out
21 what to do. I honestly -- I'm not an attorney.

22 I don't remember how I got to it. I got lucky with
23 that one. But I honestly don't remember how I got there.

24 JUDGE VERO: I believe during your testimony you
25 stated that you didn't receive a decision from the Bureau of

1 Consumer Services. Am I correct?

2 THE WITNESS: Correct. It was an informal -- it was
3 an informal complaint. And I think that's why they called
4 me back, or whatever they -- you know.

5 JUDGE VERO: Did you get a decision from them orally
6 or --

7 THE WITNESS: I don't -- I remember a phone call. I
8 don't remember a letter.

9 JUDGE VERO: I understand. But did they get back to
10 you with a --

11 THE WITNESS: I got a letter from PGW that stated
12 that the meter was correct, and therefore it stands. I
13 got -- I don't remember getting a letter from PUC on any
14 decision.

15 JUDGE VERO: I didn't say you got a letter. I said,
16 did PUC contact you with a decision on that informal
17 complaint back in 2000 and --

18 THE WITNESS: Yes. If the informal complaint was
19 that phone call, that was the response I got.

20 JUDGE VERO: So they got back to you via a phone
21 call, and they informed you of what their determination was;
22 right?

23 THE WITNESS: Their determination was that they
24 couldn't make a determination because they had reached out
25 to PGW and did not get any responses.

1 Now, apparently from what he's telling me now, they
2 sent PGW a letter. And I guess subsequent to my phone call,
3 they got something. I don't know. I haven't seen anything
4 in writing.

5 Because if I at least got an explanation, I would
6 have understood. I may not have liked it, but I would have
7 understood.

8 JUDGE VERO: Okay. But did I hear you correctly when
9 you testified that in 2004, SBG did not have an answering
10 machine and a voice mail?

11 THE WITNESS: We were a small office. We had those
12 message pads. It wasn't probably for a couple years later
13 that we wound up getting voice mail.

14 I'll tell you, it wasn't a big company.

15 JUDGE VERO: Okay.

16 THE WITNESS: I mean I think there was, what, five of
17 us, six of us. I don't know. You know?

18 JUDGE VERO: Okay. Ms. Boone asked you whether or
19 not every time there is a dispute with one of your vendors,
20 you immediately filed a lawsuit. And you said?

21 THE WITNESS: No.

22 JUDGE VERO: No. Do you eventually file a lawsuit?

23 THE WITNESS: One, it depends on the circumstance,
24 depends on the amount, and it depends on whether or not I
25 get an explanation.

1 If they give me an explanation and it's something I
2 don't like but I understand it, there's no point to it.

3 JUDGE VERO: Okay. When do you usually determine
4 that the time has come to file a lawsuit?

5 (Pause.)

6 JUDGE VERO: How many attempts? How much time?

7 THE WITNESS: I haven't.

8 JUDGE VERO: I understand. But I understand that --

9 THE WITNESS: No, I shouldn't say that. There was
10 one, it involved -- it was over 1,000 bucks. We had gotten
11 into a dispute with a vendor who basically sold us a piece
12 of equipment that broke. Sent it back to them. They fixed
13 it. Broke again.

14 We went back and forth, back and forth. And it
15 wasn't until they turned us over to a collection agent that
16 we decided to sue them.

17 JUDGE VERO: Okay. How long between the time that
18 you were first served by this vendor until the time that
19 they sent you to a collection agency?

20 THE WITNESS: It was a couple years. Because we were
21 working back and forth. They would take it, it would run
22 for a little bit, then they'd take it back, they'd fix it.
23 Well, we got to order a part. We'd get it back.

24 And, you know, there was -- we were working with
25 them. We saw no reason to.

1 JUDGE VERO: Okay. You have dealt with PGW through
2 the years.

3 THE WITNESS: Yes.

4 JUDGE VERO: At any point in time, did they ever
5 refer to you the PUC?

6 THE WITNESS: No. Not until --

7 (Pause.)

8 THE WITNESS: No. Not when I was talking to them.
9 Because usually what was happening is we sat down with them,
10 we told them what we wanted, I'd give them the facts, they'd
11 say, well, we'll get you some info, no problem.

12 We'd go about our business, they'd go about theirs.
13 Every so often they're like, oh, we're working on it, or
14 we're getting it back.

15 I saw no -- you know, they never mentioned it, and,
16 you know, it's like, okay, you know, everybody's fine, we're
17 doing this, we're doing that, we're working on it, we're
18 going to get it straightened.

19 Because I couldn't understand with some of these
20 issues how you can't at least -- I spent 20 years as a CPA
21 in public practice. How do you run a business where you
22 can't put your finger, especially a company of that size,
23 put your finger on a button and print out all of your
24 calculations and say to me, here's what we did? And I never
25 got that.

1 I got to the point early on where I actually sat down
2 and took all of our PGW properties and did a CCF analysis,
3 and said, okay, all buildings were built within the same
4 period, they're all of the same construction, single
5 families generating X amount of CCF, de-de-de-det.

6 And that's how I came up and said, whoa, this
7 property is using three times the amount of CCFs. Help me.
8 I never got an explanation.

9 The Simon issue he talked about, that's what started
10 it. We resolved it financially, but they never came out to
11 look at the bills, and it started all over again.

12 All I wanted to know is, you know, I mean -- and the
13 thing at Fairmount shows me if that can happen, and how do I
14 know it's not happening over here? How do I know it's not
15 happening over there?

16 You're not giving me a rational explanation as to --
17 all you tell me is A plus B equals C. Yeah. But if three
18 million plus one million equals four million, yeah, that
19 makes sense. But how did you get the four million?

20 You know, to me, my background tells me this is how
21 you get to that point. This is the stages you build up.

22 JUDGE VERO: But you, as one of the employees of SBC,
23 you were frustrated; right?

24 THE WITNESS: Uh-huh.

25 JUDGE VERO: And the frustration's been going on for

1 several years. They say we'll get back to you, you say all
2 the same, provided some information, we'll provide you some
3 information. On the issues that weren't resolved, didn't
4 there come a point --

5 THE WITNESS: Why didn't we do this sooner?

6 JUDGE VERO: Yes.

7 THE WITNESS: Be honest with you, they're a big
8 organization.

9 JUDGE VERO: They are a big organization?

10 THE WITNESS: Yeah. To take on them with lawsuits
11 and all the other stuff, you know, I don't think we were
12 ready for that day.

13 You know, I'm looking at this and I'm thinking to
14 myself, this is a public utility. How do they not have that
15 information just to give me? Just sit down and explain how
16 you got that number.

17 JUDGE VERO: I understand. But this is how you get
18 them to give you that information.

19 THE WITNESS: Well, we had also put -- but also, if
20 I'm dealing with representatives from their company, and
21 they're telling me, not a problem, I understand your
22 question, I will get you that information, and they're
23 working with me and I'm working with them, why do I need to
24 get all these attorneys and lawsuits and sit here and spend
25 weeks and hours and months and have her start to dig into

1 information and donate an entire employee, and go spend
2 \$60,000 if someone's willing to talk to me?

3 So financially, I can't justify that at that point.
4 But going through all that we've been through the past
5 couple years, it's like you got to stop. You got to tell me
6 what it is. It's not a bottomless pit.

7 JUDGE VERO: The practice in general is that a public
8 utility should try to work the issues out directly with the
9 customer. Okay?

10 THE WITNESS: That's what I would think.

11 JUDGE VERO: And if they reach a point where the
12 customer is dissatisfied with the company's actions or
13 inactions, then the company has a responsibility to inform
14 that customer that they have recourse to the Pennsylvania
15 Public Utility Commission.

16 What I'm hearing is that SBG never reached that
17 point.

18 THE WITNESS: No, because they never gave us an
19 indication as to why. They were always, yeah, no problem,
20 we'll meet with you. Yeah, we're working on getting you
21 that. Oh, well, we'll send you this.

22 They'd send us. It's, well, that's not what we asked
23 for. Oh, what did you want? We'll send it to you. Oh, can
24 you give me the addresses again? No problem, here they are.
25 Oh, I'm on vacation, I'll get it back to you. Oh, well, you

1 know what, this one's retired, I got to get caught up to
2 speed. No problem.

3 You know, and this goes on for years, back and forth,
4 back. It wasn't until -- and what I just learned about
5 statute, it wasn't until we were out of statute that
6 somebody finally said, you don't like it, go sue. Take this
7 to PUC. So like now we're stuck.

8 JUDGE VERO: Who said that?

9 THE WITNESS: I think that was from --

10 MS. BOONE: Mr. Savage.

11 THE WITNESS: Mr. Savage. Who said, you know, here's
12 my answer. If you don't like it, contact the PUC.

13 MS. BOONE: As well as Ms. Guzman. I think she said
14 it.

15 THE WITNESS: And that was -- I mean I sat with him
16 once, and I think we sat -- and that wasn't until the fiasco
17 with Colonial.

18 MR. FARINAS: Objection.

19 MS. BOONE: There was previous testimony on page 35
20 of SBG correspondence. It was testified to about
21 Mr. Savage.

22 JUDGE VERO: Okay.

23 Now, Mr. Lampert, you went over briefly to some
24 extent that issue with the June 18, 2004, letter about some
25 work being done outside the property, and that apparently

1 screwed up the meter or something like that.

2 THE WITNESS: I don't know.

3 JUDGE VERO: You don't know. But was that issue ever
4 resolved?

5 THE WITNESS: No. The only thing I got was a
6 subsequent bill that was reduced. I figured, okay, they
7 fixed it. I guess they got my letter. They agreed with me.
8 They fixed it.

9 It wasn't until September that I get a new bill, and
10 it's back. And I'm like, whoa. You fixed the bill, but you
11 didn't fix the meter.

12 JUDGE VERO: Okay. So the issue continued.

13 THE WITNESS: So I sent him another letter. I got no
14 response. I think we had subsequently -- I had spoke with a
15 couple people there. And they're like, oh, well, that's not
16 how it works. If they're working the street, that doesn't
17 matter.

18 I said, Okay, well, can you explain to me? Well, let
19 me research it and get back to you. Nothing.

20 JUDGE VERO: It was never resolved?

21 THE WITNESS: Never resolved. Actually, I shouldn't
22 say that.

23 JUDGE VERO: Okay.

24 THE WITNESS: With what they just sent me on Friday
25 or Saturday --

1 MS. BOONE: Friday.

2 THE WITNESS: Friday? It at least gave me an
3 explanation. But now, to me, that leads to another
4 argument. Because their explanation predates our
5 acquisition to the property.

6 JUDGE VERO: Really?

7 THE WITNESS: Yeah. If you look at PGW's -- oh, no.
8 PGW Fairmount. Can I stand up?

9 JUDGE VERO: Yes. I have the same thing you have.

10 THE WITNESS: Okay, yeah.

11 JUDGE VERO: Just point me to the right page.

12 THE WITNESS: It's page 98.

13 JUDGE VERO: 98. Yes, I have it.

14 THE WITNESS: Right in the middle it says, the last
15 manual read prior to the turn-on was 12/14/99. And there
16 was several meter -- we didn't own it then. We didn't buy
17 it till 4/3/01.

18 And apparently they didn't do a read at 4/3/01. They
19 just went by whatever the AMR says. And the AMR apparently
20 was screwed up, and they ignored whatever manual readings
21 were there.

22 JUDGE VERO: But was it fixed? Did they ever fix it?

23 THE WITNESS: I don't know. That's the problem.

24 JUDGE VERO: I'm not talking about the AMR. I'm not
25 talking about whether they fixed the meter. Did they --

1 THE WITNESS: No. What they did is they came and
2 took the meter out in '05.

3 JUDGE VERO: In '05?

4 THE WITNESS: That was it. And now we're disputing
5 the bill.

6 JUDGE VERO: In '05?

7 THE WITNESS: In other words, what they did is this
8 happened --

9 JUDGE VERO: Did PGW give any refunds on '05?

10 THE WITNESS: No. No. In fact, that's part of one
11 of the high bills that we're still disputing. We got
12 finance charges on that amount, we got late charges on that
13 amount.

14 And anytime I would verbally tell somebody that's
15 what happened, they tell me that can't happen. I didn't
16 understand anything until I saw this on Friday.

17 JUDGE VERO: All right. I have no further questions
18 for you.

19 THE WITNESS: Thank you.

20 JUDGE VERO: Anything else?

21 (No audible response.)

22 JUDGE VERO: No? I have now 4:35. And I think this
23 is a good time to wrap up today's hearing. I still need
24 counsel to hang on for a couple of minutes so that we sort
25 of have a plan for tomorrow. But we are off the record as

Testimony of John Dunn III

Date 8/27/13

Pages 277- ~~400~~ 428

Exhibit # SBG-CG/SG 8

COMMONWEALTH OF PENNSYLVANIA

PUBLIC UTILITY COMMISSION

----- x
 :
 SBG Management Services, Inc. v. :
 Philadelphia Gas Works : Docket Nos.
 : C-2012-2304167
 : C-2012-2304215
 : C-2012-2304303
 :
 (Initial and Further Hearings) :
 :
 ----- x

Pages 271 through 469

Thomas Jefferson Hearing Room
 801 Market Street
 Philadelphia, Pennsylvania

Tuesday, August 27, 2013

Met, pursuant to notice, at 10:15 a.m.

BEFORE:

ERANDA VERO, Administrative Law Judge

APPEARANCES:

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C E R T I F I C A T E

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to the best of my ability.

COMMONWEALTH REPORTING COMPANY, INC.

By:

Judith E. Shuller (on)
Judith E. Shuller, CSR

1 MS. BOONE: Yes. I call John Dunn.

2 JUDGE VERO: Mr. Dunn, please take a seat.

3 MR. DUNN: For the record, Your Honor, it's John
4 Dunn, the third.

5 JUDGE VERO: John Dunn, the third.

6 MS. BOONE: John Dunn, the third. There you go.

7 JUDGE VERO: Mr. Dunn, please raise your right
8 hand.

9 Whereupon,

10 JOHN J. DUNN, III,
11 having been duly sworn, testified as follows:

12 JUDGE VERO: Thank you.

13 You may proceed, Ms. Boone.

14 MS. BOONE: Okay.

15 DIRECT EXAMINATION

16 BY MS. BOONE:

17 Q. Good morning, Mr. Dunn. Thank you for coming today.

18 A. Good morning. Thank you.

19 Q. Will you please state your name, birth date, and address
20 for the record, please.

21 A. Sure. My name is John J. Dunn, the third. My birth date
22 is October 17th, 1954; and my address is 5635 Wisteria Avenue,
23 W-I-S-T-E-R-I-A, Avenue in Pennsauken, New Jersey, with a ZIP
24 code of 08109-1243.

25 Q. Okay. Are you currently employed at PGW?

- 1 A. No.
- 2 Q. Okay. When you were employed, the dates of employment?
- 3 A. November 1st, 1976, and I retired August 31st, 2009, 32
- 4 years, ten months of service.
- 5 Q. Thirty-two years, wow, that's a lot of service.
- 6 A. With a ring (indicating).
- 7 Q. With a ring, I'm very impressed. Very impressive.
- 8 A. Thank you.
- 9 Q. When you started at PGW, what was your first position
- 10 there?
- 11 A. I was a meter reader.
- 12 Q. A meter reader?
- 13 A. Yes.
- 14 Q. And what did that involve?
- 15 A. I would start early in the morning on the fourth floor at
- 16 9th and Montgomery --
- 17 Q. Mm-hmm.
- 18 A. -- and I was given a book. The meter readers at that time
- 19 were given books; and we would go out in various parts of the
- 20 city, knock door to door, try and get in, go to where the meter
- 21 was, read the meter, go one after the other until the end of our
- 22 eight-hour shift.
- 23 Q. So you did the manual meter reads?
- 24 A. Yes.
- 25 Q. Okay. And then your next position -- or how long did you

1 hold that position?

2 A. I went from a meter reader to a meter reader specialist.

3 I did meter reading -- oh, boy --

4 Q. Well, an estimate.

5 A. '76 to I believe January of -- thereabouts '78. Then I

6 went into the collection department.

7 Q. Okay. What was your title in the collections department?

8 A. I was a -- please don't laugh -- collector foot.

9 Q. Collector foot, that's an interesting name. What's that?

10 A. Well, there were two distinctions. There was a collector

11 foot and a collector truck.

12 Q. Okay.

13 A. A foot collector either took the car or was provided

14 transportation, and we went throughout the city with another

15 document of -- set of documents to go knocking on folks' homes to

16 try and collect the delinquent gas bills or to terminate their

17 gas service.

18 Q. I see. And you did that from what dates?

19 A. Approximately January, '78 up to August, '79.

20 Q. Now, in reading a meter, can you explain how that's done?

21 A. Sure.

22 Q. Okay.

23 A. You first make sure the meter number -- in my case the

24 meter number was the same that was on the document.

25 Q. What document? Is that the bill or --

- 1 A. The meter reading document.
- 2 Q. Okay.
- 3 A. There were individual documents for each meter which had
4 an address on it.
- 5 Q. Okay.
- 6 A. At that time they were computer generated.
- 7 Q. Okay.
- 8 A. And you would go down, look at the meter, verify the meter
9 number and most of the meters at the time were four-dial meters;
10 and you read a meter from right to left --
- 11 Q. Okay.
- 12 A. -- units tens, hundreds, thousands, going from right to
13 left.
- 14 Q. Did you read commercial meters as well as individual
15 homes?
- 16 A. At the end of my period I became a meter reader
17 specialist, and I did read for about a month or six weeks before
18 I went over to collections.
- 19 Q. And what kinds of billings were you looking at during that
20 four-to-six-week period? What kinds of properties?
- 21 A. Apartment houses, commercial, industrial sites, strip
22 malls, you name it.
- 23 Q. A wide variety?
- 24 A. Yes, it was a wide variety, four-, five-, or six-dial
25 meters.

1 Q. Four-, five-, or six-dial meters, okay.

2 A. Yes.

3 Q. Now, in looking at the apartment complex meters, can you
4 explain what kinds of meter setups they have? Is it one meter or
5 many meters? How does it work for an apartment building or
6 multifamily building?

7 A. They could be all different. Some of them could be
8 individually metered per unit.

9 Q. Per unit, mm-hmm.

10 A. There could be a master meter.

11 Q. What's a master meter?

12 A. Where all the gas would flow for all the what we would
13 call appliances or the boiler load or hot water heaters. That
14 was all recorded on the one meter.

15 Q. Okay. For the entire building, every unit?

16 A. Yes.

17 Q. Okay.

18 A. Yes. There wouldn't have been individual meters at that
19 point. It was just the main meter.

20 Q. Mm-hmm.

21 A. And then there were parallel meter sets as well.

22 Q. Okay. And that was in 1978 to '79; is that correct?

23 A. That was the commercial was just for about a six-month
24 period.

25 Q. Okay.

1 A. Sorry, a six-week period.

2 Q. Six weeks. Now, just jumping ahead a little bit, you said
3 that you did collections. Are the meters pretty much set up the
4 same way today or are they different on multifamily?

5 A. The meters are pretty much the same. They register in CCF

6 --

7 Q. Ma-hum.

8 A. -- which is a hundred cubic feet or a thousand cubic feet,
9 MCF --

10 Q. Okay.

11 A. -- or MMCF, a hundred thousand CCF, all right, pretty much
12 your four-, five-, and six-dial meters in that order. Sorry.
13 Can you say your question again?

14 Q. Oh, I was saying today do you still have the arrangement
15 where you have a master meter or individual meters or is there a
16 third form?

17 A. I can't speak for today. I've been out of PGW four
18 years --

19 Q. Okay.

20 A. -- give or take a week.

21 Q. Well, when you were last there.

22 A. Based on historical installations, I believe the meters
23 are pretty much still the same with the exception that you don't
24 have meter readers going in like I did in my day, door to door.
25 You have AMR, automatic meter reading devices mounted on the

1 meters; or, for the very large interruptible meters in the city
2 of Philadelphia that need a day-to-day reading, they are set up
3 with phone lines.

4 Q. Now, what's an AMR meter reading?

5 A. AMR is a device --

6 Q. Mm-hmm.

7 A. -- that is mounted on the front of the dials.

8 Q. Okay.

9 A. It records the dial's usage of gas that flows through it,
10 and then a meter reading van will go down the various blocks --

11 Q. Mm-hmm.

12 A. -- and grab all the usages --

13 Q. Okay.

14 A. -- or whatever it records. And it's radio frequency --

15 Q. Okay.

16 A. -- and records the minutes, stores it in a device inside
17 of the meter reading van, AMR van; and it brings them back at the
18 end of the day, and that's what's used to bill customers.

19 Q. Okay. Now, the interruptible --

20 A. Interruptible.

21 Q. -- interruptible meter, what's that?

22 A. That means dual fuel.

23 Q. Okay. Dual fuel?

24 A. Yes.

25 Q. Electricity and gas or --

1 A. No. It has nothing to do -- well, you could have
2 electricity as your alternate fuel, but it would be very costly.

3 Q. Mm-hmm.

4 A. Interruptible is dual fuel in a sense that the primary
5 usage is gas. It can then be switched over to oil if PGW calls
6 for an interruption based on economic or weather-related matters.

7 Q. Mm-hmm.

8 A. And most of your large sites, facilities -- I think
9 there's five or 600 that I was aware of -- had these
10 interruptible meters.

11 Q. Okay. I wanted to ask you just a couple more questions
12 about meter reading. In that six-week period, did you happen to
13 come across any meters that were faulty or running bad?

14 A. Not that I recall.

15 Q. Not that you recall, okay. You said that you were a
16 collector on foot?

17 A. Yes.

18 Q. Okay. How did you figure out what amount needed to be
19 collected?

20 A. I was given a past due amount. That was part of the set
21 of documents similar to a meter reading hand --

22 Q. Mm-hmm.

23 A. -- that may have had anywhere from 240 to almost 900 in
24 some instances --

25 Q. Mm-hmm.

1 A. -- that you had to work on in one day. You similarly for
2 collections would have had anywhere from -- you could have
3 anywhere from 50 to a hundred stops --

4 Q. Okay.

5 A. -- on a walking hand, foot hand.

6 Q. Did you calculate the amount that you were going to
7 collect or you just received --

8 A. It was just -- it was all done ahead of time.

9 Q. It was all done ahead of time?

10 A. Yes.

11 Q. So there was another department that determined how much
12 needed to be collected or billed --

13 A. Yes.

14 Q. -- to the customer? All right. After you did the
15 collector on foot, then what did you -- what work did you do in
16 PGW?

17 A. I took a test. I passed the test, and I went into
18 management to systems as a information systems computer
19 programmer.

20 Q. And what did that job -- what were the duties of that job?

21 A. I was in training first. Then I became a computer
22 programmer, a project analyst, a systems analyst, and a
23 coordinator up till 1997 when I left the department.

24 Q. In some IT departments, the computer analysts specialize
25 in different areas of the organization.

1 A. Mm-hmm.

2 Q. What about you? Did you have a specialty in one area of
3 PGW or another that you worked in terms of a systems analyst or
4 computer analyst?

5 A. I worked on many systems. I worked on material
6 management. I worked in transportation. I'm sure there were
7 other systems, but I just can't recall at this time.

8 Q. No, this is very helpful. In terms of your work on
9 billing --

10 A. Yes.

11 Q. -- the computers, how was that set up when you were
12 working there? How were the computer systems set up for billing?

13 A. We worked on IBM mainframe systems.

14 Q. Mm-hmm.

15 A. And I was writing in COBOL at the time.

16 Q. Wow.

17 A. And I was setting up systems that would set up for bill
18 documents, things along those lines, setting up the lines for the
19 information that we would receive and files to lay out the
20 presentation of bill documents and other related matters.

21 Q. What kind of information appeared on those bill documents
22 that you prepared?

23 A. PGW account number.

24 Q. Mm-hmm.

25 A. The date the bill was rendered I believe was one of the

1 fields, the name, the address. There were to and from dates,
2 meter reading dates --

3 Q. Mm-hmm.

4 A. -- to and from indexes --

5 Q. Okay.

6 A. -- what the difference, the deviation between them was
7 which would have been your CCF for that billing period. That
8 would be a billing period to and from. If there were any
9 multipliers --

10 Q. Okay.

11 A. -- involved, gas multipliers or gas pressure factors --

12 Q. Okay.

13 A. -- they were the two that would take the CCF; and gas
14 could be recorded at a half pound of pressure, two pounds of
15 pressure in which case there would be a gas pressure factor in
16 the system but that was loaded in. So that was just provided to
17 us in the file.

18 Q. Okay.

19 A. That calculation was done. That CCF was there. We were
20 just laying it out. I was just laying it out. Then you would
21 take the different lines of billing --

22 Q. Mm-hmm.

23 A. -- the current bill, if there was any payments made, if
24 there were --

25 Q. How would you know if a payment was made to put that on

1 the bill?

2 A. A payment would have been rendered through the cash
3 remittance system.

4 Q. Okay. Is that a -- that's a different department?

5 A. Well, yes.

6 Q. Okay.

7 A. You could pay by mail.

8 Q. Mm-hmm.

9 A. Or you could have paid at one of the district offices or
10 you could have paid me when I was a foot collector.

11 Q. Right.

12 A. That all goes every day up to the mainframe. That cash is
13 then broken out per account, stored; and then, eventually down
14 the line, my program would have gotten it.

15 Q. What was the --

16 A. It's just --

17 Q. Okay. Go ahead.

18 A. Okay -- and just taken what the data was coming from the
19 file and put it on that, you know, document.

20 Q. So data was taken from the file, and the data indicated
21 how much gas was used --

22 A. Cash payments.

23 Q. Payments, in terms of the cash payments, did the file
24 indicate when the payment was made, when it was received by PGW?

25 A. Yes.

1 Q. Okay.

2 A. There was a date for -- back when I was coding -- the date
3 that payment was rendered.

4 Q. Okay. And so, as soon as the cash is received, that date
5 is noted in the records; and then that date is the date that is
6 used as the payment date on the statement of accounts?

7 A. Yes.

8 Q. Okay. And that was PGW's policy and procedure?

9 A. Yes.

10 Q. And practice?

11 A. Yes.

12 Q. Okay. What about the calculation of late payment charges?
13 How was it inputted into the system?

14 A. That was an algorithm that was stored in the system.

15 Q. Do you know the internal percentage used for that
16 algorithm?

17 JUDGE VERO: Just a minute. I'm sorry, Mr. Dunn.
18 What period of time are we talking about? I understand that Mr.
19 Dunn was involved in setting up the billing system. I
20 understand. Did you set up the billing system for PGW?

21 THE WITNESS: I didn't set up the billing system.
22 I just -- when I became a systems programmer, I moved into --
23 that was one of my jobs. I inherited some of the existing
24 programs.

25 JUDGE VERO: Okay.

1 THE WITNESS: And I would maintain them.

2 JUDGE VERO: You would maintain them?

3 THE WITNESS: Yes.

4 JUDGE VERO: What year are we talking about?

5 MS. BOONE: The time that he did this, and I was
6 going to ask if he had information about later on what percentage
7 was used for the algorithm prior to leaving.

8 JUDGE VERO: Okay. The reason I interrupted you
9 is because things might have changed.

10 MS. BOONE: Oh, sure.

11 JUDGE VERO: So I need to know when all this
12 occurred.

13 What year are we talking about that you were
14 involved as a computer programmer with PGW?

15 THE WITNESS: I don't know what year are you
16 asking me specifically?

17 JUDGE VERO: How long did you --

18 THE WITNESS: The algorithm was in the what we
19 called our final maintenance billing system, okay?

20 JUDGE VERO: Mm-hmm.

21 THE WITNESS: I didn't build it, calculate it, or
22 come up with the amount. It was in there. I don't know the
23 exact amount that was used right now off my head --

24 JUDGE VERO: Okay.

25 THE WITNESS: -- to calculate the late payment

1 charges, LPCs.

2 JUDGE VERO: Okay. All right.

3 BY MS. BOONE:

4 Q. But, during the time that you were a computer programmer,
5 you know that one was used; is that correct?

6 A. Yes.

7 Q. Okay. And the period that you were in the IT department,
8 how many years was that roughly? What time period?

9 A. 1979 -- I believe I said July or August, 1979, through
10 August, 2006.

11 Q. 2006, okay. Thank you. So August, 2006. And, during
12 that period -- that's quite a long time -- the algorithm, who set
13 the algorithm? How was it set?

14 A. As I stated before, it was already in the system. It was
15 already in the billing system, in the code.

16 Q. Was that set by senior management?

17 A. No.

18 Q. Okay.

19 A. Not that I'm aware of. I'm not sure.

20 Q. Do you know how it was applied in terms of whether it was
21 applied to prejudgment liens? Was it applied before -- how was
22 the LPC applied? I mean, what triggered the application of this
23 on the bill?

24 A. The LPC was applied, if I recall correctly, in the
25 programs. It would take the cash that was applied within that,

1 say, 30-day billing month.

2 Q. Mm-hmm.

3 A. It will go out to the oldest arrears, if there were any;
4 and you'd start applying it against the old arrears. At one time
5 there were four buckets, 30, 60, 90, and 120 and up. It would
6 take the money and apply it against the oldest arrears and
7 decrement it. It took care of everything in the 120. It would
8 then come down to 90 and apply whatever it had left, so forth and
9 so on.

10 Q. So, if a payment came in, the payment was applied to the
11 oldest arrears?

12 A. Mm-hmm.

13 Q. And then the late payment charges or LPCs were then
14 applied in what way?

15 A. The late payment charges would have applied if there was
16 anything left in arrears --

17 Q. Okay.

18 A. -- after cash or credits because there were credits done
19 inside PGW. Maybe someone applied a credit from the customer
20 accounting department. But, at that point after those credits
21 and payments would have been applied, whatever was left --

22 Q. Mm-hmm.

23 A. -- was what was subject to late payment charges.

24 Q. Okay.

25 A. They were your arrears.

1 Q. Okay. Thank you.

2 A. Not the current bill.

3 Q. Okay. That's fine. Now, what happened -- you were there
4 you said until August of 2006, and actually that's part of the
5 period that we're looking at in terms of some of what happened on
6 SBG accounts. Let me just follow up on something. If a
7 settlement was done, if a title company called and requested
8 payoff information, how was that handled?

9 A. At that time that was handled in another department.

10 Q. What department?

11 A. The collections department.

12 Q. Okay. So let's say there was a payoff and that check was
13 received, was paid off. The payoff amount would -- you know,
14 since you were in collections and you're doing IT work, the
15 payoff amount --

16 A. Wait a minute.

17 Q. I'm sorry. You're not in collections. But, for the IT
18 department, how did they record the payoff amount? Was it --

19 A. You just went from the collections department to the IT
20 department.

21 Q. I'm sorry. I meant the department --

22 MR. FARINAS: Your Honor, I object here. I'm not
23 sure if what's being requested is something that he can respond
24 to, and whatever he can respond to can only respond to the period
25 in which he worked for that time. And I think that Mr. Dunn is

1 trying to assist Ms. Boone in having some answers, but I'm not
2 really sure that his answers are really relevant to what's
3 happening today or I'm not sure if the testimony is helping
4 anyone's case.

5 MS. BOONE: Your Honor, may I speak?

6 JUDGE VERO: (Indicating).

7 MS. BOONE: It is very relevant because one of
8 the things that we will look at asking the Commission is to
9 impose a penalty on PGW for failing to provide good service in
10 terms of calculating bills, providing notice and information
11 about the bills, responding to customers' questions.

12 MR. FARINAS: But you're asking questions about
13 interest.

14 MS. BOONE: If there's a question about how the
15 bills are calculated, I think his experience in the IT department
16 preparing the bills, especially since he was there in August of
17 2006, is relevant.

18 MR. FARINAS: And, Your Honor, I've gone through
19 lots of trouble to bring as many witnesses to talk about how it's
20 done in PGW today and someone --

21 MS. BOONE: But we're looking at the period that
22 goes all the way back to 2004. He was there during that period.
23 One of the issues is, how long has this problem gone on? What
24 actions were taken to correct problems? If a customer has a
25 question in 2004 and it still isn't answered, you know, why not?

1 We need to know what happened in 2004. We need to know how the
2 company operates.

3 JUDGE VERO: No. You needed to file a complaint
4 by 2007 to know what happened in 2004, you know, statute of
5 limitations.

6 MS. BOONE: Well, that's the statute of
7 limitations.

8 JUDGE VERO: Okay.

9 MS. BOONE: But we're arguing that this is
10 relevant in terms of whether they have taken corrective action.
11 Someone can make a mistake this year that affects one year; but,
12 if they've been making the same mistake for five, ten, 20 years,
13 then I would request that the Commission step in because this
14 isn't one and off. This isn't an accident. This is a bad, bad
15 situation that is continuing --

16 MR. FARINAS: Your Honor --

17 MS. BOONE: -- that is continually repeated.

18 MR. FARINAS: -- I object to the characterization
19 of --

20 MS. BOONE: And we can't know the severity of the
21 problem if we don't know the length of it.

22 JUDGE VERO: All right. I will allow it but get
23 to the point.

24 MS. BOONE: Okay. Thank you.

25 JUDGE VERO: Get to the point. There is only so

1 much background information and background questions that you
2 need to ask in order to get to the point. Get to the point. Get
3 to your question. You need to know how it was calculated back
4 then. Get to the point. Get the answer. Move on.

5 MS. BOONE: Okay.

6 BY MS. BOONE:

7 Q. How is interest calculated once a lien has been placed on
8 a property?

9 A. Once a lien was placed --

10 Q. Yes, mm-hmm.

11 A. -- on a property? I do not know.

12 Q. Okay. For purposes of -- prior to a debt of PGW being
13 converted into a municipal lien, how was the LPC calculated?

14 A. The same way I explained before.

15 Q. Okay. And then, once it became a lien, your department
16 had nothing to do with that? You were in the computer
17 department. You didn't have a -- did your department have a
18 different algorithm once a debt was converted to a municipal
19 lien?

20 A. LPCs were calculated the same way on debt, so to my
21 knowledge whether it was arrears or a lien.

22 Q. So, whether it was before the debt was converted to a
23 municipal lien, it was the same algorithm; and then, after it was
24 converted to a municipal lien, it was the same algorithm for LPCs
25 or interest?

- 1 A. I am not totally positive.
- 2 Q. Okay. Who would know that?
- 3 A. Someone from the collections department.
- 4 Q. Okay. I'm going to move on to your experience with SBG.
- 5 It's my understanding that -- after 2006 what department were you
- 6 in?
- 7 A. Commercial Resource Center.
- 8 Q. What does the Commercial Resource Center do? What's their
- 9 --
- 10 A. It was originally set up to handle those large
- 11 interruptible accounts that I stated earlier.
- 12 Q. Mm-hmm.
- 13 A. It started in April of 2002, and it grew and it took on
- 14 the other commercial accounts in the city --
- 15 Q. Okay.
- 16 A. -- over time.
- 17 Q. Including multifamily complexes?
- 18 A. Yes.
- 19 Q. Okay. What was your job title in that position?
- 20 A. Manager.
- 21 Q. Okay. You were the manager of the Commercial Resource
- 22 Center?
- 23 A. (Indicating).
- 24 Q. Okay. And what were your duties --
- 25 A. From 2002 through -- when did they give me that title? In

1 2008, they made me a director, named me a director.

2 Q. So in 2008 you became a director?

3 A. Yes.

4 Q. How long did you hold that position as director of the
5 Commercial Resource Center?

6 A. Until I retired August 31st, 2009.

7 Q. Okay. As a manager what were your job responsibilities in
8 the Commercial Resource Center?

9 A. I oversaw the day-to-day activities of five union
10 employees, one supervisor, and myself.

11 Q. Okay. So, including yourself, it was a group of eight?

12 A. I believe so, yes.

13 Q. And what were the day-to-day responsibilities of your
14 group?

15 A. We were involved with the day-to-day responsibilities of
16 the two big billing cycles, 21, bill cycle 21 which is the city
17 of Philadelphia --

18 Q. Okay.

19 A. -- School District of Philadelphia.

20 Q. Mm-hmm.

21 A. And I believe there were some State accounts in there as
22 well and also bill cycle 22 which were the large commercial
23 accounts in the city, the post office, U.S. government, large
24 U.S. government accounts like the Navy yard and buildings here in
25 Center City; and there were a whole other inclusion of commercial

1 accounts and industrial accounts in the city.

2 Q. What's the criteria to be considered a large property for
3 CRC? Is it the size of the building?

4 A. Pretty much the size of the building but it's probably the
5 gas load in a given month. I would just say off the top of my
6 head anything over 2,000 cubic feet; but, and I state this quite
7 frankly, but there were other accounts in the 1 to 20 billing
8 system. That was our day-to-day billing systems. There were 23
9 billing cycles --

10 Q. Okay.

11 A. -- throughout the month. There was also another cycle
12 that was set up bill cycle 23 which was the interruptible cycles
13 that would come in through the phone system. I was originally
14 charged with bill cycles 21, 22, and 23.

15 Q. Okay. Now, in terms of being in charge with those
16 particular cycles, what did you do? Prepare the bills?

17 A. We would get the bills. We would mail them to the
18 customers. We had some bills that were mailed electronically.
19 There were some bills that were sets this thick (indicating), the
20 City, School District. We had two of the clerks that worked for
21 me. We bundled them up, sent them to the responsible parties as
22 well as the School District; and the other folks who were working
23 for me were working collections for the large accounts.

24 Q. Okay. So prepared and mailed the bills and handled
25 collections; is that correct?

1 A. And other miscellaneous duties as assigned.

2 Q. Okay. What about billing inquiries? Did CRC handle that?

3 A. For those accounts, yes.

4 Q. Okay. And what were your procedures when a party called
5 with a question about a bill? How was that handled?

6 A. We'd generally check it out.

7 Q. What does that mean, check it out?

8 A. You got to let me finish.

9 Q. Sorry.

10 A. That's okay. By checking them out I mean investigate it
11 internally, find out what the complaint was or inquiry. For
12 example, if it was a payment hadn't been applied, they said they
13 made a payment, we would check to see if a payment had been
14 applied or if the payment was somehow sitting over in this other
15 cash section where payments were processed every day to see if it
16 could still be sitting in there for whatever reason. If they
17 were complaining about a high bill, we would check the meter
18 readings and, if need be, we would call the meter shop.

19 I also had a high bill specialist who would go
20 out and meet with folks.

21 Q. Let's take each of those in order. If there's a question
22 about whether a payment was applied, you said that you would
23 check to see if it was in the cash section.

24 A. We would call the cash section and ask them if they could
25 do a trace to see if they had any outstanding payments over

1 there. It possibly could even have been misapplied.

2 Q. Okay. If the check was sitting over in the cash section,
3 would the date that the payment was applied be the date -- how --
4 would it be the date that it was received by the cash section?
5 What date shows up on the statement of accounts if it's been
6 sitting over in the cash section, the check?

7 A. It could have been sitting over there. It could have been
8 posted to a wrong account in which time it would have been
9 sitting in the system with a date on it. However, it may not
10 have been sitting -- I mean, posted into the system, so it didn't
11 have an applied date. It was waiting for the folks who worked
12 over in that section to process it.

13 Q. What was the average time range to post a check that was
14 received?

15 A. I cannot answer that.

16 Q. What if you found that --

17 A. I don't know. That's why I can't answer it.

18 Q. Okay. Well, in answering an inquiry and you found that a
19 check had been posted to a wrong account, what would be the
20 remedy for that? Let's say a check was posted to the wrong
21 account on January 1st of 2013. What would be your remedy back
22 then?

23 A. My remedy?

24 Q. Yeah. Or how would you respond to the customer's
25 complaint?

1 A. As I stated, with a cash payment we would do a search to
2 see if we could find where the payment was, if it was ever
3 received at PGW.

4 Q. Okay. And then --

5 A. Because some folks said they paid but they didn't.

6 Q. Mm-hmm.

7 A. All right. I just want that on the record, okay? So my
8 staff would go and research the system to see if any payments
9 were applied to the account.

10 Q. Okay.

11 A. If there weren't and the complaint says that there was, I
12 believe we would ask the customer to send us a copy of the
13 check --

14 Q. Okay.

15 A. -- give us the check number, the amount, the date, even
16 the bank.

17 Q. Okay.

18 A. And then we could go back to the cash department, all
19 right, and say, hey, this customer has lodged a complaint. We're
20 looking for this payment. It wasn't posted to the account.
21 Could you do your due diligence and find out where this payment
22 was?

23 Q. Once the customer presented proof that the payment was
24 made, even deposited into a PGW account, how would you handle
25 that?

1 A. That would have had to go back to what's called customer
2 accounting, and they would have transferred it from the payment
3 -- from the account it had been posted in erroneously and
4 transferred back to the correct account.

5 Q. And what date would be listed in the customer's account as
6 the receipt?

7 A. I believe the transfer date.

8 Q. The date it was transferred over?

9 A. I do believe.

10 Q. So what if PGW posted the check to the wrong account --

11 A. Mm-hmm.

12 Q. -- and then two months later found out that it should be
13 posted in a different account, on the customer that made the
14 payment --

15 A. Right.

16 Q. -- what date would the statement of account say that their
17 payment was posted?

18 A. Once again, I'm trying to recall. I believe the date that
19 it would have been posted to the account, the transfer.

20 Q. So it wouldn't be the date that they paid. It would be
21 the date that it was inputted into the system into the right
22 account?

23 A. I believe. I'm going back years now, so it's
24 recollection.

25 Q. I appreciate that.

- 1 A. Okay.
- 2 Q. Let's go to the next one. Okay. How would you handle a
3 meter reading account if someone says that the last two months my
4 meter says I've used \$500 worth of gas, this month it said I used
5 \$50,000 worth of gas? What would happen with that complaint?
- 6 A. That complaint would be looked again to see if there was
7 anything apparent to our clerks in the system. If a meter
8 exchange had possibly been done, it could have changed the
9 indexes and the calculation; and, if it wasn't that obvious, then
10 we would have to go to the meter department and ask them to
11 investigate.
- 12 Q. Now, how long does it take to do a meter investigation?
- 13 A. What period of time are you talking about? You need to be
14 specific.
- 15 Q. Absolutely. A complaint comes in today, comes in January
16 1st, 2013, that a meter is having --
- 17 A. Excuse me. Just to stop you.
- 18 Q. Mm-hmm.
- 19 A. I don't work there now --
- 20 Q. I'm sorry.
- 21 A. -- so I can't answer that question.
- 22 Q. Okay. We'll go back to when you were there, January 1st
23 of 2009.
- 24 A. Okay.
- 25 Q. I'm sorry, 2008.

- 1 A. Okay.
- 2 Q. You receive a complaint --
- 3 A. We would contact the meter shop, the supervisors at the
- 4 meter shop and let them know that the customer is complaining
- 5 about a meter and that we need someone from their meter shop to
- 6 go out and visit the site and then to get back to us with their
- 7 findings. That could take anywhere from two to four weeks
- 8 because there's a backlog of work.
- 9 Q. Two to four weeks for them to go out or two to four weeks
- 10 for you to put the request in?
- 11 A. No. The request usually would have been made by my clerk.
- 12 Q. Okay.
- 13 A. It would have been sent to the meter shop.
- 14 Q. Okay.
- 15 A. Therein lies what a department's policies are as far as
- 16 processing.
- 17 Q. Okay. So they go out. They do an investigation within 30
- 18 days. What happens then?
- 19 A. We would get the report back.
- 20 Q. A written report?
- 21 A. Yes. In most instances it was a written report.
- 22 Q. Okay. Then what would happen?
- 23 A. If an adjustment had to be made, a bill correction, it
- 24 would have been made.
- 25 Q. What's the criteria for making a bill adjustment?

1 A. Going back to the original index, the from date, from that
2 period of time to what they found, cancelling out the bills in
3 between, recalculating the bill.

4 Q. Okay. What about -- what would they actually take the
5 meter out and test it? What's the criteria?

6 A. If a customer requested it and they would have to pay a
7 fee to have that done.

8 Q. Okay.

9 A. A small fee but there was a meter testing fee.

10 Q. Sure. Was the customer given this as an option or --

11 A. That's always been an option in the tariff of PGW to my
12 knowledge.

13 Q. So, if a customer called and says I think something's
14 wrong with my meter, PGW would automatically say as part of our
15 investigation we'll look at your meter, we'll take your meter
16 out?

17 A. We wouldn't necessarily do that, take their meter out, no.

18 Q. Would you offer -- so, as part of the protocol, did you
19 offer to test the meter when someone complained about a meter
20 being bad or having a bad reading?

21 A. No.

22 Q. Okay. So how would the customer know that that was one of
23 the ways to check a meter?

24 A. If we presented the customer with findings and they still
25 weren't happy at that point, I believe we would then state you

1 have the option for a meter test.

2 Q. And how would this be communicated to them?

3 A. Over the phone or a letter could be sent.

4 Q. Okay. If the complaint came to you in writing, was the
5 response in writing?

6 A. In most instances. I can't say a hundred percent.

7 Q. So, just to make sure I have the details down, you get the
8 complaint that something may be wrong with the meter. Within two
9 to four weeks the meter department goes out and they do an
10 investigation. They don't immediately take the meter out; is
11 that correct?

12 A. I didn't work in the meter department.

13 Q. Mm-hmm.

14 A. I can't answer for every instance that there was a meter
15 investigation.

16 Q. Mm-hmm.

17 A. They could have left the meter there or they could have
18 pulled the meter. That was their call. That was their
19 department. They are the technicians and they're professionals
20 in that department.

21 Q. I appreciate your patience.

22 A. Okay.

23 Q. I really do. But, if you found that when they did the
24 first level of investigation that the customer was not satisfied,
25 what did you tell the customer then?

1 A. We generally told the customer we would investigate.

2 Q. Further?

3 A. Yes.

4 Q. And what did that involve?

5 A. Further investigation. If we had to go back to the meter
6 shop, we would. What was the customer complaining about that
7 wasn't resolved in the first issue? So there's all different
8 kinds of complaints.

9 Q. Sure. So the meter -- the meter investigation group goes
10 out, and they say we think this meter is fine. We don't see a
11 problem with it.

12 A. Mm-hmm.

13 Q. The customer says there's something wrong with it. It's
14 still too high.

15 A. Okay.

16 Q. What do you then say to the customer?

17 A. That, based on the meter reading -- the meter department's
18 findings, that the bill stands as is.

19 Q. What about the option of having the meter taken out to be
20 tested?

21 A. Okay. Then that was an option to them; and, if the
22 customer requested it, we would ask them to remit a check. It
23 was a small meter fee. I can't recall what it was, a meter test
24 fee. Once the check got received, then the meter shop was
25 notified to go pull the meter, have the meter tested and prove

- 1 it.
- 2 Q. But it wasn't part of your protocol to offer that
- 3 automatically?
- 4 A. No, not that I recall.
- 5 Q. Okay. So the customer didn't know that that option was
- 6 available? You didn't tell them?
- 7 A. It's printed on the back of their bills I believe that
- 8 they can have that option.
- 9 Q. But the back of the bill says that the meter can be taken
- 10 out and read and checked?
- 11 A. I believe that, if I'm not mistaken, it may be on the back
- 12 of either the normal bill or a collection notice that, if there's
- 13 a dispute, that a meter test can be initiated; but I believe it's
- 14 there. I'm not positive.
- 15 Q. Okay. Thanks. So the meter -- let's say the meter is
- 16 taken out --
- 17 A. Yes.
- 18 Q. -- an adjustment is done for the property, I mean --
- 19 A. The meter is taken --
- 20 Q. Or not the meter is taken out, the meter is determined to
- 21 be faulty, okay? This is another instance where the meter is
- 22 determined to be faulty. What does the meter department do then?
- 23 A. What do you mean by faulty?
- 24 Q. The meter is registering too fast.
- 25 A. Okay. The adjustment, if it was registering too fast, it

- 1 would be -- can I ask you to back up for a second?
- 2 Q. Sure.
- 3 A. Who proved that the meter was registering too fast?
- 4 Q. Let's say you did. PGW did.
- 5 A. Okay. If that's the instance, then the adjustments would
- 6 have been made accordingly if it was recording too fast.
- 7 Likewise, it could have been recording too slow.
- 8 Q. Right.
- 9 A. So either or. There were tolerances within the meter
- 10 test. I believe the tolerances were 98 percent low to -- 98 to
- 11 102.
- 12 Q. Okay.
- 13 A. Outside of those limits was then when you got into what
- 14 you just said is too fast or too slow.
- 15 Q. Okay. What did an adjustment mean to the bill?
- 16 A. If it was recording too slow, a debit would have been
- 17 made. If it was recording too fast, a credit would have been
- 18 made to the account --
- 19 Q. Okay.
- 20 A. -- a calculation, a credit.
- 21 Q. And the calculation is done by -- how is it determined?
- 22 A. The meter shop engineers pretty much come up with what
- 23 was, you know, the outage, the difference.
- 24 Q. And how do they figure out how long the meter has been
- 25 registering bad?

1 A. Usually based back on previous visits to the site. There
2 could be other factors, too. Again, that was the meter shop's
3 call.

4 Q. Okay. Now, you said that PGW is subject to the tariffs;
5 is that correct? Or is --

6 A. PGW is bound by the tariff.

7 Q. So PGW must act in compliance with the tariffs; is that
8 correct?

9 A. Yes, to the best of my knowledge.

10 Q. Okay. I want to turn your attention to your history with
11 SBG Management Services.

12 A. Okay.

13 Q. If I could turn your attention to -- this is the PGW
14 Fairmount book, page 97.

15 MS. BOONE: Do you have a copy for the witness?

16 (Handed to counsel.)

17 MS. BOONE: Thank you.

18 (Pause.)

19 THE WITNESS: Excuse me, Your Honor?

20 JUDGE VERO: I'm sorry. Yes.

21 THE WITNESS: I had a bottle of water back there.
22 Could I have someone bring it up to me?

23 JUDGE VERO: Sure.

24 Is it PGW Fairmount or --

25 MS. BOONE: We're actually using PGW's book, page

1 -- for Fairmount.

2 JUDGE VERO: Okay. Book number --

3 MS. BOONE: Yeah, it's book 1.

4 JUDGE VERO: Okay. Thank you.

5 MR. FARINAS: Fairmount 1, page 97?

6 MS. BOONE: Mm-hmm.

7 MR. FARINAS: Okay.

8 BY MS. BOONE:

9 Q. Excuse me. This is page 97 of PGW's first Fairmount book
10 -- binder rather. If you look at the block transaction -- first
11 of all I'll identify this. This is a statement of accounts that
12 PGW prepared and presented to SBG Management Services, and SBG
13 put a block around certain transactions that we wanted to just
14 ask questions about.

15 A. Okay.

16 Q. The first one is dated June 3rd, 2004 bill.

17 A. Okay.

18 Q. If you -- one of the matters I believe that SBG talked to
19 you about was that there were certain payments they had questions
20 on; is that correct, during your --

21 A. Certain payments?

22 Q. Well, during the course of your relationship --

23 A. Yes.

24 Q. -- between PGW and SBG, I understand that you were
25 involved on the PGW side?

1 A. Yes.

2 Q. And from time to time SBG had questions about certain
3 transactions, certain bills for gas usage?

4 A. Yes, they did.

5 Q. Okay. And they sought information from PGW?

6 A. Yes, they did.

7 Q. Okay. One of the transactions -- some of the transactions
8 actually occurred in 2004, and what we're looking at is how those
9 questions were answered; and this is one of the transactions in
10 particular. If you look at the June 3rd, 2004 transaction, it
11 has a block around it. If you look under CCF usage --

12 A. Yes.

13 Q. -- will you read the amount of CCF usage that's stated
14 there?

15 A. 6,524.

16 Q. Okay. And then, if you look at the next disputed matter
17 that's dated July 2nd, 2004, will you read the CCF usage there?

18 A. 502.

19 Q. Okay. So this was one of the issues that was resolved and
20 that was raised with PGW. How was this resolved? This was a
21 question that was raised.

22 A. Okay. In 2004?

23 Q. Yes.

24 A. I don't know.

25 Q. You don't know. Maybe I can refresh your recollection.

1 There's an SBG Fairmount binder of documents, and in it there's a
2 letter.

3 A. Okay.

4 Q. If you would take a look at this, it's page 112.

5 JUDGE VERO: In SBG Correspondence?

6 MS. BOONE: Yes. It's SBG Fairmount book, the
7 second book -- the second binder, sorry. It's page 112 in the
8 second binder of the SBG Fairmount.

9 THE WITNESS: Page 112?

10 BY MS. BOONE:

11 Q. It's under section 8. Go to section 8.

12 A. 112?

13 Q. Mm-hmm.

14 JUDGE VERO: I have it.

15 THE WITNESS: Okay. I have it.

16 JUDGE VERO: All right.

17 BY MS. BOONE:

18 Q. If you'd like to take a minute to look at this letter.

19 MS. BOONE: Just for the record, this is the
20 letter that Eric Lampert testified to yesterday dated June 18th,
21 2004, regarding Fairmount Manner, 625 North 7th Street.

22 THE WITNESS: (Perusing document.) Okay.

23 BY MS. BOONE:

24 Q. How would you describe this letter?

25 A. It sounds like there was a street leak.

1 Q. Okay.

2 A. Okay.

3 Q. But it's obviously --

4 A. One of the crews that were there, there was a street leak
5 and they performed the work on the street to the gas mains. And,
6 based on what I'm reading -- and that's what I take from this
7 letter.

8 Q. Would you characterize this as a letter from a customer to
9 PGW asking questions about their bill?

10 A. Yes.

11 Q. Okay. And this is the kind of letter, it's dated June
12 18th, 2004, and you were in CRC --

13 A. Yes, I was there.

14 Q. -- as the manager director from 2002 until 2009?

15 A. Yes.

16 Q. So this is the kind of letter that would come in to your
17 group, that would be handled by your group?

18 A. I don't know if we got this. It was sent to the P O Box
19 3500.

20 Q. Okay. Pardon me?

21 A. This was sent to the P O Box 3500, Philadelphia, PA 19122

22 Q. Well, the --

23 A. First of all, I do not know if CRC directly got this
24 letter.

25 Q. Mm-hmm.

1 A. Right.

2 Q. Mm-hmm.

3 A. And secondly, based on what is written by Mr. Lampert,
4 what he's addressing seems to me to be a street leak, all right,
5 by our distribution department.

6 Q. But it is a billing inquiry because he also references in
7 the bill --

8 A. I know. Yes. He is inquiring about a bill that was on a
9 spreadsheet that I'm looking at going back that was presented to
10 me, a bill for 6/3/2004 with an index, meter reading index of
11 71720 for 33 days for 6,524 CCF at 13,000 -- I'm sorry, the bill
12 is for \$12,777.

13 Q. If you'll turn your attention back to the PGW 1 Fairmount
14 book at page 107 --

15 A. Same section 8?

16 Q. It's the white binder.

17 A. Okay. Go back to where?

18 Q. To page 107 in that white binder.

19 A. Okay.

20 Q. That's PGW's binder of documents.

21 A. 107, okay.

22 Q. And you look at -- at the top it says Contacts for
23 Accounts --

24 A. Mm-hmm.

25 Q. -- SBG. If you look down to the date 6/30/2004, can you

1 just read what that says?

2 A. 6/30/2004 letter and correspondence received from SBG
3 Management.

4 Q. Okay. And then the 7/12?

5 A. Bill or list CXLD, one bill, rebilled to 6/30/4 which
6 means 2004.

7 Q. Okay. This was a complaint about a PGW bill that came in
8 to your office. How would this be handled?

9 A. Similarly we would investigate it and find out what had
10 been done out at the site. In this instance with street crews,
11 the street crews were not touching meters and meter reading
12 indexes. They were working with the pipes that would feed the
13 building up to the meter. There was a street leak which this
14 letter was addressing --

15 Q. Mm-hmm.

16 A. -- and they had to turn the gas off.

17 Q. Mm-hmm.

18 A. They would have had to rebuild the service to the meter at
19 that point. The meter would have been taken down, and I assume
20 the same meter would have been put back up.

21 Q. Okay. How long would it take to take that bad meter out
22 or how long would it take to take the meter --

23 A. Whoa. Whoa. Whoa. Back up.

24 Q. Mm-hmm.

25 A. I didn't hear anything about a bad meter.

1 Q. Not a bad meter but you're saying they would go in and
2 look at the meter --
3 A. No, I didn't say that.
4 Q. Okay.
5 A. This was a street leak.
6 Q. Okay.
7 A. You've got pipes coming down the center of the street.
8 They T off. They go into properties.
9 Q. Mm-hmm.
10 A. All right?
11 Q. Mm-hmm.
12 A. It goes through the wall, comes up to the head of the
13 service; and there's a set of pipes that go to the meter.
14 Q. Okay.
15 A. From the meter, beyond that point it's the customer's
16 responsibility.
17 Q. Right.
18 A. If there was a street leak, the valve would have been shut
19 off as well as outside the street, inside the house or property;
20 and to rebuild it, to fix the pipe, they probably had to take the
21 meter down. They simply take the meter down. When the leak is
22 fixed and they're ready to reconnect service, they are -- our
23 customer service department comes in and rebuilds the set, hangs
24 in most instances the same meter, puts it back up, and the gas is
25 restored and all the pilots are lit to all the units if it's an

1 apartment house or appliances, whatever the case might be.

2 Q. Okay. And how does that impact -- would something like
3 that impact the meter, the way in which it was running?

4 A. No.

5 Q. Okay. Now, the question in the letter was that there was
6 work done in the street. But there was a second question
7 questioning the amount of the -- the amount that the meter read
8 for that month; isn't that correct, if you look at the last
9 sentence in the third paragraph?

10 A. Crews came back and performed this work on 6/2 and 6/3.
11 These dates also coincide with the dates on the extremely
12 outrageous bill for one month of service. Upon our review of the
13 information, we feel that this bill was a result of something
14 that PGW work crews did; and, therefore, we are not responsible
15 for anything beyond reasonable charges of approximately \$578
16 versus what was billed, \$12,774.54.

17 Q. And if you'll just look at the second paragraph.

18 A. Okay. This property is an 11-unit apartment building, and
19 it's inconceivable that it could use 6,524 CCF during the month
20 of May when during the winter months usage did not exceed 400
21 CCF.

22 Q. So it wasn't just a question of work done in the street.
23 It was a question of a meter that was running and calculating a
24 substantially higher rate all of a sudden; isn't that correct?

25 A. It appears to be that way.

1 Q. Okay. So that kind of complaint when it comes in to your
2 -- in to CCR [sic], that would be considered a high bill
3 complaint?

4 A. CRC.

5 Q. CRC.

6 A. Yes.

7 Q. Okay. You said that -- what kind of investigation would
8 be done on that kind of bill?

9 A. We would review it. We would take a look at the bill,
10 12,000 in this case. You -- we quite obviously see that there is
11 a large amount of usage. As I go back to whatever the time was
12 -- I'm back to Fairmount, page 97.

13 Q. Okay.

14 A. We would look at the previous months, see the recordings
15 as they were coming through; and, yes, there was a large amount
16 on 6/3/2004 on the index 71770.

17 Q. Okay.

18 A. At that point we would have asked the meter shop for all
19 of the facts regarding what had been done to the meter, site
20 visits, anything along those lines --

21 Q. Okay.

22 A. -- so that, if a rebill was needed, we could rebill the
23 account.

24 Q. Okay. And about how long does that take?

25 A. Again, back then approximately two to four weeks --

1 Q. Okay.

2 A. -- within reason.

3 Q. Okay. So an adjustment would be made, could be made on
4 the customer's account in that case --

5 A. Could be.

6 Q. -- is that correct?

7 A. Yes.

8 Q. What kind of procedures or policies or practices were in
9 place to ensure that meter -- that, if something was wrong with
10 the meter, that that was corrected?

11 A. If the meter shop determined that there was something
12 wrong with that meter mechanically, physically, technically --

13 Q. Mm-hmm.

14 A. -- the meter shop would have done a meter exchange and put
15 a new meter in.

16 Q. And how long does it take to do that?

17 JUDGE VERO: That question has been asked and
18 answered I think. In this particular instance that you're
19 referring to, the June 3rd, 2004 bill --

20 MS. BOONE: Yeah.

21 JUDGE VERO: -- he explained it to you what
22 happened. It was resolved. Move on to the next instance. I do
23 believe you have another instance coming up with an issue with a
24 meter. He explained it. They deemed it to be a leakage out in
25 the street and fixed it. Move on.

1 MS. BOONE: Okay.

2 BY MS. BOONE:

3 Q. So you're saying that an investigation was done. You can
4 see at the 7/2 --

5 A. I didn't say that an investigation was done.

6 Q. Okay. But, in general, in this kind of instance an
7 adjustment -- an investigation would have been done in this
8 circumstance?

9 A. In normal instances if a customer complained, yes, a
10 departmental review of the account would have been done.

11 Q. Okay. So look at the page 97 of the PGW Fairmount 1 book,
12 the second item that's blocked out, 7/2/2004.

13 A. I see that.

14 Q. Okay. And what's the CCF usage there?

15 A. 502.

16 Q. Does that look like the kind of case where the meter was
17 running high and then it was adjusted down? Is that the kind of
18 adjustment you're talking about?

19 A. What I'm seeing is an index of 656981, 7/2/2004 for 500
20 CCF.

21 Q. Okay.

22 A. Having been in the department back on that date, I would
23 have asked the meter department to explain the index 71720.

24 Q. Mm-hmm.

25 A. Where did that come from?

1 Q. Right. If you go across under where it says 6/3/2004 bill
2 and you look at the transaction amount, what number is listed
3 there originally that was billed?

4 A. Say this again.

5 Q. If you look at the transaction 6/3/2004 --

6 A. Right.

7 Q. -- it has the --

8 A. 12,777.54.

9 Q. Right. And then, if you go all the way across, if you
10 look at how much PGW originally charged for that, what is that
11 number?

12 A. 13,376.62. Is that what you're saying?

13 Q. No. Twelve -- well, yeah, 13,000.

14 A. On the far right?

15 Q. Mm-hmm.

16 A. Okay.

17 Q. Okay. And then if you look --

18 A. Well, that's a balance due.

19 Q. No. If you look under transaction amount --

20 A. 12,777.54.

21 Q. -- and then there's a number below it in parentheses,
22 what's that mean?

23 A. There was a payment made on 6/22 for 590.23.

24 Q. Okay. Now, if you go down further, there's another --
25 there's something with IPC next to it that's dated 7/2/2004.

1 What does IPC stand for?

2 A. IPC?

3 Q. I'm sorry. I guess it's --

4 A. I would guess it's the print. LPC.

5 Q. Okay. All right. If you go down to the 7/2/2004 bill
6 where now the CCF is at 502, there's been a big drop, isn't
7 there, from month before?

8 A. Yes.

9 Q. Okay. And then you go over to transaction amount. What
10 does it say is the transaction amount for that month?

11 A. \$797.44.

12 Q. Okay. And then beneath it what number is written in
13 parentheses?

14 A. 12,777.54.

15 Q. And, if you take your finger and go all the way to the
16 left, there's a date, 7/12/2004, and a type that's --

17 A. Cancelled bill.

18 Q. What's that mean?

19 A. That means they cancelled the erroneous bill out of the
20 system --

21 Q. Okay. All right. So what's --

22 A. -- for the bad index of 71720.

23 Q. Okay. So that would be pretty much that PGW did its
24 investigation, found that there was something wrong with the
25 meter or the reading; and so they cancelled it out?

1 A. The reading.

2 Q. They cancelled out the bill, and that is pretty much
3 saying that this bill was wrong; is that correct?

4 A. Yes.

5 Q. Okay. And then go down to 9/1/2005.

6 A. Okay.

7 Q. And you go across, and what's the usage that's put there
8 under CCF usage?

9 A. I see 9/1/2005 usage is 232 -- yeah, 232.7 CCF.

10 Q. No, that's average days. Under CCF usage, isn't it 6,981?

11 A. Oh, I'm sorry. You're right, 6,981.

12 Q. And, if you go all the way across where it says
13 transaction amount, what's the transaction amount that's listed?

14 A. \$11,334.62.

15 Q. Okay. So it went -- it was down at one point. It went up
16 to 69. A correction was done; and then, in September of '05, it
17 comes back on. Any ideas of how --

18 A. It comes back on?

19 Q. Yeah. The high usage, the high CCF usage reappears on
20 this bill.

21 A. That could have --

22 JUDGE VERO: Was there a question?

23 MS. BOONE: Yes.

24 BY MS. BOONE:

25 Q. I'm asking did the high CCF usage again appear on the bill

1 in September?

2 A. It states it did based on this line.

3 Q. Okay. Thank you. I'd like to turn your attention to SBG
4 Fairmount, the book -- the second binder under tab 8 --

5 A. Tab 8.

6 Q. -- page 109.

7 A. Okay.

8 Q. Okay. If you can just take a look at this letter, it's
9 dated September 12th, 2005. This is the letter that Mr. Lampert
10 discussed yesterday.

11 A. Okay.

12 Q. I'll give you a minute to take a look to read the letter.
13 You don't have to read it into the record.

14 A. Okay. (Perusing document.)

15 Q. Look at the --

16 A. I'm still reading. Okay.

17 Q. Okay. In the second paragraph, the last sentence it says,
18 we sent in correspondence and our bill was corrected. And then
19 in the third paragraph what's this customer in this letter to PGW
20 basically saying happened or their complaint concerned?

21 A. Apparently the matter has reappeared.

22 Q. What do you think that means?

23 A. What do I think that means?

24 Q. Mm-hmm. You're getting this letter --

25 A. There was some type of billing error.

1 Q. Okay. Would this be something that would then be
2 investigated again by PGW?

3 A. Yes.

4 Q. Okay. All right. And about how long would it take to
5 investigate this matter?

6 A. Oh, come on.

7 Q. You now have a new letter on the same account.

8 A. Like I stated before.

9 Q. Thirty days?

10 A. I'm guessing, yes.

11 Q. If it let's say took a little longer, a little more
12 complicated just given what it is, you know, the meter was taken
13 out and also --

14 A. I --

15 Q. -- okay. Go ahead.

16 A. Okay.

17 Q. Are you saying for something like this --

18 A. I can't tell that the -- can I finish, please. I can't
19 tell that the meter was taken out based on this listing for
20 Fairmount 0097 based on what the listing is stating in front of
21 me.

22 Q. I appreciate that.

23 A. All right. I'm just going to go to Mr. Lampert's letter,
24 and Mr. Lampert states that the meter at this location was
25 changed. Well, reading his letter, that's the first I surmised

1 that.

2 Q. He has an attachment to this letter -- it's at page 111 --
3 that he'd sent in.

4 A. All right. Okay.

5 Q. And where -- do you see the arrow for the date 8/1/2005,
6 and the CCF usage is circled as 70546? When you look across it
7 says type. What word is listed there?

8 A. Removed.

9 Q. What does that mean?

10 A. That means the meter was removed.

11 Q. Okay. So then that's why I said the meter was removed.

12 A. Okay.

13 Q. And he also said that it had a CCF usage of?

14 A. It says that it has a CCF usage of 6,931 CCF between --

15 Q. I'm sorry, the reading. The reading is 70,000?

16 A. The start, the from reading from 8/1/2005 is 70546. The
17 remove meter reading index on 8/24/2005 is 77477.

18 Q. Okay. All right. And the usage under CCF again?

19 A. Is 6,931 CCF.

20 Q. Okay. So then, when he says that the meter was removed,
21 this would be investigated you said, right?

22 A. Once Eric lodged the complaint, yes.

23 Q. Okay. And now that you know the meter was removed, about
24 how long would it take to conduct that investigation?

25 MR. FARINAS: Your Honor, I object to the

1 question. It's illogical. The investigation doesn't come as a
2 result of the meter being removed. It comes as a result of the
3 inquiry turning into a dispute.

4 MS. BOONE: I'm sorry. I can explain it. I
5 didn't know it was that complicated. The meter was removed. He
6 said he didn't understand in the letter. He would have to check
7 whether it was removed -- why it was removed. It said in the
8 bill, in an attachment it said it was removed. So he wouldn't
9 really -- you know, that would be known.

10 BY MS. BOONE:

11 Q. So, once you know that for this kind of inquiry, how much
12 time does it take to investigate?

13 JUDGE VERO: Do we know that the meter was
14 removed because it was faulty? We do?

15 THE WITNESS: I don't know. I don't know what
16 the reason was. Without having a report from the meter shop,
17 Your Honor, I wouldn't know why they pulled it.

18 BY MS. BOONE:

19 Q. Okay. Let's say that it was faulty. How long would it
20 take for this investigation to go on, on average?

21 A. I would say it's going to start two weeks and could go
22 anywhere from there.

23 Q. To what? Fifteen years?

24 A. To infinity.

25 Q. It would take to infinity to investigate a bad meter and

1 to figure it out?

2 JUDGE VERO: Didn't he already respond to that
3 question earlier?

4 MS. BOONE: I just --

5 JUDGE VERO: No, I understand. But it comes a
6 point when the --

7 MS. BOONE: He's saying it's about a month.

8 JUDGE VERO: No. He said it goes from two to
9 four weeks after he placed the request to have the meter
10 investigated.

11 Is that correct, or is it a different response?

12 THE WITNESS: Yes.

13 MS. BOONE: So it is a month. I'm sorry, Your
14 Honor.

15 JUDGE VERO: Okay.

16 BY MS. BOONE:

17 Q. Then I'd like to turn your attention to --

18 JUDGE VERO: Isn't -- okay. You can continue.

19 BY MS. BOONE:

20 Q. If you could turn your attention to the white binder which
21 is the PGW Fairmount binder, page 109.

22 A. Okay.

23 JUDGE VERO: What page?

24 MS. BOONE: Page 109 in the white Fairmount PGW
25 binder.

1 BY MS. BOONE:

2 Q. This document is entitled Contacts for Accounts, SBG. If
3 you would go down to the entry marked 3/24/2007 and just read
4 that into the record.

5 A. 3/24/2007, high bill. Per our telephone conversation, the
6 high bill dispute has been completed in the DRU database and
7 referred to CRC.

8 Q. Okay. And the account number that's listed at the top?

9 A. 000612167092.

10 Q. Okay. And, if you'll turn to page 98 in the same PGW
11 Fairmount binder.

12 A. Okay.

13 Q. And this is -- the document is entitled DRU Dispute. And,
14 if you'll read the nature of the case, what's stated there?

15 A. Customer accrued an 11,000-plus bill 9/1/2005. There was
16 an original bill over 12,000 in '04 that was taken off. Said PGW
17 changed meter here and in turn rebilled for the 11,000-plus bill.
18 Needed investigation.

19 Q. And then if you'll read PGW's answer to dispute.

20 A. Okay. Account was turned on in office with an erroneous
21 AMR index 4/3/2001. Okay. This last manual read prior to the
22 turn-on was on 12/14/1999, 1.3 years in time. Several manual
23 reads were recorded but were ignored or a makeup bill cancelled
24 in error and referred and deferred -- I apologize -- and deferred
25 to the AMR readings. The usage pattern analysis was performed

1 using manual readings on record up to the meter exchange of
2 8/24/2005. Calculations made to obtain a justified start index
3 54291 instead of 51529 as of 4/3/2001.

4 Q. What does that mean?

5 A. What does that mean? There's a whole lot there.

6 Q. I'm with you there.

7 A. Accounts turned on in office with an erroneous AMR index
8 on 4/3/2001. That says to me that on 4/3/2001 this account was
9 turned on in the system in the office with an erroneous AMR
10 index. That's what's written here, bad index. The last manual
11 read prior to the turn-on was 12/14/99 which was 1.3 years prior.

12 Q. What does the tariff say about how often a read should be
13 done?

14 A. We try to get in every month.

15 Q. You try to get in; but what does the tariff require, if
16 you know?

17 A. I don't know off the top of my head.

18 Q. Okay. When a new party purchases a property, do you go
19 out and check the last reading and then do a new read?

20 A. I don't make that call. That's another department.
21 Turn-ons are handled by field services.

22 Q. But you look at billing questions?

23 A. Yes.

24 Q. Okay. So, if a new party comes in and purchases the
25 property --

1 A. Yes.

2 Q. -- should they be billed -- isn't there a new turn-on
3 that's applied when a new party comes and owns the property,
4 purchases the property?

5 A. They don't always go out and read the meter for a turn-on.

6 Q. Okay. This property wasn't owned by Fairmount in 1999.

7 A. So you state.

8 Q. Okay. But there were questions about this bill that
9 started in 2004. There's another question in 2005, and Fairmount
10 has been -- there have been questions about the Fairmount bills
11 that were put to you by SBG; is that correct?

12 A. Yes. Over the course of time, yes.

13 Q. Okay. When was this information given to SBG that no
14 manual read was done until 1999?

15 A. I don't know. DRU is a different department. This whole
16 statement is a different department.

17 Q. But you were the person responding to SBG's questions
18 about its bills?

19 A. Yes, I was.

20 Q. Okay. And you have access to PGW records; is that
21 correct?

22 A. I didn't even know this document existed, this format. I
23 don't know everything that goes on in every department.

24 Q. But, if someone has a question about their bill, you're
25 saying that you, the person responsible for handling inquiries

1 and questions and complaints, you don't know how to get the
2 information about what PGW has done with the bill?

3 A. I tried to the best of my ability to get as much
4 information as I can --

5 Q. Do you --

6 A. -- to lead up to a solution to a billing problem.

7 Q. But how can you solve the billing problem if you haven't
8 acquired all the information about what happened with the
9 account?

10 A. Again, I did not know that this document existed inside
11 PGW.

12 Q. You said that you do investigations of the --

13 MR. FARINAS: Your Honor, I object. He's trying
14 to answer with the factual information, and I believe he's being
15 interrogated in a way that's badgering.

16 MS. BOONE: If I may speak?

17 JUDGE VERO: Okay. Do you have any more factual
18 questions for Mr. Dunn as in things that he actually does know or
19 we hope that he knows? He already told you he didn't know of the
20 existence of this particular document. This particular document
21 does not indicate who prepared it. So my assumption would be
22 that, whatever actions Mr. Dunn took, once he has stated he
23 wasn't aware of its existence, whatever actions he took, he took
24 without knowledge of this particular document.

25 MS. BOONE: Okay.

1 JUDGE VERO: So you can ask him. Okay. Yes,
2 continue but bear that in mind that what he already stated he
3 doesn't know, he doesn't know.

4 BY MS. BOONE:

5 Q. Okay. But, just in terms of PGW's relationship with SBG
6 during this period in responding to their complaints, your
7 testimony then is you couldn't have given a full answer to the
8 customer because you didn't know all the information?

9 A. I didn't know some of the information.

10 Q. But you couldn't give a full answer because didn't know
11 all the information?

12 MR. FARINAS: I believe that's the second time in
13 a row she asked that question. He did respond.

14 THE WITNESS: I didn't know some of the
15 information.

16 BY MS. BOONE:

17 Q. Some of the information that would have answered their
18 questions; is that correct?

19 MR. FARINAS: Objection.

20 JUDGE VERO: Okay. Moving along. Moving along.
21 It's on the record. His answer is on the record. Move along.

22 MS. BOONE: Okay. Thank you.

23 JUDGE VERO: And all the implications of that
24 particular answer, they're also on the record.

25 MS. BOONE: Thank you, Your Honor.

1 BY MS. BOONE:

2 Q. Now, when did you first become involved with the SBG
3 accounts?

4 A. I believe, if I recall, I went -- accompanied my manager,
5 Tom Murphy --

6 Q. Min-hum.

7 A. -- who was my manager at the time, my director, to a site.
8 We met Mr. Pulley at the site. Fairmount Gardens [sic] is I
9 believe where we met him. That was my first --

10 Q. You met I guess on Welsh Road in Abington?

11 A. No. You asked me when I --

12 Q. When you first met him.

13 A. -- met Phil?

14 Q. Yes.

15 A. Was at this apartment complex along with Mr. Murphy. I
16 can't --

17 Q. Approximately what time? Was it 2002? 2003?

18 A. Somewhere I believe in that timeframe.

19 Q. All right. In your meetings have you met with Mr. Phil
20 Pulley on some of the SBG matters or corresponded with him?

21 A. I went to Phil's house. I believe it's on Welsh Road.

22 Q. Yes.

23 A. And you could say Huntingdon Valley or Abington.

24 Q. Right.

25 A. I think it's Huntingdon Valley.

1 Q. Buntingdon Valley, you're right.

2 A. Yes.

3 Q. Welsh Road.

4 A. I went out and met with Phil and Eric.

5 Q. Lampert?

6 A. Yes.

7 Q. Okay. During that meeting with Eric Lampert, did Mr.
8 Lampert bring up the high bill at Fairmount?

9 A. Probably.

10 JUDGE VERO: You mean this high bill?

11 MS. BOONE: This particular high bill as well as

12 --

13 JUDGE VERO: This particular high bill?

14 THE WITNESS: I can't recall. Many --

15 BY MS. BOONE:

16 Q. There were many --

17 A. Many things were brought up. He could have.

18 Q. Okay.

19 A. I'm not going to say that he didn't.

20 Q. Thank you. I appreciate that.

21 A. Okay.

22 JUDGE VERO: I'm sorry. What date are we talking
23 about again? I missed that.

24 THE WITNESS: I met with Phil and Eric I believe
25 it was somewhere in May, 2009. It was pretty much right before I

1 retired.

2 BY MS. BOONE:

3 Q. Okay.

4 JUDGE VERO: So this is the meeting you were
5 talking about when Ms. Boone asked you whether this high bill
6 that dates September of 2005 was brought up or may have been
7 brought up?

8 THE WITNESS: Yes. I believe that's what she's
9 asking.

10 JUDGE VERO: Okay.

11 THE WITNESS: Okay.

12 BY MS. BOONE:

13 Q. If I could turn your attention to the SBG Correspondence
14 binder, page 109.

15 A. Black or white?

16 Q. It's the black binder.

17 A. Which page?

18 Q. Page 109 under --

19 A. Are we still staying in section 8?

20 Q. This is the Correspondence binder. We may have to give
21 you that.

22 A. This is what I have right now (indicating).

23 Q. Oh, sure. We have another binder.

24 JUDGE VERO: Okay. What page are we?

25 MS. BOONE: Page 109 in the SBG Correspondence

1 binder.

2 JUDGE VERO: Okay.

3 THE WITNESS: You have them broken down by years,
4 so --

5 BY MS. BOONE:

6 Q. This is 2009 and it's page 109.

7 A. Okay.

8 Q. Okay. The e-mail at the bottom of the page from you dated
9 May 13th, 2009, if you could just take a look at that.

10 A. Okay.

11 Q. Is that your e-mail --

12 A. Yes, it is.

13 Q. -- to Mr. Pulley? And is that the meeting that you're
14 saying -- is this referring to the meeting --

15 A. That meeting preceded this the day before --

16 Q. Okay.

17 A. -- and I sent this e-mail to Phil, and I CC'd Eric --
18 well, I didn't CC Eric. I sent it to him and Devra Pulley -- I'm
19 just guessing is one of Phil's relatives -- and I CC'd her --

20 Q. Okay.

21 A. -- because she was working on the accounts with us at the
22 time.

23 Q. And the accounts that were involved, they involved
24 Fairmount, Marshall, Elrae across? It was a meeting about all of
25 the SBG accounts or all the SBG properties?

1 A. It was a meeting about the SBG accounts that I was aware
2 of.

3 Q. Okay. And this meeting --

4 A. Can I state this for the record?

5 Q. Mm-hmm.

6 A. Phil And Eric brought other accounts up to me that I
7 wasn't even aware of at that time that they owned.

8 Q. Okay.

9 A. I can't recall the names, but we went all the way down
10 that list.

11 Q. Okay.

12 A. Okay. I mean, our meeting was a couple of hours.

13 Q. Okay.

14 A. And I had presented spreadsheets of the accounts we had
15 been working on, and there were other accounts brought up that
16 were not in my purview at that time to be included in this
17 process.

18 Q. What did you do with those accounts that they added? Did
19 they now become within your purview or were they given to another
20 person?

21 A. What did I do?

22 Q. Mm-hmm.

23 A. We had to go back and investigate them and check them out,
24 and I believe we started working on them for him to include them
25 in the blanket if you wanted to call it the SBG accounts.

- 1 Q. Okay. So you met in May of 2009?
- 2 A. Yes.
- 3 Q. And you conducted your investigation --
- 4 A. Started.
- 5 Q. Started?
- 6 A. Started to pick up where we had been and ongoing.
- 7 Q. And what did your investigation show?
- 8 A. What did my investigation show?
- 9 Q. Mm-hmm.
- 10 A. That there were many accounts in arrears.
- 11 Q. Mm-hmm.
- 12 A. Payments had been made.
- 13 Q. Mm-hmm.
- 14 A. Phil and Eric had questions on other accounts --
- 15 Q. Mm-hmm.
- 16 A. -- that they wanted PGW to look into.
- 17 Q. Okay.
- 18 A. And I said that I would start that.
- 19 Q. Okay. Were the questions involving the calculation of the
- 20 bills?
- 21 A. The calculation of the bills?
- 22 Q. Mm-hmm. How the bills were calculated, were there
- 23 interest and late payment charges?
- 24 A. There were interest and late payment charges.
- 25 Q. Were there questions about the interest and late payment

1 charges?

2 A. Well, they're pretty much one in the same. Late payment
3 charges is interest, so --

4 Q. I appreciate that clarification.

5 A. Yes.

6 Q. Okay. Thank you. And were there questions about meters,
7 maybe some bills that were based on meters that were not
8 operating properly?

9 A. That may have been addressed or brought up, and I told
10 them I'd probably check into it.

11 Q. Okay. Did you receive questions about high bills, bills
12 that were much higher than the gas usage?

13 A. I -- say that again.

14 Q. Well, did you receive questions about high bills, you
15 know, bills that were much higher than the gas usage for a
16 particular property?

17 A. In SBG's view, yes.

18 Q. Okay. So they did place that question to you. Were there
19 questions about checks that were turned over or paid to PGW
20 whether by SBG or by title companies that had not been credited
21 or applied to the accounts?

22 A. I know we talked about checks by Phil and Eric, but I
23 don't recall title checks that day.

24 Q. Okay. If I could turn your attention to page 109 again,
25 the e-mail that you just read.

1 A. Okay.

2 Q. If you could read the fourth line.

3 A. The fourth line?

4 Q. ~~Min~~-hmm, of the e-mail you wrote.

5 A. We have already started the review process this morning.
6 I am having the two settlement checks investigated presently to
7 see where ~~PCW~~ posted the payments.

8 Q. Okay. So there were questions about settlement checks as
9 well missing?

10 A. Yes.

11 Q. And missing payments?

12 A. Yes.

13 Q. And these investigations -- yes?

14 THE WITNESS: Your Honor, I just want to state
15 that again there was a collection department outside of my
16 purview that settlement checks could have came into that
17 department, okay, where liens and judgments and settlements were
18 being handled. That check could have went over to the collection
19 department. That's why I stated what I did that I would try and
20 work with the collection department to see where those checks had
21 gone.

22 BY MS. BOONE:

23 Q. I appreciate that.

24 A. Okay.

25 Q. I appreciate that. So you were taking it upon yourself

1 answer the customer's question about where certain payments or
2 checks may have ended up within PGW?

3 A. Yes.

4 Q. Okay. As part of your investigation, okay. So you
5 initiated the investigation?

6 A. Yes.

7 Q. And what happened with --

8 A. Well, I could have assigned it to one of my staff.

9 Q. Okay. What were the results of the investigation?

10 A. I don't know.

11 Q. You never received the completed results?

12 A. I retired August 31st, 2009, four months later. I just
13 don't recall what happened to these two settlement checks. It
14 could have been resolved.

15 Q. Okay. If you could turn to page 110 of the SBG
16 Correspondence. That's the black binder.

17 A. Which one?

18 Q. It's the SBG Correspondence.

19 A. Okay. I'm going to 110?

20 Q. Yes.

21 JUDGE VERO: (Indicating).

22 THE WITNESS: All right.

23 BY MS. BOONE:

24 Q. You had the meeting in May, right? And then on August
25 31st, 2009, you send an e-mail to Phil. What's the e-mail say?

- 1 A. Phil --
- 2 Q. Just summing it up.
- 3 A. Phil, Devra, Eric, I am retiring as of today from PGW.
- 4 Please forward Ted Savage a complete list of all your properties
- 5 so they can pick up where we left off. Thank you for all of your
- 6 help and assistance --
- 7 Q. So between May of --
- 8 A. -- regards, John Dunn, the third.
- 9 Q. Okay. Thank you.
- 10 A. You're welcome.
- 11 Q. So, between May and August, how many months is it?
- 12 A. Three, three and a half.
- 13 Q. So you're beyond that 30-day window for your investigation
- 14 that it takes, right?
- 15 A. That it takes?
- 16 Q. Right. You said that it takes about 30 days to
- 17 investigate these questions and complaints from customers?
- 18 A. That's what I said.
- 19 Q. Okay. Thank you. So and you're saying in this e-mail
- 20 that Mr. Savage will be taking over; is that correct?
- 21 A. Ted was named my successor.
- 22 Q. Did he start before you left? Was there an overlap
- 23 between your --
- 24 A. We met for about a week briefly to go over everything. He
- 25 also had his duties and responsibilities from his other

1 department, so we were coordinating things that I had to pass
2 over to him.

3 Q. But you did discuss the SBG properties with him?

4 A. It was one of many things discussed.

5 Q. So, before you left, Mr. Savage was aware that SBG had
6 registered questions, complaints, inquiries about the SBG-related
7 properties; and he was to follow up on those?

8 A. I don't know if I went to that extent that you just
9 stated, but I said that SBG has billing issues. We were working
10 with the client. It is an ongoing process.

11 Q. Okay. Thank you. Did you at any time from when you first
12 got involved with the SBG matters say that, if SBG is
13 unsatisfied, they should file a PUC complaint?

14 A. Did I say that?

15 Q. Mm-hmm.

16 A. I don't recall saying that.

17 Q. Okay. Do you recall putting that in writing?

18 A. I may have.

19 Q. You may have put it in writing that SBG should -- can you
20 produce that writing?

21 A. Can I produce it?

22 Q. Mm-hmm. I mean, do you have a copy of it?

23 A. I've been retired for almost four years.

24 Q. I have to ask the question. I can't assume.

25 A. I didn't take too many things with me after 32 years, ten

1 months of service.

2 Q. Okay. Thank you.

3 A. I have moved on to another job.

4 Q. Okay. Thank you.

5 JUDGE VERO: And I don't think you'd be allowed
6 to take that kind of information out of PGW.

7 THE WITNESS: It's against the law to take that
8 information.

9 JUDGE VERO: Because it's private to the
10 customer.

11 THE WITNESS: Yes. It's not open to the Public
12 Data Act.

13 MS. BOONE: Okay. If I could just have one
14 second.

15 JUDGE VERO: Sure.

16 MS. BOONE: Okay. Thank you.

17 THE WITNESS: You're welcome.

18 JUDGE VERO: All right. Mr. Farinas, any cross?

19 MR. FARINAS: Yes. Thank you, Your Honor.

20 CROSS-EXAMINATION

21 BY MR. FARINAS:

22 Q. Good morning, Mr. Dunn.

23 A. Good morning, Laureto.

24 Q. I'd first like to ask you a general question. When you're
25 dealing with customers in that capacity as a CRC, do you -- is it

1 your job to be customer friendly?

2 A. Yes.

3 Q. Do you try to maintain an ongoing relationship with the
4 customer because they are -- they buy a service continuously from
5 PGW?

6 A. Yes.

7 Q. So, when someone comes to you with a concern or a
8 complaint, do you automatically filter it for don't talk to me
9 about it, I don't know if it's beyond the statute of limitations,
10 or do you hear what they have to say?

11 A. Me personally?

12 Q. Yeah.

13 A. I listen to what someone has to say.

14 Q. And your response generally as a customer friendly person
15 is I --

16 A. I will investigate it.

17 Q. And, if it -- if an investigation showed that this problem
18 was very old, what do you do about it?

19 A. If I'm in communication with that person, I try and tell
20 him that it's going to take more time to investigate it because
21 you're going to have to go back through many, many days, months,
22 and possibly years of records to find out an audit trail of what
23 happened.

24 Q. Do you ever ask them if they knew about the problem for a
25 long time why didn't they come to you earlier or do you think

1 that kind of rubs the wrong way for the customer relations?

2 A. I might in the course of an investigation ask the customer
3 that.

4 MS. BOONE: Objection.

5 JUDGE VERO: On what grounds?

6 MS. BOONE: When he says you, does he mean John
7 Dunn specifically or does he mean come to PGW earlier?

8 MR. FARINAS: He answered personally.

9 JUDGE VERO: Okay.

10 MS. BOONE: So the person would come to him --

11 MR. FARINAS: In his experience --

12 MS. BOONE: -- him in particular at PGW, that's
13 who the person should come to if it's an old question?

14 MR. FARINAS: No. I said in the event someone
15 comes to you and they ask you a question about something very
16 old, what was his response.

17 MS. BOONE: That they should come to him in
18 particular.

19 MR. FARINAS: No.

20 JUDGE VERO: He didn't ask him whether he
21 suggested that they come to him. He asked if they come to you,
22 what do you do.

23 Is that correct?

24 MR. FARINAS: That's correct.

25 MS. BOONE: I'm just not clear on whether he's

1 saying they should come to PGW's center or to Mr. Dunn in
2 particular.

3 JUDGE VERO: Okay. Just put the question forth
4 one more time.

5 BY MR. FARINAS:

6 Q. If someone comes to you and says here's my problem, Mr.
7 Dunn, and you see that it's a very old problem and you ask them
8 whether or not they raised it with PGW sooner?

9 A. If the question was put forth to me from that particular
10 customer?

11 Q. Mm-hmm.

12 A. I would probably have said to the customer, me personally,
13 that I would investigate it; and it might take some time to go
14 back through all the old records in PGW to form an audit trail to
15 see what all the different instances were that, I don't know,
16 that I could answer this investigation for him or her.

17 Q. Suppose you found that a problem was dealt with in the
18 past but it's brought up again? Do you say you're going to fix
19 it again or do you inform them what's happened with the problem?

20 A. If there are two specific instances, is that what you're
21 stating, Laureto?

22 Q. Yes. If someone reintroduces a problem that was resolved
23 before --

24 A. Okay.

25 Q. -- or was handled again, do you still listen to them?

1 A. Me personally, I would probably have listened but said
2 that the first one was resolved and we're dealing with the second
3 one here.

4 Q. All right. Thank you. To be more specific, I want to
5 revisit the letter from Eric Lampert, September 12th, 2005, which
6 is found at SBG Fairmount, page 109.

7 A. Okay. White book? Black book? Two black books?

8 JUDGE VERO: It's in the white book.

9 BY MR. FARINAS:

10 Q. The white book. It's this letter (indicating). Do you
11 remember looking at this letter?

12 A. Okay. What Fairmount is it?

13 MS. TREADWELL: It's in the SBG black binder,
14 109.

15 JUDGE VERO: Okay.

16 MS. TREADWELL: For clarification --

17 THE WITNESS: It's in the black binder.

18 MS. TREADWELL: This is the Fairmount binder
19 (indicating).

20 THE WITNESS: This one?

21 MS. TREADWELL: Right.

22 THE WITNESS: Okay. All right.

23 JUDGE VERO: I have a white copy of it, so giving
24 the color doesn't help.

25 BY MR. FARINAS:

1 Q. And also the PGW 1 Fairmount binder, page 107, the
2 contacts for the account.

3 A. Okay.

4 Q. Do you have that? You were asked questions before that
5 were put in the record that PGW or you -- maybe not you, but PGW
6 did not respond timely or within the 30-day period that you
7 estimated to the concern. I'm going to maybe take a step back
8 and look at the PGW Fairmount 107, that statement of contacts of
9 account.

10 A. Okay.

11 Q. And going all the way back to the contact for 6/30/2004,
12 okay?

13 A. 6/30, yes.

14 Q. It says letter and corres, C-O-R-R-E-S, do you see that?

15 A. Correspondence.

16 Q. Okay. So does that tell you what -- if it didn't go to
17 the CRC, where did that letter end up?

18 A. At correspondence is another department within PGW.

19 Q. Okay. And if I can -- and so, if a letter did that at
20 PGW, would they be regarding one instance on one account, would
21 they be equipped to handle it, correspondence?

22 A. Would they be able to handle it? In some minor instances
23 correspondence might have been able to resolve --

24 Q. Okay.

25 A. -- a specific issue, but they may have had to so to speak

1 kick it up to the meter department --

2 Q. Okay.

3 A. -- if it merited that type of in-depth investigation.

4 Q. Okay. And, if I can point your direction or point your
5 attention to the entry of July 24th, 2004.

6 A. Okay.

7 Q. Can you read across and tell us what this tells you?
8 There's a message?

9 A. Left message 7/24/2004 bill was the type of transaction
10 and it says left message with bill correction info.

11 Q. Now, yesterday we did briefly review this; but generally
12 can you tell us what this in a very general sense tells you what
13 PGW did?

14 A. I'm going on the premise that the call was made from
15 someone in this correspondence section, left a message with the
16 bill correction info.

17 Q. Okay. Now, if you go to the SBG Fairmount letter, 109,
18 that letter is dated September 12th, 2005?

19 A. Yes.

20 Q. Again is it addressed to you at CRC or is it addressed to
21 CRC or anyone?

22 A. It's addressed to PGW, P O Box 3500, Philadelphia, PA
23 19122.

24 Q. So, if a letter comes in like that, where would it usually
25 go to?

1 A. Correspondence.

2 Q. Okay. And now I direct -- and from this point you were
3 asked questions about why didn't PGW respond and didn't you know
4 and you're at the height of SBG -- I mean, you're the head of
5 CRC. But, if it went to correspondence, do you think
6 correspondence might respond?

7 A. (Indicating) they could have.

8 Q. I direct your attention now to the top of the very first
9 entry at the top --

10 MS. BOONE: Objection.

11 JUDGE VERO: On what grounds?

12 MS. BOONE: His response. I just wanted it noted
13 for the record he was asked a question by Mr. Laureto --

14 MR. FARINAS: Farinas.

15 MS. BOONE: -- and his response was like he
16 didn't -- I guess if he could just verbalize what this
17 (indicating) means.

18 BY MR. FARINAS:

19 Q. Wouldn't this letter have gone to correspondence addressed
20 this way?

21 A. In most instances, yes.

22 Q. Okay. Thank you. I direct your attention now to PGW 1
23 Fairmount, page 107, the Contacts for Account again. I direct
24 your attention to the very top entry, 10/28/2005. Is this
25 roughly how many -- how long after the letter was dated or

1 written?

2 A. Approximately two months, four days, 7/24 -- I'm sorry,
3 year.

4 Q. No. No. No. September 12th, 2005 was the date of the
5 letter.

6 A. Oh, I'm sorry.

7 Q. Right. And the entry I'm directing your attention to was
8 October 28th, 2005.

9 A. Okay.

10 Q. Does this contact look like it may be addressing the
11 letter?

12 A. Okay.

13 Q. Can you review it for us?

14 A. Going across the line, the first field is the date. The
15 date is 10/28/2005. Second field is type. It's a collection
16 type which was made from the collection department. The comment,
17 well, it says that the person on the far right is regarding SBG
18 Management. It's for accounts 612167092. The comment is Melita
19 contact made. Spoke with accounts payable who may -- and that's
20 in quote -- may be in process of disputing bill. He is putting
21 together some info and will get back to us one way or another.

22 Q. So, at that point in time, in October, 2005, was it the
23 caller from SBG who was then deciding whether or not to dispute
24 or lodge some sort of complaint?

25 A. Yes.

1 Q. And if I can now direct your attention to the same booklet
2 only the next page.

3 A. Okay.

4 Q. I direct your attention to the entry of March 1st, 2007.

5 A. Okay.

6 Q. How long did it take the person from accounts payable or
7 someone at SBG to respond with a decision? Can I ask you to
8 review that?

9 A. Okay. That was 3/1/2007?

10 Q. Yes.

11 A. Per Melita, spoke with Eric regarding --

12 MS. BOONE: Objection.

13 JUDGE VERO: On what grounds?

14 MS. BOONE: He's characterizing that SBG, that
15 this -- their response. He has no foundation to make a
16 conclusion that it doesn't have a foundation.

17 JUDGE VERO: What assumption is he making with
18 regard to SBG?

19 MS. BOONE: He's saying that this 3/01/2007 is
20 SBG's conclusion as to what happened with the account as to the
21 investigation.

22 JUDGE VERO: Is this the SBG's conclusion?

23 MS. BOONE: This is their records.

24 MR. FARINAS: Your Honor, actually all I'm doing
25 is asking Mr. --

1 JUDGE VERO: Okay. I'm sorry. I might be
2 looking at the wrong page. What page are you referring to?

3 MR. FARINAS: I'm looking at page 108 of PGW
4 Fairmount 1.

5 JUDGE VERO: I am looking at the correct page.
6 This is a PGW document I understand.

7 MR. FARINAS: Yes, that's correct.

8 JUDGE VERO: So --

9 MS. BOONE: Mr. Laureto said that -- he said that
10 this was SBG's conclusion as to what happened. This is not SBG's
11 conclusion. This is what PGW is saying.

12 JUDGE VERO: Maybe he misspoke.

13 Is that correct?

14 MR. FARINAS: Yes, I did.

15 JUDGE VERO: Okay.

16 BY MR. FARINAS:

17 Q. Mr. Dunn --

18 A. Yes, sir.

19 Q. -- the entry states, per Melita spoke with Eric regarding
20 high bill September or 9/05.

21 A. Yes.

22 Q. Issued HRDIS?

23 A. It was HB -- can I just stop you right there?

24 Q. Sure.

25 A. Issued HBDIS, that's high bill dispute. That's the code

1 for that.

2 Q. Okay. And it says meanwhile entered HD on account.

3 A. A hold was put on the account.

4 Q. So what happened with that entry? Why would someone issue
5 an HEDIS and put an HD on it?

6 A. Someone called from the CRC, did speak as it states here.
7 It's written, spoke with Eric about prior bill going back to '95,
8 a high bill. That person initiated -- issued a high bill
9 dispute. Meanwhile entered a hold on the account. That was the
10 action that that person took.

11 Q. So, if the sequence of the letter, the call, the
12 communications, has PGW flubbed any investigation?

13 A. Flubbed?

14 Q. For lack of a better word.

15 MS. BOONE: Objection.

16 BY MR. FARINAS:

17 Q. Has PGW been remiss in its obligation to investigate or
18 treat an account once a complaint has been lodged?

19 JUDGE VERO: Did that answer your objection or
20 was it a different ground?

21 MS. BOONE: I was going to say flubbed, if he
22 could define what flubbed is.

23 JUDGE VERO: He did. That's what I heard. It'
24 for him to rephrase it, and then I asked you whether that
25 answered your objection. So it did?

1 MS. BOONE: Yes, Your Honor.

2 JUDGE VERO: Okay.

3 Mr. Dunn, what's your response?

4 THE WITNESS: Could I ask the court stenographer
5 to read the question back, please.

6 JUDGE VERO: Can you read the question back or do
7 we need Mr. Farinas to repeat it?

8 (Whereupon, the reporter read the
9 previous question.)

10 THE WITNESS: No, PGW was not remiss.

11 JUDGE VERO: Thank you.

12 THE WITNESS: You're welcome.

13 BY MR. FARINAS:

14 Q. Switch gears. I want to ask you questions concerning your
15 efforts to be of assistance to SBG and focusing on a meeting that
16 occurred in May. I believe it was May 12th, 2009.

17 A. Okay.

18 Q. Yesterday Mr. Pulley gave testimony concerning the degree
19 to which you were helpful. He had mentioned that you were
20 already responding to some concerns; is that correct?

21 A. Yes.

22 Q. In preparation for -- can you describe what preparations
23 you took to have that meeting? What, if any, documentation did
24 you bring with you; and could you comment on the amount of
25 man-hours not only for yourself but if anyone else assisted you

1 on that?

2 A. A joint effort was agreed upon by myself representing the
3 Commercial Resource Center on behalf of PGW and Phil, Mr. Pulley,
4 and Eric, I believe his treasurer accountant at the time, that we
5 could go back and review as much as we could amicably and seek a
6 solution to the issues that SBG brought about so that we could
7 get their accounts up to date and whole again with PGW. I was
8 charged by my supervisor to go back and review the accounts as I
9 stated I was aware of at the time, Fern Rock, Colonial may have
10 been there, Simon Gardens, and there were a few others.

11 What we did was, we laid them out on Excel
12 spreadsheets, all the addresses and the account numbers that we
13 had. We put them out on a -- you know, what the last current
14 bill was, the meter number, the address, and then what the
15 buckets of the arrears that I had stated earlier, 30, 60, 90, any
16 LPCs that were accrued at that time, and what the total amount
17 due was. When I met with Phil and Eric, I presented them these.
18 I think they were -- I don't know -- 11 by 14 spreadsheets,
19 copies of spreadsheets.

20 Q. How many spreadsheets?

21 A. I believe there were multiple pages, all the accounts --

22 Q. Okay.

23 A. -- because of the number of accounts that extended
24 probably beyond one page.

25 Q. All right. If I can stop you right there. So this

1 meeting was basically since you are involved in the maintaining
2 the relationship with the customer or business in CRC?

3 A. Yes.

4 Q. You had a bottom line and a current amount owed for the
5 accounts, correct?

6 A. Yes. There was a bottom line owed at the bottom of the
7 spreadsheet.

8 Q. And were there individual disputes concerning this bill or
9 that bill or that period or that period going back in time?

10 A. There could have been disputes going back and forth in
11 time.

12 Q. But, as far as you were concerned, you wanted to work out
13 just the current amounts due?

14 A. We wanted to try and work out the current amount due and
15 go back and resolve any disputes that were still pending as well
16 as any that they brought to my attention that day that they felt
17 were -- that needed to be addressed.

18 Q. The additional ones?

19 A. The additional ones on the spreadsheets and then Phil and
20 Eric also presented to me, John, are you also aware of these
21 other accounts? And I was like, no, I didn't know they were, you
22 know, your property holdings. They were in a different name.

23 Q. Did you make any determination of whether or not you could
24 go back in time based upon the volume of issues that seemed to be
25 present with the accounts?

1 A. It was voluminous. I told them that I would have to go
2 back to PGW. We would have to still investigate these further
3 and that it would take time, but we would get back to them. I do
4 not believe I gave them a definitive date. I did tell them that
5 it would take time because of the volume of the nature of the
6 accounts.

7 Q. Okay. Did you -- were you aware of how old some of the
8 disputes would have been or did they actually name a date for the
9 dispute or did you have a list of specific -- a specific
10 allegation of errors for this month this bill was wrong, this
11 meter is screwed up or did you just have a general knowledge of
12 they are not happy, let's see what's going on?

13 A. Again, the nature of the meeting it was factfinding. We
14 -- both of us wanted to find out what the issues were that SBG
15 Management had regarding any of their accounts, all right? It
16 was noted. I was taking notes at the time, and I told them that
17 I would look into the matters to the best of my ability. We
18 would research them. And then they brought the other accounts to
19 my knowledge that I wasn't aware of, and I told them in due
20 course I would look into them as well.

21 Q. Did you provide them with any answers or solutions for
22 problems that they may have raised with you in the past at that
23 meeting?

24 A. Problems or solutions? No. The problems or solutions
25 were just that we would work to try and resolve all of SBG's

1 issues to the best of our abilities.

2 Q. Okay. When you do these, do you do them with
3 consideration as to whether or not the problems are too old to
4 solve?

5 A. That could be a possibility.

6 Q. You were asked about -- I'm switching gears again. You
7 were asked about research on checks, and I want to show you this
8 one you've already been -- I believe you've been -- it's been
9 shown to you, SBG Fairmount, page 129.

10 A. Okay.

11 MS. TREADWELL: Black binder.

12 THE WITNESS: White binder?

13 BY MR. FARINAS:

14 Q. Black binder.

15 A. Small or big?

16 MS. TREADWELL: Big.

17 JUDGE VERO: What page?

18 MR. FARINAS: 129.

19 JUDGE VERO: Okay.

20 BY MR. FARINAS:

21 Q. Okay. Just from your recollection, if you look at 129, is
22 all the information present on this document in order to trace
23 the check if it were received by PGW?

24 A. Yes.

25 Q. Where was the check cashed?

1 A. Where was it cashed?

2 Q. Is the information present on there?

3 A. No. You would have to see the back of the check to see
4 where it was cashed.

5 Q. Just do you remember getting this check from SBG?

6 JUDGE VERO: Would he be the one to get that
7 check from SBG?

8 MR. FARINAS: I believe there was early testimony
9 that that was one of the checks that was discussed.

10 JUDGE VERO: I understand but would it be paid
11 directly to Mr. Dunn or his department? Wouldn't it go to --

12 MR. FARINAS: No. It wouldn't be paid to him,
13 but this was part of one of the inquiries.

14 JUDGE VERO: Okay. But your question was, do you
15 recall receiving this check?

16 MR. FARINAS: As part of the inquiries.

17 JUDGE VERO: As part of the inquiries.

18 MS. BOONE: Objection. He didn't. He received a
19 question about these checks, and I believe copies of these checks
20 may have been given to him; but the checks were not paid to him
21 personally.

22 JUDGE VERO: All right. It's clarified. This
23 clarifies the question and my question to Mr. Farinas. Okay.

24 BY MR. FARINAS:

25 Q. Do you remember being given copies of these checks for

1 your inquiry?

2 A. Copies of these checks? In the course we could have --

3 Q. No. No. No. I'm sorry. Go ahead.

4 A. Okay. In the course of our work and investigation, we
5 could have gone back and tried to find out what checks had been
6 paid and to get an image of the check.

7 Q. Again, I'm sorry. Do you recall after your meeting of May
8 12th if this was one of the checks presented to you in an
9 inquiry?

10 A. No, I don't recall.

11 Q. Had you been presented with one of the checks could you
12 have immediately responded that not all the information was on it
13 to trace the check? If --

14 A. I could have said that.

15 Q. Okay. But you don't recall whether or not you made that
16 diagnosis?

17 A. What I see is a check made payable to PGW for \$80,539.68
18 dated 7/18/2007 with one PGW account number on it; and, if
19 recalling how payments would have been applied, if there had not
20 been a coupon from the bill, our cash department would have taken
21 under normal practices the account number written and entered on
22 the memo and applied it to that account.

23 Q. And, if the question were, was it even ever applied, what
24 information do you need to know if PGW ever received the check?

25 A. You would have had to go back to that account number and

1 start a remittance trace and find out if the payment had been
2 made against the account.

3 Q. And what about the actual cashing of the check by PGW?
4 What would you need to know?

5 A. You would need the back of the check.

6 JUDGE VERO: Mr. Farinas, he already gave you the
7 answer. For whatever reason you just badgered him yourself
8 because he gave you the answer the first time you asked him.
9 Okay.

10 MR. FARINAS: I have no further questions.

11 JUDGE VERO: All right.

12 MS. BOONE: I have some redirect.

13 JUDGE VERO: Yes.

14 MS. BOONE: Okay.

15 REDIRECT EXAMINATION

16 BY MS. BOONE:

17 Q. I'd like to turn your attention to PGW, the white binder,
18 page 107, and the entry June 24th, 2004.

19 A. June 24th, 2004?

20 Q. Okay. When you read that message, when you read the notes
21 about the message --

22 A. The note?

23 Q. Yes, the note about the message dated 6/24/2004. I'm
24 sorry, not 6/24. There was an entry that you said left message
25 with bill info. I'm sorry. It's 7/24/2004, left message with

1 bill info. It's on page 107 of the PGW Fairmount 1 binder.

2 A. Okay. I see it.

3 Q. It's the white binder.

4 A. I've got it.

5 Q. Okay.

6 JUDGE VERO: I've got it, too.

7 THE WITNESS: I've got it.

8 JUDGE VERO: Both the witness and I are on the
9 same page.

10 MS. BOONE: Okay.

11 BY MS. BOONE:

12 Q. Does it say who was contacted?

13 A. No.

14 Q. Does it say the number that was dialed?

15 A. No, it does not.

16 Q. Does it say the contents of the message?

17 A. No, it does not.

18 Q. Does it say the amount of the correction?

19 A. No, it does not.

20 Q. Does it say why it was corrected if a correction was done?

21 A. The message with bill correction info, no.

22 Q. Does it define what the info is about?

23 A. It defines the bill correction info.

24 Q. But does it define the amount that the balance would be
25 corrected, say --

1 A. No.

2 Q. -- if there was an adjustment for high payment?

3 A. There's no amount addressed in this memo.

4 Q. Okay. Does it indicate the person at SBG who was spoken
5 to?

6 A. No.

7 JUDGE VERO: I think it says it was left as a
8 message, so I don't think anyone from SBG was reached.

9 MS. BOONE: Okay.

10 BY MS. BOONE:

11 Q. Now, under --

12 MS. BOONE: Thank you, Your Honor.

13 BY MS. BOONE:

14 Q. Now, under your practices when you get a billing inquiry,
15 how do you respond to a question about a bill? Do you provide a
16 statement as to --

17 THE WITNESS: Didn't I answer that before?

18 JUDGE VERO: Excuse me?

19 THE WITNESS: Didn't I answer that before?

20 JUDGE VERO: What was the question again?

21 BY MS. BOONE:

22 Q. Is this the kind of response that you give in terms of
23 when you were handling CRC requests?

24 JUDGE VERO: What is this?

25 BY MS. BOONE:

1 Q. Do you usually have -- when you deliver a message about
2 correcting a bill, do you provide -- do you indicate the party
3 that you're giving the message to?

4 JUDGE VERO: Do you mean in the notes?

5 MS. BOONE: No. In his own -- when he responds
6 to a billing inquiry, does he say how the bill was corrected.

7 JUDGE VERO: In the message that he leaves with
8 the person or in the notes which --

9 MS. BOONE: Just in his response whether he does
10 a letter, an e-mail.

11 BY MS. BOONE:

12 Q. As a result of an investigation, do you explain how the
13 bill will be corrected or what the investigation produced?

14 A. Yes.

15 Q. Okay. Thank you. You testified that on average it takes
16 about 30 days to do an investigation usually?

17 A. Under normal circumstances, yes.

18 Q. Okay. And in the three-year period, in all the time that
19 you dealt with SBG, were bills -- and, for questions for
20 inquiries, some that may have gone beyond three years, you never
21 suggested that they go to the PUC; is that correct?

22 A. Did I ever suggest that they go to the PUC?

23 JUDGE VERO: They being SBG?

24 MS. BOONE: SBG, um-hmm.

25 THE WITNESS: I may have said in conversation

1 between Phil and myself that, if he needed to file a dispute, he
2 could file a dispute with the PUC.

3 BY MS. BOONE:

4 Q. Can you refer to any document, either a letter or an
5 e-mail confirming that you said that?

6 A. No.

7 Q. So you would have --

8 A. I think that would have been a verbal conversation between
9 Phil Pulley and myself.

10 Q. So you don't have any document confirming that you gave
11 that advice; is that correct?

12 A. No.

13 Q. Okay. All right. So and you said may. You didn't say
14 definitively; isn't that your testimony today?

15 A. Yes.

16 Q. Okay. Thank you. Now, you testified on cross-examination
17 that you will review as much as you can; is that correct?

18 A. Yes.

19 Q. Okay. Reviewing as much as you can, are you forbidden
20 from looking at the information in other departments on a
21 particular customer's account?

22 A. No. As I stated earlier, we try to always go to the meter
23 department, number one, to get a history of the meter readings,
24 the manual meter readings, if there were any meter changes that
25 would lead possibly to a solution to a billing dispute.

1 Q. But you also testified that a complaint may come in some
2 information to the correspondence department, didn't you?

3 A. Yes.

4 Q. Okay. So wouldn't that be a place to get information
5 about a customer dispute as well?

6 A. It could be.

7 Q. Okay. Did you check with the correspondence department in
8 looking at Mr. Pulley's -- I mean, in looking at the SBG issue?

9 A. I didn't.

10 Q. Okay. Thank you. When you sat down with the customer
11 about the SBG-related properties at Mr. Pulley's home --

12 A. Yes.

13 Q. -- settlement checks were discussed, right? The
14 settlement checks?

15 A. Yes. We discussed that earlier.

16 Q. Okay. If you needed additional information from Mr.
17 Pulley or from SBG to trace the checks, you would have asked for
18 it. Isn't that what your testimony is today?

19 A. Yes.

20 Q. Thank you. I just have -- and also where do you work
21 today? I just wanted to complete --

22 JUDGE VERO: How is that relevant?

23 MS. BOONE: I'm just wondering if he's continuing
24 to work on these kinds of financial matters, but I can withdraw
25 the question.

1 JUDGE VERO: But how is that relevant?

2 MS. BOONE: His experience but I can withdraw the
3 question.

4 JUDGE VERO: He has sufficient experience.

5 MS. BOONE: Okay. Thank you.

6 BY MS. BOONE:

7 Q. I would like to turn your attention to the PGW
8 Correspondence binder, the white binder with the blue
9 (indicating) -- I don't know if you have this.

10 MS. BOONE: Mr. Farinas, would you mind sharing
11 your copy?

12 (Binder handed to the witness.)

13 MS. BOONE: Thank you.

14 THE WITNESS: Thank you.

15 BY MS. BOONE:

16 Q. That's page 105 -- I'm sorry, it's 5, just page 5.

17 A. Okay.

18 Q. If you will read the e-mail, John Dunn, dated Wednesday,
19 May 13th, 2009, to Raquel Guzman, Gerald Clark, Christina Kultrow
20 (ph.), Randall Giordi (ph.).

21 A. Okay.

22 JUDGE VERO: What page are we looking at again?
23 I'm sorry.

24 MS. BOONE: It's page 5 in the PGW Correspondence
25 (indicating), the one with the blue.

1 JUDGE VERO: I've got the binder. I just didn't
2 get the page. Thank you.

3 BY MS. BOONE:

4 Q. First line is Phil Pulley update.

5 A. I've got it.

6 Q. If you could read that into the record.

7 A. You want me to read it into the record?

8 Q. Mm-hmm.

9 JUDGE VERO: The entire e-mail?

10 MS. BOONE: Yes. I've asked him to summarize
11 everything if he could.

12 JUDGE VERO: Okay. Read the e-mail, Mr. Dunn.

13 MS. BOONE: Thank you for your indulgence, Your
14 Honor.

15 THE WITNESS: All right. I'm going to read an
16 e-mail dated from myself -- I mean, written by myself, John J.
17 Dunn, the third, on Wednesday, May 13, 2009, at 1:51 p.m., sent
18 to Raquel Guzman, Gerald Clark, Christina Kultrow, Randy Giordi,
19 and CC'd to Edward Sirko (ph.); subject Phil Pulley, Phil Pulley
20 update.

21 I left my PGW office yesterday early afternoon
22 and went to Phil Pulley's offices on Welsh Road in Buntingdon
23 Valley, PA, and met with Phil and his accountant, Eric. We
24 established some --

25 THE REPORTER: Can you slow that down a little

1 bit?

2 JUDGE VERO: All right. Just a moment. Can Mr.
3 Dunn read the e-mail not into the record because we have the
4 e-mail.

5 MS. BOONE: Okay.

6 JUDGE VERO: You have the option of making this
7 e-mail a part of the record.

8 MS. BOONE: Yes.

9 JUDGE VERO: Can we have him read it by himself,
10 not out loud on the record; and then you can ask him questions
11 with regard to the content of the e-mail rather than having him
12 read it word for word.

13 MS. BOONE: Well, if he could just read the one
14 paragraph, the second paragraph, that's only four lines instead
15 of reading the whole thing. If he could read that into the
16 record, I just want to make sure it's --

17 JUDGE VERO: Okay. If you believe the second
18 paragraph is crucial to have on the record as read by Mr. Dunn
19 and he's already halfway through the first paragraph, so --

20 Mr. Dunn, you know my previous instruction.
21 Continue reading.

22 THE WITNESS: Okay. I believe I left off with we
23 established some ground rules and then started reviewing the list
24 of known sites that they either own or manage within the City of
25 Philadelphia limits. And then we wanted to determine the extent

1 of any gas bills in their names and any subsequent issues that we
2 may have to jointly work on to resolve. Also both parties agreed
3 that, if we reach an impasse on any particular issues, we would
4 raise it up to each's attorneys so that they could work together
5 to reach a solution.

6 Do you want me to continue reading?

7 BY MS. BOONE:

8 Q. Yes. The second paragraph is the most important. Thank
9 you.

10 A. Second paragraph. All totalled, yesterday we reviewed ten
11 sites and have a list of tasks that I will work on over the
12 course of the next few weeks and will get back to Eric and CC
13 Phil as I finish each one so we can wrap them up and move to the
14 next items. They have been paying their current bills and agreed
15 again to continue to pay their current bills. I also brought up
16 -- brought back a check with me that we will post to their Oak
17 Lane Reality Company gas accounts today.

18 Q. I just want to ask a question. You said -- you testified
19 earlier that you retired, but this e-mail indicates that you were
20 going to finish some items and let them know as they were
21 addressed. Prior to your retirement, is there any item on that
22 list that you investigated and obtained a response and gave it to
23 Mr. Pulley?

24 A. I cannot recall that.

25 Q. Okay. Thank you.

1 MS. BOONE: No further questions.

2 JUDGE VERO: All right. I have 12:25. We can
3 either break now for lunch or I can press on and ask Mr. Dunn a
4 few questions that I have and then take a lunch break. Which one
5 is your preference?

6 MS. BOONE: I think we should -- whatever you
7 prefer.

8 JUDGE VERO: Mr. Dunn, do you think you can
9 continue or do you need a break?

10 THE WITNESS: Hit me with your best shot, Your
11 Honor.

12 JUDGE VERO: All right.

13 THE WITNESS: Am I going to need these books?

14 JUDGE VERO: Yes, you're going to need those
15 books. You may need those books.

16 THE WITNESS: Okay.

17 JUDGE VERO: And bear in mind that you might have
18 already answered some of these questions.

19 THE WITNESS: Okay.

20 JUDGE VERO: Just indulge me, please. All right.
21 When did SBG first contact PGW with these issues involving Elrae,
22 Fairmount and Marshall; do you know? What is your earliest
23 recollection?

24 THE WITNESS: With Fairmount?

25 JUDGE VERO: Yes.

1 THE WITNESS: I'm going to say somewhere in the
2 2004, 2005 vicinity, but --

3 JUDGE VERO: Okay.

4 THE WITNESS: -- that's just what I recall.

5 JUDGE VERO: Okay. Were you involved with these
6 claims or disputes when SBG first posed them to PGW or you just
7 learned about them afterwards when you assumed the position with
8 Commercial Resource Center? Although I see that you've been with
9 CRC since 2002 so they would have come your way pretty much from
10 the beginning, right?

11 THE WITNESS: They could have come my way or they
12 could have gone to that other department, as I said, dispute
13 resolution.

14 JUDGE VERO: Okay.

15 THE WITNESS: If it was an individual one based
16 on the correspondence that we saw earlier, if Eric or Phil had
17 written a letter that he was disputing it and came into that
18 channel if you want, that complaint would have went over there
19 and ended up in DRU, dispute resolution department. I could have
20 eventually in the course of, you know, in working with them said
21 that I would look into it.

22 JUDGE VERO: All right. So what is the nature of
23 the Commercial Resource Center? When you were there, did the
24 department receive all the disputes that involved commercial
25 accounts or --

1 THE WITNESS: No.

2 JUDGE VERO: -- was it like an elevated stage of
3 a dispute and you got all of them all at once when they became --

4 THE WITNESS: That's pretty much how it came to
5 be to our department. If there were smaller ones that may have
6 been in other departments and they eventually came to the CRC.
7 In this instance with the nature of all the accounts we were
8 working on with SBG, we would try to keep them all in the same
9 department. It's only logical.

10 JUDGE VERO: So it's SBG had an issue with an
11 account or a meter pertaining to a particular property. They
12 pick up the phone or send a letter, and the first time it could
13 go to the Dispute Resolution Unit, right?

14 THE WITNESS: First time around it could have
15 went through the normal call center, all right --

16 JUDGE VERO: Mm-hmm.

17 THE WITNESS: -- instead of the Commercial
18 Resource Center.

19 JUDGE VERO: Okay. And when would it be elevated
20 to the Commercial Resource Center? When it became too voluminous
21 in number as like a number of issues all pertaining to these
22 properties or when it became something that the Dispute
23 Resolution Unit felt unable to resolve as a single issue?

24 THE WITNESS: It's a little complicated; but, as
25 work was being done and if we saw that we were working on the

1 primary accounts for Phil and Eric at that time and say Fairmount
2 came into play, all right --

3 JUDGE VERO: Mm-hmm.

4 THE WITNESS: -- we would try to get all the
5 accounts and review them.

6 JUDGE VERO: So would you take the issues over
7 from the Dispute Resolution Unit, and then you would be in charge
8 of resolving them?

9 THE WITNESS: I tried to do that.

10 JUDGE VERO: Okay.

11 THE WITNESS: Other departments -- if they had
12 originally gotten the work, other departments sometimes get a
13 little defensive when you take their work away from them. But we
14 were trying to work in unison, especially in this instance. This
15 isn't the only one that we would, you know, work at this level.
16 There were other big accounts that went into this; but, yes, once
17 it got to such a level, I would have wanted it under the blanket
18 of SBG Management to keep it all under one roof so to speak.

19 JUDGE VERO: One of the issues in this case is
20 that it was allowed either by SBG or PCW to get to such a level.
21 Do you understand what I'm saying?

22 THE WITNESS: Yes.

23 JUDGE VERO: That these issues weren't either
24 reported to PCW in a timely manner or they weren't resolved by
25 PCW in a timely manner or one by one. They come in lumps of long

1 lists of issues. And I understand there were a lot of units and
2 a lot of accounts and a lot of meters; but, by 2009, by that
3 meeting between PGW and SBG in May of 2009, we are talking lists
4 of issues and lists of accounts that had these issues. And it's
5 not the beginning date. Maybe it's the middle of complaint and
6 we're trying to figure out how far back can we go but --

7 THE WITNESS: Okay.

8 JUDGE VERO: Okay. Do you understand what I'm
9 saying?

10 THE WITNESS: Yes, I do.

11 JUDGE VERO: Okay. Why wasn't -- never mind.
12 I'll rephrase later. You said you've been dealing with SBG; and
13 in particular these bearings are focused on Fairmount, Elrae, and
14 Marshall properties, okay?

15 THE WITNESS: Okay.

16 JUDGE VERO: All right. So the questions that
17 were asked to you were a little bit broader than just those three
18 properties because of the information we got with regard to your
19 appearance as a witness, but that's fine. My question is, your
20 involvement with SBG began you said approximately in 2004, right?

21 THE WITNESS: If I recall correctly.

22 JUDGE VERO: Okay. Was PGW able to resolve any
23 issues? They come to you with these high billing disputes, meter
24 disputes, etc. Did you resolve any of those issues for them when
25 they said, oh, we understand?

1 THE WITNESS: I believe if I recall we did.

2 JUDGE VERO: Okay. So there were issues where
3 they said, oh, I understand how this was billed or, oh, I
4 understand where these go. Were there issues that were resolved
5 to their satisfaction? It doesn't mean that they didn't owe
6 anything. That means that they understood and they were
7 satisfied with your response.

8 THE WITNESS: Yes.

9 JUDGE VERO: Okay. You were also presented with
10 some examples of correspondence between you and SBG and more of
11 your e-mails to Mr. Pulley and Mr. Pulley to you were referenced
12 yesterday; but there's also I understand a lot of oral
13 communication between you and SBG, meaning you and Mr. Pulley or
14 Eric Lampert and other employees of SBG. What was the nature of
15 that communication?

16 THE WITNESS: Primarily along the same lines, you
17 know, addressing issues and trying to resolve them. And they
18 were conversations that just took course in the normal workday.

19 JUDGE VERO: Did SBG ever express dissatisfaction
20 with your personal response or with PGW's oral response? Is it
21 we're not satisfied with the way that PGW is treating us or
22 dealing with this issue or the way you --

23 THE WITNESS: I don't think they ever took
24 exception to my responses to them.

25 JUDGE VERO: Mm-hmm.

1 THE WITNESS: They may have taken exception to,
2 you know, PGW just as a whole because it is big. It's a big
3 utility and problems do crop up; and, like I said, information
4 goes to different departments that we're not always aware of.
5 And Eric and Phil may have brought something to my attention that
6 I was not aware of; and, in the course of our relationship, I
7 would try to look into it for them because we were working on so
8 many matters.

9 JUDGE VERO: Mm-hmm. Yesterday I believe we
10 heard -- well, you weren't here -- but SBG and PGW both -- well,
11 SBG mainly put forth testimony that some of the issues, these
12 issues that they've had with PGW started or were brought to the
13 Respondent's attention since 2005. SBG's binder of
14 correspondence contains two letters to you, both dated 2005, and
15 take a look at these and see do you recall the content and
16 circumstances of those letters?

17 /Documents shown to the witness./

18 THE WITNESS: Okay.

19 JUDGE VERO: Okay. And there's another letter
20 that follows. I think it's SBG Correspondence binder, page 133.

21 THE WITNESS: Okay.

22 JUDGE VERO: Do you recall those incidents? I
23 understand it's --

24 THE WITNESS: Do I recall reading these letters?

25 JUDGE VERO: Yes, receiving those letters that

1 are the incidents those letters refer to.

2 THE WITNESS: Simon Gardens on September 2nd,
3 2005, I recall a little bit.

4 JUDGE VERO: Okay. Do you recall how or if you
5 responded to them, the issues that they raise or did you respond
6 to those letters?

7 THE WITNESS: He's referring to interest charges
8 being accrued on Simon Gardens Apartments at 6731 Musgrave, and I
9 appreciate you getting in touch with whomever at PGW and having
10 the bills corrected. I'm not going to read the last line, the
11 high road there; but I would have probably based on this letter
12 elevated it for investigation to my supervisor or I would have
13 called the meter shop to investigate this bill again finding out
14 what the nature of the high bill was that was rendered for Simon
15 Gardens.

16 JUDGE VERO: Okay.

17 THE WITNESS: And, if anything needed to be
18 resolved, we could have put the account on hold. That would have
19 at that point locked down the arrears and not had any more LPCs
20 accrue until it was resolved.

21 JUDGE VERO: Okay. And the other letter, the one
22 dated 2005 -- I'm sorry. We're talking about --

23 THE WITNESS: April.

24 JUDGE VERO: -- okay. This was April. How about
25 the September of 2005?

1 THE WITNESS: The one I just addressed was
2 September of 2005. We're going back to the second letter now?

3 JUDGE VERO: Yes.

4 THE WITNESS: Okay. That's got a meter number on
5 it. It's got an account number, but I don't know what specific
6 site it is for. I see that down below it addresses an \$80,000
7 bill, but they're saying that they complained for years the
8 accuracy of PGW accounting for mechanical malfunctions and the
9 meter departments. We have had ongoing disputes as it relates to
10 meter readings, and your firm has assured us time and time again
11 that your meter department is perfect and there are never any
12 problems with any meters.

13 I personally would have never said that because
14 I've dealt with meter disputes going back to when the department
15 was formed in 2002, so I know that all our meters aren't perfect.
16 There are mechanical malfunctions. They happen and, with regards
17 to that, below it states that they are awaiting for payments from
18 some big agencies, the Philadelphia Housing Authority, 1260
19 Housing, U.S. Department of Housing and Urban Development; and
20 they stated that during meetings that they were waiting for
21 payments from HUD and PHA.

22 JUDGE VERO: But was that letter responded to,
23 the issues that the September or is it -- that letter you're
24 referring to --

25 THE WITNESS: April 11th, 2005, yes.

1 JUDGE VERO: Okay. Were the issues raised in
2 that letter responded to by you or someone in your department or
3 addressed?

4 THE WITNESS: If I recall, I would think that I
5 responded to these.

6 JUDGE VERO: All right. In writing?

7 THE WITNESS: It was either in writing, on the
8 phone, or in a meeting. There was also some face-to-face
9 meetings back then.

10 JUDGE VERO: Back then meaning 2005?

11 THE WITNESS: 2005 because there was another
12 lawyer involved, Marian Mahdavi, and Phil's attorney, Daniel
13 McCaffery, and there was a meeting held somewhere back then on
14 the fourth floor of PGW in the legal department.

15 JUDGE VERO: Okay.

16 THE WITNESS: All the parties were present.

17 JUDGE VERO: Okay. I need my binder back. I
18 shouldn't have given it to you because you do have a copy of it.

19 THE WITNESS: Do you mind if I stretch a minute?

20 JUDGE VERO: Okay. Go ahead. In your copy of
21 the SBC Correspondence binder, it should be black binder --

22 THE WITNESS: Okay.

23 JUDGE VERO: -- turn to page 100 and on the top
24 of the page it starts with an e-mail from Mr. Pulley addressed to
25 you, dated March 12, 2009. He seems to have forwarded you an

1 attachment. I'm assuming it's a bill, and it says this apartment
2 is vacant and it's been for two years. It doesn't make any sense
3 that we're getting this bill. Well, I think the bill itself is
4 attached and it's the following page. Do you know if this
5 particular issue was resolved?

6 THE WITNESS: What page are you on?

7 JUDGE VERO: 100 and the attachment is on page
8 101.

9 THE WITNESS: (Perusing document.) And your
10 question to me again, Your Honor?

11 JUDGE VERO: Do you recall if the issue with this
12 particular account was resolved because I think the e-mail Mr.
13 Pulley sent to you states that the apartment is vacant? It's
14 been vacant for two years. We shouldn't have received this high
15 bill.

16 THE WITNESS: I honestly cannot say.

17 JUDGE VERO: Okay. That's fine. If you don't
18 recall, you don't recall.

19 THE WITNESS: I don't recall.

20 JUDGE VERO: I don't want you to --

21 THE WITNESS: I see it's about a tenant's unit,
22 you know, a small unit. Phil is stating that it's vacant for two
23 years. It doesn't make any sense that they're getting a bill. I
24 see that there were late payment charges waived on it on the one
25 particular bill that I'm looking at. At this particular billing,

1 I don't see any usage accrued for the meter reading periods, so I
2 don't know if this whole matter was resolved.

3 JUDGE VERO: Okay.

4 THE WITNESS: I see that some of it was resolved
5 because we agreed to waive late payment charges, and they were
6 waived to the total of almost -- I'm just guessing -- \$60 for
7 this.

8 JUDGE VERO: All right. My next question goes to
9 same binder, page 103, which is the following page to the bill
10 you were referring to.

11 THE WITNESS: Okay.

12 JUDGE VERO: The first one is dated January 20,
13 2009, and it's from Mr. Pulley to you and just says thanks. And
14 the previous one dated January 20th, 2009, was from you to Mr.
15 Pulley in the middle of the page; and it says if you get any more
16 shutoff notices, please let me know. And I think the original
17 e-mail from Mr. Pulley to you was dated December 15th, 2008. And
18 it states we got some more shutoff notices; and it appears that
19 Mr. Pulley expected you to address these notices and you promise
20 to him -- well, you didn't promise to him, but you said let me
21 know if you got more shutoff notices. Do you recall?

22 THE WITNESS: I see Phil's response in the middle
23 from Monday, December 15th, where he wrote that we got some more
24 shutoff notices. We asked them to talk to you; and their
25 response was, we don't talk, we just shut off.

1 JUDGE VERO: Mm-hmm.

2 THE WITNESS: I just don't know who he was
3 communicating with at that time that stated --

4 JUDGE VERO: I understand. That's why I didn't
5 refer to that statement specifically.

6 THE WITNESS: All right.

7 JUDGE VERO: I only referred to he said we got
8 some more shutoff notices; and you responded to him if you get
9 any more shutoff notices, let me know.

10 THE WITNESS: Yes.

11 JUDGE VERO: Was there an agreement between PGW
12 and SBG in place at that time and I mean December 15th, 2008,
13 with regard to the termination of services?

14 THE WITNESS: The termination of services?

15 JUDGE VERO: Mm-hmm. These were shutoff notices,
16 notice that service was going to be terminated by PGW at SBG
17 properties. So you asked Mr. Pulley to inform you if he got any
18 more?

19 THE WITNESS: Yes, if he got any more to let me
20 know.

21 JUDGE VERO: Yes.

22 THE WITNESS: Okay.

23 JUDGE VERO: Before that, was there an agreement
24 in place with regard to termination notices, anything like that?

25 THE WITNESS: In the course of our ongoing

1 workings, at this time, I may have said to Phil that I will try
2 to stop shutoff notices from occurring which are computer
3 generated. The only way we could pretty much put a stop on it,
4 if I recall correctly, is to put a hold on the accounts.

5 JUDGE VERO: Okay.

6 THE WITNESS: If that was the case, I would have
7 told our department to put holds on the accounts that I was made
8 aware of, all right, because we were in this investigation. Now,
9 if Phil was still getting some that were outside of -- like I
10 said before, he had accounts that I wasn't even aware of. If it
11 was outside the course of my purview at that time, I wouldn't
12 have been able to prevent him from getting them because it was
13 just computer generated. Once Phil presented it to me, I would
14 try to do whatever I could to at least put them on hold.

15 JUDGE VERO: All right. Thank you.

16 THE WITNESS: You're welcome.

17 JUDGE VERO: Can you please turn to page 125, the
18 same binder.

19 THE WITNESS: Same document -- I mean, same
20 booklet?

21 JUDGE VERO: The same booklet, yes.

22 THE WITNESS: Okay.

23 JUDGE VERO: Can you read that e-mail?

24 THE WITNESS: It's from Phil Pulley --

25 JUDGE VERO: Don't read it out loud.

1 THE WITNESS: All right.

2 JUDGE VERO: Familiarize yourself with it.

3 THE WITNESS: Okay.

4 JUDGE VERO: The e-mail is from Phil Pulley to
5 you dated December 7, 2008. And the first line after greeting it
6 says, in follow-up to our agreement of the other evening, the
7 following is to transpire in regards to the SBG
8 Management-managed properties.

9 THE WITNESS: Mm-hmm.

10 JUDGE VERO: We shall pay current usage charges;
11 and, if there is a dispute, we are to immediately contact you and
12 advise accordingly to our concern. What agreement is Mr. Pulley
13 referring to; do you recall? Did you reach an agreement with
14 SBG?

15 THE WITNESS: I don't know if there was a written
16 agreement at that time.

17 JUDGE VERO: All right.

18 THE WITNESS: I believe it was a verbal agreement
19 by both parties, me representing PGW. I do see our other counsel
20 is represented here, Raquel Guzman, as well as Phil's accountant,
21 Eric; and Phil states we shall pay the current charges. If there
22 are disputes with those charges, we are to immediately contact
23 you and advise accordingly of our concerns; and I believe that
24 was part of the verbal agreement that we had established at that
25 time.

1 Like I said, I don't know if this was -- what's
2 the word I'm looking for -- memorialized in writing.

3 JUDGE VERO: If you take a look at the same
4 binder but on page 130, this file --

5 THE WITNESS: 130?

6 JUDGE VERO: 130.

7 THE REPORTER: Your Honor, may I change my paper?

8 JUDGE VERO: Of course.

9 (Whereupon, a brief recess was
10 taken.)

11 JUDGE VERO: All right. On page 130, the second
12 e-mail, middle of the page pretty much, it's from you.

13 THE WITNESS: Mm-hmm.

14 JUDGE VERO: To Phil Pulley, dated December 15,
15 2008, so pretty much around the same time as the first e-mail you
16 referred to.

17 THE WITNESS: Right.

18 JUDGE VERO: And it says, Vince -- I'm assuming
19 he's the PGW collector?

20 THE WITNESS: Yes.

21 JUDGE VERO: Okay. And that one paragraph says,
22 did call me and I told him to ignore the collection notices as
23 we, meaning PGW, to have a working arrangement with SBG. And
24 does this refer to the same arrangement --

25 THE WITNESS: Yes.

1 JUDGE VERO: -- as the previous e-mail?

2 THE WITNESS: Yes.

3 JUDGE VERO: So let me see if I understand the
4 arrangement correctly. PGW or you on behalf of PGW had agreed to
5 put a hold on all the collection efforts?

6 THE WITNESS: Yes.

7 JUDGE VERO: Okay. And in turn SBG would do
8 what?

9 THE WITNESS: SBG was going to continue to pay
10 current bills as rendered, and PGW was going back through the
11 arrears of the accounts and any bill disputes that we were aware
12 of at that time to try and resolve them; and then we were going
13 to try and seek a settlement on the balances.

14 JUDGE VERO: Okay. So the hold was placed while
15 PGW was conducting --

16 THE WITNESS: Yes.

17 JUDGE VERO: -- the investigation?

18 THE WITNESS: And that's how we can stop the
19 collection action because Phil didn't want the collectors coming
20 out to the different sites, and we agreed upon that. That's what
21 the hold on the account stops.

22 JUDGE VERO: I understand. Do you know if any of
23 those accounts have been terminated by PGW?

24 THE WITNESS: Terminated?

25 JUDGE VERO: Mm-hmm. Was the service shut off?

1 THE WITNESS: I don't believe so because we would
2 have had to post the buildings and let many people know, you
3 know, with the normal course of the postings.

4 JUDGE VERO: All right. Now, there was a lot of
5 questioning, a lot of questions directed your way with regard to
6 that Fairmount bill that they did first of all June 3rd, 2005.
7 Then it was resolved the following month. In July of 2005 it
8 seemed the issue was resolved. And then another high bill
9 appeared in September of 2005, and I think it's the big binder
10 from SBG on page 110.

11 THE WITNESS: Okay.

12 JUDGE VERO: That's the bill, SBG page 110. It's
13 SBG Fairmount binder 2 of 2, and that's the bill I'm referring
14 to. And it does say that the meter was changed, the meter for
15 the property.

16 THE WITNESS: Yes.

17 JUDGE VERO: Does it say when it was changed?

18 THE WITNESS: Yes. The meter would have been
19 removed on the 24th as you see, Your Honor; and it's under the to
20 date, and above it there's a new line, 8/24/2005. The type was
21 installed --

22 JUDGE VERO: Where?

23 THE WITNESS: The next page.

24 JUDGE VERO: The next page, okay.

25 THE WITNESS: Okay. There's two lines.

1 JUDGE VERO: Okay. Top? Bottom? What am I
2 looking at?

3 THE WITNESS: Keep going down, right there
4 (indicating). The lower line is going from 8/1 to 8/24.

5 JUDGE VERO: Okay.

6 THE WITNESS: Then it says removed. The next
7 line above it is --

8 JUDGE VERO: I see installed.

9 THE WITNESS: Yes.

10 JUDGE VERO: All right. So that's the date when
11 the old meter was removed?

12 THE WITNESS: That was the meter exchange.

13 JUDGE VERO: Okay. All right. I see.

14 THE WITNESS: You're welcome. And the index that
15 they set the new meter at was 12. That's the way the meter would
16 have come from the meter shop with that, you know, index. That
17 would have been the initial read.

18 JUDGE VERO: Okay. Maybe Mr. Farinas has another
19 witness who can testify to this, but maybe Mr. Dunn can also shed
20 some light. How was this bill that was eventually disputed by
21 SSG -- and I think the letter was sent right after they received
22 the billing -- so how was this large bill calculated by PSW? I
23 should go from last reading to new reading, and the difference is
24 what they're billed on, am I correct? If you look at SSG second
25 binder, page 101 (indicating).

1 THE WITNESS: 111?

2 JUDGE VERO: Yes, 111.

3 THE WITNESS: Do you want me to tell you?

4 JUDGE VERO: Mm-hmm.

5 THE WITNESS: Okay. If I recall correctly, this
6 would have been the initial read from the start of the
7 transaction dating back to the previous month's billing, all
8 right (indicating)? That would have been your last meter reading
9 going through the course of events.

10 JUDGE VERO: Mm-hmm.

11 THE WITNESS: When the meter shop went out,
12 removed the meter, the index that they found on the meter at that
13 time was this index, 77477.

14 JUDGE VERO: Mm-hmm.

15 THE WITNESS: It's in bill cycle 1. It gets
16 generated right along the first day of the month.

17 JUDGE VERO: All right.

18 THE WITNESS: All right. And you have your 6931.
19 From that point you then have your set index to your 8/31, your
20 50 CCF up to the point. That's your combined usage for that
21 month --

22 JUDGE VERO: Okay.

23 THE WITNESS: -- with the exchange in there.
24 That's your to and from period on the exchange right there --

25 JUDGE VERO: All right.

1 THE WITNESS: -- from the previous month's read.

2 JUDGE VERO: All right. And, Mr. Farinas, do you
3 have anyone who is going to testify on the account history with
4 regard to Fairmount account 512167092 that corresponds to that
5 bill?

6 MR. FARINAS: Yes, we do.

7 JUDGE VERO: Okay. And I'm talking about the
8 account history, I mean, going from January 3rd, 2004, to October
9 3rd, 2012, because that's where that dispute would be.

10 MR. FARINAS: We can, even to the meter test,
11 yes.

12 JUDGE VERO: Excuse me?

13 MR. FARINAS: Yes. We can explain that even to
14 the meter test involved in that account history.

15 JUDGE VERO: Okay. But should I ask billing
16 questions to Mr. Dunn or do you have another witness?

17 MR. FARINAS: That's what I'm saying. Yes, we do
18 have another witness.

19 JUDGE VERO: You have another witness, so I won't
20 do this anymore. All right.

21 THE WITNESS: I think that one's mine. We're
22 getting confused here.

23 JUDGE VERO: Yes, too many binders. All right.
24 Who or what is Melita, M-E-L-I-T-A?

25 THE WITNESS: Melita is -- oh, what was Melita?

1 It was the type of system that they used for the dial-up phone
2 system in collections. That's the business product name, Melita.

3 JUDGE VERO: Okay.

4 THE WITNESS: It's the actual type that they
5 used. So that would have been done during the course of a
6 collection call.

7 JUDGE VERO: So, when it says Melita called, it
8 wasn't an individual with the last name of Melita. It was the
9 system that generated the call.

10 THE WITNESS: Every day a Melita file would come
11 out, and it's pretty much dial-up. And then, when the connection
12 gets made, the collection clerk would then speak to the person on
13 the other end, identify themselves, and say that they were from
14 PGW, whatever the nature of the call was. That was just a type.

15 JUDGE VERO: Okay. To the best of your
16 recollection of PGW's policy up to August of 2009 when you
17 retired, did PGW have a policy in place where departments report
18 or forward customer disputes to the correct department? So let's
19 say I know for example that, if you dispute a bill, write on the
20 body of the bill, it won't necessarily become a billing dispute.
21 It might not necessarily raise a flag to the company and become a
22 dispute if you just write on the body of the bill.

23 THE WITNESS: Yes.

24 JUDGE VERO: But let's say, well, there was some
25 testimony -- and I think this is what Mr. Farinas was driving at

1 with regard to where the two letters from SBG back in 2000-and --

2 THE WITNESS: Five.

3 JUDGE VERO: -- five went, right?

4 THE WITNESS: Yes.

5 JUDGE VERO: Okay. And I understood your
6 testimony to be that the letters didn't go to the right
7 department. One of them was sent to billing department, right?
8 Look at PGW Fairmount 107.

9 THE WITNESS: Okay. PGW 107, I'm there. What
10 date?

11 JUDGE VERO: Of June 30th, 2004.

12 THE WITNESS: Okay.

13 JUDGE VERO: That's where that first letter was
14 recorded in PGW's system and seems to have been recorded by the
15 billing department; am I correct?

16 THE WITNESS: It says letter and correspondence
17 received from SBG Management. That was just the type of
18 transaction that they used at the time and that particular one
19 was regarding a bill.

20 JUDGE VERO: Okay. Would that entry initiate a
21 dispute by itself?

22 THE WITNESS: No. I do not believe. I think
23 they -- a representative would have had to take that and entered
24 a physical dispute transaction into the system, a high bill
25 dispute.

1 JUDGE VERO: I understand this was from the
2 billing department because it's marked as bill, right?

3 THE WITNESS: I can't say specifically what
4 department it's from. It's just like a menu list that the
5 individual can take, the type of memo he's addressing. In this
6 case he was dealing with a bill, and he or she selected bill.

7 JUDGE VERO: Mm-hmm.

8 THE WITNESS: Similar there's other ones in there
9 collection TO -- TO, oh, trouble order. That's a trouble order
10 is for a street leak or a gas leak or something along those
11 lines.

12 JUDGE VERO: Where I'm driving to is that I don't
13 see an entry for Mr. Lampert's letter dated September of 2005 in
14 regard to that account. He sent a letter.

15 THE WITNESS: Mm-hmm.

16 JUDGE VERO: There were allegations that it
17 wasn't addressed to the correct department.

18 THE WITNESS: Yes. He sent a letter and the
19 first correspondence that I see regarding it is what Mr. Farinas
20 pointed out, 10/28/2005 for the collection.

21 JUDGE VERO: That is with regard to that letter?

22 THE WITNESS: I believe so. Melita contact me.
23 Spoke with accounts payable who may be putting in the process of
24 disputing the bill. Now I interpret that, my interpretation is
25 that whoever was handling this call in the collection matter

1 talked to someone at SBG accounts payable, a clerk, whomever.

2 JUDGE VERO: Mm-hmm.

3 THE WITNESS: And that they may be in the process
4 of filing a dispute. That's what's written here. That's how I
5 interpret it.

6 JUDGE VERO: Okay. I see. Now, my next question
7 and I think this question will be my last one; but, regarding the
8 meeting that took place in May of 2009 --

9 THE WITNESS: Mm-hmm.

10 JUDGE VERO: -- did SBG present you with a list
11 of issues beforehand?

12 THE WITNESS: A whole entire list?

13 JUDGE VERO: Yes.

14 THE WITNESS: I cannot recall.

15 JUDGE VERO: All right. I understand that you
16 went to this meeting and you had prepared some --

17 THE WITNESS: Excel spreadsheets.

18 JUDGE VERO: -- Excel spreadsheets with the
19 information and in response to their concerns or what your
20 investigations had revealed; am I correct?

21 THE WITNESS: It was twofold. It was in
22 regarding the arrears, and it was also to try and find out what
23 -- as many concerns that they still had with billing disputes so
24 that we could again try and reach an amicable solution.

25 JUDGE VERO: Mm-hmm.

1 THE WITNESS: And, as we both parted, I told them
2 it was going to take time. There were a lot of accounts still to
3 be drilled down and disputes, and then Eric and Phil pointed out
4 new accounts to me that were unbeknownst to me at that time that
5 they owned or were managing.

6 JUDGE VERO: So, when you left that meeting, do
7 you have a list, a new list from them or list that you prepared
8 while at the meeting?

9 THE WITNESS: I was taking -- that was verbal
10 notes that I took back to the company at that time like you have
11 in front of you, a legal pad. Outside of the spreadsheets that I
12 presented them, I took the other accounts down as I was writing
13 them.

14 JUDGE VERO: So you did have some formal list
15 that you prepared while at the meeting?

16 THE WITNESS: Yes.

17 JUDGE VERO: Okay. But nothing that they had
18 prepared like a spreadsheet format that they gave to you at the
19 meeting or soon after?

20 THE WITNESS: As we were talking, going back and
21 forth and, you know, I presented our spreadsheets; and we just --
22 we were having a normal conversation, and one would come up and I
23 believe Eric or Phil said to Eric what about this one and we
24 added that.

25 JUDGE VERO: Okay.

1 THE WITNESS: And that's pretty much how it went.

2 JUDGE VERO: But you did have a list like I do on
3 a note pad with notes, different issues --

4 THE WITNESS: Yes.

5 JUDGE VERO: -- that you took down? Okay. Did
6 you leave that list or maybe not the same list but in a
7 spreadsheet format for your successor, Mr. Savage, I understand?

8 THE WITNESS: I don't know if that time the
9 entire thing was put into a spreadsheet, if all that work had
10 been done. I also may have passed it on to my supervisor because
11 he was working hand-in-hand with me; and he was doing pretty much
12 the bulk of the work, pulling all the data from the system that
13 we presented to Phil and Eric. So I don't know if they at that
14 time were put into SBG's name or whatever name Phil and Eric
15 wanted it to be put in the legal entity name.

16 JUDGE VERO: All right. My next question is that
17 I understand from your testimony that, once you sort of passed
18 the baton to Mr. Savage, you sort of let him know that SBG has
19 several issues you needed to be addressed, right?

20 THE WITNESS: Yes.

21 JUDGE VERO: It's a problematic entity for us?

22 THE WITNESS: Yes.

23 JUDGE VERO: Okay. Did you run down the issues
24 with him or did he have a list to start with or did he contact
25 SBG requesting a list and start all over from scratch? Where was

1 he?

2 THE WITNESS: I don't know if he started over
3 from scratch. I don't think he would have. At least we had the
4 spreadsheets at that time that were our point of origin to go at
5 that time when I met with him. These new accounts did come into
6 play, and some of them could be still ongoing. I don't know.

7 JUDGE VERO: Okay. You were with PGW for many
8 years. Do you know where a customer such as SBG who is a
9 commercial customer would find information about PUC in its
10 dealing with PGW? So would it be in the notice? Would it be in
11 the bill? Would it be in the notice, a termination notice, maybe
12 what you refer to as a collection notice and I understood to be a
13 termination notice --

14 THE WITNESS: Yes.

15 JUDGE VERO: -- because that's what a termination
16 notice is.

17 THE WITNESS: Yes.

18 JUDGE VERO: Where would a customer, commercial
19 customer find such information in regards to PUC? If you are
20 dissatisfied, please feel free to --

21 THE WITNESS: This is from recall. I haven't
22 seen a PGW bill. I don't even live in the state anymore; but I
23 believe there was some text on the back of a bill that, regarding
24 that if you have a dispute, you could call the company.

25 JUDGE VERO: Mm-hmm.

1 THE WITNESS: As I said, I'm trying to recall
2 this. I don't know if it's printed on there or you could call --
3 you know, file with the PUC.

4 JUDGE VERO: All right. That's good enough. I
5 don't have any further questions for you.

6 Counsel, any redirect?

7 MR. FARINAS: I just have one redirect.

8 JUDGE VERO: Mm-hmm.

9 RECROSS-EXAMINATION

10 BY MR. FARINAS:

11 Q. Mr. Dunn, I refer you to the questioning that Her Honor
12 provided to you regarding SBG Correspondence, page 125, e-mail
13 dated --

14 A. Whoa. Whoa. Whoa. Which folder?

15 Q. I'm sorry. It's actually -- I will show you. It's an
16 e-mail dated December 7th, 2008, referring to --

17 JUDGE VERO: What page?

18 MR. FARINAS: Page 125 of the SBG Correspondence.

19 JUDGE VERO: Okay.

20 BY MR. FARINAS:

21 Q. It's an e-mail from Phil Pulley stating -- and actually
22 the last paragraph it begins with we. It's two lines. Can you
23 just read it?

24 A. We shall pay the current usage charges. If there is a
25 dispute with those charges, we are to immediately contact you and

1 advise accordingly of our concern.

2 Q. I know you retired in August of 2009.

3 A. Yes.

4 Q. From that year or so, are you aware if SBG did, in fact.
5 Pay their disputed charges -- current charges? Are you aware if
6 SBG paid its current charges for your time remaining at PGW?

7 MS. BOONE: Objection.

8 JUDGE VERO: On what grounds?

9 MS. BOONE: First of all, he's already answered
10 it; and, second of all, the issue is not about SBG's payment.
11 It's about --

12 JUDGE VERO: I'll allow it. Your objection is
13 overruled.

14 Yes, Mr. Dunn, you may respond to Mr. Farinas's
15 question.

16 BY MR. FARINAS:

17 Q. If you're aware. If you don't know, that's fine.

18 A. I cannot recall that if they paid the current usage bills
19 on time as from the point of this e-mail.

20 Q. Okay. Thank you.

21 MR. FARINAS: I have no further questions, Your
22 Honor.

23 MS. BOONE: I have a couple of questions.

24 JUDGE VERO: You may proceed.

25 FURTHER REDIRECT EXAMINATION

1 BY MS. BOONE:

2 Q. If you could turn to PGW Correspondence book, page 005, it
3 has Raquel Guzman at the top. This is an e-mail you just read
4 into the record, and in this don't you say in the last line --
5 this is an e-mail from you dated May 13th, 2009 -- and you say
6 they have been paying their current bills and agreed to continue
7 to pay their current bills. I brought a check back with me that
8 we'll post to the Oak Lane accounts today.

9 A. That's what I wrote.

10 MS. BOONE: I'd like to show Mr. Dunn the back of
11 a PGW bill that I don't have -- I only have May of 2013. So I
12 don't know if you will allow this.

13 JUDGE VERO: Okay. You can show it to him. Is
14 that the entirety of the bill?

15 MS. BOONE: Yes.

16 JUDGE VERO: Okay. Show it to Mr. Farinas first.

17 MS. BOONE: Okay. Sure. Or you know what? If I
18 can just defer this question until -- well --

19 JUDGE VERO: This would be an ongoing question,
20 an ongoing issue. We can address it at a later time.

21 MS. BOONE: Okay.

22 JUDGE VERO: The bills are what they are.

23 MS. BOONE: Okay. Thank you.

24 JUDGE VERO: They state what they state unless
25 they have changed since 2009.

1 MS. BOONE: Okay. Thank you.

2 MR. FARINAS: They have.

3 JUDGE VERO: They have changed since 2009?

4 MR. FARINAS: Yes.

5 MS. BOONE: Okay. Well, then I can bring this
6 question up later?

7 JUDGE VERO: Yes.

8 MS. BOONE: Okay. Thank you, Your Honor. That's
9 all. I don't have anything further.

10 JUDGE VERO: All right.

11 (Witness excused.)

12 JUDGE VERO: Mr. Farinas, do you request Mr.
13 Dunn's presence in the afternoon?

14 MR. FARINAS: I --

15 JUDGE VERO: Is he a witness for you?

16 MR. FARINAS: Actually I thought we would have
17 him for my presentation of the case if it were to occur at the
18 same time so I --

19 JUDGE VERO: So, yes, the answer is yes. All
20 right. Then we are going to stop now for the lunch break, 30
21 minutes as we did yesterday or do you require an entire hour?
22 It's up to you.

23 MS. BOONE: Could we have an hour?

24 JUDGE VERO: An hour? Sure.

25 MS. BOONE: Okay. Thank you.

1 JUDGE VERO: We'll take an hour, and we can
2 convene then at 2:30 then, all right. Is that to everyone's
3 satisfaction?

4 MS. BOONE: Yes, thank you.

5 MR. FARINAS: Yes, Your Honor.

6 (Whereupon, a recess was taken
7 and the hearing reconvened at
8 2:38 p.m.)

9 JUDGE VERO: Good afternoon. We are back from
10 our lunch break, and we are resuming with I understand the direct
11 testimony from Mr. John Dunn at this time as a witness for PGW.

12 MR. FARINAS: Yes, that's correct.

13 JUDGE VERO: All right. You may call Mr. Dunn.

14 MR. FARINAS: Thank you, Your Honor. Your Honor,
15 I'd like to call Mr. John Dunn, the third.

16 JUDGE VERO: Mr. Dunn, you are still under oath.

17 MR. DUNN: I understand, Your Honor. Thank you.

18 Whereupon,

19 JOHN J. DUNN, III,
20 having been duly sworn previously, testified as follows:

21 JUDGE VERO: You may proceed, Mr. Farinas.

22 MR. FARINAS: Thank you, Your Honor.

23 DIRECT EXAMINATION

24 BY MR. FARINAS:

25 Q. Mr. Dunn, I know you've been testifying since 10:00 this

1 morning, and we've covered a lot of the same territory that I
2 would have had you started out being my witness for my case.
3 There's a few things I want to go over and perhaps revisit a
4 little; and that is further description of your meetings with Mr.
5 Pulley and the SBG people, particularly on the May, 2009, and
6 your receipt of the large laundry list of problems.

7 Please tell me what is -- as the director of CRC,
8 what is your purpose in the meeting and what is I guess your
9 limitations in the meeting as well.

10 A. My purpose in the meeting was to meet with them in good
11 faith, go over the accounts in question -- I believe there were
12 11 -- and to go over any disputes that they might have that had
13 not been addressed at that time.

14 Q. And were there -- do you recall if there were any specific
15 disputes that were years old?

16 A. No, I do not.

17 Q. What if you had a dispute during such a meeting at CRC
18 that was ten years old? How would you communicate to them your
19 ability to handle that problem?

20 A. If it's ten years old?

21 Q. Yeah.

22 A. I wouldn't have been able to go back that far with the
23 statute of limitations.

24 Q. And what are some of the practical reasons why you can't?
25 It's difficult to investigate something that's more than ten

1 years old in an organization?

2 A. Yes.

3 Q. What are the practical reasons? What stops you?

4 A. Data availability, recovering records, going back through
5 the corporate archives. There was also a big Y2K -- we all can
6 remember that one -- in 2000 conversion. So, if there were
7 things in the old filing system, they would have been going back
8 before 2000. That was the day we converted.

9 Q. Were you ever at meetings with SBG where they were
10 represented by counsel?

11 A. The one in 2004, yes, in PGW with Dan. I forget his last
12 name.

13 Q. Would that be Mr. McCaffery?

14 A. Yes.

15 Q. Dan McCaffery?

16 A. Yes.

17 Q. So your understanding and your view of SBG is that they
18 are a company and they're represented by counsel, and they're
19 pretty much up to speed on what their legal rights are?

20 A. Yes.

21 Q. Did you see the need to --

22 MS. BOONE: Objection.

23 JUDGE VERO: On what grounds?

24 MS. BOONE: He's not qualified to say whether SBG
25 is represented by counsel that, you know, can give legal advice.

1 JUDGE VERO: I'll allow it.

2 BY MR. FARINAS:

3 Q. But you were at meetings where SBG was represented by
4 counsel?

5 A. I know two meetings where SBG was represented by counsel.

6 Q. All right. You also were asked questions about your
7 knowledge of whether or not the ability to file a complaint with
8 the Public Utility Commission is on the bill from your
9 recollection. Did you have time to think about it?

10 A. I'm not sure if it's on the bill.

11 Q. Okay. Is it on the termination notices?

12 A. That's where I believe if it's printed on the back of the
13 termination notices, that's where I believe it would --

14 Q. Yes, that would make the most sense.

15 A. Yes. The bill document, the termination document are two
16 specific documents, different documents.

17 Q. Right. And is the -- are the -- during your period anyway
18 are the customer representatives ever prompted to give out such
19 information by phone?

20 A. Yes. In the course of their work, as they work these
21 daily Malita files, they are. The representative can tell the
22 customer if they need to file a dispute with the PUC how they can
23 go about doing it.

24 Q. A final question, I did ask you previously about an e-mail
25 from Mr. Pulley from SBG Correspondence 125. This is the one

1 where he agreed to pay current charges.

2 (Document handed to the witness.)

3 BY MR. FARINAS:

4 Q. Refresh your recollection?

5 A. Yes.

6 Q. And I believe SBG counsel pointed out to you an earlier
7 e-mail just after that where you reported that they had -- they
8 were paying current bills?

9 A. Yes, from the meeting in May, 2009.

10 Q. I want to show you something that you did review before,
11 PGW document, 1 Fairmount, page 103. I believe you were looking
12 at this before regarding another question. Do you remember
13 looking at that?

14 A. Yes.

15 Q. If I can direct your attention to the column of
16 transactions, looking up and down the page, are you familiar with
17 the PGW definitions or abbreviations for bills and payments and
18 other transactions on there?

19 A. Yes, I am.

20 Q. On this one page -- can you tell us on this one page does
21 it tell us the date that the column of transactions begins and
22 what date does it end?

23 A. This page, which is dated PGW 1 Fair 0123, is for 625
24 North 7th Street, Philadelphia, PA 19123, for the account number
25 612167092; and it even has an SA which is a service agreement

1 number and --

2 MS. BOONE: Objection.

3 JUDGE VERO: On what grounds? I always would
4 like for you to state the grounds of your objection.

5 MS. BOONE: Yes, Your Honor. Again, these are
6 questions about payment. On direct you were asking questions
7 about the procedures and policies and practices of PGW in terms
8 of responding to customers' inquiries, complaints, and disputes.

9 MR. FARINAS: This is my case.

10 JUDGE VERO: This is not cross-examination.

11 MS. BOONE: I'm sorry. Then I'll say relevancy
12 because this is not relevant to the issue of how and whether PGW
13 provided information and explained the calculations of the bills.
14 PGW cannot cite any tariff that says they have the right to --

15 JUDGE VERO: Have not yet cited.

16 MS. BOONE: -- have not yet cited any tariff that
17 allows them to refuse to answer questions about how bills are
18 calculated or to refuse to investigate based on the payment
19 history of a customer.

20 JUDGE VERO: Okay.

21 MS. BOONE: So I think this is irrelevant.

22 JUDGE VERO: I will allow it. Anything that is
23 of concern, account history and how the bills were administered,
24 where they went, how payments were made, that particular
25 agreement that was reached between I understand SBG and PGW

1 involving Mr. Dunn here, I think the agreement was reached
2 sometime in 2009, May, 2009, or maybe the agreement was before
3 that because the e-mail is referring to the agreement dated
4 December of 2008. So whatever --

5 THE WITNESS: Yes.

6 JUDGE VERO: Okay. So December of 2008. We
7 referred to it earlier as to the termination notices, how Mr.
8 Dunn had ordered PGW to put a hold on collection actions because
9 of that agreement. So anything that goes to payment history I
10 would like to have it on the record, and then I will make a
11 judgment as to what evidentiary weight it carries.

12 MR. FARINAS: Thank you, Your Honor.

13 MS. BOONE: Thank you, Your Honor.

14 BY MR. FARINAS:

15 Q. Mr. Dunn, can you tell me -- I believe you did read the
16 address and the account number --

17 A. And I just want to read it.

18 Q. -- to the date that the transaction --

19 A. I want to say the meter number, too, because I always
20 worked with meter numbers. Meter number is PGW number 2070995,
21 and the dates of the transaction listed here on this page range
22 from September 2nd, 2008, down through January 4th, 2011.

23 Q. All right. How many payments are indicated on that list
24 of transactions?

25 A. I do not see one.

1 Q. Thank you.

2 MR. FARINAS: Your Honor, I have no further
3 questions of Mr. Dunn at this time. He is available for
4 cross-examination.

5 JUDGE VERO: Thank you.

6 Ms. Boone, any questions?

7 MS. BOONE: Yes, just a few Your Honor.

8 JUDGE VERO: Mm-hmm.

9 CROSS-EXAMINATION

10 BY MS. BOONE:

11 Q. You testified that, if a customer came to you and had
12 accounts going back to ten years, you wouldn't have been able to
13 go back at the time that you had the 2004 meeting or that you
14 were talking with them in 2005; is that correct, or is it 2009?

15 A. Could you state that again?

16 Q. You said on direct that you would have told the customer
17 that you're not able to go back ten years; is that correct?

18 A. I could have stated that, yes, to a customer had it been
19 asked.

20 Q. Okay. But, with respect to this particular customer, you
21 don't know if you definitively said that; isn't that correct?

22 A. True.

23 Q. Okay. And you don't have any documents or items that
24 confirm that you definitively made that statement to SEG, do you?

25 A. No.

1 Q. Okay. And to go back ten years in 2009 would put you at
2 1999; isn't that correct?

3 A. Yes.

4 Q. Okay. And at the time SBG didn't have any properties that
5 went back to 1999 that were under discussion, did they?

6 A. I don't know if they owned back to that point or not.

7 Q. Okay. All right. You mentioned that SBG was represented
8 by counsel; is that correct?

9 A. Yes.

10 Q. You were also represented by counsel, weren't you?

11 A. Yes.

12 Q. And you were represented by counsel when you made the
13 agreement and sent the e-mail confirming the agreement, didn't
14 you?

15 A. I was represented by counsel?

16 Q. Yes. Raquel Guzman is on the e-mail as a copy?

17 A. Yes, she was copied on it.

18 Q. And what's her role at PGW?

19 A. She is a vice president I believe in legal.

20 Q. So she's an attorney --

21 A. Yes.

22 Q. -- for the company?

23 A. Or a senior counsel or something along those lines is her
24 title.

25 Q. You also testified that you did receive the two settlement

1 checks to investigate. Have the payments been applied? Were the
2 payments ever applied prior to you leaving?

3 A. I believe they were applied.

4 Q. Okay. So then PGW did receive payments?

5 A. The two settlement checks that you brought up earlier?

6 Q. Yes.

7 A. I believe they were applied.

8 Q. Okay. Thank you. So there were payments made while you
9 were there?

10 A. Were the checks given to me at the meeting?

11 Q. You were asked to investigate. I just want to confirm
12 that you were aware of payments by SBG.

13 A. I'm just asking you if I can were the checks given to me
14 at the meeting?

15 Q. Well, there were copies of checks given to you to
16 investigate?

17 A. Copies of checks? Then I would have went back and
18 investigated it.

19 Q. Okay.

20 A. And have my team investigate it.

21 Q. Okay. If I could turn your attention to PGW
22 Correspondence, page 5 in the PGW Correspondence book.

23 A. Okay.

24 Q. Once again in this e-mail please confirm that, in the nex
25 to the last sentence, you say they've been paying the current

1 bills and agree to continue paying the current bills and have
2 brought a check back with me that we will post. So you did
3 receive payments, didn't you?

4 A. No, I didn't say that. I said I also brought a check back
5 with me that we will post to their Oak Lane Reality Company
6 account.

7 Q. Okay.

8 A. That's all I said.

9 Q. Okay. So you did receive a payment, and you also received
10 information to investigate it?

11 A. I received a check from them at that meeting, and we
12 brought it back -- I brought it back and I believe it was applied
13 against this one specific account.

14 Q. Okay. Thank you.

15 A. You're welcome.

16 Q. You talked about what the Melita account person can say to
17 a customer in terms of alerting them to a PUC complaint. Wasn't
18 that your testimony on direct?

19 A. Yes.

20 Q. Okay. But you don't know specifically what or if any
21 Melita customer ever said to SBG to file a PUC complaint, do you?

22 A. I'll say this to the question --

23 Q. This is a yes or no question.

24 JUDGE VERO: Well, I don't think your question is
25 a hundred percent correct. So allow him to correct you.

1 MS. BOONE: Okay.

2 THE WITNESS: The way the collection clerks work
3 using the Melita file, they work off a script. They read the
4 script to the customers, all right? Within that script is I
5 believe the verbiage allowing the customer to file a PUC
6 complaint.

7 BY MS. BOONE:

8 Q. Now, you just said that you believe; but that's not a
9 definitive answer that it actually happened?

10 A. Ma'am, if I could remember that Melita script going back
11 five years ago, I would; but I can't equivocally say that.

12 Q. And I appreciate your patience with these questions.

13 A. Okay.

14 Q. But you are saying that you don't know for sure that that
15 limited script was given to SBG, do you?

16 A. A hundred percent sure?

17 Q. Yeah.

18 A. No, 90.

19 Q. And what would the basis of the 90 percent be? Did you
20 hear the conversation --

21 A. Did I hear the SBG -- no.

22 Q. -- with Melita? So you don't know with absolute surety,
23 do you?

24 A. I ten percent doubt it.

25 Q. How can you give -- how can you know a ten percent if you

1 weren't a party to the conversation? You suppose?

2 A. Yes.

3 Q. But you don't know definitively?

4 A. Don't know.

5 MS. BOONE: Okay. Thank you. No further
6 questions.

7 JUDGE VERO: Redirect?

8 MR. FARINAS: No redirect.

9 JUDGE VERO: All right. Mr. Dunn, were you ever
10 called by SBG to explain how payments were applied to their
11 accounts? Did they ever ask you those questions directly, sir?
12 Did they come to you with questions about --

13 THE WITNESS: Did it come up directly?

14 JUDGE VERO: Mm-hmm.

15 THE WITNESS: Over the course of conversations
16 directly, I would say yes. They would be applied going back to
17 arrears the way I explained it earlier, and we demote them that
18 way. None at 120, we demote. Again we post whatever's due in
19 that bucket and we go forward, 90, demote; 60, demote; 30; going
20 to the most current arrears.

21 JUDGE VERO: Now, let's say they sent a check and
22 they don't know where it went.

23 THE WITNESS: Oh.

24 JUDGE VERO: Yeah. They send a check, and they
25 don't know how you applied it. Maybe they expected you to apply

1 it towards current charges, but they don't see it applied that
2 way. Did they ever come to you and say how was it applied?
3 Where did it go? Where can we see it? Did they come to you with
4 those kind of questions or do you know if they came to PGW with
5 that kind of questions in terms of billing and how payments were
6 posted and where things were?

7 THE WITNESS: Well, that was the nature of the
8 meeting with the spreadsheets. Payments were listed on there.

9 JUDGE VERO: And you explained it. You said this
10 is what you paid. This is where it went, right?

11 THE WITNESS: Yes. That's how payments were
12 applied to those accounts. These are the arrears. These are the
13 LPCs. That was present on that spreadsheet at the meeting.

14 JUDGE VERO: All right. But this was at the
15 2009, May, 2009?

16 THE WITNESS: Yes.

17 JUDGE VERO: Anything before that?

18 THE WITNESS: There were other spreadsheets going
19 back in time, if I recall correctly, that were sent to Phil and
20 Eric.

21 JUDGE VERO: Okay.

22 THE WITNESS: They may not have been totalled,
23 but they may have been about for one specific site. Say, just
24 out of example, Oak Lane, if that's what we were discussing, we
25 did go back and show payments, the accounts, the arrears.

1 JUDGE VERO: Okay. Mr. Farinas was asking you
2 some questions with regard to what would happen if an issue was
3 ten years old by the time it was brought to your attention, what
4 could you do and what would hinder you in your effort to recoup
5 information, provide information or make corrections. Would that
6 be a record retention issue on the part of PGW? You can only
7 retain records for four years before they archive now?

8 THE WITNESS: It could be, yes, Your Honor.

9 JUDGE VERO: Okay. The only reason why I seem to
10 focus on this is because this is what SBG has been focusing for
11 the last day and a half is the fact that PGW did not respond to
12 their inquiries with regard to how payments were applied, not
13 only how they were applied but where were certain payments,
14 certain checks; and that's why I want to ask you that question
15 again and maybe you can provide me with a different angle.

16 You were saying that in May of 2009 you sat with
17 them and you went over and explained what the total outstanding
18 balance was, what was principal, what was principal meaning cost
19 of service; is that right, charges for services as opposed to
20 penalties for late payments etc.? Did you ever provide them with
21 an account history that would look like the one that's in SBG's
22 Fairmount first binder? I have it on page 501, and I'm going to
23 show it to you. This is just one example.

24 I'm sure that documents of this nature are
25 repeated many times over in these documents that we are reviewing

1 today, but was something like this ever presented to SBG?

2 THE WITNESS: I'm going to say yes. If they were
3 inquiring about a specific account, this would have been the type
4 of transaction history that would have been printed out of the
5 system and could have been sent to them.

6 JUDGE VERO: Do you recall ever sending them
7 something like this, you personally?

8 THE WITNESS: Ma personally do I recall? No.

9 JUDGE VERO: Okay. All right. I pose the same
10 question a different way. Do you recall them coming to you with
11 a document that's similar to this one and say can you explain how
12 payments are applied using a document that looks like this maybe
13 sent to them from someone else not by you?

14 THE WITNESS: Someone else could have sent it.
15 They could have gotten it.

16 JUDGE VERO: Mm-hmm.

17 THE WITNESS: They could have presented it to me,
18 and I could have explained it.

19 JUDGE VERO: I understand but do you recall them
20 doing it?

21 THE WITNESS: I believe they did.

22 JUDGE VERO: Okay. All right.

23 THE WITNESS: Okay.

24 JUDGE VERO: Thank you.

25 MR. FARINAS: Your Honor, I do have one redirect.

1 JUDGE VERO: Yes. Go ahead.

2 MR. FARINAS: Thank you, Your Honor.

3 REDIRECT EXAMINATION

4 BY MR. FARINAS:

5 Q. Mr. Dunn, Her Honor showed to you this document which is a
6 PGW document which we use commonly in the context of complaints
7 in customer accounts. You said that you took spreadsheets to
8 your meeting?

9 A. Excel spreadsheets.

10 Q. And you said Excel spreadsheets?

11 A. Yes.

12 Q. They didn't look like this?

13 A. No.

14 Q. But they looked like accounting sheets that contained --
15 can you tell me the kind of information they contained?

16 A. Pretty much the same information you see on those sheets.
17 They were just presented in a little bit more graphic detail
18 because you don't see the total collection breakout on there.

19 Q. So you didn't just present them with bottom line
20 spreadsheets. You did provide them with information on payments?

21 A. It was itemized for the -- say a site. Let's use that for
22 an example.

23 Q. Mm-hmm.

24 A. We start with a site, and then we would go through for the
25 individual account numbers at the site which represents the mater

1 service address and the meter where the gas was billed from that
2 meter.

3 Q. And that information also included payments for the
4 account, whatever payments you had record for?

5 A. I don't know if it included all the payments at the time.
6 We may have just shown them the most current payments because of
7 the timing of it.

8 Q. So, if there were payments missing from whatever period
9 you had, they had an opportunity to say payment missing if they
10 felt there were?

11 A. Yes, they could have said that.

12 MR. FARINAS: Thank you. I have no further
13 questions.

14 JUDGE VERO: I have a question for the two
15 counsel in this case. I think we have seen the spreadsheet that
16 Mr. Dunn presented to SBG in that meeting in May of 2009, did we?

17 MR. FARINAS: (Indicating.)

18 JUDGE VERO: We haven't seen that spreadsheet?

19 MR. FARINAS: I don't think so.

20 JUDGE VERO: Okay. Then I'm mistaken. I was
21 referring to something else altogether. Then I am mistaken. I
22 do apologize. All right.

23 I think you, Ms. Boone, had another question?

24 MS. BOONE: Yes.

25 RECROSS-EXAMINATION

1 BY MS. BOONE:

2 Q. I just want to confirm your testimony. You said you don't
3 recall sending SBG something like the statement of accounts; is
4 that correct?

5 A. I don't recall?

6 Q. Yeah. That's what you said on direct -- on redirect.

7 A. I don't recall if I did.

8 Q. Okay. Thank you.

9 A. I may have.

10 Q. And, in terms of the information that you did receive and
11 the information that was exchanged at that meeting, whatever
12 information you provided when you left the meeting, did SBG say
13 we have no further questions?

14 A. No, they didn't say that.

15 Q. Did they say we think all of our payments have been
16 applied and accounted for?

17 A. No. I don't believe they said that either.

18 Q. And did, in fact, you leave the meeting thinking you
19 needed to investigate further the claims and questions and
20 inquiries of SBG?

21 A. Yes.

22 MS. BOONE: Thank you.

23 JUDGE VERO: Anything else?

24 MR. FARINAS: No.

25 JUDGE VERO: Okay. Are we done with Mr. Dunn --

1 THE WITNESS: You can say it, are you done with
2 Dunn?

3 (Laughter.)

4 MS. BOONE: Yes.

5 JUDGE VERO: -- for the duration of this
6 consolidated proceeding?

7 MR. FARINAS: Yes.

8 MS. BOONE: I have given Mr. Dunn a subpoena for
9 the 11th and 12th. He signed it received.

10 THE WITNESS: 11th and 12th? You stated to me
11 that it was for the 11th.

12 MS. BOONE: Well, it has those two days but --

13 THE WITNESS: I don't know if I can be available
14 those two days with my job.

15 MS. BOONE: We will certainly try to work with
16 you if one day is better than the other, but we just received
17 information from PGW as late as this Saturday which may have an
18 impact on the proceedings for the 11th and 12th. So that's why
19 we requested a subpoena for Mr. Dunn.

20 JUDGE VERO: All right. Can we get off the
21 record for a moment?

22 (Whereupon, a brief discussion was
23 held off the record.)

24 JUDGE VERO: While we were off the record, I
25 discussed with counsel the issue of the application for subpoena

1 that was submitted today by SBG counsel, Ms. Boone, in particular
2 the second paragraph of the subpoena which covers the information
3 that SBG is requesting Mr. Dunn to produce. And, since Mr. Dunn
4 is no longer with PGW, some of this information might not be
5 available to him; and both counsel and the parties are aware of
6 that.

7 So, Mr. Dunn, you are requested to do the best
8 with this information that you do possess either in your *memory*
9 or somewhere. Please do. If not, the agreement is that certain
10 information the parties requested is not in your possession.

11 THE WITNESS: Okay.

12 JUDGE VERO: All right. Is that all for Mr.
13 Dunn?

14 MR. FARINAS: I believe that's all.

15 JUDGE VERO: Okay. Mr. Dunn, you may step down,
16 and I believe that you are excused for the day. It's up to you
17 if you want to hang around or if you want to go.

18 THE WITNESS: I have a meeting, Your Honor, at
19 6:30 in the State of New Jersey.

20 JUDGE VERO: All right.

21 THE WITNESS: Thank you.

22 JUDGE VERO: You're very welcome.

23 (Witness excused.)

24 JUDGE VERO: All right. Ms. Boone, are you going
25 to call your next witness?

Testimony of Phil Pulley

Date 8/28/13

Pages 628-668

Exhibit # SBG-CG/SG 8

PUBLIC UTILITY COMMISSION

----- x
:
SBG Management Services, Inc. v. :
Philadelphia Gas Works : Docket No.
: C-2012-2304167
: C-2012-2304215
: C-2012-2304303
:
(Initial and Further Hearings) :
:
----- x

Pages 470 through 673

Thomas Jefferson Hearing Room
801 Market Street
Philadelphia, Pennsylvania

Wednesday, August 28, 2013

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

BEFORE:

ERANDA VERO, Administrative Law Judge

APPEARANCES:

FRANCINE THORNTON BOONE, Esquire
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Post Office Box 549
Abington, Pennsylvania 19001
(For Complainant)LAURETO FARINAS, Esquire
Philadelphia Gas Works
800 West Montgomery Avenue, 4th Floor
Philadelphia, Pennsylvania 19122
(For Philadelphia Gas Works)

Commonwealth Reporting Company, Inc.

700 Lisburn Road
Camp Hill, Pennsylvania 17011

1 ALSO PRESENT:

2 MS. KATEY TREADWELL
3 SBG Management Services, Inc.
4 702 North Marshall Street
5 Philadelphia, Pennsylvania 19123

6 MS. LINDA PEREIRA
7 Philadelphia Gas Works
8 800 West Montgomery Avenue
9 Philadelphia, Pennsylvania 19122

10 MS. TYRA JACKSON
11 Philadelphia Gas Works
12 800 West Montgomery Avenue
13 Philadelphia, Pennsylvania 19122

14 ***

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NUMBER	FOR IDENTIFICATION	IN EVIDENCE
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C E R T I F I C A T E

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and 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.

By: *Judith E. Shuller (CSH)*
Judith E. Shuller, CSR

1 Ms. Boone, you may call Mr. Pulley as your next
2 witness.

3 MS. BOONE: Actually I would -- since we, okay.
4 That's fine.

5 Come forward, Mr. Pulley.

6 JUDGE VERO: Mr. Pulley, you're still under oath,
7 so I don't have to swear you in again.
8 Whereupon,

9 PHILIP PULLEY,
10 having been duly sworn previously, testified as follows:

11 JUDGE VERO: You may proceed, Ms. Boone.

12 DIRECT EXAMINATION

13 BY MS. BOONE:

14 Q. If you would turn to SBG Correspondence, page 35. It's a
15 slim black binder.

16 A. What number?

17 Q. 35.

18 A. Can I get my glasses?

19 Q. Sure.

20 (Whereupon, the witness left and
21 returned to the witness stand.)

22 THE WITNESS: Yes, ma'am.

23 BY MS. BOONE:

24 Q. Actually, if you would, it's page 35, 36, 37, 38 of the
25 SBG Correspondence file.

- 1 A. They're e-mails, correct?
- 2 Q. Yes.
- 3 A. Okay.
- 4 Q. It's for year 2012, under tab 2012, page 35 in the SBG
- 5 Correspondence file.
- 6 A. Would you like me to read it in?
- 7 Q. I'd like you to just start with the e-mail that's listed
- 8 on page 37. Just say the date. I know covering --
- 9 A. SBG Correspondence, page 37, e-mail from Kathy Treadwell
- 10 to Phil Pulley, dated January 30th, 2012. Phil, attached is a
- 11 listing of the PGW accounts in dispute. Let me know if you need
- 12 anything else. Kathy.
- 13 Q. If you would just turn to pages 38 and describe what is
- 14 page 1 of page 2? What is shown on page 38 of the SBG
- 15 Correspondence file?
- 16 A. They are account listings with address and review,
- 17 exceptions on those items.
- 18 Q. Okay. And the person who prepared this list?
- 19 A. Kathy Treadwell.
- 20 Q. Who is an employee of?
- 21 A. Yes, she's an accountant in the office.
- 22 Q. Of what office?
- 23 A. SBG Management.
- 24 Q. Okay. Thank you. This listing, does it include
- 25 properties for Fairmount, Elrae, Marshall?

1 A. Yes.

2 Q. Okay. And what does this state? It includes this docket
3 has account number, the address, and it says review?

4 A. That's what it says.

5 Q. Okay. Does reviews list some of the problems with the
6 accounts?

7 A. That is correct.

8 Q. Okay. Now, this e-mail of January 30th and the
9 attachment, if you could turn to page 36 and let us know what
10 that e-mail says, January 31st, 9:45.

11 A. January 31st, 2012, is an e-mail from Phil Pulley to Ted
12 Savage. The e-mail states, Ralph, please see the attached list
13 of accounts in dispute. Can we sit down with PGW accountants and
14 yourself to review? Many of these are tenant matters.

15 Q. Okay. In this e-mail, are you referring to the list that
16 is attached to the e-mail of January 30th?

17 A. Yes, I am.

18 Q. Which is the list showing -- that begins on page 38 of the
19 SBG Correspondence binder?

20 A. That is correct.

21 Q. Okay. Now, if you could just turn to page 35.

22 A. Page 35, one of the items is an e-mail from Phil Pulley to
23 Ted Savage, dated March 2nd, 2012. The e-mail reads, Ralph, see
24 the attached as requested. Any questions you can speak to Kathy
25 or me.

1 Q. Okay. And will you read the e-mail you received from Mr.
2 Savage which is just above?

3 A. E-mail from Ted Savage dated March 8th, 2012, to Phil
4 Pulley. Phil, do you have --

5 Q. Did you say who's carbon copied on this e-mail?

6 A. Daniel Murray, Gerald Clark, both of them are with PGW.

7 Q. And the subject line?

8 A. PGW gas accounts in dispute.

9 Q. And then would you read what Mr. Savage wrote to you?

10 A. Phil, we have reviewed your list of accounts. I have
11 added a review column to reflect our investigation results.
12 First bullet point, if the row is blank, this account number and
13 its debt was recorded. Second bullet, if the row says not on
14 list, then no debt was recorded. Next bullet point, if the row
15 says correct account number, it means that the number you
16 provided was incorrect and the debt was reported under the
17 correct account number as shown.

18 As I stated before, tenant debt can be liened to
19 the property where the gas was consumed. If you have anything
20 else to dispute, you can file a complaint with the Public Utility
21 Commission. Their contact information is 1-800-692-7380. There
22 is no need for us to meet regarding this debt. Regards, Ted
23 Savage. That's it.

24 Q. Will you now turn to page 26 in the SBC Correspondence
25 binder?

1 JUDGE VERO: What page? I'm sorry.

2 MS. BOONE: Page 26 in the 2012 -- under the 2012
3 tab of the SBG Correspondence binder.

4 JUDGE VERO: 26?

5 MS. BOONE: Yes.

6 BY MS. BOONE:

7 Q. Would you state the date of that correspondence?

8 A. It's a letter on SBG stationery dated May 21st, 2012,
9 addressed to Philadelphia Gas Works, 800 West Montgomery Avenue,
10 Philadelphia, PA 19122, attention Abby Pozefsky, P-O-Z-E-F-S-K-Y.

11 Q. And who did you understand this individual to be that the
12 letter is addressed to?

13 A. I don't remember.

14 Q. Okay. Is she an employee of Philadelphia Gas Works?

15 A. Yeah. She was a big shot there.

16 Q. For clarification, was she in the legal department or
17 another department?

18 A. I think she was in the legal department.

19 Q. Okay. So you assume she was a senior lawyer in the legal
20 department?

21 A. I think we dealt with her in 2008.

22 Q. But was your understanding that she was a senior attorney
23 in the PGW law department, legal department?

24 A. I believe so.

25 Q. Okay. Thank you. And, in your letter, what do you say to

1 Ms. Pozefsky? I apologize if I mispronounced her name.

2 A. Dear Ms. Pozefsky, I am in receipt of your May 7th, 2012
3 correspondence whereby outlining various purported facts of the
4 PGW tariffs. Unfortunately what you failed to note is since 2008
5 we have tried to resolve our differences with PGW, employing the
6 services of various attorneys who have also been frustrated with
7 the lack of response by PGW. It is obvious that we cannot
8 resolve this dispute without legal intervention. I regret this
9 action; however, I assure you that we have been the one chasing
10 PGW for many years to resolve this matter.

11 Q. And the signature?

12 A. I signed it.

13 Q. Okay. And who's copied on here?

14 A. Daniel McCaffery, Esquire.

15 Q. Okay. So in March you finally had a statement from the
16 head of CRC that, if you aren't satisfied, go file with the PUC;
17 is that correct?

18 A. That's correct.

19 Q. In May of 2012 -- that was March of 2012 I'm referring to.
20 In May of 2012, you now have a senior attorney in the law
21 department of PGW that you've written to and that you said you're
22 going to file legal -- you're going to assume legal intervention;
23 is that correct?

24 A. That is correct.

25 Q. Okay. What did you do after the second letter or what did

1 SBG do after this letter?

2 A. We sat with Daniel McCaffery and talked about options and
3 things to do now because we had reached an impasse.

4 Q. Okay. And so what action was taken with respect to the
5 PUC?

6 A. Dan is not a utility attorney, so we contacted some
7 various other people and lawyers, interviewed some of them to
8 hire.

9 Q. What action did you immediately take in May of 2012 after
10 this letter?

11 JUDGE VERO: When specifically in May of 2012?

12 THE WITNESS: What was that?

13 BY MS. BOONE:

14 Q. Let me just refresh your recollection.

15 JUDGE VERO: You are on direct.

16 MS. BOONE: Yes, I know. I understand.

17 JUDGE VERO: All right.

18 MS. BOONE: I just want to --

19 BY MS. BOONE:

20 Q. If you could turn to SBG Fairmount binder, page 316 --

21 JUDGE VERO: What binder?

22 MS. BOONE: In the SBG Fairmount binder, the
23 first binder. I apologize.

24 BY MS. BOONE:

25 Q. Under tab 1.

- 1 A. What number?
- 2 Q. Under tab 1, SBG Fairmount, page 316.
- 3 A. Okay.
- 4 Q. If you look at page 310 first, okay?
- 5 A. Yes.
- 6 Q. Okay. What is page 310 in the SBG Fairmount binder? On
7 page 310, what is that?
- 8 A. It's a formal complaint form for the Pennsylvania Public
9 Utility Commission.
- 10 Q. And who's the complainant listed there or the customer?
- 11 A. SBG Management Services, Inc.
- 12 Q. And, under number 2, what's the name of the utility that
13 this action is being filed against?
- 14 A. Philadelphia Gas Works.
- 15 Q. And what's the title of this action?
- 16 A. Formal Complaint.
- 17 Q. Okay. And then turn to page 316 of the SBG Fairmount
18 binder.
- 19 A. Yes.
- 20 Q. And what is the date by your signature?
- 21 A. May 3rd, 2012.
- 22 Q. So I want to strike my question about that he filed this
23 letter after; but instead, after receiving Mr. Clark's letter on
24 e-mail on March 8th, 2012, on May 3rd, 2012, what did you do?
25 What action did SBG take?

1 A. I think you meant Mr. Savage's.

2 Q. Yes.

3 A. Okay, Mr. Savage's. We moved forward with the filing of
4 the complaint with the Public Utility Commission, and we filed
5 the complaint on May 3rd and got a letter from PGW on May 7th and
6 responded back to that correspondence on May 1st.

7 MS. BOONE: Okay. I strike the question that he
8 filed the complaint. To the extent that my earlier question may
9 have indicated that he filed a complaint after receiving the
10 correspondence from Abby Pozefsky, instead I would just say that
11 he filed it after Gerald Clark's e-mail -- I'm sorry, Ted
12 Savage's. I apologize.

13 JUDGE VERO: It's okay.

14 BY MS. BOONE:

15 Q. You did say you received a letter from Ms. Pozefsky?

16 A. Pozefsky.

17 Q. And what was her letter essentially?

18 A. I don't remember.

19 Q. Okay. But, in response to the letter, you sent this one?

20 A. That's correct.

21 Q. Okay. And just to sum it up, why did you file the PUC
22 complaint, May 3rd, 2012?

23 A. It appeared we hit an impasse. Ted Savage told us in his
24 e-mail that, if we don't like the answers to these things, then
25 file a complaint with the PUC.

1 Q. What other employees said that to you over the course of
2 all these communications with PGW since going back to 2004, 2005,
3 or even earlier or later?

4 A. None.

5 Q. Not a single PGW employee?

6 A. Nobody.

7 Q. Okay. What about an attorney at PGW?

8 A. No.

9 Q. Okay. Thank you. And did you wait -- how long did SBG
10 wait before receiving a determination that PGW was done
11 discussing? How long did you wait, did SBG wait before filing
12 with the PUC?

13 A. Seven years, eight years.

14 Q. No, no. How long after receiving Mr. Savage's letter in
15 March, on March 3rd of 2012, how much time elapsed?

16 A. A couple of months.

17 Q. A couple of months, right. Why didn't you file sooner?
18 Why didn't you file a PUC sooner?

19 A. From receipt of Mr. Savage's note?

20 Q. Why didn't you file a PUC complaint prior to receiving Mr.
21 Savage's letter?

22 JUDGE VERO: Well, you need to allow him to
23 answer. Again, he is your witness. You cannot lead him too
24 much.

25 MS. BOONE: Okay.

1 JUDGE VERO: All right.

2 THE WITNESS: Did you want from the time period?

3 MS. BOONE: I just wanted to give him the
4 timeframe.

5 JUDGE VERO: You are.

6 MS. BOONE: I wasn't sure if I heard it. May I
7 give him the timeframe?

8 JUDGE VERO: Mm-hmm.

9 BY MS. BOONE:

10 Q. Why didn't you file a PUC letter before receiving Mr.
11 Savage's March, 2012 letter or e-mail?

12 A. We were always working and attempting to work with PGW
13 over the years. Even though it took time, I mean, I believed
14 that that was the best route to go. I wasn't aware of the PUC
15 ability to do it. Plus everybody's communicating from their
16 general counsel to the heads of the CRC and, you know, trying to
17 resolve these things; and, you know, John Dunn was involved. Ted
18 was involved and trying to work through all these disputes.
19 That's the crux of it. I mean, it's good faith. You don't want
20 to just litigate everything.

21 MS. BOONE: Thank you. No further questions.

22 JUDGE VERO: All right. I do have a further
23 question for you, Mr. --

24 I'm sorry. PGW, any cross?

25 MR. FARINAS: Yes.

1 JUDGE VERO: You may proceed, Mr. Farinas.

2 CROSS-EXAMINATION

3 BY MR. FARINAS:

4 Q. Mr. Pulley, during the period that you say that you have
5 an ongoing complaint, how many lawyers did you have? Did you
6 have representation during that period?

7 JUDGE VERO: Legal representation.

8 BY MR. FARINAS:

9 Q. Legal representation, I'm sorry. Did Ms. Boone work for
10 you at the beginning of the period when you say your billing
11 troubles started?

12 A. No.

13 Q. Did you have general counsel or some kind of in-house
14 counsel then?

15 A. No.

16 Q. Did you have any kind of counsel for any kind of disputes?

17 A. Well, back in 2003, four, five, we had Daniel McCaffery
18 working with us with Marian Mahdavi to resolve the issues.

19 Q. Okay. And you had mentioned before that he had assisted
20 you in looking for PUC counsel; is that correct?

21 A. Well, that wasn't until late or May, 2012.

22 Q. And how long did Mr. Lampert -- has Mr. Lampert worked for
23 you?

24 A. Mr. Lampert has been with us since I want to say 2002 or
25 2003, somewhere in that timeframe maybe.

1 Q. And are you aware that he filed a complaint with the
2 Public Utility Commission -- an informal complaint very early on
3 prior to 2010?

4 A. No, I wasn't.

5 Q. Is it likely that something happens at SBG, especially
6 involving the filing of a complaint, that you don't know about?

7 A. It's very possible.

8 Q. Are you saying that he did so without your authorization?

9 A. Yeah, probably. That may have been within his scope.

10 Q. And he was around during all of your discussions with the
11 PGW regarding their complaint matters, right?

12 A. That's correct.

13 Q. At no time did he ever say, hey, I remember when I filed a
14 complaint with the PUC, why don't we get them to resolve it? You
15 never heard that from Mr. Lampert during those years that you
16 were discussing this with PGW?

17 MS. BOONE: Objection.

18 JUDGE VERO: Grounds?

19 MS. BOONE: Well, he needs to be specific. What
20 time period? Every day of every year, every conversation?

21 JUDGE VERO: One instance, just one.

22 MS. BOONE: He said --

23 JUDGE VERO: I will allow it. Even one instance
24 would suffice. He was more broad, did he ever. I will allow it
25 as it stands so your objection is overruled.

1 THE WITNESS: No. He never brought up about
2 filing a PUC complaint. He sat with me at the various meetings
3 with Dan McCaffery and to try and work through a harmonious
4 resolution of these things with PGW.

5 BY MR. FARINAS:

6 Q. And has SBG ever received a shutoff notice for any of its
7 accounts?

8 A. Yeah, I believe so.

9 Q. And I know I'm going to take a chance. Do you review
10 them?

11 MS. BOONE: Objection.

12 JUDGE VERO: Grounds?

13 MS. BOONE: Beyond the scope. We didn't talk
14 about shutoff notices. I talked about two letters that were
15 brought up.

16 JUDGE VERO: We talked about shutoff notices. We
17 talked about shutoff notices when Mr. Farinas, both parties
18 agreed to stipulate that the bill itself doesn't direct the
19 customer to the PUC but the shutoff notices do. And also there
20 were e-mails from Mr. Pulley to Mr. Dunn referring to having
21 received shutoff notices. So I want to hear it. Your objection
22 is overruled.

23 BY MR. FARINAS:

24 Q. So, in the course of receiving shutoff notices, was it
25 more than one over the years?

1 A. Yes.

2 Q. More than 20 over the years?

3 A. I'm not sure about that.

4 Q. Who would they be reviewed by in your office?

5 A. They would go typically to the accounting department. In
6 the instances you're talking about, they would then bring them to
7 me. We talked to Mr. Dunn -- no, worked with Mr. Dunn and he
8 told us to ignore them. They were all on hold and that's why
9 there is no further action taken in regards to those notices.

10 Q. In that instance they may have been on hold. Did you ever
11 familiarize yourself with the fact that the PUC was available by
12 virtue of having the notice, reading the notice?

13 A. No.

14 Q. With all of this, you can tell me that this is the first
15 time you've ever been acquainted with the fact that you have a
16 remedy beyond talking to someone at PGW? Can you honestly tell
17 me that?

18 A. The answer is, we hired counsels. We wanted to talk to
19 PGW. I did not know that the PUC was an option for us. I even
20 went as far as -- that's why I sat in the back of the room
21 yesterday and went through you guys' website, and nowhere does it
22 say that the PUC is an option for a commercial account. It does
23 reference it if you're a residential customer, and it says it all
24 over your account. It says for residential customers,
25 residential customers.

1 I mean, I even sat there after you were asking
2 Mr. Dunn some questions. I mean, I Googled it. I looked it up
3 in the back of the room. So, no, it did not appear; and at the
4 same time, you know, none of the accounts -- and you asked me
5 this before -- ever brought up filing a PUC action.

6 Q. You're not a residential -- in this regard, your account
7 is not considered residential. You are a businessman. You
8 provide services to the City of Philadelphia, to people that rent
9 your buildings. You run a business. Do you believe that there's
10 a certain amount of higher scrutiny that you have to know what's
11 entailed in the running of a business, particularly where there
12 are --

13 MS. BOONE: Objection.

14 BY MR. FARINAS:

15 Q. -- public utilities provided?

16 JUDGE VERO: Grounds? I always need the grounds.

17 MS. BOONE: It's very broad. It's very broad.

18 JUDGE VERO: I told you I always want the
19 grounds.

20 MS. BOONE: His question is very broad. He needs
21 to be specific about what part of his business is he supposed to
22 know. What part of his business is he referring to? What part
23 of his knowledge of operation is he referring to?

24 JUDGE VERO: I will allow it.

25 MS. BOONE: Is he talking about environmental

1 questions that come up at a property? Is he talking about -- you
2 know, what does he mean? It's too broad.

3 JUDGE VERO: I will allow it.

4 MS. BOONE: Okay.

5 JUDGE VERO: Continue. Either repeat the
6 question or, Mr. Pulley, if you recall the entirety of the
7 question, you may answer.

8 BY MR. FARINAS:

9 Q. As a provider of rental properties for residential
10 customers in Philadelphia, do you believe that you have or should
11 have a comprehensive knowledge in providing such services where
12 there are public utilities provided? Do you believe that you are
13 exempt from having the requisite knowledge of how to deal with
14 utility bills where you provide utility services in the course of
15 your business?

16 MS. BOONE: Objection. This is a compound
17 question.

18 JUDGE VERO: It is a compound question.

19 BY MR. FARINAS:

20 Q. Do you believe that you should have the requisite
21 knowledge to provide -- requisite knowledge to handle utility
22 services when you are providing services that use such a high
23 amount of utility bills?

24 MS. BOONE: I also object because it's overbroad.

25 JUDGE VERO: Okay. Hold on a second. It was

1 better the first time around. So take a moment, rephrase it.
2 Try it one more time. It was overbroad and at one point
3 compound, etc., etc. I know what you want to ask, so ask for
4 that particular information.

5 BY MR. FARINAS:

6 Q. Mr. Pulley, as a provider of properties for rent in the
7 City of Philadelphia for people to rent for their homes, do you
8 believe that it is necessary for you to have knowledge regarding
9 how to deal with and administer utility bills when utilities are
10 so much an integral part of providing the service that you do in
11 the City of Philadelphia?

12 A. In the ordinary course, the answer is no. But, when
13 you're dealing with PGW and your rules are different than PECO's
14 rules and how you're unable to do business differently and the
15 rights that are extended beyond any other utility that you guys
16 have a right to lien, okay, is much different than anybody else
17 out there, I think Mr. McCaffery said it best when he sat on this
18 stand.

19 He's a lawyer. He worked in the district
20 attorney's office for seven years. He's been practicing in the
21 City of Philadelphia for 20 years, and he had no idea about the
22 unilateral power that PGW has in how they conduct business here
23 in the City of Philadelphia.

24 Q. So is there a reason for --

25 A. Wait, I had another piece. I had another piece.

1 JUDGE VERO: Go to the answer without
2 characterizing PGW. Go to the answer to Mr. Farinas's question
3 without characterizing PGW's business, manner of business. So it
4 was a yes or a no?

5 THE WITNESS: No.

6 JUDGE VERO: So it was a no. Moving along. Next
7 question.

8 BY MR. FARINAS:

9 Q. Based on the additional verbiage you just gave us, is the
10 true basis for your filing these matters --

11 MS. BOONE: Objection --

12 MR. FARINAS: Objection? I'm asking a question.

13 MS. BOONE: -- as to characterization. It
14 characterizes his answer as verbiage as if -- this gentleman has
15 taken an oath. He's testifying.

16 MR. FARINAS: Did he speak in words?

17 JUDGE VERO: Okay.

18 MS. BOONE: Verbiage usually means superfluous
19 and --

20 JUDGE VERO: Yes. I agree. That bit about
21 verbiage is stricken out. Go to the question.

22 BY MR. FARINAS:

23 Q. Based upon your previous answer regarding your
24 characterizations of PGW, is your purpose for and your motivation
25 for filing these matters actual protest against the unilateral

1 power that you believe PGW has?

2 A. No. I believe PGW has been overpaid by our company. We
3 are owed an amount in excess of a million dollars by PGW, and I
4 believe the tyranny that PGW continues to suspect our company to
5 is why we're here.

6 MR. FARINAS: I have no further cross.

7 JUDGE VERO: Thank you.

8 Redirect?

9 MS. BOONE: Yes.

10 JUDGE VERO: Brief.

11 MS. BOONE: Yes, it will be brief.

12 JUDGE VERO: Thank you.

13 REDIRECT EXAMINATION

14 BY MS. BOONE:

15 Q. You said that you have received shutoff notices. I'd like
16 to turn your attention to SBG Fairmount, page 309. That's the
17 big binder under tab 12.

18 A. What number?

19 Q. Page 309.

20 A. Where am I supposed to go?

21 Q. It's the big binder under tab 12. It's the last --

22 A. That's tab 13.

23 Q. And it's numbered 309. It's SBG Fairmount, page 309 under
24 Roman numeral 13. I'm sorry, Roman numeral 13. Sorry about
25 that.

1 A. Okay. The last page in the book.

2 Q. Okay.

3 JUDGE VERO: Right. It's the last page in the
4 book.

5 BY MS. BOONE:

6 Q. I'd like to direct your attention to the paragraph that's
7 called your rights. First of all, please identify this document
8 for the record. Whose name is at the title of the document? The
9 first line, it says --

10 A. Name of landlord?

11 Q. No. The name of the party sending.

12 A. Philadelphia Gas Works.

13 Q. Okay. And the line under it, 37 --

14 A. Thirty-seven-day shutoff notice for landlord ratepayer.

15 Q. Okay. And the date?

16 A. July 22nd, 2013.

17 Q. Okay. Is this a shutoff notice, Mr. Pulley, for Fairmount
18 or for a property that SBG manages?

19 A. This is a shutoff notice, yes.

20 Q. Okay. I'd like to turn your attention to the paragraph
21 that says your rights and if you would read the first few
22 sentences.

23 A. It says your rights. To talk about your bill, please call
24 at (215) 235-7077 or visit your local office Monday through
25 Friday 9:00 a.m. to 5:00 p.m. After you talk with us --

1 Q. The word after, can you read into the record how that's
2 stated?

3 A. It's capitalized and I think it's bolded.

4 Q. Okay. After --

5 A. After you talk with us, if you are not satisfied, you may
6 file a complaint with the Public Utility Commission.

7 Q. Okay. Go on. Next.

8 A. You may do so by calling the Public Utility Commission,
9 toll free, at 1-800-692-7380 or by writing the Public Utility
10 Commission, P O Box 3265, Harrisburg, PA 17120-3265. If you file
11 a complaint within seven days of receipt of this notice, we will
12 delay notifying your tenants that we will shut their service off
13 until the PUC resolves your complaint.

14 Q. Okay. Thank you. Is this -- and so the language with the
15 PUC is found in what notice? The shutoff notice?

16 A. It's in the shutoff notice.

17 Q. Okay. Now, you had an understanding with Mr. Dunn. What
18 was that understanding about shutoff notices?

19 A. I believe it was with everybody on that conference call in
20 December, 2008; but also in regard to Mr. Dunn, he reaffirmed it
21 that there would be no shutoffs and everything would be put on
22 hold.

23 Q. Okay. And did Mr. Dunn tell you when that agreement was
24 ended?

25 A. It never ended.

1 Q. It never ended? Did you receive any correspondence from
2 anyone else at PGW that that agreement from Mr. Dunn was not --
3 was stopped?

4 A. No.

5 Q. Okay. Does a shutoff document refer to residential or
6 commercial customers?

7 A. I'm not sure.

8 Q. Okay.

9 A. And plus the shutoff notice tells me that I'm the landlord
10 in all of these.

11 Q. Okay. But in that paragraph that language is directed to
12 whom? Does it mention landlord? Of the parties, landlord versus
13 tenant, what party is this directed to or what party is mentioned
14 in that paragraph? Is it the landlord or the tenant?

15 A. I think the landlord. Am I wrong?

16 Q. All right. Thank you. I just want to direct your
17 attention to the SBG Correspondence, page 103. It's the black
18 small Correspondence binder, SBG. And if you can look at -- if
19 you can refer to the -- to your e-mail dated December 15th. It's
20 under 2009 tab --

21 JUDGE VERO: Ms. Boone, I fear you're going to go
22 into --

23 MS. BOONE: Okay. I just wanted him to have the
24 document that he was promised, the agreement.

25 JUDGE VERO: Okay.

1 MS. BOONE: Thank you. No further questions.

2 JUDGE VERO: All right. Anything from PGW?

3 MR. FARINAS: Yes, very quickly.

4 RECROSS-EXAMINATION

5 BY MR. FARINAS:

6 Q. Mr. Pulley, you were just directed but then not directed
7 to it, and reference was made to an agreement made with Mr. Dunn
8 in 2009. The shutoff notice that you were speaking from was
9 served on the properties on July, 2013. In the interim, wasn't
10 there an agreement that as long as you paid current bills
11 everything would be okay? Did you actually --

12 A. I --

13 Q. I'm sorry.

14 A. No, go ahead.

15 Q. Did you actually believe this e-mail promise from Mr. Dunn
16 meant for all time?

17 A. As long as we were talking, yes. I believe that, once we
18 got Ted's e-mail that told us go contact the PUC and we filed --
19 wait a minute, and we filed an action, I think with that all bets
20 are off; and that would be consistent with the notice that you
21 provided dated July 27th.

22 Q. Well, so this notice wasn't served in error or in
23 violation of any agreement, was it?

24 A. I don't believe so, the one dated July 22nd, 2013.

25 Q. And let me ask you, were you paying current bills?

1 MS. BOONE: Objection.

2 JUDGE VERO: I will allow it.

3 THE WITNESS: I believe all current bills are
4 paid now and, matter of fact, were overpaid and I believe at all
5 times.

6 BY MR. FARINAS:

7 Q. At the time, at the time --

8 A. Excuse me?

9 Q. You're not answering my question.

10 JUDGE VERO: Yes. You need to answer his
11 question, and his question is specific.

12 THE WITNESS: Okay.

13 BY MR. FARINAS:

14 Q. Prior to this notice, were you paying current bills?

15 A. I believe PGW was overpaid.

16 Q. Were you paying the bills you received in the mail for the
17 months that you received bills?

18 MS. BOONE: Objection.

19 JUDGE VERO: Grounds?

20 MS. BOONE: Asked and answered. He said he had
21 overpaid.

22 JUDGE VERO: I will allow it.

23 THE WITNESS: I believe I was entitled to a
24 credit, and I believe I had a credit on my account.

25 JUDGE VERO: It's not the question. Did you pay?

1 As bills were coming in, did you pay current usage?

2 THE WITNESS: I didn't feel --

3 JUDGE VERO: So you didn't?

4 THE WITNESS: Huh?

5 JUDGE VERO: You said you didn't?

6 MS. BOONE: In fact, if I may say something --

7 JUDGE VERO: It was a yes or no question. I'm
8 sure if I know Mr. Pulley knows what Mr. Farinas is referring to
9 or what he is driving at.

10 THE WITNESS: Mm-hmm.

11 JUDGE VERO: Okay. It was a clear question,
12 asked twice. Yes, no answer will be sufficient. Did you pay
13 current bills as they were coming due? As you were getting bills
14 for them, did you pay current charges?

15 THE WITNESS: Again, as far as I was concerned,
16 we were due a credit from PGW.

17 JUDGE VERO: Again, yes, no? I think he doesn't
18 know. I have sufficient information to know it's a no and your
19 answer before was a no. Moving along. Next question.

20 MR. FARINAS: Thank you, Your Honor.

21 JUDGE VERO: We cannot just hang around.

22 MR. FARINAS: No further questions on cross.

23 JUDGE VERO: It is now 45 minutes after 4:00. I
24 do have some questions for you. I see you are standing up.
25 Okay, you are sitting now. I have some questions for Mr. Pulley.

1 All right. During this part of your testimony, I
2 think Mr. Farinas asked you whether or not you were aware that
3 you could approach the PUC. Before Mr. Savage told you in his
4 communications back in March of 2012, he told you if you are
5 dissatisfied you can file a complaint with the PUC, before March
6 of 2012, were you aware that PUC regulated public utility
7 companies in general?

8 THE WITNESS: I don't believe so.

9 JUDGE VERO: You don't believe so. So you
10 weren't aware of the PUC's existence before March of 2012, and
11 that was only because Mr. Savage informed you that this is the
12 forum you want to go next?

13 THE WITNESS: Correct.

14 JUDGE VERO: All right. Mr. McCaffery was here

15 --

16 When was Mr. McCaffery here? Monday? Tuesday?

17 MS. BOONE: Monday.

18 JUDGE VERO: Monday -- and he said that, yes, in
19 his little world he wasn't aware of existence of PUC or what PUC
20 did and that's fine. Attorneys are very specialized in their
21 knowledge. So that's a possibility that he did not know. But
22 didn't he also testify that the Judge in the Court of Common
23 Pleas back in 2010 during a prehearing or pretrial conference
24 instructed you to approach the PUC for calculation of the bills
25 that were the subject of the liens that you were fighting in the

1 Court of Common Pleas back in 2009?

2 THE WITNESS: I didn't attend any of those
3 hearings or those conferences.

4 JUDGE VERO: Okay. But you weren't advised by
5 Mr. McCaffery in 2010 about Judge Fox's I believe it was
6 suggestion that SBG go to PUC in order to resolve any billing
7 discrepancies that related to the liens that you were fighting
8 off in the Court of Common Pleas back in 2010? Yes? Answer my
9 question.

10 THE WITNESS: Don't know. I attended one hearing
11 with Judge Fox --

12 JUDGE VERO: No. Did Mr. McCaffery inform you of
13 what Judge Fox said in 2010 with regard to filing with the PUC if
14 you wanted to sort out your billing issues?

15 THE WITNESS: No.

16 JUDGE VERO: All right. We have determined that
17 back in 2003 or was it 2004 Mr. Lampert filed an informal
18 complaint with the PUC. Was it 2002? 2003? When was it?

19 MR. FARINAS: Three.

20 MS. BOONE: Three.

21 JUDGE VERO: Three, okay. I think there is
22 resolution maybe came in 2004. I don't have the document in
23 front of me; but there was testimony after a while we figured out
24 who filed for SBG that single, lone informal complaint with the
25 PUC. And Mr. Farinas asked you some questions, and right now you

1 stated that may be or had been within Mr. Lampert's scope of I'm
2 assuming employment or scope of tasks. You are his employer.
3 Wouldn't you know what Mr. Lampert's scope is?

4 THE WITNESS: No. I know what his scope is.

5 JUDGE VERO: Okay.

6 THE WITNESS: And one of those things is, if
7 there's vendor issues and vendor problems and disputes, his job
8 is to figure it out. And, in the case of if a material supplier
9 says, hey, I'm billing you because you got a hundred gallons of
10 paint and meanwhile the man in the field says, no, I didn't get
11 that, it would be within Eric Lampert to contact the property
12 manager or project manager, get a copy of the delivery ticket and
13 to figure it out. So I wouldn't be bothered with that. That
14 would have been on his side.

15 Maybe it's the same thing here with PGW. There
16 was an issue, and he did what he did.

17 JUDGE VERO: Okay. We've also pretty much now
18 determined that termination notices have that language that
19 directs a customer to first contact and talk to the PGW and then,
20 if they're still dissatisfied, they can approach the Commission
21 with their dispute. We have determined that it's in the
22 termination notices, and we've determined you received some.
23 When was the first termination notice you received for your
24 properties in general? I'm not just talking Fairmount, Marshall,
25 and Elrae. I'm talking first one you received from PGW?

1 THE WITNESS: Someplace amongst all these
2 documents there was where I -- it was either '08 or '09 I sent --
3 it had to be '09 -- I sent to John Dunn shutoff notices, and I
4 sent those to him.

5 JUDGE VERO: Okay.

6 THE WITNESS: But they take a different form than
7 the ones that are dated July 22nd. I don't remember exactly what
8 they say. I know they're a different form.

9 JUDGE VERO: All right. I understand by Mr.
10 McCaffery's testimony that some of the properties -- which ones
11 were they -- Fernrock, Simon Garden were liened by PGW back in
12 2002, maybe 2003, right?

13 THE WITNESS: Could be.

14 JUDGE VERO: That's how Mr. McCaffery was
15 involved.

16 THE WITNESS: Okay.

17 JUDGE VERO: Okay. Maybe 2004, 2005. I don't
18 have the transcript and the detailed testimony; but we're talking
19 2003, 2002 maybe as an initial date going all the way to 2005. I
20 understand that's where the settlement occurred, right?

21 THE WITNESS: That's correct.

22 JUDGE VERO: Okay. There was a settlement of
23 those liens which means they were liened against Fernrock and
24 Simon Garden, right?

25 THE WITNESS: I believe so. Yes.

1 JUDGE VERO: I'm going on a limb here, but I
2 assume you received termination notices by PGW before the lien
3 was applied or placed on the property?

4 THE WITNESS: Don't know.

5 JUDGE VERO: You don't know whether or not you
6 received termination notices on those two properties?

7 THE WITNESS: That's correct.

8 JUDGE VERO: From 2005 to 2008, did you receive
9 any other termination notices on any of the properties?

10 THE WITNESS: I don't know.

11 JUDGE VERO: You don't know.

12 Mr. Farinas, I need that information as late
13 filed exhibit. You want me to go over it again?

14 MR. FARINAS: Please.

15 JUDGE VERO: All right. We're talking Fernrock,
16 Simon Garden. Remember Mr. McCaffery testified that there was a
17 settlement, several liens placed on these two properties back in
18 2005 I believe he said; and I understand there were liens placed
19 on them. Can you find out if there were terminations sent to
20 SBC --

21 MR. FARINAS: I will.

22 JUDGE VERO: Okay. -- that led to those liens?
23 Also, any termination notice between the period 2005 to 2008, any
24 of the properties. How much time would you need to submit that
25 information?

1 THE WITNESS: Poor Ted.

2 MR. FARINAS: Because it goes back more than a
3 few years, we're discussing what records would show that, you
4 know, the liens themselves -- the notices themselves but the
5 record of them being sent out.

6 JUDGE VERO: You believe that the termination
7 notices themselves will not be archived?

8 MS. JACKSON: We may have a record but not the
9 actual document.

10 JUDGE VERO: You don't have the actual document?

11 MR. FARINAS: A copy of it --

12 MS. JACKSON: -- not that far back.

13 MR. FARINAS: Your Honor, I'm looking at one for
14 Elrae from 2005. It's noted in the contacts that there was a
15 termination notice sent out.

16 JUDGE VERO: I need the notice so I can look at
17 the language, whether or not that PUC language that's required by
18 regulations is in there, okay?

19 MR. FARINAS: I can look for it.

20 JUDGE VERO: You can trace it.

21 MR. FARINAS: Trace it and find a sample of what
22 was used at that time in those notices?

23 JUDGE VERO: Yes. So I would need archived
24 documentation of -- even if it's archived will do -- archived
25 documentation of term notices on Fernrock, Simon from 2002, 2003,

1 all the way to 2005 maybe. But in 2005 they were in the lien-
2 process, and they even settled but also any other termination
3 notices covering all the other properties from 2005 to the
4 present and a sample of what a termination notice during this
5 time period would look like, okay, even if you cannot locate the
6 ones that were sent to SBG.

7 MR. FARINAS: Yes.

8 JUDGE VERO: All right. Can we do that? How
9 much time?

10 MS. BOONE: I'm not objecting. I just have a
11 question.

12 JUDGE VERO: Okay. I know.

13 MS. BOONE: Okay. The only question I had is,
14 can he also provide proof that they served it? Because, if the
15 termination notice didn't go to SBG, then it's kind of irrelevant
16 if they didn't receive it. So we'd also need proof that it was
17 served.

18 JUDGE VERO: Are you saying there was an address
19 issue?

20 MS. BOONE: I don't know, but I think one of the
21 things we want to know is proof that it was served on SBG.

22 JUDGE VERO: Okay. In your records I think you
23 sometimes note whether it was returned by U.S. Postal Service?

24 MR. FARINAS: I guess if that --

25 JUDGE VERO: If that occurred, it would be noted

1 MR. FARINAS: But, if it's automated, then
2 there's a standard address that it's sent to of record as well.
3 So the record would say it was sent out to the address of record
4 and would verify that it was sent; and, if it was returned, we
5 would know.

6 MS. BOONE: And that would be in the
7 correspondence department so that they're also going to check the
8 correspondence department to make sure and affirm to us that all
9 of these were received by SBG.

10 JUDGE VERO: Okay. Maybe this is not the time
11 but can Ms. -- can someone go over briefly how service of
12 termination notices is performed by PGW? Okay. I would want an
13 answer from someone at PGW. I would even take it from Mr.
14 Farinas if he knows. But Mrs. Pereira would be more on point.

15 MR. FARINAS: Okay.

16 JUDGE VERO: This is just for clarification
17 because they're asking you to do something. I think you are
18 unable to do. Can you just briefly tell SBG how termination
19 notices are sent?

20 MS. PEREIRA: In the current system, okay, it
21 looks like -- the money is in buckets --

22 JUDGE VERO: No, no, no, how they are sent. Once
23 it is determined, how is it generated?

24 MS. PEREIRA: Oh. Through the what we call the
25 cubra (ph.) billing, and it's mailed out the ten -- well, in

1 their case they have a seven-day notice because it's commercial.
2 So it's mailed to the address on file, okay? And then they
3 follow up in three days with a telephone call.

4 JUDGE VERO: Would this have been different back
5 in 2002?

6 MS. JACKSON: Our process is still the same.

7 JUDGE VERO: The process is still the same. So
8 is it automatically generated by a computer system?

9 MS. PEREIRA: Yes.

10 JUDGE VERO: After a certain number of --

11 MS. PEREIRA: Days.

12 JUDGE VERO: -- days?

13 MS. PEREIRA: When the new bill is prepared and
14 in the buckets, depending on the money in the buckets.

15 JUDGE VERO: When you say buckets, it's your
16 terminology. It doesn't --

17 MS. PEREIRA: Ninety or 120 days, no answer --
18 over 30 days, 31 days, if the bill is due over 31 days it is
19 generated through the system.

20 JUDGE VERO: Termination comes out automatically?

21 MS. PEREIRA: Automatically.

22 JUDGE VERO: Human, any human intervention in
23 that generation of termination notices?

24 MS. PEREIRA: The only ones that I'm aware of
25 which occurred maybe a couple of years ago were the residential

1 use end ones.

2 JUDGE VERO: Okay.

3 MS. BOONE: I just want to show an example of a
4 nonresidential post-termination notice that was not sent to the
5 address of record and doesn't even say the name that it was on.
6 So that's why we're asking that we need to have, you know, proof
7 that it was sent to the billing address because this is a shutoff
8 notice --

9 JUDGE VERO: Okay. Let's do it this way. You
10 produce -- you being PGW -- produce those archived records, okay?
11 Would they have the address, as in sometimes notation would say
12 send to?

13 MS. JACKSON: It would be whatever address where
14 the bills are going.

15 MS. BOONE: This is an example of a shutoff
16 notice that went --

17 MR. FARINAS: May I approach, Your Honor --
18 (Multiple people speaking at the
19 same time.)

20 JUDGE VERO: Ms. Boone, post-termination notices
21 are left at the door or in case of landlord-tenant issues they
22 are left in a visible place.

23 MR. FARINAS: Yes.

24 JUDGE VERO: Posted somewhere in a visible place
25 but I was talking to just residential service, just strict

1 residential service. They are left at the door, just left at the
2 handle maybe or snuck in the door jamb, something like that, just
3 left at the door after termination. We're talking it's the
4 difference between pre-termination and post-termination notices
5 and the way they are delivered.

6 MS. BOONE: I also have a copy, the shutoff
7 notice we referred to as being July 22nd, 2013. That was mailed
8 to Mr. Pulley's home address which is not the billing address.
9 It was mailed to 1241 Welsh Road, Huntingdon Valley, PA, which is
10 not the billing address but Mr. Pulley's home address.

11 MR. FARINAS: He gave us the address.

12 JUDGE VERO: Hold on a second. Okay. I don't
13 want to discuss the entire process of termination notices right
14 now, okay? This is not the issue. So let's get those archives,
15 okay? Once we get them and see what's in there, then we can
16 discuss deficiencies if there are any, okay?

17 MS. BOONE: Okay.

18 JUDGE VERO: We'll address deficiencies. Right
19 now, I don't know what's in there so I cannot address something
20 where it sent, etc. Maybe it will be in the archive information
21 that they have and will come with the address, etc. I also would
22 like to have any record of a return mail, termination notice that
23 was returned by the U.S. Postal Service that was undeliverable.
24 We do have them sometimes.

25 And, since these are archives documents that I've

1 asked for goes past the full year, they are required by law to do
2 documentary retention. There is four-year requirement for
3 document retention. This predates that, so I'm assuming it's
4 harder to retrieve the information. So how many days do you
5 need?

6 MR. FARINAS: Can we say ten days just for
7 cushion?

8 JUDGE VERO: I want it to be correct and
9 thorough. I don't want it to be a rush job, okay? So I'll give
10 you 20 days.

11 MR. FARINAS: Your Honor, thank you.

12 JUDGE VERO: Today being the 28th, you've got 20
13 days from that.

14 MR. FARINAS: September 19th, 20 days?

15 JUDGE VERO: It's not 28. It would be it's 18th,
16 17th, okay? If it falls on a Saturday or Sunday, I expect it on
17 the following business day which would be a Monday, all right?

18 MR. FARINAS: Yes.

19 JUDGE VERO: And SBC will have sufficient time to
20 review the documents. How much time do you need? Well, we don't
21 know how much there is so, once we receive them, I will inform
22 Ms. Boone that she will have a comparable amount of time to
23 review them, file either written objections or oral objections
24 since we might have ongoing hearings, okay?

25 MS. BOONE: Thank you.

1 JUDGE VERO: All right. So you will have the
2 opportunity to review and object. All right. That issue being
3 clarified, moving on.

4 Mr. Pulley, you stated that you did receive some
5 termination notices in 2008. Did you familiarize yourself with
6 their content?

7 THE WITNESS: No. And I think it was 2009. It
8 was either eight or nine I got them, and I sent them over to Mr.
9 Dunn. I think it was nine.

10 JUDGE VERO: That's okay. But you did receive
11 some?

12 THE WITNESS: Yes.

13 JUDGE VERO: And you did not familiarize yourself
14 with their content?

15 THE WITNESS: No. I had them scanned, and I sent
16 them right out.

17 JUDGE VERO: Did any of your employees at SBG
18 familiarize themselves with their content, with the content of
19 the termination notices?

20 THE WITNESS: I don't know the answer to that.

21 JUDGE VERO: You do have employees on board that
22 deal with your billings, right?

23 THE WITNESS: Yeah.

24 JUDGE VERO: Who is the employee in charge for
25 reviewing the bills for correctness, consistency, etc.?

1 THE WITNESS: I would tend to think it's Karen
2 Keizer; but I don't want to take anything away from her, but all
3 she does is looks at numbers and slides things in, inputs
4 numbers.

5 JUDGE VERO: So you have no one who actually
6 reads the bills, the fine print on the back?

7 THE WITNESS: That's correct.

8 JUDGE VERO: You just don't do it?

9 THE WITNESS: There's so many bills that it would
10 take forever to sit there and read the back of every bill.

11 JUDGE VERO: You have 50 employees?

12 THE WITNESS: Now.

13 JUDGE VERO: In 2008, how many did you have?

14 THE WITNESS: Maybe five. We used to operate
15 this business out of my house.

16 JUDGE VERO: This business is big. Right now it
17 has over a million dollars in disputed charges. You're just
18 disputing them. Not how many you have from PGW alone, it's just
19 what you're disputing out of PGW; and PGW is not the only vendor.
20 You have many vendors I would assume. So you have no one who
21 goes over the bills, the fine print, the contracts, nothing?

22 THE WITNESS: No.

23 JUDGE VERO: Okay. Also there was a reference to
24 this agreement you had with Mr. Dunn. I think PGW's side of the
25 agreement was that they would place a hold on the collection

1 activities on the accounts that you had disputed with Mr. Dunn,
2 right?

3 THE WITNESS: That is correct.

4 JUDGE VERO: All right. What was SBG's part of
5 the agreement?

6 THE WITNESS: Going back to the meeting of 2008,
7 the conference call, we were supposed to stay current with bills
8 on certain accounts. I don't remember which ones those were, and
9 they were supposed to provide information within X period of
10 time; and they didn't provide the information in January or
11 February of '09 and --

12 JUDGE VERO: Did you keep your part of the
13 agreement?

14 THE WITNESS: I think for the most part, yes; but
15 I'm not going to swear entirely.

16 JUDGE VERO: Okay. I have no further questions.
17 Can we agree to close for today?

18 MS. BOONE: Your Honor, can I just follow up on
19 one point with Mr. Pulley that you brought up?

20 JUDGE VERO: Just one?

21 MS. BOONE: Yeah, just one.

22 JUDGE VERO: Okay.

23 MS. BOONE: Actually, I'll wait. I can just do
24 it tomorrow.

25 JUDGE VERO: Tomorrow is a different set of