



PHILADELPHIA GAS WORKS

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February 18, 2014

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

Re: SBG Management Services, Inc v. PGW, Docket No. C – 2012 – 2304183, C – 2012 – 2304215, C – 2012 – 2304324, C – 2012 – 2304167, C – 2012 – 2304303, C – 2012 – 2308454, C – 2012 – 2308462, C – 2012 – 2308465, and C – 2012 – 2334253

Dear Secretary Chiavetta:

Pursuant to 52 Pa. Code §5.371, the Philadelphia Gas Works ("PGW") hereby files its answer to the Complainants' Amended Second Motion to Compel Responses to Requests for Production of Documents and Interrogatories, Set II.

If additional information is required, please do not hesitate to contact the undersigned. Thank you for your assistance in the matter.

Sincerely,


Danielle Leva

Enclosure

cc: Francine Thornton Boone, Esq. (FedEx and Email)
Mr. Philip Pulley (Email)
Ms. Kathy Treadwell (Email)
Administrative Law Judge Eranda Vero (Email)
Anne Marie Cromley (PGW Mail)
Linda Pereira (PGW Mail)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

SBG Management Services, Inc. / :
Colonial Garden Realty, LP, :
Complainant :
v. : **Docket No. C – 2012 – 2304183**
: :
Philadelphia Gas Works, :
Respondent :

SBG Management Services, Inc. / :
Fairmount Realty, :
Complainant :
v. : **Docket No. C – 2012 – 2304215**
: :
Philadelphia Gas Works, :
Respondent :

SBG Management Services, Inc. / :
Simon Gardens Realty, LP, :
Complainant :
v. : **Docket No. C – 2012 – 2304324**
: :
Philadelphia Gas Works, :
Respondent :

SBG Management Services, Inc. / :
EIRae Garden Realty, LP, :
Complainant :
v. : **Docket No. C – 2012 – 2304167**
: :
Philadelphia Gas Works, :
Respondent :

SBG Management Services, Inc. / :
Marshall Square Realty, LP, :
Complainant :
v. : **Docket No. C – 2012 – 2304303**
: :
Philadelphia Gas Works, :
Respondent :

SBG Management Services, Inc. /	:	
Marchwood Realty,	:	
Complainant	:	
v.	:	Docket No. C – 2012 – 2308454
	:	
Philadelphia Gas Works,	:	
Respondent	:	

SBG Management Services, Inc. /	:	
Oak Lane Realty Co., LP,	:	
Complainant	:	
v.	:	Docket No. C – 2012 – 2308462
	:	
Philadelphia Gas Works,	:	
Respondent	:	

SBG Management Services, Inc. /	:	
Fern Rock Realty,	:	
Complainant	:	
v.	:	Docket No. C – 2012 – 2308465
	:	
Philadelphia Gas Works,	:	
Respondent	:	

SBG Management Services, Inc. /	:	
Colonial Garden Realty, LP,	:	
Complainant	:	
v.	:	Docket No. C – 2012 – 2334253
	:	
Philadelphia Gas Works,	:	
Respondent	:	

**Answer of Philadelphia Gas Works to
Complainants’ Second Motion to Compel Responses to
Requests for Production of Documents and Interrogatories, Set II**

Pursuant to 52 Pa. Code §5.342(g)(1), the Philadelphia Gas Works (“PGW”) hereby answers the Complainants’ amended second motion compel for a response to the Complainants’ Requests for Production of Documents and Interrogatories, Set II. For the reasons stated herein the Complainant’s motion should be denied.

I. PGW's Answer to the Motion to Compel

The Complainant's second motion to compel should be denied as it is incorrect in its reading of several of its own questions. Specifically, the motion to compel with regard to several questions assumes that documentation was requested but not provided. In those questions, the Complainants asked that PGW "Identify and describe..." documents. Thus, where requested, PGW identified and described the materials in full response to the discovery request.

II. PGW's Answer to Specific Grounds to the Motion to Compel

Set II, Nos. 2, 3 and 5

Where PGW was expected to identify documents consulted in responding to a request, PGW referred to the documents consulted in the response. PGW's statement in the response to Set II, Nos. 2 and 3 refers to attaching documents that were the subject of the answer for that particular question. As PGW keeps information in its databases as identified, the person preparing the responses consulted the appropriate database in preparing the response. In this regard, PGW has provided a full response.

Set II, No. 5

In its response to this request PGW describes the documents as requested. PGW identified and described the documents associated with account management. As these are "global systems," PGW described the purpose for which these systems are used. In its motion to compel the Complainants state that PGW failed to include emails, memoranda, etc. The Complainants mistakenly assume that an email or memoranda is associated with all transactions on the account. As these systems are automated, the absence of a payment is noted with indicating that an account is unpaid. In the normal course of the billing and collecting payments on an account there are no associated emails sent to people or departments. The database is noted in the documents identified as kept in the database. The automated criteria for the filing of a municipal lien are also explained in PGW's response to Set II, No.28.

Set II, No. 6(b-c)

In its response to this request, PGW identified and described the training materials and the practical course through which a PGW employee acquires knowledge to perform the duties of his/her job title. As stated in the response, the primary responsibility for training is that of the manager of the unit. Members of the training department, including Melvin Garrison assist the department/unit with such training.

Set II, No. 7(a-c)

PGW response to this request first references its response to Set II, No. 6 which also describes training time and duration concerning customer billing activities. PGW identified and described the training materials and the practical course through which a PGW employee acquires knowledge to perform the duties of his/her job title. Training for the Account Management Department and the Commercial Resource Center are trained on the job. PGW's response fully responds to the question.

Set II, No. 8

PGW response to this request first references its response to Set II, Nos. 6 and 7. PGW's response to this request as stated previously, identifies and describes the training materials and the practical course through which a PGW employee acquires knowledge to perform the duties of his/her job title. PGW was not asked to produce the materials only identify and describe them.

Set II, No. 9

As Set II, No. 9 requests, PGW's response to this request identifies and describes the policies and addressing those contained in a-e of the request.

Set II, No. 10

For the reasons set forth in its responses regarding Set II, Nos. 6, 7, 8 and 9 above, PGW response to Set No. 10 is responsive to the request.

Set II, No. 11, 12 and 13

These responses request that PGW fully describe the systems in which PGW uses in connection with the collection of accounts. PGW's response describes how the systems are used in connection with the collection of accounts. While the Complainant seems to assume that the request asks for additional specific information, PGW provides a response that fulfills the request. In its response PGW further provided the web site location for the PGW Tariff. This is the full document that governs PGW's collection of accounts. Further, in its response to Set II, No. 21 PGW provides a listing of the specific rates and rate component that were in effect for the periods involved in this matter. Thus the combination of the information provided enables the Complainants to reconstruct their bills from any period in dispute.

Set II, No. 14, 15 and 16

PGW's response to these requests provides a full answer to how information is collected, recorded or maintained. If any employee is to make a note about an account, it is placed upon the Contact Screens. PGW has provided its emails in preparation for the hearings that took place in August 2013 in a binder with the first e-mail dated November 13, 2008. PGW provided another set of these emails to the Complainant on February 1, 2014. PGW's has responded fully to these requests.

Set II, No. 17, 18 and 19

In its responses to these requests, PGW provides all information necessary to obtain the information requested. While the responses to Nos. 17, 18 and 19 do not show how late payment charges (interest rates) are applied, PGW's response to Set II, No. 36 does. It provides a complete work up of the manner and amount the late payment charges.

Set II, No. 20

In its response to this request PGW includes Elrae in page 1 of the response. The responses are concise and complete by PGW's understanding of the dispute.

Set II, No. 21

In its responses to this request, PGW provides a description of all information necessary to obtain the information requested. PGW provides a listing of the rate and rate components that were in effect at the time. PGW's response to Set II, No. 36 provides a complete work up of the manner and amount the late payment charges. The Complainants may see whether payments were made on the account and are able to see if late payment charges were properly assessed in the Complainants' view. PGW provides all information necessary to ascertain how payments are applied. Further, in response to Set II, No. 28, PGW stated the policy under which debt is retired/satisfied when payment is received. The Complainants need only apply this information rather than have PGW articulate their disagreement with PGW policy.

Set II, No. 22, 23, 24, 26 and 27

PGW has provided an explanation of its document retention policy. Further PGW explains that if any employee is to make a note about an account, it is placed upon the Contact Screens. These screens exist for notes made prior to 2008 and have been provided.

PGW has provided a binder of emails in preparation for the hearings that took place in August 2013 in a binder with the first e-mail dated November 13, 2008. In response to the Complainants not immediately identifying the email binder as described, PGW provided another set of these emails to the Complainant on February 1, 2014. PGW's has responded fully to these requests.

Set II, No. 28

PGW does not understand the nature of the motion with regard to this request. The Complainant states that PGW failed to provide "documentary proof or evidence" how each payment is applied to each account. First the request asks that PGW "identify and describe and explain" the PGW system of accounts. PGW's provides a complete response to that request, while the Complainant's motion seems to have read more into the nature of that request. PGW's has responded fully to this request.

Set II, No. 29.

PGW does not understand the nature of the motion with regard to this request. The Complainant states that PGW failed to identify documents that might be kept for the automated collection practices. First, as the BCCS has been explained elsewhere in these responses, the primary documents have been described in PGW's response to Set II, No. 5. PGW has mentioned its tariff and the Pennsylvania Public Utility Code, only in connection with the document that drives its collection policies. PGW's has responded fully to this request

Set II, No. 30, 31, 33, 34, 35, 36, 37, 38 and 39

In its response to Set II, No. 30 PGW has identified by a listing of policies that govern (are relevant to) PGW's billing and collection practices. The preparers of the response simply worked from a list and their knowledge of these policies. The request does not ask for the production of the documents.

PGW's response to Set II, No. 31, describes the manual process of accounting a book keeping that PGW's uses to adjust an account. As such PGW's response adequately responds to the request.

PGW's response to Set II, No. 33, describes the process to calculate and account for bills for previously unbilled services. As such PGW's response adequately responds to the request.

PGW's response to Set II, No. 34, describes the manual process of accounting a book keeping that PGW's uses to adjust an account. The specific transactions are described in PGW's response to Set II, No. 20. As such PGW's response adequately responds to the request.

PGW's response to Set II, No. 35, describes the process of the assessment of interest (late payment charges) regarding accounts where municipal liens have been filed. It also references PGW's Response to Set II, No. 36, which shows how each PGW transaction calculated and assessed late payment charges. As such, PGW's response adequately addresses the request.

PGW's response to Set II, No. 36, describes the process of the assessment of interest (late payment charges), provides several examples and shows how each PGW

transaction calculated and assessed late payment charges. As such, PGW's response adequately addresses the request.

PGW's response to Set II, Nos. 37 describes the process of the assessment of interest (late payment charges). That response also references PGW's response to Set II, No. 36, which provides several examples and shows how each PGW transaction calculated and assessed late payment charges. As such, PGW's response adequately addresses the request.

PGW's response to Set II, No. 38, in its attachments describes the origin and the billing period of gas usage covered by each lien imposed in each of the Complainants' accounts. The Complainants' motion to compel discusses the lack of information regarding the imposition of late payment charges by way of example. This information was not requested in Set II, No. 38. PGW has provided information in its responses that may address the concerns expressed in this portion of the motion to compel. The combination of the information provided in PGW's responses to Set II concerning the calculation of bills the application of applicable rates and late payment charges enables the Complainants to reconstruct their bills from any period in dispute PGW has provided. As such, PGW's response adequately address the request.

In response to Set II, No. 39, PGW has provided a listing of public documents that verify that municipal liens that are on file with the Court of Common Pleas, Philadelphia County are satisfied. As the system of filing municipal liens is automated, the documents provided show and verify that a lien has been marked satisfied.


The Complainants argue that the Commission's decision in *Jesus Campos v. Philadelphia Gas Works*, Docket No. C-2012-2328020 is applicable to this discovery dispute. The Complainants argument is displaced. PGW has provided the Complainants with extensive information on the amounts of late payment charges assessed, the rate at which they are assessed, the billing periods for which they are assessed and the policies that govern how late payment charges are assessed. It is the Complainants' burden in these matters to show that these charges were assessed incorrectly during periods of an active pending billing dispute concerning one or more bills. If, as in *Campos*, the Complainant shows that one or more charges are assessed

inappropriately, PGW will make the necessary adjustment to the applicable account. With regard to the provision of discovery, PGW has provided all information regarding late payment charges on the Complainants' accounts.

WHEREFORE, for the reasons stated above, PGW respectfully requests that the Commission issue an order denying the Complainants' amended second motion to compel discovery.

Respectfully submitted,

February 18, 2014



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Philadelphia, PA 19122

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS DAY SERVED A TRUE COPY OF THE FOREGOING DOCUMENT UPON THE PARTICIPANTS LISTED BELOW, IN ACCORDANCE WITH THE REQUIREMENTS OF 52 PA CODE §§1.54 and 5.342(c) (RELATING TO SERVICE BY A PARTICIPANT).

Service List

For Complainants:

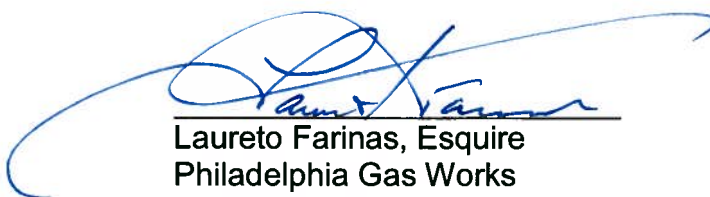
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