

**SBG MANAGEMENT SERVICES, INC. RESPONSES TO PGW'S REQUESTS FOR PRODUCTION OF DOCUMENTS AND INTERROGATORIES SET I**

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**INTERROGATORY/REQUEST FOR PRODUCTION OF DOCUMENTS:**

PGW Interrogatory/Request

1. For each separate Disputed Transaction, as defined in (I) above, that is based upon the allegation that the monthly usage and/or meter reading for the disputed transaction is incorrect and/or designated by SBG Dispute Code "A" (Excessive Billings) as defined the SBG Accounting Dispute Binder Code legend in Appendix 1, which is attached hereto, please provide SBG's calculation of the correct bill for each disputed transaction. That is, where SBG disputes accuracy of certain billing transaction, please provide the figure of the correct bill for each of the Disputed Transactions.

1. SBG RESPONSE:

Based upon a review of the information and documentation, Respondent has provided, to date, for Complainant(s) to respond to the question presented, SBG responds as follows: Notwithstanding that PGW is subject to calculating customer billing statements in accordance with the PGW Gas Tariff 4.2, SBG submits that billing customers for CCF usage where the PGW statement of accounts as supplied to SBG ( attached hereto and incorporated by reference) shows there was zero (0) CCF usage in the month(s) listed for Disputes , PGW' demand for payment is excessive and unwarranted and one of the many factors to be considered and listed and categorized as Dispute Transactions. In these instances, notwithstanding other breaches of the service contract, the bills for these months, where zero (0) CCF usage is incurred in the category SBG Dispute Code "A", the billed amounts for gas usage should be \$0. Attached hereto as "A" Disputed Transactions.

PGW Interrogatory/Request

2. Please provide all supporting documentation showing that each Disputed Transaction is incorrect and that the calculation of the correct bill in response to PGW's Request for Production of Documents and Interrogatories Set I, No. 1 is correct. Supporting documentation includes, but not limited to, any analyses of historic gas usage at service address of the Disputed transactions, the use of atmospheric and/or weather information in the comparison historic usage periods or any other information whatsoever that SBG considered in its determination that the Disputed Transactions were inaccurate and that SBG's determination of the each correct bill is accurate.

2. SBG RESPONSE:

SBG does not admit or concede, and in general denies that PGW's bills for service, via its record keeping system, data collection practices and procedures, manual and/or automated meter reading system, financial accounting reporting, billing statements, accounting practices and application of payments either manually or under its automated system, customer service and dispute resolution methods procedures and practices, and along with all other manners of operations of its duty of providing good service are correct or in comportment with the laws of this Commonwealth as defined by the PGW Tariff, and Chapter 14 of Title 66 of Public Utility Code. It is SBG's position that the bills as issued are incorrect and have long been in Dispute and unresolved leading to the challenge of PGW's bills accuracy, correctness and/or validity as set forth in the Disputed Transactions. Attached please find the documentation upon which SBG relied in determining the inaccuracies of the PGW bills as proven by the statement of accounts and other information as supplied by PGW to SBG for review.

PGW Interrogatory/Request

3. For each separate Disputed Transaction, as defined in "Definitions and Instructions (I), above, that is based upon the allegation that the monthly usage and/or meter reading for the disputed transaction is incorrect and/or designated by SBG Dispute Code "J" (Disputed Meter Read) as defined the SBG Accounting Dispute Binder Code legend in Appendix 1, which is attached hereto, please provide SBG's calculation of the correct bill for each disputed

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transaction. That is, where SBG disputes accuracy of certain billing transactions, please provide the figure of the correct bill for each of the Disputed Transactions.

**3. SBG RESPONSE:**

Despite SBG's request for production of meter history data, (See SBG Interrogatories & Requests for Production Interrogatory Set II, Question 25), for the dates of the Disputed Transactions listed in Appendix 1, PGW has not provided specific meter history data that confirms the accuracy of calibration and performance of the equipment used to read meters at the subject properties on the dates of the Disputed Transactions in question. Therefore, without having the information that is in PGW's possession, sole custody, and control that can verify the accuracy, calibration, and working order of the meters and without the information that can confirm the veracity of the radio frequency of the AMR collection equipment used to read the meters in question, SBG cannot determine the accuracy of the CCF usage data. Without having the correct information to input into a formula, it would be speculative for SBG to respond to this question. However, to the extent that PGW has provided to SBG, CCF usage data via the statement of accounts and SBG has been able to corroborate and assess its historical data information, SBG has compiled a chart showing historical CCF usage charts for the subject properties and weather analyses charts which are attached hereto. In response, SBG offers the following example of how certain CCF usage provided by PGW to SBG by way of its statement of accounts is implausible and indicative of an error that supports SBG's claims. By way of example, however, not limited to, see relevant details for account # ending in 3358 and 7092. Attached hereto as "J" Disputed Transactions.

PGW Interrogatory/Request

4. Please provide all supporting documentation showing that each Disputed Transaction is incorrect and that the calculation of the correct bill in response to PGW's Request for Production of Documents and Interrogatories Set I, No. 3 is correct. Supporting documentation includes, but it is not limited to, any analyses of historic gas usage at service address of the Disputed transactions, the use of atmospheric and/or weather information in the comparison historic usage periods or any other information whatsoever that SBG considered in its determination that the Disputed Transactions were inaccurate and that SBG's determination of the each correct bill is accurate.

**4. SBG RESPONSE:**

See SBG Historical CCF Usage Charts and Weather Analyses Information attached hereto with "J" Disputed Transactions.

PGW Interrogatory/Request

5. Please identify the preparer or preparers of all analyses contained in SBG's responses to PGW's Request for Production of Documents and Interrogatories Set I, Nos. 2 and 4.

**5. SBG RESPONSE:**

Ms. Kathy Treadwell, SBG Management Services, Inc., Accountant  
Mr. Artem Gumenyuk, SBG Management Services, Inc., Accountant  
Mr. Eric Lampert, CPA, SBG Management Services, Inc., Accountant

PGW Interrogatory/Request

6. For each separate Disputed Transaction, defined in "Definitions and Instructions (I), above, that is based upon the allegation that the monthly usage and subsequent bills should have been issued to a tenant as designated by SBG Dispute Code "G" (Tenant Charges) as defined the SBG Accounting Dispute Binder Code legend in Appendix 1, which is attached hereto, please provide supporting documentation that a tenant lawfully occupied the service address for those Dispute Transactions and that the tenant applied for gas service.

**6. SBG RESPONSE:**

Pursuant to the Philadelphia Gas Works Gas Service Tariff 2.1 – Application for Gas Service, and the Philadelphia Gas Works Gas Service Tariff 2.2 - Contracts for Gas Service. Contracts for gas service is in privity between the

applicant and the provider (PGW). Applications for service are in the sole care, custody and control of the applicant and the gas service provider. In its responses to SBG Interrogatories and Requests for Production for Documents, Sets I, II & III, PGW has vociferously objected to SBG's request for such information and has refused to supply tenant account information and/or confirm tenant accounts at the subject properties and/or confirm gas usage, billing charges and confirm the accuracy of all billing statements of accounts and applications of payments, fees, charges, usage data and service charges for tenant accounts for the Disputed Transactions at the subject properties. We have reviewed SBG records and have confirmed that SBG has not applied for gas service in the name of any of the Tenants listed in the SBG Dispute Code "G" (Tenant Charges) as defined, by the SBG Accounting Dispute Binder Code legend in Appendix 1. In accordance with the Tariff, the contract for gas service is between the applying party and the service provider. However, in the spirit of cooperation, we can confirm that SBG has not applied for gas service at the subject properties in the name of the tenants of record at the subject properties. However, by admission, as confirmed by PGW responses in its letter dated August 8, 2014, addressed to ALJ Judge Vero, regarding SBG Account No. 7365806029, and the meters listed thereafter, there are at least 26 meters which are tenant accounts for which gas and service have been billed to a disputed SBG account. PGW has only recently confirmed and provided such information despite repeated requests. PGW has admitted it has provided proofs confirming the existence of tenant accounts comingled with SBG accounts for which SBG has made erroneous payments thereon or have been subjected to erroneous liens against its properties. Additional documentation setting forth further examples of PGW's proofs of appropriating tenant accounts and misapplying them to SBG customer of record accounts is attached hereto as "G" Disputed Transactions.

This response was prepared by Kathy Treadwell, Accountant, for SBG Management Services, Inc.

VERIFICATION

I, K. Treadwell, verify that the responses, statements and documents attached hereto and asserted in this foregoing document are true and correct. I understand that false statements made herein are subject to the penalties of 18 Pa.C.S.A. § 4904 relating to unsworn falsification to authorities.

Date: 9/2/14

BY: K. Treadwell

Name: K. Treadwell  
Title: Accountant, SBG Management Services, Inc.  
For Complainants/SBG Management Services, Inc. et al

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FedEx Express Package US Airbill

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1 From  
 Date 9/2/14 Sender's FedEx Account Number 2393-0508-3  
 Sender's Name Donna Ross, Esq. Phone 215 938-6665  
 Company SBG MANAGEMENT  
 Address 1095 RYDAL RD  
 City RYDAL State PA ZIP 19046-1711

4 Express Package Service \*In some markets, FedEx Express may have changed. Please select carefully.  
 Packages up to 150 lbs. For packages over 150 lbs., see the FedEx Express Package 99 manual.  
 06  FedEx First Overnight  
 01  FedEx Priority Overnight  
 05  FedEx Standard Overnight  
 49  FedEx 2Day A.M.  
 03  FedEx 2Day  
 20  FedEx Express Saver

2 Your Internal Billing Reference  
 3 To Recipient's Name Secretary Rosemary Cimavetti  
 Company PA PUC  
 Address Commonwealth Keystone Bldg  
 Address 400 North Street  
 City Harrisburg State PA ZIP 17120

5 Packaging \*Declared value limit \$500.  
 06  FedEx Envelope\* 02  FedEx Pak\* 03  FedEx Box 04  FedEx Tube 01  Other  
 6 Special Handling and Delivery Signature Options  
 03  SATURDAY DELIVERY  
 10  Direct Signature  
 34  Indirect Signature  
 7 Payment \$/lb: Sender 1 Recipient 2 Third Party 3 Credit Card 4 Cash/Check 5 Other  
 Total Packages 1 Total Weight 5 Total Declared Value \$0.00



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1 From  
 Date 9/2/14 Sender's FedEx Account Number 2393-0508-3  
 Sender's Name Donna Ross, Esq. Phone 215 938-6665  
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4 Express Package Service \*In some markets, FedEx Express may have changed. Please select carefully.  
 Packages up to 150 lbs. For packages over 150 lbs., see the FedEx Express Package 99 manual.  
 06  FedEx First Overnight  
 01  FedEx Priority Overnight  
 05  FedEx Standard Overnight  
 49  FedEx 2Day A.M.  
 03  FedEx 2Day  
 20  FedEx Express Saver

2 Your Internal Billing Reference  
 3 To Recipient's Name Mr. Laureto Farinas Esq.  
 Company PGW- Law Department  
 Address 800 W. Montgomery Ave  
 Address 4th Floor  
 City Philadelphia State PA ZIP 19122

5 Packaging \*Declared value limit \$500.  
 06  FedEx Envelope\* 02  FedEx Pak\* 03  FedEx Box 04  FedEx Tube 01  Other  
 6 Special Handling and Delivery Signature Options  
 03  SATURDAY DELIVERY  
 10  Direct Signature  
 34  Indirect Signature  
 7 Payment \$/lb: Sender 1 Recipient 2 Third Party 3 Credit Card 4 Cash/Check 5 Other  
 Total Packages 1 Total Weight 5 Total Declared Value \$0.00



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1 From  
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 Sender's Name Donna Ross, Esq. Phone 215 938-6665  
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 Address 1095 RYDAL RD  
 City RYDAL State PA ZIP 19046-1711

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 Packages up to 150 lbs. For packages over 150 lbs., see the FedEx Express Package 99 manual.  
 06  FedEx First Overnight  
 01  FedEx Priority Overnight  
 05  FedEx Standard Overnight  
 49  FedEx 2Day A.M.  
 03  FedEx 2Day  
 20  FedEx Express Saver

2 Your Internal Billing Reference  
 3 To Recipient's Name ALJ Eranda  
 Company PA Public Utility Commission  
 Address Suite 4063  
 Address 501 Market Street  
 City Philadelphia State PA ZIP 19107

5 Packaging \*Declared value limit \$500.  
 06  FedEx Envelope\* 02  FedEx Pak\* 03  FedEx Box 04  FedEx Tube 01  Other  
 6 Special Handling and Delivery Signature Options  
 03  SATURDAY DELIVERY  
 10  Direct Signature  
 34  Indirect Signature  
 7 Payment \$/lb: Sender 1 Recipient 2 Third Party 3 Credit Card 4 Cash/Check 5 Other  
 Total Packages 1 Total Weight 5 Total Declared Value \$0.00



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COMMONWEALTH OF PENNSYLVANIA  
BEFORE THE PENNSYLVANIA PUBLIC  
UTILITY COMMISSION

In the Matter of:

Re: Notice of Entry of Appearance

In the Matters of: SBG Management Services, Inc./Colonial Garden Realty, LP v. Philadelphia Gas Works, Docket No. C-2012-2304183; SBG Management Services, Inc./Fairmount Realty, v. Philadelphia Gas Works, Docket No. C-2012-2304215 ; SBG Management Services, Inc./Simon Gardens Realty, LP v. Philadelphia Gas Works, Docket No. C-2012-2304324; SBG Management Services, Inc./Elrae Garden Realty, LP v. Philadelphia Gas Works, Docket No. C-2012-2304167 ; SBG Management Services, Inc./Marshall Square Realty, LP v. Philadelphia Gas Works, Docket No. C-2012-2304303; SBG Management Services, Inc./Marchwood Realty v. Philadelphia Gas Works, Docket No. C-2012-2308454; SBG Management Services, Inc./Simon Gardens Realty, LP v. Philadelphia Gas Works, Docket No. C-2012-2308460; SBG Management Services, Inc./Oak Lane Realty Co., LP v. Philadelphia Gas Works, Docket No. C-2012-2308462; SBG Management Services, Inc./Fern Rock Realty v. Philadelphia Gas Works, Docket No. C-2012-2308465; and SBG Management Services, Inc./Colonial Garden Realty, LP v. Philadelphia Gas Works, Docket No. C-2012-2308469

Certificate of Service

I hereby certify that as of today's date, I have served the foregoing Notice of Appearance, and Complainants' Responses to PGW's First Set of Interrogatories and Request for Production of Documents served upon Complainant, SBG Management Services, Inc. in the above referenced matters, upon the parties set forth below, via First Class, U.S. mail/overnight delivery and/or by hand delivery to all parties as listed below, in accordance with the requirements of 52 Pa.Code Section 1.54 and the PA Public Utility Commission Orders.

The Honorable ALJ Eranda Vero  
Pennsylvania Public Utility Commission, Suite 4063,  
801 Market Street, Philadelphia, PA 19107

For Pennsylvania Public Utility Commission  
Via U.S. Mail First Class/overnight mail

Mr. Laureto Farinas, Esquire  
Philadelphia Gas Works  
800 W. Montgomery Avenue, 4th Floor  
Philadelphia, PA 19122

For Respondent PGW  
Via U.S. Mail First Class/overnight mail

Mr. Phil Pulley and Ms. Kathy Treadwell  
SBG Management Services, Inc.  
P.O. Box 459, Abington, PA 19001

For Complainants  
Via Hand Delivery

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

For Pennsylvania Public Utility Commission  
Via U.S. Mail First Class/overnight mail

Date: 9/2/2014

By: Donna S. Ross

DONNA S. ROSS, ESQUIRE  
SBG MANAGEMENT SERVICES, INC.

P.O. Box 549

Abington, PA 19001

Phone: 484-888-9578

Office: 215-938-6665

Facsimile: 215-938-7613

Email: dsross@sbgmanagement.com; dsross90@gmail.com

Pennsylvania Attorney ID. No. 59747

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SECRETARY'S BUREAU

ORIGIN ID: QFWA (215) 938-6665  
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RYDAL, PA 190461711  
UNITED STATES US

SHIP DATE: 02SEP14  
ACTWGT: 7.0 LB MAN  
CAD: POS1501  
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BILL SENDER

TO SECRETARY ROSEMARY CHIAVETTI  
COMMONWELTH KEYSTONE BLDG  
400 NORTH ST  
PA PUC  
HARRISBURG PA 17120

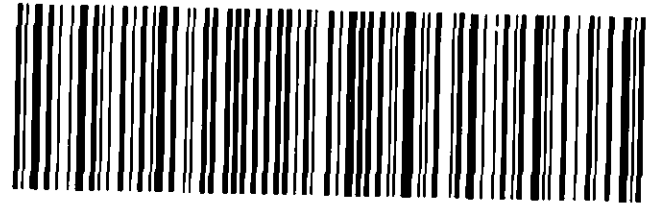
(717) 783-8012 REF: DEPT:

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1 From  
Date 9/2/14  
Sender's Name Donna ROSS, ESQ  
Company SBG MANAGEMENT  
Address 1095 RYDAL RD  
City RYDAL State PA ZIP 19046-1711

2 Your Internal Billing Reference

3 To  
Recipient's Name Secretary Rosemary Chiavetti  
Company PA PUC  
Address Commonwealth Keystone Bldg  
Address 400 North Street  
City Harrisburg State PA ZIP 17120

4 Express Package Service  
FedEx Tracking Number 87

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Agency: PUC  
Floor:  
External Carrier: FedEx Express

Form ID No. 0215 Recipient's Copy  
Next Business Day 2 or 3 Business Days  
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5 Packaging  
6 Special Handling and Delivery Signature Options  
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