

PENN ATTORNEYS

TITLE ALERT

DATE: 12/29/06

RE: Title Alert 2006-25 Philadelphia Gas Works PGW Liens Update

Our last PGW Title Alert, No. 2005-08, outlined The Responsible Utility Consumer Protection Act ("Act 201"), which clarified the right of PGW to file liens against landlord properties to secure the payment of unpaid bills of tenants occupying those properties. In furtherance of Act 201, PGW is piloting a one-year program which is scheduled to expire on August 10, 2007, called the Landlord Cooperation Program ("LCP"). Properties registered under the LCP by landlords will not be liened during the pilot program; but ineligible are properties for which either the gas service is listed under the Landlord's name, or in which the Landlord is an occupant.

How does the implementation of the LCP affect underwriting procedures? Our usual requirement continues: namely that you must obtain a statement from PGW (such as the Account Payoff Inquiry form¹) showing the various charges against the property.

Because unpaid PGW charges have lien status without the necessity of a filed lien, **all charges on the PGW statement, whether for an owner's or tenant's account, must be paid at closing, UNLESS the owner:**

1. **Provides a copy of the e-mail confirmation of registration with the LCP which includes the subject property** (PGW will not provide any other confirmation of the participation in LCP until such time as they revise the Account Payoff Inquiry form); and
2. **Provides a current lease in the name of a tenant that matches the name on a gas account.**

If the owner complies with these 2 criteria, the PGW charges in the name of the tenant on the lease do not need to be paid. Any other charges, whether in the name of the owner or in any name other than on a current lease, must be paid. ***If the owner has not registered with LCP, then the tenant account balances must be paid.**

→If the owner inquires about the LCP, you may provide the **attached notice** issued by PGW.

For any questions or concerns, contact your servicing Penn Attorneys office.

Penn Attorneys Title Insurance Co.

State Headquarters
900 State Street, Ste 320
Erie, PA 16501
814-454-8278 * 800-352-2216

erie@pennattorneys.com

Eastern Pennsylvania Office
New Bridge Center, Ste 317
480 Pierce Street
Kingston, PA 18704
570-288-1108 * 800-929-4024

epro@pennattorneys.com

¹ This form is available under Title Alert 2006-25 at http://www.pennattorneys.com/printable/title_alerts/2006-25.pdf

PHILADELPHIA GAS WORKS PLACES LIENS AGAINST RESIDENTIAL RENTAL PROPERTIES FOR UNPAID TENANT BILLS

As a municipally owned entity, Philadelphia Gas Works (PGW) has the right to file liens against residential rental properties for unpaid gas bills incurred at the property. PGW recently began filing such liens for gas used after August 9, 2006.

PGW currently offers Philadelphia residential landlords a one-year pilot program, the PGW Landlord Cooperation Program (LCP). Landlords who register for and cooperate in the LCP receive protections against the placement of liens on their rental properties for unpaid tenant gas bills. Cooperation includes providing PGW with required access to your registered rental properties for PGW business purposes.

For more information on the LCP, and to enroll in the LCP, you should visit PGW's website at: www.pgworks.com and click the link for the LCP.



ACCOUNT PAY-OFF INQUIRY FORM

Abstract Company/Bank: _____ **Requestor Name:** _____
Telephone #: _____ **Facsimile #:** _____
Date of Settlement: _____ **Date Information Needed By:** _____

Property Information *(Please provide below any account or lien information you may have):*

Address: _____ **PGWacct. #:** _____

Owner/Seller: _____ **Buyer:** _____

Purpose: **Purchase** **Refinance**

If Previously Acquired in Foreclosure, Defendant Name # _____

Date (Mo./Yr.) _____ **Book/Writ** _____ **Amount Withheld** _____

Please circle type:

Judgment/Lien Docket #: _____ **File Date:** _____

Judgment/Lien Docket #: _____ **File Date:** _____

Judgment/Lien Docket #: _____ **File Date:** _____

FOR PGW USE ONLY

TOTAL AMOUNT DUE : _____

Account #: _____ **Amount:** _____ **Current through:** _____

Account #: _____ **Amount:** _____ **Current through:** _____

Account #: _____ **Amount:** _____ **Current through:** _____

_____ **No Account: (1) Verify Type and Status of Services with Owner, (2) Re-contact PGW**

Meter#: _____ **Meter Reading:** _____ **Date:** _____ **Actual/Estimate/Final**

Judgment/Lien # _____ **File Date:** _____ **Paid: Y / N** **Date Paid:** _____

Judgment/Lien # _____ **File Date:** _____ **Paid: Y / N** **Date Paid:** _____

Judgment/Lien # _____ **File Date:** _____ **Paid: Y / N** **Date Paid:** _____

All liens and judgments will be satisfied once the payment has been credited against the account.

PREPARED BY: _____ **DATE:** _____

DISCLAIMER: The pay-off information provided by PGW is based on the property and owner information provided by the abstract agency. Failure to provide accurate information could affect the accuracy of the pay-off information reported by PGW.

Make checks payable to PGW and return this completed form with payment to:

PGW – Collection Department
800 W. Montgomery Avenue, 3rd floor
Philadelphia, PA 19122
Attn: Liens & Judgments

Failure to return this form along with your payment may result in a delay or incorrect processing of payment.