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### **KILLING PGW DEAL COWARDLY AND AN AFFRONT TO CITY TAXPAYERS**

**PHILADELPHIA – October 27, 2014** – The Committee of Seventy called Philadelphia City Council’s unilateral decision today to kill a proposed \$1.86 billion sale of the Philadelphia Gas Works without a public hearing an affront to the taxpayers of Philadelphia.

“Today’s action violates every principle of transparent and effective governance,” said Ellen Kaplan, Seventy’s Interim President and CEO. “Issuing a statement declaring that the risks outweigh the benefits, without allowing questions from the citizens they represent in a public forum, is disgraceful and cowardly.”

“Mayor Nutter, who also happens to represent the citizens of Philadelphia, came to the opposite conclusion,” Kaplan continued. “If after a public debate, Council members still believed the deal was not in the best interests of the city, they could have voted it down. But at least the public would have had a chance to hear their reasons face-to-face.”

Kaplan recalled that, in his January 2, 2012 inaugural address as incoming Council President, Darrell Clarke said “We must take steps to confront a long-simmering problem: The city’s unfunded pension liability. We must work together with the Mayor, the Pension Board *and* the city’s Municipal Unions to craft solutions to this serious fiscal problem – before it overwhelms us” (emphasis in the original text).

“The unfunded pension liability is *already* overwhelming us,” Kaplan pointed out, noting that proceeds from the proposed PGW sale were estimated to generate between \$420 million to \$630 million for the pension system, which is nearly 50% short (over \$5 billion) of its obligations. “We challenge President Clarke and his colleagues on Council to inform taxpayers how they propose to pay down the pension debt now that they removed the PGW deal from the table.”

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