



FOR IMMEDIATE RELEASE

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**SEVENTY CALLS IMMEDIATE PUBLIC HEARING ON PGW SALE “IMPERATIVE”
Says Council’s Inaction Could Jeopardize Approval of Five-Year Plan**

PHILADELPHIA – June 10, 2014 – Citing new developments, the Committee of Seventy said it is “imperative” for City Council to hold a public hearing on the proposed \$1.86 billion sale of the Philadelphia Gas Works before recessing for the summer.

“Philadelphians have a right to know if Council’s failure to start hearings on the PGW sale could put the city’s finances in jeopardy or kill the proposed deal altogether.” said Zack Stalberg, Seventy’s President and CEO. “Council should not take off for a three-month summer break without beginning to get these questions answered.” The final pre-summer full Council meeting is scheduled for Thursday, June 19.

In a letter sent to Council President Darrell Clarke, a copy of which is attached, Stalberg expressed concern that Council’s refusal to start the formal hearing process could endanger approval of the city’s five-year plan by its fiscal overseer, the Pennsylvania Intergovernmental Cooperation Authority. PICA – which is legally obligated to approve the five-year plan – endorsed the PGW sale on May 20 as a step towards reducing the city’s massive pension deficit.

Stalberg also said taxpayers deserve to know whether the July 15 deadline for UIL Holdings, the proposed PGW buyer, to walk away is a genuine “deal-breaker.” Councilwoman Marian Tasco suggested in a May 22 press release that the deadline is a ploy by the Nutter administration to force a premature decision by Council. Tasco, who opposes the proposed PGW sale, says Council is “proceeding toward an informed decision with all deliberate speed” and is waiting for an analysis from its paid outside consultant. Council has not said when it expects to get the analysis.

According to Stalberg, “starting a formal hearing process would help, not hurt, a genuine assessment of the PGW deal. Council would have a chance to publicly ask representatives of the Nutter administration and UIL Holdings about the selection process and July 15 deadline, both of which its members have challenged.” He added that Council’s refusal to hold a public hearing, or even introduce legislation to get the ball rolling, has contributed to a perception that it is stalling to scuttle the deal entirely.

“If Council intends to kill this deal, or any sale of PGW, it should be upfront and explain its reasons to the taxpayers,” Stalberg concluded. “If members genuinely have open minds, they should welcome a public hearing as an important first step in the due diligence process they claim to be undertaking.”

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The Committee of Seventy is a non-partisan government watchdog that fights for clean and effective government, fair elections and an informed citizenry. For more information, see www.seventy.org.