COMMISSIONERS

JASON M. STANEK



CONTACT: Tori Leonard 410-767-8054 443-829-9111 (c) tori.leonard@maryland.gov

MICHAEL T. RICHARD ANTHONY J. O'DONNELL ODOGWU OBI LINTON MINDY L. HERMAN

For Immediate Release

MD PSC Finds Regency Furniture Financially Responsible in Theft of Gas Service Case, Owes \$292,000 Gas Bill

Commission denies company's appeal of proposed order

(BALTIMORE, MD-February 1, 2021) – The Maryland Public Service Commission has upheld a proposed order by a Public Utility Law Judge (PULJ) rejecting Regency Furniture of Brandywine's appeal that the company not be compelled to pay a more than \$292,000 gas bill that arose from a theft of gas service investigation by Washington Gas Light Company. In today's order, the Commission affirmed the decision of the PULJ, finding that the Regency Furniture store formerly operating in Upper Marlboro stole gas between 2007 and 2017.

In October 2019, Regency Furniture of Brandywine filed an informal complaint with the Commission's Consumer Affairs Division (CAD) disputing the amount of its utility bill. Washington Gas responded that the bill resulted from a theft of gas service investigation related to an account at 990 Largo Center Drive in Upper Marlboro. Washington Gas stated that it turned off gas service and removed the meter on this account on January 5, 2007 for nonpayment. However, Washington Gas later discovered that new infrastructure had subsequently been installed to circumvent the removed meter and to illegally restore service.

Washington Gas claimed that gas was consumed at the Largo Center Drive location over a 10-year period, from January 2007 through December 2017, after which Washington Gas removed all gas piping connected to the premises. Washington Gas subsequently calculated an estimated bill for the theft-of-service period, contending that Regency Furniture of Largo, Inc. was commonly owned with Regency Furniture of Brandywine, Inc. with both locations sharing the trade name "Regency Furniture." Because Regency Furniture ceased operations at the 990 Largo Center Drive address, Washington Gas transferred the bill to Regency Furniture's Brandywine location.

During the proceedings, Regency Furniture of Brandywine argued that it is a distinct corporate entity and that it had never operated at 990 Largo Center Drive, challenged the methodology Washington Gas used to calculate the theft of gas charges, and argued that the statute of limitations barred most of Washington Gas's claims. After again being overruled by CAD, Regency filed a formal complaint with the Commission.

The Commission delegated the matter to a Public Utility Law Judge to conduct evidentiary proceedings. In September of 2020, the PULJ found that Regency Furniture of Brandywine was indeed responsible for the charges during the 10-year theft-of-service period, rejecting Regency's argument that as a distinct legal entity it should not be held responsible for the theft of gas at its Upper Marlboro location. The PULJ also determined that Washington Gas properly calculated the final bill for unauthorized gas service.

###

About the Public Service Commission:

The Maryland Public Service Commission regulates electric and gas utilities and suppliers, telephone companies (land lines), certain water and sewer companies, passenger motor vehicle carriers for hire (sedans, limousines, buses, Uber, Lyft), taxicab companies (in Baltimore City and County, Charles County, Cumberland and Hagerstown) and bay pilot rates.

Follow us on Twitter: <u>@MarylandPSC</u>

Like us on Facebook: Facebook.com/MarylandPSC.gov

Watch us on YouTube: Maryland PSC

410-767-8000

WILLIAM DONALD SCHAEFER TOWER 6 ST. PAUL STREET BALTIMORE, MARYLAND 21202-6806 Toll Free: 1-800-492-0474

> MDRS: 1-800-735-2258 (TTY/Voice) Website: www.psc.state.md.us

FAX: 410-333-6495