



The City of New York
BUSINESS INTEGRITY COMMISSION
100 Church Street · 20th Floor
New York · New York 10007

Daniel D. Brownell
Commissioner and Chair

**Testimony of Commissioner Daniel D. Brownell of
the New York City Business Integrity Commission before
the Committee on Sanitation and Solid Waste Management of
the New York City Council Regarding Intro. No. 1268:
Regulation of the Heating Oil Supply Industry by BIC**

September 29, 2016

Good afternoon, Chair Reynoso and members of the City Council's Sanitation and Solid Waste Management Committee. I am Dan Brownell, Commissioner of the New York City Business Integrity Commission, or BIC. Joining me is Deputy Commissioner of Legal Affairs and General Counsel Noah Genel. Thank you for inviting us to testify today regarding Intro. No. 1268, which will empower BIC to regulate the heating oil supply industry in New York City. BIC fully supports this legislation, which will protect both heating oil consumers and the industry itself.

The heating oil supply industry in New York City has been plagued by corruption for decades. Because the market for heating oil is fiercely competitive—retail heating oil usually sells at only a few pennies per gallon above wholesale prices—numerous companies in the industry have sought to gain an advantage over their peers by committing fraud. Dating back at least 30 years, law enforcement has exposed many of the fraudulent schemes and prosecuted the participants. Yet, the fraud persists. Intro. No. 1268 is the solution to this problem: a comprehensive set of regulations administered by BIC, which has the infrastructure and experience to stamp out corruption in the industry.

The criminal investigations

This past November, BIC, together with the NYPD and the Manhattan District Attorney's Office, announced the indictments of 9 heating oil supply companies and 44 of their owners and employees for stealing millions of dollars from customers through a scheme called "shorting." The defendants in those cases used various methods to subvert the anti-theft devices on the heating oil delivery trucks to deliver less oil than they charged for, thus "shorting" the delivery, usually by hundreds of gallons at a time.

As alleged in the indictments, the defendants stole from virtually all major types of buildings in the City, including schools, apartment buildings, churches, homeless shelters, police stations, firehouses and NYCHA Housing Developments. The schemes generally targeted buildings that received large amounts of oil, making it easier to conceal the thefts. If a customer questioned the amount of oil received, the supply companies simply claimed that they had made an innocent mistake and compensated the customer. That usually settled the matter, while the larger systemic fraud continued unabated. Gallon by gallon, the defendants stole an average of 10% to 15% of their heating oil deliveries, amounting to tens of millions of dollars each year. As one law enforcement informant who spent decades in the heating oil supply industry explained, "They steal so much they think it's legal."

There are several different ways to short deliveries, most of which are focused on circumventing the meters on the delivery trucks. The meters are supposed to register the total amount of oil delivered to a customer and then produce a ticket, which acts as a receipt. The most common method of shorting is to rig the delivery trucks to permit air—rather than oil—to be pumped through the meter for a portion of the delivery, falsely inflating the meter's reading. While there is a device on the trucks called an air eliminator valve that is supposed to prevent air

from flowing through the meter, the corrupt heating oil supply companies found ways around that also.

During the investigation we used court-authorized eavesdropping, commonly known as “wiretaps,” to monitor telephone conversations between various participants in the fraud. Through these recorded conversations, we heard first-hand how companies bypassed the anti-theft mechanisms on the trucks and shorted their customers. Some of the drivers used an industrial-strength magnet to disable the air eliminator valve, allowing air to run through the meter and inflate the reading. Other companies fit their trucks with hoses to route oil back into the truck after passing through the meter, rather than delivering the oil to the customer. Near the end of the investigation we executed court-ordered search warrants and seized 58 heating oil delivery trucks. With the help of several informants from the industry and inspectors from the Department of Consumer Affairs, we found clear evidence that 48 of the trucks had been physically altered to enable the drivers to short. We found at least one rigged truck belonging to each of the companies indicted for shorting.

After a day of shorting customers, there would be a significant amount of excess oil in the delivery trucks’ tanks. The heating oil supply companies disposed of that oil by delivering it to one of their other customers (selling it at full price) or selling the oil illegally to another heating oil supply company at a cut rate for cash. Those sales frequently occurred in the middle of the night, on dark side streets, with one truck transferring the oil directly to the buyer’s truck. Notably, these truck-to-truck transfers of oil are illegal in and of themselves. Particularly because of the narrow profit margins in this industry, the companies that steal the oil and those that illegally buy the stolen oil at a cut rate have an almost insurmountable advantage over the companies that do not cheat.

Of all the victims of the shorting schemes, the City was easily the biggest. At the press conference announcing the indictments, District Attorney Vance estimated that City buildings alone suffered annual losses of \$10 million from these schemes in 2014 and 2015, and \$38 million was stolen from all consumers during this period by just the companies charged with shorting. And we know that those companies were far from the only ones involved in the fraud. Even after these indictments, in February 2016, BIC joined with the NYPD, the Brooklyn District Attorney's Office and Mr. Vance's office to bring even more arrests concerning this industry. This time four other heating oil supply companies were caught stealing oil from a Brooklyn oil terminal by paying off workers there.

Unfortunately, the fraud revealed in these investigations was not an isolated series of thefts perpetrated by a few rogue companies. The fraud is systemic, as demonstrated by criminal cases dating back 30 years. As an example, in July 2007, the federal prosecutor in Brooklyn announced arrests after its investigation revealed conduct strikingly similar to the schemes outlined in the November 2015 Manhattan DA indictments. In the federal case, the largest heating oil supply company in the region at that time, Mystic, along with other companies, were doing the exact same thing—"blowing air" into their customers' tanks, as they called it. The companies caught in the federal case collectively bilked their customers out of approximately \$75 million.

And shorting is not the only scheme rampant in the industry. Another common tactic is called "blending," which involves illegally mixing waste oil with good heating oil before it is delivered to customers. Blending is an environmental issue because burning large quantities of waste oil increases the production of harmful emissions. From a practical perspective, waste oil produces less heat than heating oil, burns faster and can be harmful to boilers. Thus, blending

also takes an economic toll. The stark reality is that the heating oil supply industry in the City is so rife with theft that no one can reasonably be confident that heating oil customers are getting the oil they pay for.

Existing government regulation

The City, New York State and the federal government have all attempted to regulate the heating oil supply industry on various levels over the years. New York State law requires every heating oil delivery truck to be equipped with the meter and air eliminator valve that I discussed earlier. DCA inspects the meters annually to verify that they work properly and that they provide an accurate record of each delivery. Other City agencies, specifically the New York City Department of Environmental Protection and the New York City Fire Department, also play an oversight role. The DEP oversees the makeup of the oil and its proper storage. FDNY oversees truck safety.

In addition to City agencies, the Federal Transportation Security Administration, the United States Department of Transportation, and the state Departments of Motor Vehicles in New York and New Jersey all have regulations focused on the backgrounds and qualifications of the delivery truck drivers. The regulations include a criminal history check, drug testing and certain driver training certifications. Lastly, the U.S. Environmental Protection Administration requires that all fuel trucks have specific vapor elimination devices so that fumes from the fuels being transported do not build up and collect in truck tanks.

Comprehensive oversight is needed

As the most recent indictments demonstrate, the existing regulations have not stopped the fraud in the industry. Every truck involved in the theft schemes we investigated was equipped with both a DCA-inspected truck meter and an air eliminator valve. The problem is that heating

oil customers are usually not present for oil deliveries and, even if they were, they do not know what to look for to prevent shorting. Unchecked, the delivery drivers have bypassed the anti-theft devices on the trucks freely. And while piecemeal prosecutions are effective in stopping the fraud committed by the targeted companies, those criminal cases have had little impact on the broader, industry-wide corruption. Even a criminal conviction has not, up to now, necessarily meant that the wrongdoer is out of the industry. We were stunned to learn that a driver who was convicted and served jail time in the 2007 federal case had returned to the industry and was caught shorting customers again in our recent investigation. We must break the cycle.

Some members of the heating oil supply industry will argue that too many regulations already exist. To state the obvious, if that were true, the fraud endemic to the industry would not persist. The current regulations are focused largely on safety and environmental concerns, not fraud prevention. Additionally, the regulations that currently exist are not comprehensive: they focus on discrete aspects of the heating oil supply industry and are divided across numerous agencies.

In the wake of the November 2015 indictments, BIC joined with the Department of Investigation to educate heating oil consumers by issuing a report on the best practices to prevent thefts of oil. Yet, while arming consumers with the knowledge of how to prevent fraud is crucial, the burden should not lie with the potential victims to correct this problem. To protect the City, other consumers, and the heating oil supply industry itself, we need regulations to remove bad actors from the industry, keep them out and punish those who continue to commit fraud.

The good news is that the City already has a proven template to fix this problem. In the 1990s, the Manhattan District Attorney's Office brought a series of criminal cases that exposed

that another industry—trade waste removal—was completely controlled by organized crime. Honest companies could not compete, and criminals dictated the fees that businesses paid to have their garbage collected. To break free, the City Council passed Local Law 42 of 1996, which created the Trade Waste Commission (later renamed the Business Integrity Commission). Twenty years later, the trade waste removal industry is open and robust. Commercial carting fees are affordable and, more than anything else, true competition drives this industry. Of course, organized crime continues to attempt to work its way back into the industry, and it remains one of BIC's missions to ensure that does not happen.

We are not implying that organized crime dominates the heating oil supply industry today. The corruption is less organized, but still rampant and extremely costly. While many honest heating oil companies exist, the bad ones exert far too much influence. Without adequate oversight, the companies that do not commit fraud simply cannot compete in the industry.

Heating oil supply industry regulation by BIC

Intro. No. 1268, the subject of this hearing, is based largely on Local Law 42. The current state of the trade waste removal industry—operating openly and free from organized crime's stranglehold—demonstrates that Local Law 42 provides an effective regulatory model without being overly burdensome. Under Intro. No. 1268, heating oil dealers, delivery companies, dispatchers and delivery truck drivers who wish to operate in the City would be required to apply to BIC for a license. We expect the applications to be available electronically on BIC's website, and applicants would be permitted to continue to operate pending the results of BIC's licensing process. Our goal is to make the applications simple and straight-forward, seeking only the most essential information. We will work with applicants to make sure that the process goes smoothly.

As with the existing trade waste legislation, Intro No. 1268 authorizes BIC to deny an application if BIC determines that an applicant lacks good character, honesty and integrity. I can assure you that while the Commission is committed to keeping corrupt companies and individuals out of the industries it regulates, we understand that a denial of a license can be devastating, putting a company out of business or an individual out of work. BIC regularly considers less severe measures to assist troubled companies to reform themselves before considering denial. But, for the legislation to be effective, BIC must have the authority to deny licenses when a particular applicant has demonstrated that it lacks the good character, honesty and integrity necessary to operate in this industry.

The proposed legislation does not infringe on the powers or duties of DCA, DEP, FDNY or any other agency. In fact, this bill would only enhance their functions: the information we would collect as part of our application process would be made available to these other City agencies. As a result, for example, DCA would have access to a complete list of all heating oil companies operating in the City and their roster of trucks. This would allow DCA to check to see whether any owners have failed to have their trucks inspected. The FDNY will have the same access to this information for their inspectional process. And, the prohibitions on illegal blending contained in the proposed legislation would supplement and enhance DEP's enforcement of requirements regarding the content of heating oil in the Air Pollution Control Code.

For all of these reasons, BIC fully supports Intro No. 1268, sponsored by Chair Reynoso. We are ready to work with the Council, our sister agencies and the heating oil supply industry itself to develop effective oversight to better protect consumers and curb the fraud in this

industry. As we move into fall and cooler weather, it is imperative that the City Council take swift action before the City and public are once again fleeced during another heating oil season.

Thank you. We are happy to answer your questions.



**Transportation
Security
Administration**

*U.S. Department of
Homeland Security*
**United States
Coast Guard**



TWIC Enrollment Port Brief

**Prepared for
U.S. Coast Guard, Captains of the Ports, Port Authorities, Union Leaders & Employers**

**June 6, 2007
Presented by: Lockheed Martin and Deloitte Consulting LLP**



AGENDA

Introductions

- Lockheed Martin, Deloitte Consulting LLP

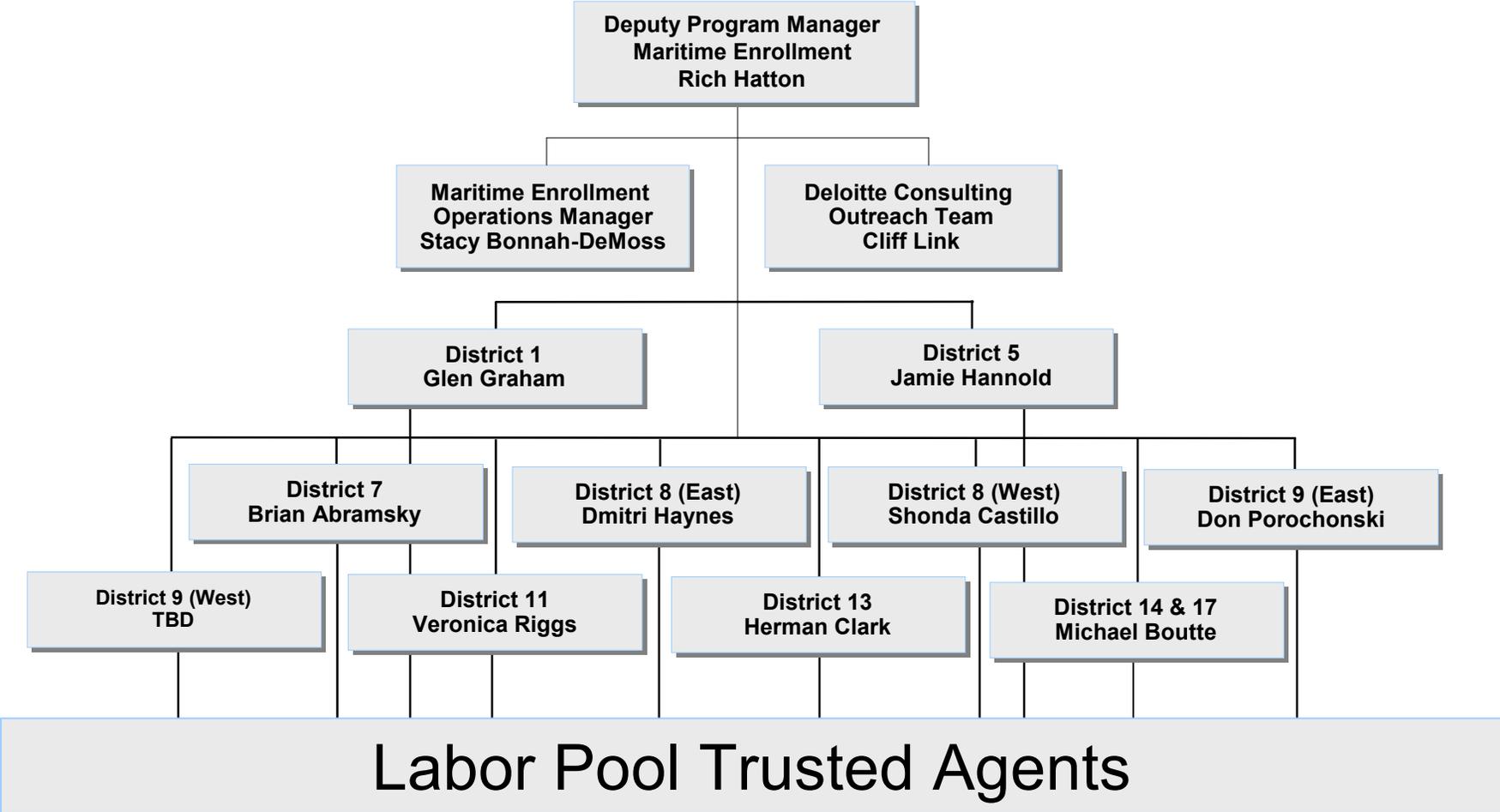
Program Field Organization

Our Mission

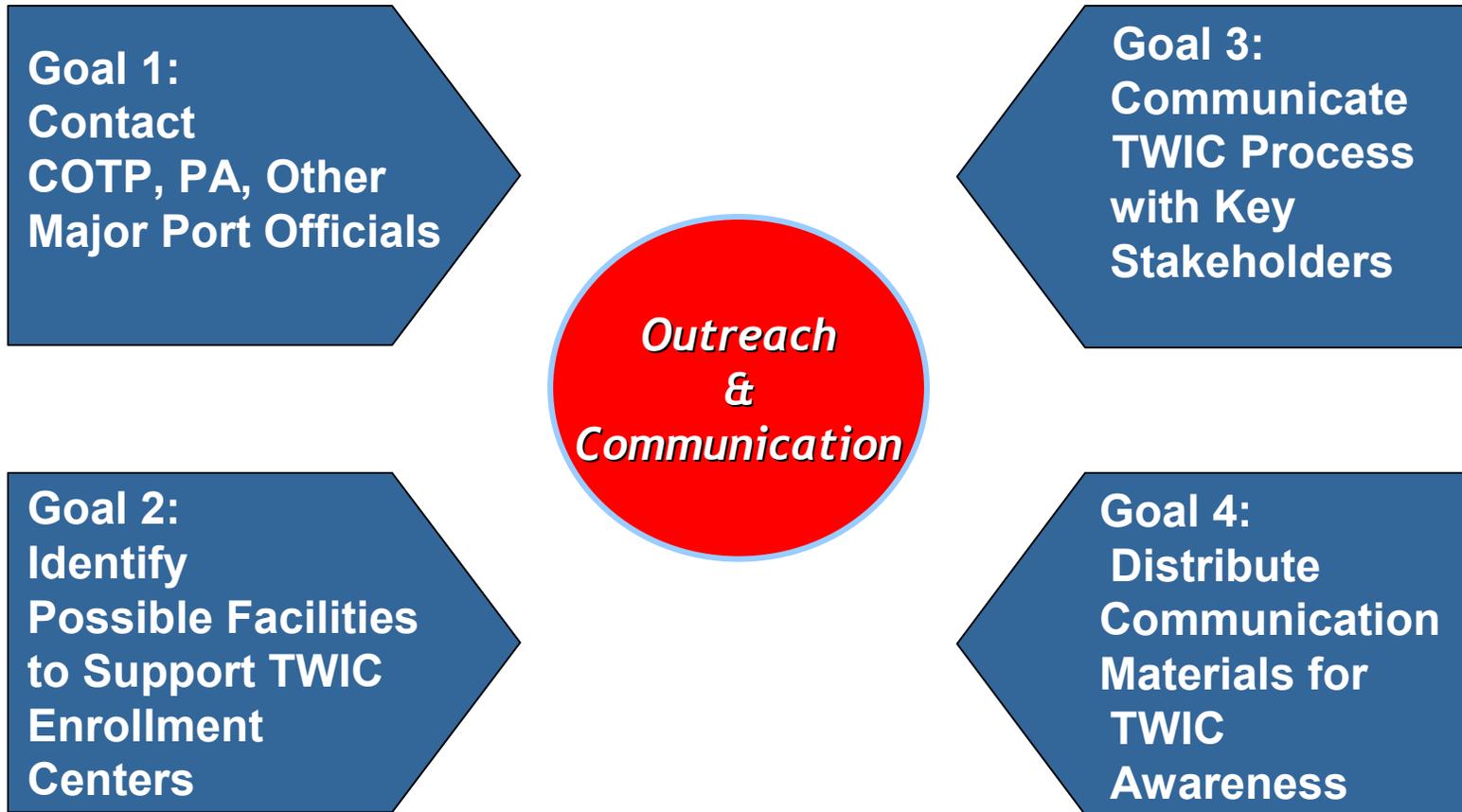
- Outreach and Communications
- Identify and Secure Enrollment Facilities
- Enroll TWIC Applicants and Deliver TWICs

Deployment Approach

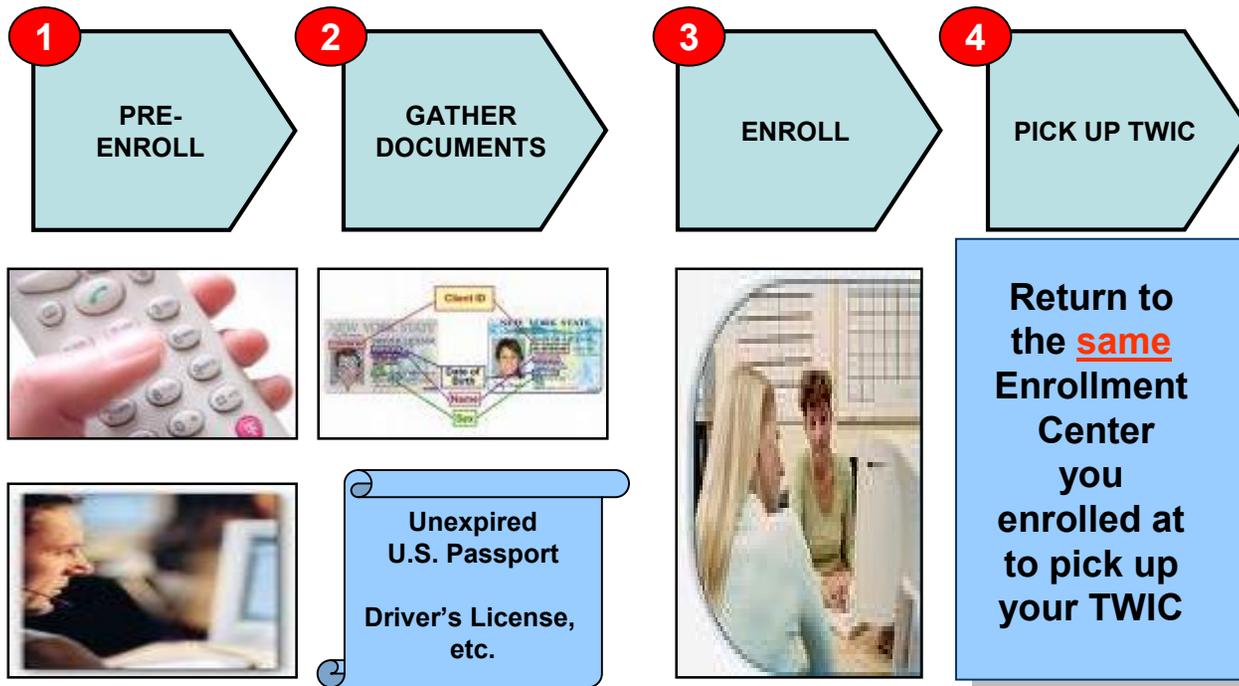
LOCKHEED MARTIN TWIC FIELD ORGANIZATION



OUTREACH & COMMUNICATION



HIGH LEVEL ENROLLMENT PROCESS



PRE-ENROLLMENT

Pre-Enrollment Options

- Web Site
 - www.tsa.gov/twic
- Call Center
 - **1- 866-DHS-TWIC**
 - **1- 866-347- 8942**
- Pre-enrollment capability at larger sites



PRE-ENROLLMENT (continued)

By Pre-enrolling you will:

- Receive an appointment time and avoid lines at the Enrollment Center
- Provide your personal information ahead of time and in a secure manner
- Save about five minutes at Enrollment Center
- No payment until you enroll at the Enrollment Center
- The following information will be needed:
 - Name, DOB, Address, Contact information
 - Employment information
 - Current and Previous Mailing Addresses
 - Height, Weight, Hair and Eye Color
 - City, State, Country of Birth
 - Alien Registration Number (If Applicable)
 - CDL and State of Application of any HME held
 - Passport Number (Optional)
 - Social Security Number (Optional)

REQUIRED DOCUMENTATION

At the Enrollment Center applicants **must** provide the appropriate documents in order to verify their identity.

List A (Any 1 of list below)

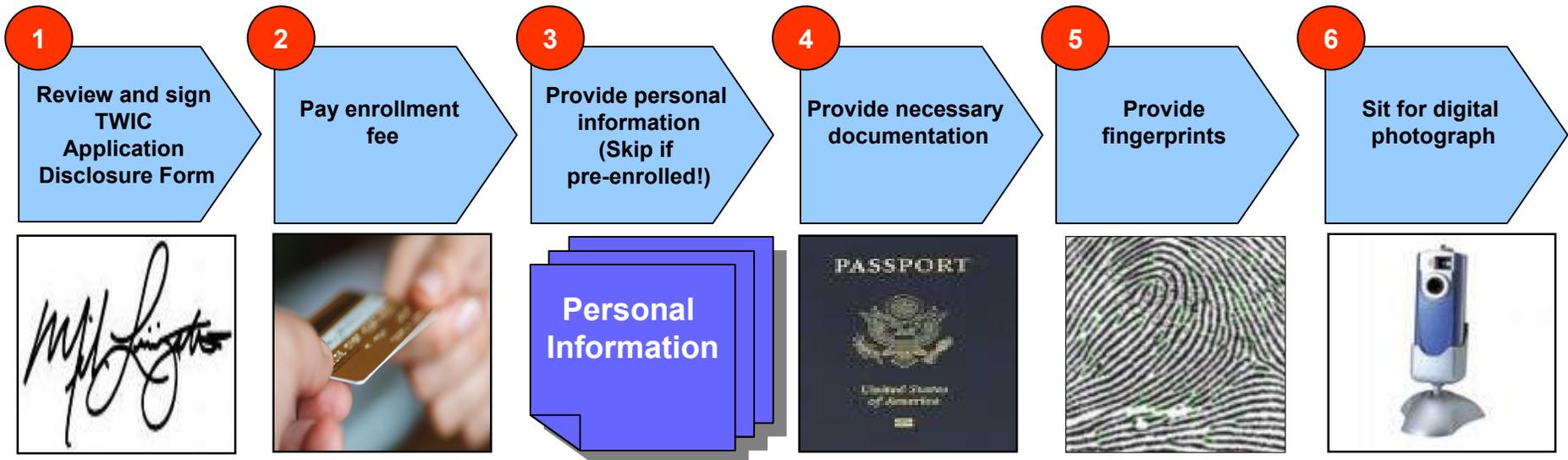
- Unexpired U.S. Passport
- Unexpired Permanent Resident Card or Unexpired Alien Registration Receipt Card with photograph
- Unexpired Foreign Passport with one of the following:
 - ❖ I-551 Stamp;
 - ❖ Attached INS Form I-94 indicating unexpired employment authorization;
 - ❖ Unexpired Employment Authorization Document (I-766);
 - ❖ Unexpired Employment Authorization Card (INS-688B);*OR* with one of the following Unexpired Visas: E-1, E-2, E-3, H-1B, H-1B1, L-1, O-1, TN, M-1, C-1/D
- FAST (Free and Secure Trade) Card
- Merchant Mariner Document (MMD)
- Merchant Mariner License (MML)

Or

List B (Need two and one must be a government-issued photo ID)

- U.S. Certificate of Citizenship (N-560, 561)
- U.S. Certificate of Naturalization (N-550 or 570)
- Driver's license or ID card issued by a State or outlying possession of the United States
- Original or certified copy of birth certificate issued by a State, county, municipal authority, or outlying possession of the United States bearing an official seal
- Voter's Registration Card
- U.S. Consular Report of Birth Abroad
- U.S. Military ID or U.S. Retired Military ID
- Military Dependent's Card
- Expired U.S. Passport
- Native American Tribal Document
- U.S. Social Security Card
- U.S. Citizen Card I-197
- U.S. Military Discharge Papers DD-214
- Department of Transportation (DOT) Medical Card
- Civil Marriage Certificate
- MML (Merchant Mariner License) bearing an official raised seal, or a certified copy

AT THE ENROLLMENT CENTER



- **Cost:**
 - A TWIC costs \$137.25 or
 - Current MMD, MML, HME or FAST card holders \$105.25
- **Payment:**
 - Credit Card (Visa, MasterCard)
 - Money Order
 - Certified Check
 - Employers/Organizations paying for employees may choose to pay by Corporate Check, or may issue “pre-paid” debit cards to employees
- **No Cash or Personal checks will be accepted**
- **Estimated time: 10 minutes (if pre-enrolled)**

DISCLOSURE AGREEMENT

- All TWIC applicants will be required to sign a Disclosure Agreement Form
- Applicant must disclose prior military service
- Applicant must disclose known applicable disqualifying offenses
- Applicant consents to background check and security threat assessment
- Applicant certifies immigration status
- Applicant acknowledges obligation to notify TSA if convicted of a disqualifying offense
- Applicant certifies that all information is accurate and provides signature

PERMANENT DISQUALIFYING OFFENSES

As identified in section 1572.103 of the final rule (“unlimited look back”):

1. Espionage or conspiracy to commit espionage
2. Sedition or conspiracy to commit sedition
3. Treason or conspiracy to commit treason
4. A federal crime of terrorism (18 U.S.C. 2332(g)) or comparable State law
5. A crime involving a TSI (transportation security incident). Note: A transportation security incident is a security incident resulting in a significant loss of life, environmental damage, transportation system disruption, or economic disruption in a particular area. The term "economic disruption" does not include a work stoppage or other employee-related action not related to terrorism and resulting from an employer-employee dispute.
6. Improper transportation of a hazardous material under 49 U.S.C. 5124 or a comparable state law
7. Unlawful possession, use, sale, distribution, manufacture, purchase...or dealing in an explosive or explosive device
8. Murder
9. Threat or maliciously conveying false information knowing the same to be false, concerning the deliverance, placement, or detonation of an explosive or other lethal device in or against a place of public use, a state or government facility, a public transportation system, or an infrastructure facility
10. Certain RICO (Racketeer influenced and Corrupt Organizations) Act violations where one of the predicate acts consists of one of the permanently disqualifying crimes
11. Attempt to commit the crimes in items (1)-(4)
12. Conspiracy or attempt to commit the crimes in items (5)-(10)
13. Convictions for (1)-(4) are not eligible for a waiver.

INTERIM DISQUALIFYING OFFENSES

Conviction within 7 years, or release from incarceration within 5 years of application, and indictments or wants/warrants associated with the crimes listed below until released:

- Unlawful possession, use, sale, manufacture, purchase, distribution...or dealing in a firearm or other weapon
- Extortion
- Dishonesty, fraud, or misrepresentation, including identity fraud and money laundering (except welfare fraud and passing bad checks)
- Bribery
- Smuggling
- Immigration violations
- Distribution, possession w/ intent to distribute, or importation of a controlled substance
- Arson
- Kidnapping or hostage taking
- Rape or aggravated sexual abuse
- Assault with intent to kill
- Robbery
- Fraudulent entry into a seaport
- Lesser violations of the RICO (Racketeer Influenced and Corrupt Organizations) Act
- Conspiracy or attempt to commit crimes in this paragraph (b)

AFTER INITIAL APPLICATION

- Applicants will be notified by phone or email when their TWIC is ready.
- Applicants must return to TWIC Enrollment Center to pick up their TWIC.
- If an applicant receives a notice that they have been disqualified, they will also receive information that clarifies the appeal and waiver process.
- In the event of disqualification, the applicant **will** be notified. If TSA has reliable information concerning an imminent threat posed by an applicant, the employer, facility, vessel owner, or COTP **may** be notified. On the TWIC Application Disclosure Form, the applicant certifies the following statement in writing:
“I acknowledge that if the Transportation Security Administration determines that I pose a security threat, my employer, as listed on this application, may be notified....”
- Applicants are encouraged to reapply if their initial disqualifying offense is no longer applicable. Applicants will need to understand the nature of the initial disqualification and the corresponding look-back periods of 5 or 7 years if applicable. Reapplying can occur as long as there are no secondary disqualifying events.
- Individuals are required to notify TSA if they are convicted of a disqualifying offense (once they are a TWIC holder) or no longer meet the immigration standards.

PICK UP YOUR TWIC

- Return to the **same** Enrollment Center you enrolled at
- Pick up and activate your TWIC
- Don't forget your PIN
- That's it! Estimated time: 5 minutes
- Note: Mobile Enrollment Center applicants will be required to pick up TWIC at nearest Fixed Enrollment Center unless previously negotiated with local Lockheed Martin Field Coordinator

ENROLLMENT CENTERS

Approximately 130 Enrollment Centers will be located throughout the U.S. and its territories

Port Location

Anchorage, AK
Juneau, AK
Nikishka, AK
Valdez, AK
Mobile, AL
Guntersville, AL
Helena, AR
Samoa, AS
Long Beach, CA
Los Angeles, CA
Oakland, CA
Richmond, CA
San Diego, CA
San Francisco, CA
Stockton, CA
Port Hueneme, CA
Bridgeport, CT
New Haven, CT
New London, CT
Wilmington, DE
New Castle, DE
Jacksonville, FL
Miami, FL
Port Everglades, FL
Tampa, FL

Port Location

Palm Beach, FL
Panama City, FL
Pensacola, FL
Port St. Joe, FL
Port Canaveral, FL
Port Manatee, FL
Savannah, GA
Brunswick, GA
Guam, GU
Honolulu, HI
Hilo, HI
Kahului, Maui, HI
Chicago, IL
Burns Harbor, IN
Indiana Harbor, IN
Gary, IN
Mt. Vernon, IN
Louisville, KY
Baton Rouge, LA
Lake Charles, LA
New Orleans, LA
Plaquemines, LA
Morgan City LA
Boston, MA
Fall River MA

Port Location

Baltimore, MD
Portland, ME
Detroit, MI
Muskegon, MI
Calcite, MI
Escanaba, MI
Marine City, MI
Port Dolomite, MI
Port Inland, MI
St. Claire, MI
Stoneport, MI
Minneapolis, MN
Duluth-Superior, MN
Two Harbors, MN
Kansas City MO
St. Paul MO
St. Louis, MO
Vicksburg, MS
Gulfport, MS
Pascagoula, MS
Biloxi, MS
Greenville MS
Morehead City, NC
Portsmouth, NH
New York/
New Jersey, NJ

Port Location

Buffalo, NY
Port Jefferson, LI, NY
Cleveland, OH
Ashtabula, OH
Conneaut, OH
Lorain, OH
Marblehead, OH
Toledo, OH
Cincinnati, OH
Fairport Harbor, OH
Sandusky, OH
Tulsa, OK
Portland, OR
Coos Bay, OR
Philadelphia, PA
Pittsburgh, PA
Chester, PA
Penn Manor, PA
Marcus Hook, PA
Ponce, PR
San Juan, PR
Providence, RI
Charleston, SC
Memphis, TN
Nashville, TN

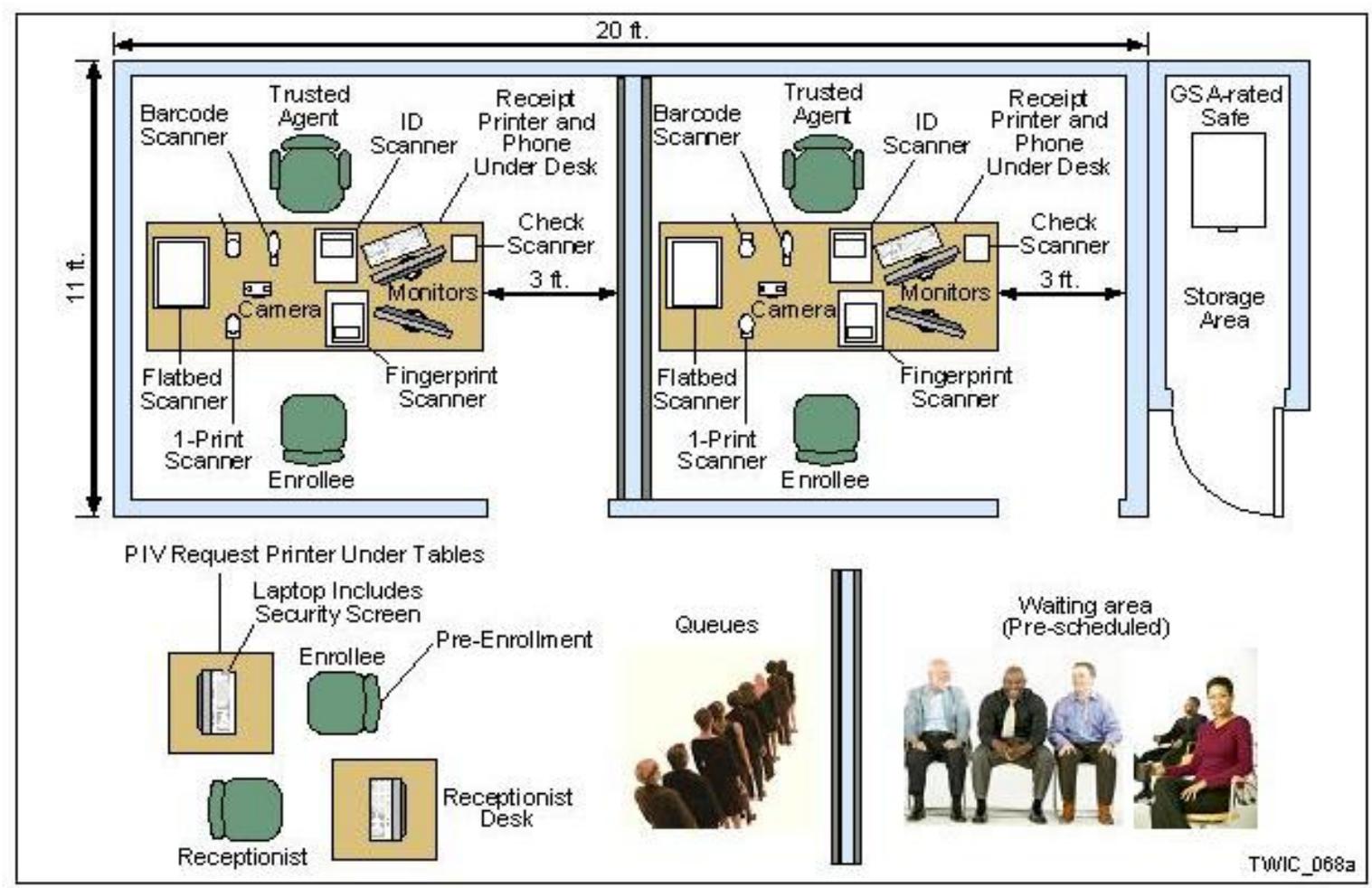
Port Location

Chattanooga, TN
Beaumont, TX
Brownsville, TX
Corpus Christi, TX
Houston, TX
Port Arthur, TX
Texas City, TX
Victoria, TX
Freeport, TX
Galveston, TX
Matagorda, TX
Norfolk, VA
Newport News, VA
St. Thomas, VI
St. Croix, VI
Seattle, WA
Tacoma, WA
Anacortes, WA
Everett, WA
Kalama, WA
Longview, WA
Vancouver, WA
Milwaukee, WI
Green Bay, WI
Huntington, WV

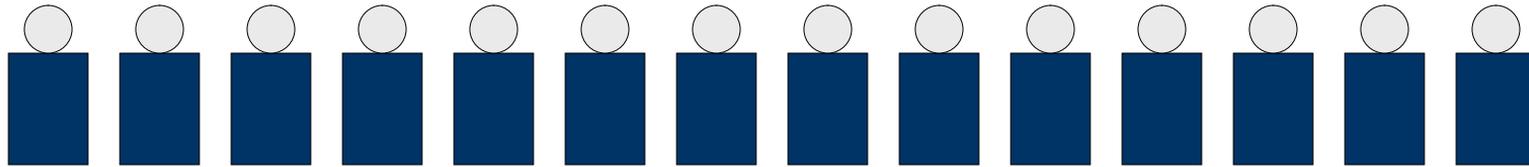
ENROLLMENT CENTER TYPES

- **Port Stakeholders are encouraged to immediately nominate potential “Fixed” Enrollment Center locations.**
- **Fixed Enrollment Center Characteristics**
 - Longer term duration (months to years), will possibly remain as an enrollment center through sustainment period (after initial “ramp up” enrollment period).
 - Acts as hub for enrollment in port/ sector.
 - Accessible to all port workers, regardless of employer or job function.
- **Employers and unions are encouraged to request services of “mobile” enrollment stations to facilitate quick enrollment with minimal time away from workplace.**
- **Mobile Enrollment Center Characteristics**
 - Temporary basis, designed to allow for efficient enrollment of employees/members.
 - Deployed from fixed center to large employers or unions upon request and approval.
 - May be open to an employer to accommodate solely their employees and/or members or all port workers.
 - No additional cost to requesting organization.
 - Prefer internet access, phone line, in private conference room/office.
 - Availability of mobile centers dependent on demand. Requesting organizations will be contacted by Lockheed Martin team prior to port enrollment start date.

TYPICAL ENROLLMENT CENTER LAYOUT



ENROLLMENT CENTER STAFFING



Trusted Agents (TAs) & TA Supervisors

- Identification of Candidates recruited locally 2 months prior (when possible)
- 5 Weeks for Vetting (when possible)
- One Week On-Site Training
- Enrollment centers will be set up 1 week before enrollment start date
- Threat Assessment/Background Check is more rigorous as TAs are subjected to be vetted as contract employees in addition to being TWIC'd.

FORMAL NOTIFICATION PROTOCOL

- **USCG Notify COTPs of Enrollment Schedule**
- **LM Team Will Contact each site to communicate enrollment details, obtain facility nominations, secure facilities, set up enrollment stations, and commence enrollments.**
- **Public Notification via Federal Register and www.tsa.gov/twic**

CONCLUSION

The TWIC Team is committed to the successful deployment of the program throughout the maritime transportation sector.

We need your commitment to make the TWIC program a success!

Please forward the following to alinderman@deloitte.com:

- Nominations for TWIC Enrollment Centers (Fixed or Mobile)**
- Key Points of Contact (POCs) for Coast Guard, Port Authorities, Employers and Unions operating at port (to facilitate mass communications)**
- Feedback on issues, obstacles, and overall activity**

CONTACT INFORMATION

Deloitte Consulting LLP:

- Teri Helenese (thelenese@deloitte.com) 703-862-1226
- Andy Linderman (alinderman@deloitte.com) 202-997-6327

Transportation Security Administration:

- 1-866-DHS-TWIC (866-347-8942)
- credentialing@dhs.gov



Teamsters Local Union No. 553

Affiliated with the International Brotherhood of Teamsters



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Daniel J. Gatto
President

Demos P. Demopoulos
Secretary-Treasurer & Executive Officer

Michael Spinelli
Vice President

Testimony to the New York City Council Sanitation Committee Demos P. Demopoulos, Secretary-Treasurer, Teamsters Local 553, IBT September 29, 2016

Good afternoon Chairman Reynoso and Committee Members. I am Demos Demopoulos, Secretary-Treasurer of Teamsters Local 553, which represents New York's heating oil workers that have kept New Yorkers warm during cold weather for over 100 years.

We have 1,000 members in this industry, whose jobs could be in jeopardy along with their pension and medical benefits

The fuel oil industry is presently regulated by four different city agencies, four different state agencies, and four different federal agencies.

If you commit fraud in this industry, you will get caught and you will get indicted. That is how it should be.

My intention is to protect the good jobs for working New Yorkers, and good employers that provide those jobs.

Union companies – the good companies who make up the majority of the industry and will be hurt by this legislation as it is currently written.

I know this industry. My father provided for a family of 6 children growing up in Queens, by driving an oil delivery truck. I drove from 1978 until 1990, when I became a business agent for the union.

It is with the utmost respect for this committee that I ask you to put this legislation aside and work with us to protect heating oil jobs, and avoid any negative effects to the jobs and benefits I speak of.

Thank you for this opportunity.

Cohler Fuel Oil Co., Inc.

*Modern Oil Heating & Bioheat® Fuel Specialists
The Gateway To A Renewable Energy Future®*

4006 – 14th Ave., Brooklyn, N.Y. 11218
(718) 436-1495 / Fax.(718) 436-2416

www.CohlerFuelOil.com

9-29-2016

Committee on Sanitation & Solid Waste Management

Re: Testimony regarding Int. No. 1268

1. Background of Cohler Fuel Oil, a 4 generation company established in 1939, and the measures we take to ensure that our customers always get 100% of the product delivered.

However the last 7 years have been so difficult for us to survive due to reduced volumes from high fuel prices, huge increases in our operating expenses: higher insurance premiums, rising health insurance premiums, increased labor costs, and not to mention the burden of all our required paperwork: Petroleum Business Tax, Truck Mileage Tax, Heavy Vehicle Use Tax, Hazardous Material Registration, and the yearly reporting of gallons to the Energy Information Agency and to NYC for Local Law 43, etc. The additional expense of time and money, of being subject to the oversight of the Business Integrity Commission will indeed be a tremendous additional burden.

2. Our company and every other legitimate fuel company, which by far the vast majority of companies in NYC representing the vast majority of gallons delivered in NYC, have suffered as a result of those companies that have ripped-off consumers. We have lost customers, and/or had to greatly reduce our fair operating margin to some of our own customers, due to those shady companies that sell fuel at ridiculously low prices.

3. I'm sure I speak for all the fuel companies here today to express our gratitude for all the investigative efforts and prosecutions that have stopped those thieving criminal fuel companies.

I believe that in America, every person is responsible for his or her own actions. For example: The shady business dealings or crimes from a mobster - from whatever specific ethnic group - deserves to be scrutinized by the law, and then punished to the fullest extent of the law.

However, we should never condemn and punish all people from that mobster's ethnic group.

That's why in this case, only those fuel companies that have been proven to be guilty of theft in the course of running a criminal enterprise should be subjected to the additional expense and additional scrutiny of the Business Integrity Commission or other NYC agency. It's completely unfair to characterize all of us as untrustworthy, when the vast majority of fuel oil companies have earned the trust and respect of consumers for generations with honest service and fuel deliveries.

(continued)

9-29-2016

4. Having said that, there are several suggestions that I would like to make that I think should be considered by our industry representative, The New York Oil Heating Association, together with NYC officials, that would add additional security to New York City consumers, would promote the reputation of our essential industry, and show consumers that both our industry and NYC agencies care about fair measure and honesty.

a. NYC Consumer Affairs / Weights and Measures inspectors should be required to physically inspect every fuel truck for illegal bypass valves and bypass lines, every single time a truck comes in for meter testing.

b. The air eliminator service access should have an additional NYC seal on 1 or 2 nuts or bolts.

c. The internal float mechanism of the air eliminator should be made of a non-ferrous material like aluminum or brass – if available, or some special casing that will prevent tampering by external magnets.

d. A requirement that can be phased-in over 3 years (for example), that requires the use of electronic meter registers that have an automatic “time-out” feature to automatically end a delivery when fuel is no longer flowing from the delivery hose within 3 minutes maximum (to avoid a driver delivering fuel to a different location on someone else’s ticket),. The electronic meter/registers also show the delivery date, and delivery time of day (to virtually eliminate someone switching delivery tickets).

(If using non-electronic meters, an additional internal meter/register switch can be installed that will lock the truck’s brakes whenever a ticket is in the meter (to avoid a driver “riding the ticket” and delivering fuel to a different location on someone else’s delivery ticket). *However*, this system may become a driving hazard if the system fails due to an electrical short, and locks the brakes when the truck is already in motion. Perhaps it can be updated with a vehicle speed sensor.)

e. NYC officials should have the right to stop and examine each truck’s delivery tickets for proper sequence/ticket numbers on consecutive delivery tickets.

Together with my colleagues, I take the responsibility of honest fuel deliveries and a clean, respectable reputation very seriously. I just don’t want to see the City use collective punishment on all of us. It will only weaken our already over-burdened companies. Thank you for your time.

Allan Cohn

President, Cohler Fuel Oil Co., Inc.

GEORGE HAMILTON
BORN AND RAISED IN COLLEGE POINT
AGE: 57
MARRIED 34 YEARS
2 CHILDREN AGES 33 AND 28
1 GRANDSON

EMPLOYED AT SKAGGS WALSH 119-02 23 AVE, COLLEGE POINT SINCE MAY 1982
STARTED IN CREDIT DEPARTMENT
PROMOTED TO NIGHT MANAGER IN 1988
PROMOTED TO OIL DEPARTMENT MANAGER IN 1991

I TAKE PRIDE IN MAKING SURE OUR CUSTOMERS RECEIVE ACCURATE AND TIMELY DELIVERIES.

I AM RESPONSIBLE TO MAKE SURE OUR TRUCKS MEET ALL REGULATORY AGENCY REQUIREMENTS.
INCLUDING PASSING CONSUMER AFFAIRS INSPECTIONS AND FDNY INSPECTIONS.

WE PERFORM DAILY RECONCILIATION CHECKS ON ALL OUR TRUCKS THAT ARE USED EACH DAY.
THIS INCLUDES OPENING INVENTORY, ANY PRODUCT LOADED, PRODUCT DELIVERED AND THE CLOSING
INVENTORY.

THE DELIVERIES ARE THEN TALIED TO MAKE SURE THEY EQUAL THE PRODUCT DELIVERED. THE
INVENTORY IS CHECKED TO MAKE SURE THERE ARE NO GAINS OR LOSSES.
GAINS OR LOSSES CAN INDICATE A PROBLEM AND A THOROUGH CHECK NEEDS TO BE DONE BEFORE
USING THAT TRUCK FOR ANY FUTURE DELIVERIES.

I MAKE SURE THE TRUCKS ARE EMPTIED OUT COMPLETELY PERIODICALLY TO MAKE SURE THE
INVENTORY IS ACCURATE.

I ALSO REVIEW A DAILY EXCEPTION REPORT. THIS LISTS UNUSUAL ACTIVITY ON OUR CUSTOMER
ACCOUNTS. THIS COULD INCLUDE USING MORE OIL BECAUSE THEY KEEP THE HOUSE WARM DUE TO A
NEWBORN BABY OR A BOILER THAT STARTED TO LEAK. IT COULD ALSO BE THEY USED LESS BECAUSE
THEY WERE ON VACATION OR HOSPITALIZED.

OUR DRIVERS ALL HAVE VALID CLASS A OR B CDL'S, TANK AND HAZMAT ENDORSEMENTS, VALID
MEDICAL CERTIFICATION AND T.W.I.C. CARDS. THEY RECEIVE 2 BACKGROUND CHECKS. BOTH INCLUDE
FINGER PRINTINTING, ONE BY DOT AND ONE BY HOMELEND SECURITY. WE ALSO PERFORM A
BACKGROUND CHECK BEFORE HIRING ANY EMPLOYEE.

BEFORE ANY DRIVERS CAN LOAD AT OUR TERMINAL THEY MUST DEMONSTRATE THEY HAVE A VALID
CDL CLASS A OR B WITH THE PROPER TANK AND HAZMAT ENDORSEMENTS. THEY ALSO REQUIRE A
VALID DOT MEDICAL CARD AND FEDERAL TWIC CARD. THE TRUCK MUST HAVE A VALID CONSUMER
AFFAIRS STICKER, FDNY STICKER, AND NYS INSPECTION STICKER. WE ALSO HAVE CERTIFICATES OF
INSURANCE ON ALL COMPANIES THAT LOAD AT OUR FACILITIES.

Comments for the BIC hearing scheduled 9/29/2016

Good Afternoon. My name is Allison Heaney. I grew up in Queens and now reside in Nassau County. I am the president of Skaggs-Walsh, a retail fuel oil dealer and fuel oil terminal in College Point, Queens. I actually grew up in the oil business. I am the third generation in my family to run Skaggs-Walsh. We have grown from a small boiler installation company in 1933 to a full service fuel oil dealer serving over 12,000 customers, mostly in the 5 boroughs of New York city. We employ 87 people and take great pride in delivering fuel, repairing fuel oil equipment and installing new oil burning equipment for our customers. I began by fixing burners and doing annual tune-ups when I was 14 and proceeded to get my Commercial Driver's License with Hazmat endorsement which allows me to deliver fuel oil.

The issues that have brought all of us here today concern me as much or more than they do this committee. When companies or their unscrupulous employees steal from customers not only do they give all oil companies a bad name, they also create an unfair playing field for those of us who would never consider doing such things. I must charge enough from my customers to cover all of my costs, pay all of my workers and still have something left in the way of profit at the end of the day. Those who do not play by the rules threaten my livelihood and those of my hard working employees. I applaud your attempt to stop the corruption that threatens my business as well as the unsuspecting consumers who have been taken advantage of. However, I fear that the proposed regulations will do nothing to stop the criminals.

I believe that the most effective way to curtail the criminal activity in my industry would be by bringing back the practice of random, surprise inspections by the Department of Consumer Affairs at Fuel Oil Terminals and at Random locations around the 5 boroughs. The current system of having only one location for DCA where trucks must be checked and sealed once a year is not working. I liken this approach to having a police force that never leaves the precinct. The only chance for them to catch anyone is if they come in and admit to wrong doing. Not likely. If the DCA were given additional funds and manpower, I believe that they would make a huge difference in driver's willingness to participate in theft schemes and companies would be far more reluctant to take such chances. I hope that you will not vote to add more needless regulation and paperwork to my industry, but rather address the problems with an active solution that will actually curtail the bad acts of the few criminals in our industry.

Respectfully submitted,

Allison Heaney

Nestor Arce Testimony for BIC on September 29,2016

Hello, My name is Nestor Arce. I am a fuel oil driver for Skaggs-Walsh located in College Point. I have lived in Queens my whole life; I grew up in Ozone Park and now live with my wife and my son in Glendale. I have been delivering fuel oil for 18 years now. First I was employed by JJ Johnston fuel until they were purchased by my current employer Skaggs-Walsh.

I am aware of the indictments that occurred last year but have never worked for a company where anything like that was going on. Each day I come to work and am given my 25 stops for the day. I load my truck, set my totalizer to the gallons available and make the deliveries that have been scheduled. Sometimes, I need to fill the truck two or three times. At the end of the day, I total how many gallons I have loaded and add that to the gallons that were already on my truck. That gives me the total gallons available for delivery. I then total all of the meter readings on the delivery tickets I have made that day. I also gather the meter reading from the back of my truck to compare with the start figure for that day. All three of these numbers are compared and give me the total number of gallons delivered as well as those remaining on my truck for the next day. At least once per month, I am asked to "empty out" my truck to make sure all of these numbers are accurate. Ususally I empty out at least once a week. Each time I do, the dispatchers and oil department managers review my Drivers Card to be sure that I am not gaining or losing oil.

I do not think that asking drivers to go and get another set of fingerprints would help to stop the stealing that some companies are engaged in. I am already required to have a TWIC card with fingerprinting, a CDL with Hazmat endorsement that has fingerprinting and a background check from my company. I think that the best plan would be to go back to the way things were 15 years ago. Every now and then, my truck would be stopped by consumer affairs and they would spot check the truck to make sure it was still in compliance.

The people who were indicted hurt all of the hard working men and women in our industry. I am glad that you are taking steps to stop that practice and hope you will find a way that works but that does not just add more red tape for drivers who already have to lose work days in order to comply with the current regulations.



Star Gas Statement

9-29-16

Who we are:

Good afternoon Chair Reynoso and Committee Members. My name is Jerry McDonough and I represent Star Gas Partners, a full service energy provider specializing in the sale of home heating products and services to residential and commercial customers. We also service and sell heating and air conditioning equipment. In New York City we provide ultra low sulfur heating oil (the cleanest heating oil available) combined with bio fuel which makes it even cleaner and better for the environment.

Star Gas is a publicly traded master limited partnership and is the nation's largest retail distributor of home heating oil, based upon sales volume, operating throughout the Northeast and Mid-Atlantic. We are listed on the New York Stock Exchange under the symbol "SGU" and follow strict regulatory inventory controls (SOX).

Under the Petro Home Services brand we have operated in New York City for over 100 years.

Operations in New York City

As a publicly traded company, and one that prides itself on ethical conduct and adherence to strict inventory controls and compliance regulations, we welcome and very much want more transparency for the industry. We would support increased transparency, and enforcement of existing laws.

Some highlights of our operations include:

- **Residential and commercial products and services** that we provide in New York City include: Oil delivery, equipment installation and service; Natural Gas and Air Conditioning service and installation; Energy Audits and ultra-low sulfur diesel fuel, gas, and biofuels delivery, equipment installation and service.
- Additionally, we are currently working with several different vendors to develop a **tank monitoring device** that would ensure accurate deliveries to residential and commercial customers alike.
- We have professional company-hired and trained drivers (averaging over 20 years of experience) who deliver our heating oil and diesel products. We do not use any sub-contracted truckers to deliver our fuel in New York City. We maintain control of our product at all times.

About our regulations:

Best practices and regulatory measures are in place to ensure the safe delivery of heating oil to our customers. These practices include but are not limited to:

- Background checks are performed on all employees that are hired.
- GPS systems are on each vehicle we own and operate.
- Our drivers inspect our trucks in the morning and afternoon to make sure all truck equipment is operating at peak efficiency.
- Supervisors conduct on-road inspections to ensure that our employees and equipment are operating properly and accurately.
- We have annual meter inspections that are conducted (meters are sealed) by the NYC Department of Weights and Measures. All of our trucks and meters are fully compliant and we have an excellent working relationship with the City and State.

About our reputation and record for excellent service:

- We helped the New York Stock Exchange remain in operation during Super Storm Sandy and we are trusted by major banks, hospitals, fire departments and institutions to provide Emergency Generator Services so their back-up systems remain in operation.
- We also partner with the NYC Office of Emergency Management during hurricane-type events.
- We are a NYC Clean Heat Partner which requires rigorous vetting.

Our position:

We would like to advocate for the City of New York to provide existing agency resources to thoroughly investigate and increase the number of trucks that are spot-checked on a daily basis. **We believe that increased enforcement of current rules and regulations is needed** and will combat the issue at hand much more readily than requiring additional licenses and registrations.



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FRED M. SCHILDWACHTER & SONS, INC.



MAIN OFFICE AND TERMINAL

1400 FERRIS PLACE, BRONX, N.Y. 10461

September 29, 2016

Good Afternoon,

My name is Daniel Schildwachter, I am the President of Fred M. Schildwachter & Sons Inc., located in the Westchester Square section of the Bronx. Schildwachter was started by my great grandfather in 1904 some 112 years ago. We are a 5th generation family owned and operated company the oldest in the Bronx.

Schildwachter started as a business delivering ice to homes and businesses by horse and carriage. In the early 1920's a state of the art ice manufacturing plant was built at our Webster Avenue site. In the 1930's we added a fuel oil terminal on Ferris Place, where we are located today. We have been supplying residential, commercial and wholesale customers with Fuel Oil and Diesel Fuel. In 2002 we expanded our business to include Biodiesel products that we custom blend for our customers at our automated blending racks.

NYHOA, which we are active members, has brought to my attention the proposal of the BIC requirements to operate our business. We are not crooks! There are bad apples in every basket I hope the FBI and NYPD have found them.

The proposed "law" would not solve anything when it comes to protecting the consumer "customer" from fraud. This would only apply to companies that are based within NYC limits. What about companies based outside of the city selling fuel oil within the city limits. "It should apply to all". The current Proposal lacks complete enforcement and penalizes companies based in the New York City.

We already have from New York State and the Federal Government Licenses to operate our business. I have a NYS Commercial Driver's License with a Hazmat endorsement. To have this I need an FBI background check. I also have a TWIC card which requires again an FBI background check. With this proposal you want another one. WHY? For who? Unnecessary!

"BE SMART. BE SURE. SCHILDWACHTER."

1-800-642-3646 • WWW.SCHILDWACHTEROIL.COM

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Who is to determine the character of myself or the members of my company? Do they have the character to determine my character?

This will be wasted effort to enforce. NYC already has 2 agencies looking at us from FDNY for safety of the vehicle, and NYC Consumer Affairs which checks the accuracy of the meters.

We need more field inspections at terminals and also spot checks on the road. We need every fuel oil truck that does business in NYC to have the Weights and Measures permit, enforcement? Which is not required.



APPROVED OIL COMPANY

6717 Fourth Avenue • Brooklyn, NY 11220 • T: (718) 238-1050 • F: (718) 238-1053

MEETING OF THE COMMITTEE ON SANITATION & SOLID WASTE MANAGEMENT

SEPTEMBER 29, 2016

TESTIMONY OF DAVID STERN, APPROVED OIL COMPANY

Good afternoon Chairman Reynoso and members of the Committee on Sanitation and Solid Waste Management. My name is David Stern, and I am the Senior Director of Service & Sales at the Approved Oil Company. Thank you for the opportunity to testify this afternoon and to provide you with comments on Introduction 1268, a Local Law to amend the New York City charter and the administrative code of the city of New York, in relation to regulation of the heating oil supply industry by the business integrity commission.

I was born into the fuel oil business. My father owned and operated Stern Brothers Fuel Oil Company from the 1940s to 1985. Having worked in the family business, I have been around oil trucks and service vans since I was 16 years old. In 1985, our business was sold to Empire State Fuel, then to The Hess Corporation, and finally to Approved Oil Company, where I work today.

Approved Oil, headquartered in Brooklyn, employs approximately 250 local residents who live, work, and worship in the communities throughout the five boroughs that we service. Our customers are still primarily private home owners and consist of family, friends, neighbors, synagogues, churches, and small businesses. Approved Oil is a community-based and family-owned business. We operate our own fleet of oil trucks and employ truck drivers and service technicians, all of whom are local, union members.

We are all aware of the circumstances that have led to the introduction of the bill being considered today and the reason for today's hearing. During my time in the industry, I have learned the ins and outs of the heating oil supply business, have interacted with the various city, state, and federal agencies that regulate the industry, and have seen good and bad actors. Approved Oil takes great pride in operating its business and serving its customers with integrity, and it fully condemns the actions of unscrupulous heating oil trucking companies that have cheated their customers and have put their law-abiding competitors at an unfair disadvantage. For that reason, Approved Oil would support measures that would increase enforcement on those bad actors. Unfortunately, however, Introduction 1268 is not such a measure.

The core problem and illegal activity that was uncovered by the recent investigation of companies in the heating oil supply industry was made very clear in the November 2015 Joint Report of the Department of Investigation and Business Integrity Commission, was tampering with heating oil delivery trucks. The report detailed elaborate schemes to shortchange customers by manipulating meters, diverting heating oil from a customer's tank, and the like. All of these actions were illegal, and the individuals and companies that undertook them were prosecuted.



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The Joint Report enumerated more than a dozen measures that both DOI and BIC determined “ensure accountability and mitigate the risks of being shorted.”¹ It also indicated that “DCA has taken the lead in instituting new measures and strengthening its inspection process to eliminate these schemes in the City of New York.”² It even identified prophylactic measures undertaken by some agencies that were effectively utilized to prevent those agencies from being shorted.³

Introduction 1268 does not codify any of the recommendations in the Joint Report and offers no alternative measures that would prevent bad actors from undertaking these very same schemes. Nor does it take away regulatory authority from the agencies that currently oversee the heating oil supply industry. It simply provides a complex licensing system and specifies that activity which is already illegal is additionally unlawful under the administrative code. The threat of criminal penalties did not prevent the problems that were uncovered last year; why would we expect the additional penalties in Introduction 1268 to prevent them?

Additionally, the proposed legislation does not distinguish full-service, family-operated companies from commercial trucking companies. Our histories, business models, and customer bases could not be more different. The additional bureaucracy of another layer of regulatory oversight beyond what currently exists will be extremely burdensome for small- and medium-sized businesses. *It is unreasonable to expect these smaller operations to comply with the numerous licensing requirements, fees, and complete discretion by the regulator to impose an independent monitor to be paid for by the licensee.*

The real focus of any legislative action in this industry should be providing the agencies that currently regulate the heating oil industry the proper resources to identify and prevent illegal business practices. We are also concerned by the prospect of creating advantages for competitors that are located outside of the City to poach local customers. We welcome reasonable oversight and transparency in our industry, and we would hope that any legislation will protect customers and legitimate local businesses alike.

¹ Page 3, November 11, 2015, Department of Investigation Press Release, *Department of Investigation and Business Integrity Commission Issue Joint Report On Combating Fuel Delivery Fraud and Protecting Consumers.*

² Page 2, November 11, 2014, Department of Investigation and Business Integrity Commission, *Investigation into Fraud Involving Fuel Oil Delivery Companies and the Schemes that Stole Millions of Dollars in New York City Taxpayer Funds.*

³ See, *id.* at page 8.

New York Oil Heating Association, Inc.

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NEW YORK STATE ENERGY COALITION
NATIONAL ASSOCIATION FOR OILHEAT RESEARCH & EDUCATION
NATIONAL BIODIESEL BOARD
NATIONAL OILHEAT RESEARCH ALLIANCE
PETROLEUM MARKETERS ASSOCIATION OF AMERICA



ROCCO J. LACERTOSA
CHIEF EXECUTIVE OFFICER

Officers:

TED KOLLAR, PRESIDENT
DANIEL SCHILDWACHTER III, VICE PRESIDENT
JOHN MCCONVILLE, SECRETARY
VINCENT ALLEGRETTI, IMMEDIATE PAST PRESIDENT

Testimony of Rocco Lacertosa, CEO of the New York Oil Heating Association (NYOHA) Hearing of the Committee on Sanitation and Solid Waste Management Intro 1268 September 29, 2016

Good afternoon Chair Reynoso and Committee Members. My name is Rocco Lacertosa and I serve as the CEO of the New York Oil Heating Association, a 75-year-old trade association whose members, for the most part, are made up of family-owned heating oil distributors and terminal operators located throughout the City of New York. Thank you for the opportunity to testify today.

NYOHA has a strong track record of working closely with the City on numerous policy and operational issues including consumer protections and key environmental goals such as reducing sulfur content and increasing blends of bioheat which overwhelmingly passed at yesterday's City Council hearing.

I want to be very clear. Our industry of honest, hardworking, small, medium large businesses from all five boroughs has a shared goal with the City of New York - to protect consumers from fraudulent business practices and to promote accountability in our industry. No one wants to see the bad actors weeded out as much as we do.

However, this bill would destroy good people and make it impossible for mom and pop union heating oil businesses to compete with global utilities. Placing an already heavily regulated industry under the BIC bureaucracy will regulate good actors out of business and will not accomplish our shared goal

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of punishing the bad actors - mostly fuel transport businesses - from undercutting legitimate companies and ripping off the public.

With Intro 1268, the City Council is giving enormous unchecked power to a single agency. The bill is strikingly broad. It focuses on redundant background checks, paperwork, fines, fees and bureaucracy – when we should be focusing on real enforcement.

I'd like to point out a few specific areas of the legislation that raise serious concerns in our view.

Our industry is highly regulated by 13 different City, State and Federal agencies including DCA, DCAS, and the US Transportation Security Administration, a division of the Department of Homeland Security, which administers the Transportation Worker Identification Credential, also known as a TWIC card. TWIC is a biometric ID for accessing secure fuel facilities and put in place after 9/11. A chart outlining all of these regulatory requirements is included in your packets.

Background checks and regulation are not what is missing. DCA used to have regular spot checks of trucks. But they haven't in many years. That is what allows the insidious practice of shorting to exist. We recommend that the City conduct spot checks in addition to other enforcement, rather than creating yet another layer of bureaucracy.

The DOI-BIC report released in November 2015 highlighted fuel transportation companies, as well as drivers, that engaged in various schemes to short customers. The fact that the thieves knew their trucks wouldn't be spot checked, and only checked at a scheduled inspection

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allowed for fraudulent activity. DCA already performs a very stringent scheduled inspection at their facility. However, there are no random field inspections. Let's tighten and enhance DCA and other existing regulations.

Furthermore, our industry is increasingly using new technology to monitor the integrity of fuel delivery. We should be looking at that technology and how it can be more widely implemented in a way that works for commercial and residential customers. You will hear more about that from some of the heating oil businesses here today.

The bill's requirements will have far-reaching economic implications for the industry. Placing a massive financial burden on thousands of employees in the heating oil industry is unfair. We need only to look at other BIC regulated industries such as the Hunts Point Market for a preview of what may be in store for workers in the heating oil industry. According to a 2013 report by CBS News, included in your packets, advocacy groups such as LatinoJustice were forced to intervene on behalf of small businesses that were being excessively fined and routinely intimidated by agents, sometime with guns drawn, at their place of work.

This bill would cripple small heating oil businesses. For example, the bill states that "all licensed dealers and deliverers shall maintain audited financial statements and records." While larger heating oil dealers may conduct audits on a regular basis, audits are not common practice for small businesses because of their significant costs. Additionally, the compliance costs of this legislation and requirements like audited financials would provide an economic advantage to businesses located in Westchester, Nassau County or New Jersey that would not have such costly burdens.

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Other aspects of the bill are strikingly subjective. With this bill, the City Council would be empowering an agency with the ability to deny applications and put small businesses out of business simply because BIC feels an individual does not have what it subjectively believes is “good character, honesty and integrity.”

Furthermore, the bill would empower BIC to regulate how businesses would bill their customers for deliveries. Companies have different billing systems making this logistically challenging. This overstepping of regulatory boundaries can have very negative consequences for small businesses. Overhauling operating procedures, fleet management or revamping computer billing systems is costly and cumbersome.

I would like to add that the legislation suggests that BIC would monitor and regulate “overcharging,” but the bill does not define overcharging. BIC stepping into the practice of regulating individual companies’ pricing decisions is highly troubling.

We need real enforcement - not burdensome red tape that will put good family-owned legitimate businesses out of business.

NYOHA members want to work with the City Council to aggressively fight fraud, but in a targeted, fair and actionable way. We welcome the opportunity for further conversation to discuss pragmatic and feasible ways that we can work together. Thank you.

①

Agency	Regulation
<i>In New York, state and local agencies play a supplementary but very important regulatory role</i>	
Department of Consumer Affairs	Truck Meter Inspections. The DCA conducts annual inspections of every heating oil delivery truck that operates out of New York City to ensure each truck's meters accurately registers how much oil it is pumping so that businesses are not overcharged.
	DCA inspects heating oil delivery trucks annually to confirm, among other things, that the truck's delivery meter is accurate. DCA also handles consumer complaints regarding oil deliveries.
	Companies that have a contract with the city for fuel oil must have their trucks inspected by DCA twice annually. DCA conducted inspections of over 800 trucks owned by 104 heating oil transport companies in 2014; 23 of the companies deliver fuel to City buildings.
NYC Department of Transportation	NYCDOT Truck Route Regulations - Restricts freight truck vehicle traffic through certain roadways.
FDNY	FDNY - The New York City Fire Department (FDNY) ensures that fuel delivery trucks have taken fire-hazard safety precautions and are certified for transporting hazards. The FDNY also ensures that in the event of an incident involving storage, transfer, or transport of crude oil, the first notifications is generally to a local emergency dispatcher. Local emergency management is responsible for local risk assessments, response plans, and coordination of local incident response.
Department of Citywide Administrative Services	Quality Assurance (QA) unit is responsible for inspecting and testing fuel at the terminal for compliance with the terms and conditions of the contract(s).

Agency

Regulation

In New York, state and local agencies play a supplementary but very important regulatory role

Department of Motor Vehicles DMV	Commercial Drivers Licenses; Drivers must obtain a HazMat endorsement and Tanker endorsement. Must have a medical card attesting to their fitness.
NYS Department of Transportation	The New York State Department of Transportation (NYSDOT) On-road vs. Off-road Diesel Requirement: Fuels that are used for on-road (transportation) use and off-road (heating) use differently for tax purposes, even if they are chemically the Same. Off-road fuel is tinted red and is prohibited for on-road use.
	NYSDOT is the Motor Carrier Safety Assistance Program (MCSAP) lead agency. The New York State Police is the primary participating police agency. A number of local police agencies also participate on a periodic basis. Including Spot inspections.
NY State Energy Research and Development Authority	Ensure the state's critical fuel stocks are monitored. Wholesale terminals report product movements monthly to State DEC the report is called the Secondary Transfer Certificate for Major Oil Storage Facilities (MOSF's).
New York State Department of Environmental Conservation	<i>Jointly with U.S. EPA - Bulk Petroleum Storage</i> Petroleum terminals receive, store, and distribute petroleum products such as gasoline, diesel fuel, and heating oil; renewable fuels such as ethanol and biodiesel; and, in some cases, crude oil. These terminals are vital to the sustained supply of fuel to consumers and businesses in NYS. New York has approximately 200 petroleum terminals of various sizes, which together have the capacity to store more than 52 million barrels of petroleum

Agency	Regulation
Transportation Security Administration	<p>TWIC CARD - The Transportation Worker Identification Credential card (TWIC), is a tamper-resistant credential containing the worker's biometric (fingerprint template) allowing for a positive link between the card and the individual. TWIC is a common identification credential for all personnel requiring unescorted access to secure areas of regulated facilities and vessels.</p>
	<p>Hazardous Materials Security Plan- The TSA has statutory responsibility for security of all modes of transportation, including rail transportation security. The TSA assesses how a carrier's security plan addresses the effectiveness of the plans</p>
U.S. Department of Homeland Security	<p>Jones Act (Merchant Marine Act of 1920) - Requires that all goods transported by water (including fuel carried between ports.</p>
	<p>US Coast Guard under DHS - Regulates shipments and shipping containers that pass through or near coastal waters.</p>
Department of Transportation	<p>USDOT Training and Background Checks - Includes proper handling of hazardous materials and items (HAZMAT) and Federal Motor Carrier Safety Regulations (FMCSRs) certification; a background check; pre-employment DOT physical, and a drug test.</p>
	<p>USDOT Driver Hours-of-Service (HOS) Regulations</p>

	<p>USDOT Transportation Height and Weight Restrictions. Restricts vehicles above certain heights, weights, and lengths on designated roadways and bridges</p>
	<p>USDOT Hazardous Materials Transportation</p>
<p>U.S. Environmental Protection</p>	<p>Vapor Pressure Requirement - Requires the reduction of the vapor pressure of gasoline in summer months, thus reducing volatile organic compounds (VOCs) that lead to ground level ozone.</p>
<p>Internal Revenue Service</p>	<p>The IRS requires heating oil and distillate fuel oils that are not for highway use to be colored with a red dye. The red color indicates that the fuel is exempt from federal, state, and local taxes applied to fuels sold for use on public roadways. The IRS has "diesel fuel inspectors" which can stop trucks to check for dyed fuel. Also, terminal Operators and bulk fuel carriers (pipeline, vessel and barge operators) are required to file monthly information returns - Fuel Transaction Reports - through ExStars, a fuel reporting system which details the movement of any liquid product into or out of an IRS approved terminal.</p>

Employers Blast NYC's Business Integrity Commission Over Applications, Fees



By Rebecca Granet, 1010 WINS

NEW YORK (CBSNewYork) — When two New York City Business Integrity Commission officers showed up at the doorstep of Il Forno Bakery on Aug. 15, it seemed like déjà vu for the bakery's president Ramon Eduardo.

Almost.

This time, when they came to his business, it was to follow up on an application that he was asked to fill out in 2011. An application that Eduardo said he thought he had long since completed.

Just about two years earlier, five uniformed officers from the Commission appeared at the Bronx bakery to deliver a letter stating that the bakery had to register with the Business Integrity Commission (BIC). The letter came with a 30 page application and a

\$4,000 price tag.

“At the very beginning they just showed up here, and actually with firearms,” Eduardo said.

Three months later, the BIC officers returned with photo ID applications for all of the employees, according to Il Forno's Chief Financial Officer Margaret Condyles. The applications came with \$100 price tag per employee.

In addition to the money, it was the application questions that seemed to trouble Eduardo.

“They [his employees] don't have to tell me or anyone who they're married, who they've been divorced and all those things, where they lived for the last ten years,” Eduardo said. “I have to go and pinpoint each address.”

In a statement to 1010 WINS, BIC said, “The application process is intended to ensure a fair and competitive environment, free from the influence of organized crime for businesses operating in the Hunts Point Markets and the immediate surrounding area. We do not check for immigration status and the fees are tied directly to how much it costs to do the review.”

Edward Taylor, president of Down East Seafood Inc., received a similar visit at his place of business from BIC this year. According to him, the questions on the applications include inquiries about how many times a worker has been married and what family members live with the employee.

“BIC is telling me that I have to make sure these questions are answered and they are answered correctly and everything is notarized, and if my employees don't do this, they will not be allowed to work there,” Taylor said.

Taylor has 60 employees. In order to comply with BIC's application requirements, he said he will have to pay \$10,000 this year in registration and application fees. He also

said he feels that the application questions are highly personal.

“They’re ludicrous questions,” Taylor said. “I don’t see any of it pertinent.”

According to the New York City Business Integrity Commission website, from the mid-1990’s, corrupt influences primarily from organized crime plagued the “city’s private trade waste and wholesale market industries and their associated unions.” The impact of organized crime drove down fair and honest competition in these industries.

In response to some of the issues, BIC was formed in 2001 by merging the Trade Waste Commission, which was created under Local Law 42 “to oversee and regulate the industry,” with the Markets Division at Small Business Service and the Gambling Commission. The newly combined BIC was created in order to better regulate organized crime by utilizing the various resources and knowledge from the different commissions and divisions. The Commission’s website states, “BIC’s goal is to ensure that the trade waste and wholesale market industries remain a level playing field for honest companies and their customers.”

Despite BIC’s stated mission, many local business owners find the Commission’s registration and employee photo ID applications, when taken together, to be invasive.

“I’m a private citizen, operating a private business on private property and the city is basically imposing a burden of proving that I’m not a criminal in order to operate those businesses,” said Ian MacGregor, president and owner of The Lobster Place.

On Sept. 12, Taylor said there was an emergency meeting of the Chamber of Commerce where the issues associated with these applications were discussed.

“The employers themselves think these questions are invasive and violate personal privacy, so they’re the ones who, in a sense, have organized this effort to push back,” said Foster Maer, Senior Litigation Council at LatinoJustice PRLDEF (the latter an acronym from the organization’s former name, standing for the Puerto Rican Legal Defense and Education Fund).

LatinoJustice PRLDEF was contacted by a few dozen employees who asked them to take action on their behalf.



Down East Seafood Dock (Photo credit: Edward Taylor)

“We’re in the middle of drafting a letter to the Commission outlining why we think these questions are unauthorized under city law,” Maer said.

There is a language barrier problem with the applications as well. Taylor said the questionnaires were only given in English and he asked that they be translated into Spanish.

“Some of our folks that work for us, Spanish is their first language,” Taylor said. “We got the first page in Spanish and we of course translated the rest of it for our employees.”

Taylor also says BIC’s requirements may have far-reaching implications for the economic future of the area in which BIC is enforcing the applications.

“If you’re a business owner, why would you move into this area?” Taylor said. “You would stay outside of their zone.”

In fact, Frank Loriggio, President of Bayside Seafood in the Bronx, is considering moving his business to another location.

“If I have to be investigated, and my guys have to be investigated, you know there is too much government involved in my business,” he said.

Loriggio says he thinks that these BIC requirements are the final straw for him, and Taylor has a similar sentiment.

“My project this year was going to be to put a second story on our building, to expand our offices and do a green roof with solar panels and grow vegetables, and now I’m spending all my time with BIC and I don’t even know if I want to stay in my neighborhood,” Taylor said.

On Sept. 23, Taylor wrote an e-mail to BIC via the Commission’s website to submit a complaint about these practices. Taylor says BIC called him later in the week to indicate that they were willing to meet with him.

Taylor has also been reaching out to the City Council to set up meetings about this issue and has received some responses. He says he hopes to have the Council change the law.

“It’s an unfair, unjust, un-American law that is not serving the purpose it was originally designed for,” he said.

Ultimately Loriggio says that for him, there is an ideal resolve that can come from this situation.

“Let us do our business,” he said. “We have enough licenses.”

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September 27, 2016

Councilmember Vanessa Gibson
1377 Jerome Avenue
Bronx, New York, 10452

Re: Opposition to Proposal of Local Law Int. 1268

Dear Councilmember Gibson,

We are a small family owned fuel oil company that has been located in your district since 1935. We would like to thank you for your service to our community. For over 80 years, our company has been providing heat and hot water to the many homes, businesses, religious and community center structures, hospitals and apartment buildings in this district and the neighboring communities. It started with my grandparents and now being run by my father and eventually to me. Like, you, we care about our community. We have been recognized by the Bronx Overall Economic Development Corporation for our dedication to the Bronx Community from 1981-1991. When all the businesses were fleeing the area and moving to New Jersey or out of the Borough, our company stayed. Not only did we stay and serve the community, but we employed local people to fill our positions. We embraced the community and offered opportunity.

Now we respectfully request your help. You may be aware that the oil industry has been hit hard over the past few years. The discontinuance of #6 oil and soon to be #4 oil has put a distress on our business. The push from the utility companies monopolizing the energy industries has crushed our business. We are at the mercy of foreign policy and the trade markets. Our profit margins have significantly narrowed and has proved difficult to make ends meet.

Our industry is highly regulated. All our drivers are cleared with Homeland Security to maintain their CDL license and their TWIC (Transportation Security Administration) cards to load at terminals and undergo medical examinations. Every truck is permitted annually by NYS Department of Transportation, NYS DMV, the NYC Fire Department, NYS Emissions Inspections and our delivery meters are regulated and inspected by NYC Department of Consumer Affairs. The delivery meters are highly scrutinized. Our inventory is reported monthly and we are repeatedly audited by the NYS Taxation and Finance and the Internal Revenue Service and associated agencies.

On top of this, a new burdensome regulation is being proposed by Council Member Reynoso introducing Local Law Int. No. 1268. This proposal overburdens the small oil businesses like us.

First, this bill will require every driver, dispatcher and principle to be licensed with the Business Integrity Commission. This will be quite onerous financially on them and/or the company.

We are in a specialized industry. In a small family business as ours, we are not large enough to have a dispatcher. That would mean everyone would have to be licensed by this Commission. This regulation would therefore eliminate jobs and discriminate against those that the Commission feels do not meet their standards of practice. We can not afford to lose one employee or one job.

We understand that this industry has suffered a black eye from recent events. We are sickened over the actions of a few bad apples. Not only have customers been cheated, but we ourselves were cheated. We lost a tremendous amount of business due to their infractions while maintaining our honesty and preserving our reputation. We believe in sleeping well at night. We care about the community and suffered along with the community. Honest companies can not compete with thievery. But, every industry has a few bad apples. To single out the entire industry for the actions of a few is unfair.

This will cripple our small business or any oil company with 50 or less employees. We are concerned about the financial implications of having to conduct audits and pay for new licensing.

The Commission will force oil companies to change the way we invoice. The oil industry already has specific ways we are required to invoice customers as deemed by the NYS Taxation and Finance Department. We have specific computer programs to accommodate this and the many customized reports we need to respond to numerous annual government surveys. To reprogram our invoicing, will result in a huge expense to our small business. The programming costs, the training time, the new invoicing stationary supplies will be a nightmare. There is sure to be yet another audit. Our business spends more time working for audits than being able to conduct business. Companies of my small size can not handle this added burden.

A majority of the oil companies are like ours, family businesses. We serve an important role and service to the community. Our communities need heat and hot water and their boilers need to be maintained and is up to our companies to make sure the customers are safe.

One by one these small oil companies and family owned oil businesses are being forced to sell and close due to an overburden of regulation. First it is the oil business..... what will be next? Please help us support this community and our small family owned oil business.

Please OPPOSE Local Law Int. 1268.

Thank you for your assistance and for your service to the community. Please feel free to contact me if you should have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Danielle Florio". The signature is written in black ink and is positioned above the printed name.

Danielle Florio
Sec/Treas.

MEMORANDUM OF SUPPORT

BILL: Intro No. 1268
SUBJECT: Establishing the regulation of the heating oil supply industry under the purview of the Business Integrity Commission (“BIC”)
DATE: September 29, 2016
SPONSORS: Antonio Reynoso

The Real Estate Board of New York (“REBNY”), representing over 17,000 owners, developers, managers, and brokers of real property in New York City supports Int. No. 1268 because BIC would provide the oversight necessary to identify and impede corrupt business practices

Intro 1268 grants BIC comprehensive powers to regulate the heating oil industry. Regulation measures include: the power to administer and maintain licenses from participants; the ability to perform background investigations of applicants and their employees; and the capacity to invoke civil and criminal penalties for violations.

In 2015, a widespread investigation conducted by BIC, the New York City Department of Investigation, the New York County District Attorney’s Office, and the New York City Police Department uncovered corrupt practices within the heating oil supply industry. The companies involved devised several sophisticated methods to steal from their customers by circumventing annual inspections intended to thwart fraudulent activity. This is especially concerning to owners and managers of real property because of its financial impacts, which result in customers being short-changed, and the precarious environmental impacts of tampering with the integrity of heating oil. The recurrence of such fraudulent and criminal practices after similar investigations and prosecutions in 2007, and in the 1990s shows that in order to protect consumer interests, the heating oil industry needs to be subject to more substantial regulatory oversight in the foreseeable future.

BIC is especially positioned to investigate and impede corrupt business practices as the agency already has the mandate to regulate and oversee trade waste and public markets. However, it is critical that the agency is adequately staffed and resourced to ensure that consumers do not experience any service delays or any other uncertainty in pricing or delivery as the regulatory framework is established.

For the foregoing reasons, we voice our support to Introduction No 1268.



440 Mamaroneck Ave. Suite 402
Harrison, NY 10528
(914) 381 6500

September 29, 2016

Committee on Sanitation and Solid Waste Management
New York City Council
City Hall
New York, NY 10007

Att'n: Gary Altman, Esq., Legislative Counsel

*Re: Intro No. 1268
Proposed Regulation of Heating Oil Supply Industry*

Dear Council Members:

Sprague is one of the largest suppliers of petroleum products, natural gas, and materials handling services in the northeastern United States. As part of our extensive supply network, we operate the largest deep water petroleum storage and distribution terminal in the City of New York, located in the Port Morris section of the Bronx. Sprague is also a major supplier of heating oil to thousands of customers in the metropolitan area, including the City of New York itself. We are pleased to offer the following comments on the proposed legislation to empower the Business Integrity Commission ("BIC") to regulate the heating oil supply industry.

We support the objectives of Intro No. 1268. Indeed, many of the concepts found in the bill have already been implemented in Sprague's Delivery Integrity Program, which seeks to ensure that heating oil customers are treated fairly and honestly and that deliveries are made with minimal risk of problems. In reviewing Intro No. 1268, however, we have identified several sections which present legal or operational problems and should be modified accordingly:

1. In § 20-1000, the definition of a "fraudulent business practice" includes "the practice of blending heating oil with additives or other ingredients before delivery to a consumer" The term "additive" is undefined, ambiguous, and apparently based on a misconception. The use of additives in the petroleum industry is commonplace and beneficial to consumers. Additives are used to improve product characteristics such as viscosity, cold weather performance, pump lubricity, boiler efficiency, and tank and injector cleanliness. In addition, residual fuel oil, which



is a component of no. 4 fuel lawfully offered for sale in the City of New York, may contain on-specification used oil as a blendstock. The use of this product for blending purposes is not only expressly authorized by New York and federal law (*see* 6 NYCRR Subpart 374-2; 40 CFR § 279.11) but is also an environmentally beneficial example of recycling. Section 20-1000 should be amended to exclude from the definition of “fraudulent business practice” the use of any additive or blendstock which does not cause the delivered product to fail to meet the ASTM specification established by Administrative Code § 24-168.1(a). If blending the additive into the heating oil *would* cause the product to be out of specification, its use without notice to the consumer should be proscribed.

2. The definition of “principal” contained in § 20-1000, and the obligations imposed on “principals” (*e.g.*, § 20-1004(d)), are overbroad. The definition includes every officer, director, manager, partner, or stockholder. This definition may well be suitable for a small family-owned business, but it is unrealistic and overly burdensome for a publicly owned company, like Sprague, with hundreds of employees and units traded on the New York Stock Exchange. The shareholders of a public company obviously have no role in the day-to-day operation of its business. Moreover, only a limited number of Sprague’s officers and managers are involved in the heating oil supply business in the City of New York. The definition should be amended to provide that a “principal” is a person who has actual job responsibilities or supervisory authority with respect to the supply of heating oil in the City of New York.

3. Section 20-1001(b) grants broad powers to the BIC to regulate virtually every aspect of the heating oil supply business. Some of these powers are redundant, unnecessary, or potentially in conflict with state law. For example, § 192 of the Agriculture and Markets Law already prescribes contents of delivery tickets and invoices. In all events, we are not aware of a single customer complaint involving the format of a delivery ticket or invoice. Similarly, the Department of Consumer Affairs is already charged with the responsibility of inspecting fuel oil delivery trucks and their meters. We would oppose any regulation which authorized multiple City agencies to pull trucks off the road for multiple inspections, as opposed to conducting all inspections at one time and in one place. Finally, no useful purpose would be served by giving the BIC the power to regulate “contracts for the transport and delivery of heating oil” or “the level of service to be provided.” The specifics of agreements between suppliers and consumers are, and should continue to be, a matter of negotiation between private parties. So long as a heating oil supplier honestly complies with its contractual obligations to its customers, the BIC should not dictate the terms of sale or other contents of agreements between arms-length private parties.



4. According to § 3 of Intro No. 1268, the law will take effect one hundred eighty days after enactment. However, § 20-1001(b) directs the BIC to promulgate rules to implement the law. So far as we know, the BIC has no prior experience regulating the heating oil supply industry and does not know how the industry operates. We do not see how it is possible for the BIC, within the space of one hundred eighty days, to (a) educate itself about the industry, (b) engage in an informed rulemaking process, (c) adopt rules, and (d) complete the licensing process required by § 20-1004 for many hundreds of industry employees. Since it would be unlawful, pursuant to § 20-1002, for any person to engage in the business of selling or delivering heating oil without a license, and since the entire industry will have to be licensed at the same time, the BIC risks crippling the supply of heating oil to New York City consumers if it sets an unattainable deadline—particularly if the deadline coincides with the winter heating season.

5. In the same vein, the proposed legislation should address the critical need to maintain the supply of heating oil to customers during periods of emergency such as Superstorm Sandy. In such situations, the full normal complement of licensed trucks and delivery drivers may be unavailable. When that happens, it may be necessary for suppliers to employ the services of trucks and drivers that normally serve areas outside the City of New York and are therefore not licensed by the BIC. Unless the legislation contains language authorizing immediate temporary waivers of the licensing requirements, city residents and businesses could face a public health emergency.

We stand ready to meet with Council members or staff to elaborate on these concerns and assist the Council in crafting legislation that harmonizes the public interest with the legitimate needs of the industry.

Sincerely yours,

SPRAGUE OPERATING RESOURCES LLC

Steven J. Levy
Managing Director

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Nick CHRONOPoulos

Address: 35-30 UTOPIA PL CT FURSTING NY

I represent: PETRO INC + STAR GAS

Address: 55-60 58th ST MASPEH NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: 9/29/16

(PLEASE PRINT)

Name: Jerly McDONOUGH

Address: 507 LYDIA LANE WYCKOFF NJ 07481

I represent: STAR GAS

Address: 55-60 58th ST MASPEH NY 11375

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1268 Res. No. _____

in favor in opposition

Date: 9/29/16

(PLEASE PRINT)

Name: Dan Brownell, BIC Commissioner

Address: 100 Church Street, 20th floor

I represent: NYC Business Integrity Commission

Address: _____

Please complete this card and return to the Sergeant-at-Arms

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THE CITY OF NEW YORK**

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Date: 9/29/16

(PLEASE PRINT)

Name: Noah Genel, Deputy Commissioner of Legal

Address: 100 Church Street, 20th floor Att. / Sr. General Counsel

I represent: NYC Business Integrity Commission

Address: _____

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THE CITY OF NEW YORK**

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in favor in opposition

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Name: Adelger M. ...

Address: 119-02 23 Ave College Point 11356

I represent: SKAGGS WALK

Address: SK

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THE CITY OF NEW YORK**

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in favor in opposition

Date: 9/29/16

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Name: Allison Kearney

Address: 119-02 23 Ave College Point NY

I represent: Skaggs-Walk

Address: _____

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in favor in opposition

Date: 9/29/16

(PLEASE PRINT)

Name: NESTOR ARCE
Address: 78.49 82 STREET Glendale N.Y. 11385

I represent: SKAGGS-Walsh

Address: Nestor Arce

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THE CITY OF NEW YORK

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in favor in opposition

Date: 9/29/16

(PLEASE PRINT)

Name: Demos Demopoulos
Address: 265 W. 14 ST. NY NY

I represent: TEAMSTERS LOCAL 553, IRT

Address: _____

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THE CITY OF NEW YORK

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in favor in opposition

Date: 9/29/16

(PLEASE PRINT)

Name: Rocco J. Lacertosa
Address: 183 Madison Ave 1403 NY 10016

I represent: New York Oil Heating Association

Address: _____

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THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 12-68 Res. No. _____

in favor in opposition

Date: 9-29-16

(PLEASE PRINT)

Name: DANIEL SCHILDWACHTER

Address: 1800 FERRIS PLACE BX N.Y. 10461

I represent: FRED M. SCHILDWACHTER & SONS, INC

Address: SAME AS ABOVE

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1268 Res. No. _____

in favor in opposition

Date: 9/29/2016

(PLEASE PRINT)

Name: Allan Cohn

Address: 2707 Whitman Drive, Brooklyn 11234

I represent: Cohler Fuel Oil Co.

Address: 4006-14th Ave, Bklyn 11218

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1268 Res. No. _____

in favor in opposition

Date: 9/29/16

(PLEASE PRINT)

Name: Dan Stern

Address: 310 Cedfield Pl. Bklyn NY

I represent: Approved Oil

Address: 6717 4th Ave Bklyn NY

Please complete this card and return to the Sergeant-at-Arms