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copy to
Petter ✓
For
Finance Comm.
Rob

AUG 16 2006

August 14, 2006

Warren County School District
Curwen Building
185 Hospital Drive
North Warren, PA 16365-4885
Attention: Dr. Robert Towsey, Superintendent

Warren County Commissioners
P.O. Box 423
Warren, PA 16365
Attention: Barry Klenowski, County Solicitor

Deerfield Township
250 Main Street
Tidioute, PA 16351
Attention: Mr. Dennis Bee, Secretary

**RE: Oz Gas v. Warren County School District, et al.
No. 11 WAP 2006 (Supreme Court of Pennsylvania)**

Gentlemen:

I am enclosing herewith our interim statement for services rendered and expenses incurred by our firm on behalf of your respective taxing bodies in the above-captioned matter. I trust you will find the statement to be in order. As always, I encourage you to contact me with any questions, comments or concerns which you might have regarding our invoice or this claim in general.

As you can see from the invoice, our work on this matter during the past billing cycle has been devoted to preparation of our brief for filing with the Pennsylvania Supreme Court following its grant of our petition for allowance of appeal. The Forest Area School District has similarly filed a brief with the Supreme Court and Triumph Township has written to the Supreme Court to adopt our brief as its own. We are now awaiting receipt of a brief on behalf of Oz Gas, which will be due in the middle of this month. Based upon the research which I performed in preparation of our brief, I do not anticipate that we will be seeing any new or novel arguments from Oz Gas

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as there have been no new significant cases decided on the retroactivity issue since we appeared before the Commonwealth Court. When I receive Oz Gas' brief, I will furnish you with a summary of its position and let you know whether a reply brief on our part is indicated. Other than that, I do not anticipate any further significant activity on my part until we are notified that oral argument is scheduled before the Supreme Court. I would anticipate that oral argument will be scheduled to occur some time in the late fall or early winter of this year.

I will continue to keep you abreast of all significant developments and invite you to contact me with any questions, comments or concerns which you might have.

Very truly yours,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.

By: 

Mark E. Mioduszewski

MEM/ka
Enclosure
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