

NEWS

United States Department of Justice
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FOR IMMEDIATE RELEASE
Nov. 7, 2007

Bridgewater Man Gets 37 Months for Half-Million Dollar Fraud of PSEG

(More)

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NEWARK – A Bridgewater man was sentenced today to 37 months in prison for his role in defrauding the energy company Public Service Enterprise Group (PSEG) of more than a half million dollars in a phony purchasing and billing scheme, U.S. Attorney Christopher J. Christie announced.

Todd Glassberg, 40, of Bridgewater, was also ordered to pay full restitution in the amount of \$525,378 to PSEG and its insurer and was fined \$7,500 by U.S. District Judge Susan D. Wigenton. Glassberg must surrender to the federal Bureau of Prisons on Jan. 4 to begin serving his sentence.

Glassberg was one of four men – two of them PSEG employees – to plead guilty on April 5 to the fraud. The defendants admitted that they worked together inside and outside of the utility company to set up phony purchases of computer equipment and services through a Parsippany-based technology procurement company. They then submitted fraudulent invoices and were paid for computer equipment or services that were never rendered.

The defendants said that they each received a portion of the money derived from the scheme that ran between early 2001 and mid-2003.

Two of the co-defendants were sentenced last month: Darrin Gonchar, 37, of Monroe Township, a PSEG information technology specialist, to one year and one day in prison; and Frank Perrone, 35, of Neshanic, a PSEG unit manager, to eight months in prison. Both men, who had cooperated in the government's investigation and received the benefit of their cooperation at sentencing, also were ordered to pay the same amount of restitution as Glassberg. Both are to surrender to the Bureau of Prisons on Jan. 7.

A fourth defendant, Howard Epstein, 53, of Culver City, Calif., is yet to be sentenced. Epstein operated a small California computer-related goods and services company, which produced the sham invoices to PSEG.

For more detail on the defendants' respective involvement in the scheme, see the news release from their guilty pleas on April 5 by following links to that date at: <http://www.usdoj.gov/usao/nj/press/2007releases.html>

Christie credited Postal Inspectors with the U.S. Postal Inspection Service, under the direction of Postal Inspector in Charge David L. Collins, with the investigation leading to the defendants' convictions.

The case was prosecuted by Assistant U.S. Attorney Lorraine S. Gerson of the U.S. Attorney's Office Commercial Crimes unit.

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Defense Counsel:

Glassberg: Peter W. Till, Esq.

Perrone: Jonathan Goldstein, Esq.

Gonchar: David Fassett, Esq.

Epstein: Frank Arleo, Esq.