



An Exelon Company

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March 28, 2016

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

RE: Darius Chavis v. PECO Energy Company
PUC Docket No.: F-2015-2477249

Dear Ms. Chiavetta:

Enclosed for filing with the Commission is *Reply Exceptions of PECO Energy Company* with regard to the matter referenced above.

I have enclosed a Certificate of Service showing that a copy of the above document was served on the interested parties. Thank you for your time and attention on this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Shawane Lee", with a stylized flourish at the end.

Shawane Lee
Counsel for PECO Energy Company

cc: Certificate of Service

SL/ab

REPLY EXCEPTIONS

PECO Energy Company (“PECO Energy”) hereby replies to the Exceptions filed by Darius Chavis (“Complainant”) in the above-referenced matter. On April 8, 2015, Complainant filed a formal complaint against PECO Energy at docket number F-2015-2477249. In his formal complaint, Complainant states that he owns a rental property located at 924 North Fallon Street, Philadelphia, PA. Complainant alleges that PECO Energy improperly held him responsible for a balance attributed to foreign wiring found at the property. The Complainant claims the ratepayer, Michael James, who disputed the foreign wiring, is not his tenant; has no lease agreement with him, and is a squatter. Respondent, PECO Energy filed an Answer on April 30, 2015, stating that the Complainant’s formal complaint should be dismissed pursuant to 66 Pa.C.S. §1529.1 and Ace Check Cashing, Inc. vs. Phila. Gas Works, Docket No. C-2008-2056428 (Final Order entered May 21, 2010).

On February 17, 2016, Administrative Law Judge Eranda Vero (“ALJ Vero”) issued an Initial Decision in the matter of Darius Chavis v. PECO Energy Company, F-2015-2477249 (“Initial Decision”). The Initial Decision dismissed Complainant’s formal complaint. ALJ Vero’s Initial Decision is well-reasoned with ample support from the record. As detailed in the Initial Decision, the complaint does not set forth that PECO Energy violated any regulation, statute or order. Consistent with 66 Pa. C.S. § 1529.1, if foreign wiring is found at a property owner’s premises, PECO Energy is required to transfer the service and the balance into the property owner’s name until the condition is corrected.

The Commission should sustain the Initial Decision of ALJ Vero. The Complainant’s own testimony supports the fact that PECO Energy properly found foreign wiring at the property and transferred the balance. The Complainant admitted during his testimony that he owns the

rental property at issue. Tr. 10, 12. The Complainant testified that sometime in 2011 he found out that Michael James was living in the property on the first floor. Tr. 13. The Complainant testified that Mr. James' government issued identification listed his address as 924 North Fallon Street. Tr. 18-19. The Complainant admitted that he received a letter dated September 18, 2011, notifying him there is a foreign wiring condition at his rental property. Tr. 20. The Complainant admitted that he was aware in 2011 that PECO transferred the \$125.95 bill to him on Mr. James' account at the time the foreign wiring condition was found. Tr. 25-26. The Complainant admitted he was aware that Mr. James' service had been transferred into his name and an account created in September 2011. Tr. 26. The Complainant testified that he enrolled in PECO's Customer Assistance Program for that account and entered into a payment agreement on the balance. Tr. 27. The Complainant even testified that he made payments on the account. Tr. 29. Despite this, the Complainant testified that he did not have the wiring condition repaired because he could not afford an electrician and because if he did he would not be able to get Mr. James out of his rental property. Tr. 21. The Complainant testified that as of the date of the July 21, 2015, PUC hearing, Mr. James still resided at the premises. Tr. 19. As of the date of the hearing, the foreign wiring balance had grown from \$125.95 to \$12,918.89. PECO Exhibit 6.

The Complainant claims that he should not be responsible for the \$12,918.89 foreign wiring balance because Mr. James is a "squatter" and has no legal right to be in the property. However, the record reflects that the Complainant knew Mr. James resided in the premises before PECO found the foreign wiring condition. Tr. 13. Additionally, it was clear that Mr. James had established residency in the first floor unit because he had several appliances, including a large screen television, refrigerator, microwave, computer, air conditioning and baseboard heating. Tr. 49-50. The Complainant goes to the property once a month to collect

rent so how could he have missed the fact that Mr. James was living there? Tr. 17. Indeed, Mr. James' government issued identification was issued for the service address. Tr. 18-19. Further, Mr. James lived in the Complainant's first floor unit from 2011 and was still there at the time of the hearing in 2015 – 4 years later! Tr. 19. Even if Mr. James was a squatter (which the evidence suggests he was not), the Complainant would still be responsible for the balance.

In Tobijah Anderson v. PECO, Docket Number C-2014-2416098 (Final Order entered December 30, 2014), the Complainant landlord argued that he should not be responsible for a foreign wiring balance transferred to him “because he had no legal tenant at the property at that time.” In that case, PECO's high bill field technician found evidence there were two people living in the property at the time. Additionally, it was determined that PECO does not always request a lease agreement from an applicant if they are able to establish their identity with a social security number. Administrative Law Judge Marta Guhl found that “PECO acted properly under the law when it transferred the tenant balance ... to the Complainant's name.”

Additionally, in the case Gilma Merkert v. PECO Energy, Docket Number F-2014-2413585 (Opinion and Order adopted February 12, 2015), the Commission upheld the decision of Administrative Law Judge Susan D. Colwell in a similar case. In that case, the Complainant landlord disputed responsibility for a foreign wiring balance transferred to her because PECO placed service in the name of a party who was not a party to the lease agreement. ALJ Colwell determined that Section 4 of PECO's tariff does not require the company to obtain a lease agreement from an applicant before providing service. Further, the Commission stated:

While Complainant can control to whom she leases her property, she has no control over whose name the utility service is in.” I.D. at 12. Moreover, the ALJ found that it was not PECO's service to the rental unit that resulted in the Complainant's liability for the account, but rather, it was the condition of the rental unit, which was completely within the Complainant's control. Id.

In the case at bar, PECO Energy properly transferred the utility account of Mr. James, including the \$125.95 arrearages, into the Complainant's name. PECO Energy's actions are consistent with Pennsylvania law. It is clear here that it was within the Complainant's control to repair the foreign wiring condition when PECO notified him of the condition back in 2011 and the balance was only \$125.95. The Complainant incurred a significant \$12,918.89 liability to PECO by failing to address and repair the condition of his rental unit. As ALJ Vero determined, when a utility finds foreign load, the utility is required to transfer the tenant's account, including any arrearages, into the landlord's name. See 66 Pa.C.S.A. § 1529.1. ALJ Vero correctly decided:

After carefully considering the evidence collected in this matter, I find that the Respondent complied with section 1529.1(b) of the Public Utility Code in placing the account for electric service to the Service Address in Mr. Chavis' name after the foreign load was detected. Contrary to what the Complainant believes, PECO's practice concerning applicants and applications for service does not violate any Commission statute, regulation or order, or the terms of PECO's electric service tariff. See Tobijah Anderson v. PECO Energy Company, Docket No. C-2014-2416098 (Final Order entered December 30, 2014). The Complainant admitted that he was informed of the existence of foreign wiring soon after the September 1, 2011 filed investigation. He also admitted that PECO informed him of the consequences resulting from the discovery of foreign wiring on his property. At the hearing, Mr. Chavis did not deny that he had received monthly bills from PECO for electric service rendered to the Service Address since September 9, 2011, or that every one of those 47 bills showed electricity usage at the Service Address ranging between 505 kWh/month and 4242 kWh/month. ***Instead, he testified that he lacked the financial means to mitigate the accumulating balance by either correcting the foreign wiring at this property or by beginning eviction proceedings against Michael James. Whatever, his personal circumstances, the fact remains that he allowed a balance of \$12,918.89 to accumulate on his account at the Service Address.*** (emphasis added).

Darius Chavis v. PECO Energy Company, F-2015-2477249 (Order entered, February 17, 2016).

For the reasons set forth above, PECO respectfully requests that the Commission deny the Exceptions and issue an Order upholding the Initial Decision in its entirety.

Respectfully submitted,



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DARIUS CHAVIS

COMPLAINANT

v.

PECO ENERGY COMPANY,

RESPONDENT

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Docket No. F-2015-2477249

VERIFICATION

I, Shawane L. Lee, hereby declare that I am counsel for PECO Energy Company; that as such I am authorized to make this verification on its behalf; that the facts set forth in the foregoing Pleading are true to the best of my knowledge, information and belief, and that I make this verification subject to the penalties of 18 Pa. C.S. § 4904 pertaining to false statements to authorities.

Date: March 28, 2016



Shawane L. Lee

