



An Exelon Company

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December 1, 2017

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

RE: Bernice Wallace v. PECO Energy Company
PUC Docket No.: C-2016-2552460

Dear Ms. Chiavetta:

Enclosed for filing with the Commission is *Reply Exceptions of PECO Energy Company*.

Very truly yours,

A handwritten signature in black ink, appearing to read "Shawane Lee", with a long horizontal flourish extending to the right.

Shawane Lee
Counsel for PECO Energy Company

cc: Certificate of Service

SL/ab
Enclosure

REPLY EXCEPTIONS

PECO Energy Company (“PECO Energy”) hereby replies to the Exceptions filed by Bernice Wallace (“Complainant”) in the above-referenced matter on November 20, 2017. On June 20, 2016, Complainant filed a formal complaint against PECO Energy. In her formal complaint, Complainant requested a payment agreement and alleged that PECO was threatening to terminate her service. Respondent, PECO Energy filed an Answer on July 6, 2016, stating that Complainant was not entitled to a new payment agreement as she had defaulted on a previous payment agreement issued by the Pennsylvania Public Utility Commission (“PUC”) and had not demonstrated a decrease in income or significant change in circumstance.

An in-person hearing was held before Administrative Law Judge Eranda Vero (“ALJ Vero”) on March 22, 2017. The Complainant’s husband appeared in person and the Complainant appeared by telephone. ALJ Vero issued an Initial Decision on October 12, 2017, wherein she held *inter alia*:

That the Formal Complaint filed by Bernice Wallace against PECO Energy Company at Docket No. C-2016-2552460 is dismissed in its entirety.

Complainant excepts to ALJ Vero’s Initial Decision and states in her exceptions:

All parties including the Judge Eranda Vero and PECO attorney both agree to settle this claim with a payment arrangement in the amount of \$600.00 on 3/22/17. Why is this not being honored.

The Commission should sustain the initial decision of ALJ Vero. Complainant does not allege that ALJ Vero made an error of law or abused her discretion in any manner. Instead, Complainant excepts to the decision issued by ALJ Vero because she states that she entered into an agreement at the hearing for a payment agreement. ALJ Vero notes in her Initial Decision:

During the hearing, the Respondent indicated that it was willing to offer a payment arrangement to the Complainant. *See*, Tr. 4 and 20. I encourage the Complainant to contact PECO and work with the utility to obtain a payment arrangement.

The Complainant's exceptions should be denied as there was no agreement entered into at the hearing or at any time after the hearing.

The Complainant submits no proof in the form of a settlement letter or email correspondence from PECO agreeing to a payment agreement. Further, the hearing transcript does not reflect a conversation between the parties where they entered into a payment agreement. The record does reflect; however, that the Complainant defaulted on every payment agreement issued to her by PECO and the PUC. She is not entitled to another payment agreement. 66 Pa.C.S. § 1405(d) provides that absent a change in income or a significant change in circumstance, the Commission cannot grant a second or subsequent payment agreement, if the customer defaults on the first payment agreement.

In this case, the Complainant was issued at least two previous company payment agreements that defaulted. PECO Exh.3. In addition, the Complainant had a previous PUC Level 2 payment agreement issued at Bureau of Consumer Services at case number 3011879. Finding of Fact 9. That agreement defaulted on July 8, 2013. PECO Exh.3; Finding of Fact 10. At the time of the hearing, the Complainant's testimony demonstrated an increase in income. The Complainant and her husband testified that they have a monthly gross income of \$11,261.18 for three adults and one child residing in the household. There simply has been no significant decrease in income since the Complainant received the Level 2 PUC payment agreement – the Complainant's household income has increased to Level 4.

Second, the Complainant had no significant change in circumstance to warrant another payment agreement in place of her previously defaulted agreement.

The Commission may not reinstate a payment agreement where the customer has defaulted except in limited circumstances. 66 Pa.C.S. § 1403, 1405(e). Section 1403 defines significant change in circumstance as:

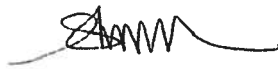
"Significant change in circumstance." Any of the following criteria when verified by the public utility and experienced by customers with household income less than 300% of the Federal poverty level:

- (1) The onset of a chronic or acute illness resulting in a significant loss in the customer's household income.
- (2) Catastrophic damage to the customer's residence resulting in a significant net cost to the customer's household.
- (3) Loss of the customer's residence.
- (4) Increase in the customer's number of dependents in the household.

In sum, since the payment agreement was issued by the Bureau of Consumer Services, there has been no decrease in the Complainant's household income or significant change in circumstance. Consequently, pursuant to 66 Pa.C.S. § 1405(d), the PUC has no jurisdiction to give the Complainant a payment agreement on her balance. ALJ Vero's Initial Decision correctly applied the standard, by denying the Complainant a payment agreement pursuant to 66 Pa.C.S. § 1405(d). Finally, there was no payment agreement entered into by the parties and the Complainant has presented no proof there was an agreement in any form. Accordingly, ALJ Vero's decision, dismissing the Complainant's formal complaint should be upheld.

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,



Shawane L. Lee
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**BERNICE WALLACE
COMPLAINANT**

v.

**PECO ENERGY COMPANY,
RESPONDENT**

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Docket No. C-2016-2552460

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: December 1, 2017



Shawane L. Lee

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**BERNICE WALLACE
COMPLAINANT**

v.

**PECO ENERGY COMPANY,
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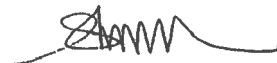
Docket No. C-2016-2552460

CERTIFICATE OF SERVICE

I, Shawane L. Lee, hereby certify that I have this day served a true copy of the foregoing Reply Exceptions upon the parties listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

**Bernice Wallace
1157 Atwood Road
Philadelphia, PA 19151**

Dated at Philadelphia, Pennsylvania, December 1, 2017



Shawane L. Lee
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