

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
HARRISBURG, PENNSYLVANIA 17120**

Joseph Hinton

v.

Philadelphia Gas Works

Public Meeting May 9, 2024

3042481-ALJ

Docket No. C-2023-3042481

STATEMENT OF COMMISSIONER JOHN F. COLEMAN, JR.

Before the Pennsylvania Public Utility Commission (Commission) is an Initial Decision (ID) dismissing the above-captioned Formal Complaint requesting a Commission payment arrangement. The ID, which was issued following a hearing, finds that the Complainant did not meet his burden of proof.

I do not support the Motion to grant the Complainant a second Commission payment arrangement. I acknowledge that the Complainant has experienced a change in household income since he defaulted on his first Commission payment arrangement in July 2022. I further acknowledge that this change in household income makes the Complainant eligible for a second Commission payment arrangement under Section 1405(d) of the Public Utility Code (Code).¹ However, a Commission payment arrangement is a privilege, not a right.² Section 1405 of the Code *permits* but does not *require* the Commission to issue payment arrangements. Rather, it is an exercise of the Commission's discretion, which we have said should be exercised very judiciously.³

Upon review of the facts in this case, the Commission should not exercise its discretion to grant the Complainant a second Commission payment arrangement. The Complainant's outstanding balance at the time of the hearing on November 28, 2023, was \$7,437.11, which is a substantial arrearage.⁴ Moreover, the Complainant has an extremely poor payment history. His payment history includes defaulting on his first Commission payment arrangement in July 2022, which involved defaulting on the first payment due under the arrangement and not making one payment for the full monthly amount specified in the arrangement.

I agree completely with the analysis of the Presiding Officer at page of 9 of the ID as to why the Complainant should not receive another Commission payment arrangement. The crux of the analysis is that the Complainant's failure to pay even one full payment under the July 2022 Commission payment arrangement and his unwillingness or inability to ever pay more than \$300 in any month for gas service despite a much higher household income make it highly unlikely that he can or would make a monthly payment of \$506 under another Commission payment arrangement.

¹ 66 Pa. C.S. §1405(d).

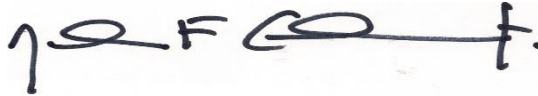
² *Mandell v. Duquesne Light Co.*, Docket No. C-20030234 (Order entered March 17, 2004).

³ *See Hayes v. Phila. Gas Works*, Docket No. C-2017-2634526 (Opinion and Order entered October 1, 2018).

⁴ ID at 8; FOF 17.

I am concerned that granting Commission payment arrangements to Complainants with poor payment histories and large arrearages will lead to an increase in our utilities' unpaid bills at the expense of good-paying customers. I note that unpaid accounts are included in the utility's uncollectible expenses, which all remaining customers, including low-income customers, must pay. I am particularly concerned about the impact of uncollectible expenses on good-paying customers whose household income is between 151% – 250% of the Federal Poverty Income Guidelines. These customers generally are not eligible to participate in our universal service assistance programs but can face similar challenges to paying their utility bills as customers with lesser household incomes who are eligible for these programs. My desire to protect good-paying customers is entirely consistent with the declaration of policy in Chapter 14 of the Code to “provide protections against rate increases for timely paying customers resulting from other customers’ delinquencies.”⁵

For these reasons, I do not support the Motion.



JOHN F. COLEMAN, JR.
COMMISSIONER

Date: May 9, 2024

⁵ 66 Pa. C.S. §1402(2).