

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Mo Se Chi	:	
	:	
v.	:	F-2025-3052881
	:	
PECO Energy Company	:	

**INITIAL DECISION**

Before  
Eranda Vero  
Administrative Law Judge

**INTRODUCTION**

This Initial Decision grants in part, and denies, in part, Mo Se Chi’s Formal Complaint against PECO Energy Company. In particular, Mr. Chi’s Complaint is denied with regard to his request for monetary damages. The Complaint is granted with regard to Mr. Chi’s claim of unbilled services.

**HISTORY OF THE PROCEEDING**

On January 8, 2025, Mo Se Chi (Complainant or Mr. Chi) filed a Formal Complaint (Complaint) with the Pennsylvania Public Utility Commission (Commission) against PECO Energy Company (PECO, Company, or Respondent) alleging that PECO failed to issue him any bills for a period of six months. As relief, the Complainant requests that the Commission hold PECO accountable for its failure to issue regular bills and order the Company to give him a discount on the bills.

This Complaint is a timely appeal of the informal decision issued by the Commission's Bureau of Consumer Services at BCS Case No. 4023009. A timely BCS appeal is subject to *de novo* review. 52 Pa. Code § 56.173(a).

On January 29, 2025, PECO filed an Answer denying all material allegations of fact and conclusions of law in the Complaint.

By Interim Order dated February 3, 2025, Chief Administrative Law Judge, Charles E. Rainey, Jr. set the matter for resolution conference. The parties were unable to reach a resolution on the matter.

An Initial Call-in Telephonic Hearing Notice dated February 25, 2025, notified the parties that an initial call-in telephone hearing was scheduled on April 22, 2025, at 10:00 a.m.

On March 14, 2025, I issued a Prehearing Order. The Prehearing Order directed the parties to comply with various procedural requirements, reminded them of the time and date of the hearing and provided instructions for calling in to the hearing.

The hearing was convened as scheduled on April 22, 2025. Mr. Chi appeared *pro se* and testified in support of his Complaint. He sponsored two exhibits, which were admitted into the record. Khadijah Scott, Esq., appeared on behalf of the Respondent and presented the testimony of Teresa Clark, who is a Senior Supervisor in PECO's System Billing Department, and Renee Tarpley, who is a Senior Regulatory Assessor with the Respondent. The Respondent sponsored two exhibits which were admitted into the record.

During the hearing, I requested that PECO submit documentation of customer notifications concerning PECO's upgrade of its billing system in 2024. The

deadline for the submission of the late-filed exhibits was set for April 30, 2025, and Complainant had until May 12, 2025, to submit any written objections to the admission of the opposing party's late-filed exhibits. Tr. 29-30.

On April 28, 2025, PECO submitted two late-filed exhibits. As of the date of this decision, Mr. Chi has not filed any objections to the admission of these exhibits into the record. PECO's late-filed Exhibits 3 and 4 will be admitted into the record in accordance with the ordering paragraphs below.

The record in this matter closed on May 19, 2025, when I received my copy of the hearing transcript.

#### FINDINGS OF FACT

1. The Complainant is Mo Se Chi, who resides at 1417 Price Lane, Downingtown, PA 19335 (Service Address). Tr. 9.
2. The Respondent is PECO Energy Company, a jurisdictional public utility.
3. Beginning in January of 2024, PECO informed its customers of upcoming upgrades to its billing system and of some of the changes that they were expected to see in their bills. Tr. 31-32; PECO late-filed Ex. 3.
4. The information regarding the system upgrades was distributed to the PECO customers through bill inserts and emails that contained links to the Company's website. Tr. 31; PECO late-filed Ex. 3.

5. Due to technical problems with the system upgrade, PECO did not issue any bills to Mr. Chi during the six-month period from May 2024 through October 2024. Tr. 14; PECO Ex. 1.

6. In August of 2024, PECO sent an electronic message to Mr. Chi via his online account with PECO, informing him that his next bill would be delayed; that the Company was working on rectifying the problem; that he would not be charged any late fees, and the Company would not initiate collection procedures against him; and apologizing for any inconvenience. Tr. 19, 27; PECO late-filed Ex. 4.

7. When customers who are experiencing delayed bills contact PECO, they are offered the option to pay an amount equal to their average bill, or any other amount to offset the balance once the delayed bills are issued. Tr. 24.

8. Mr. Chi was offered but rejected the option to mitigate his rebill amount, in favor of paying once the actual bills were issued. Tr. 24.

9. PECO issued the delayed bills to Mr. Chi's account as follows:

	<b>Bill Issued</b>	<b>Billing/Service Period</b>	<b>Billing Amount</b>
1	10/18/2024	4/26/2024 - 5/28/2024	\$158.54
2	10/30/2024	5/28/2024 - 6/26/2024	\$236.78
3	11/4/2024	6/26/2024 – 7/26/2024	\$259.52
4	11/8/2024	7/26/2024 – 8/26/2024	\$221.54
5	11/13/2024	8/26/2024 – 9/25/2024	\$199.23
6	11/15/2024	9/25/2024 – 10/24/2024	\$136.92
<b>Total</b>			<b>\$1,212.53</b>

Tr. 23-24; PECO Ex. 1.

10. By November 23, 2024, PECO resumed issuing regular bills to Mr. Chi. Tr. 24; PECO Ex. 1.

11. Once the delayed bills were issued and the accounts were caught up, PECO offered its customers the option to enter into a payment arrangement for the rebill balance. Tr. 24.

12. PECO offered Mr. Chi the option of amortizing the rebill amount over a period of time, but he declined the offer. Tr. 24.

## DISCUSSION

### *Burden of Proof*

As the party seeking affirmative relief from the Commission, a complainant has the burden of proof by a preponderance of the evidence. 66 Pa.C.S. § 332(a); *Samuel J. Lansberry, Inc. v. Pa. Pub. Util. Comm'n*, 578 A.2d 600 (Pa. Cmwlth. 1990). A preponderance of the evidence is evidence that is more convincing, by even the smallest amount, than that presented by the opposing party. *Se-Ling Hosiery, Inc. v. Margulies*, 70 A.2d 854 (Pa. 1950). As a matter of law, a complainant must show that the named utility is responsible or accountable for the problem described in the Complaint in order to prevail and that the offense is a violation of the Public Utility Code (Code), the Commission's regulations, or order. 66 Pa.C.S. § 701; *Patterson v. Bell Tel. Co. of Pa.*, 72 Pa.P.U.C. 196 (1990). The burden of proof is comprised of two distinct burdens: (1) the burden of production; and (2) the burden of persuasion. *Hurley v. Hurley*, 754 A.2d 1283 (Pa. Super. 2000). The burden of production, also called the burden of going forward with the evidence, determines which party must come forward with evidence to

support a particular claim or defense. *Moore v. Nat'l Fuel Gas Distrib.*, Docket. No. C-2014-2458555 (Final Order entered Aug. 25, 2015) (*Moore*). The burden of production goes to the legal sufficiency of a party's claim or affirmative defense. *Id.* The burden of production may shift between the parties during a hearing. A complainant may establish a prima facie case with circumstantial evidence. *See, Milkie v. Pa. Pub. Util. Comm'n*, 768 A.2d 1217 (Pa. Cmwlth. 2001) (*Milkie*). If a complainant introduces sufficient evidence to establish legal sufficiency of the claim, also called a prima facie case, the burden of production shifts to the utility to rebut the complainant's evidence. *See Moore*.

If the utility introduces evidence sufficient to balance the evidence introduced by the complainant, that is, evidence of co-equal value or weight, the complainant's burden of proof has not been satisfied and the burden of going forward with the evidence shifts back to the complainant, who must provide some additional evidence favorable to the complainant's claim. *See Milkie* at 1220; *see also, Burleson v. Pa. Pub. Util. Comm'n*, 443 A.2d 1373 (Pa. Cmwlth. 1982), *aff'd*, 461 A.2d 1234 (Pa. 1983) (*Burleson*).

Having produced sufficient evidence to establish legal sufficiency of a claim, the party with the burden of proof must also carry the burden of persuasion to be entitled to a favorable ruling. *See Moore*. While the burden of production may shift back and forth during proceedings, the burden of persuasion never shifts; it always remains on a complainant as the party seeking affirmative relief from the Commission. *See Milkie* at 1220; *see also, Riedel v. Cnty. of Allegheny*, 633 A.2d 1325 (Pa. Cmwlth. 1993); *Burleson* at 1375. It is entirely possible for a party to carry the burden of production but not be entitled to a favorable ruling because the party did not carry the burden of persuasion. *See, Moore*. In determining whether a complainant has met the burden of persuasion, the fact-finder may engage in determinations of credibility, may accept or reject testimony of any witness in whole or in part, and may accept or reject inferences

from the evidence. *See Moore* (citing *Suber v. Pa. Comm'n on Crime & Delinquency*, 885 A.2d 678 (Pa. Cmwlth. 2005)).

Additionally, any decision of the Commission must be supported by substantial evidence in the record; more is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. 2 Pa.C.S. § 704; *Norfolk & W. Ry. Co. v. Pa. Pub. Util. Comm'n*, 413 A.2d 1037 (Pa. 1980).

At the hearing Mr. Chi testified that, because of PECO's upgrading of its billing system in 2024, he did not receive six consecutive electricity bills. Tr. 9-10. After three months without an electricity bill, Mr. Chi started calling PECO's customer service monthly to inquire about the issue. Tr. 9-10. He stated that he spent approximately six hours trying to resolve the issue through PECO's customer service. Tr. 13. In view of this, Mr. Chi requested that PECO issue him a \$100.00 credit to his account for every month that he was affected by the billing delay. Tr. 13.

In response, PECO's witness, Teresa Clark, confirmed that PECO's billing system upgrade in 2024 had negatively impacted Mr. Chi and other PECO customers, causing Mr. Chi to receive several delayed bills. Tr. 19. In particular, Mr. Chi did not receive timely bills for May, June, July, August, September and October 2024. PECO Ex. 1. PECO issued the delayed bills as follows:

	<b>Bill Issued</b>	<b>Billing/Service Period</b>	<b>Billing Amount</b>
1	10/18/2024	4/26/2024 - 5/28/2024	\$158.54
2	10/30/2024	5/28/2024 - 6/26/2024	\$236.78
3	11/4/2024	6/26/2024 – 7/26/2024	\$259.52
4	11/8/2024	7/26/2024 – 8/26/2024	\$221.54

5	11/13/2024	8/26/2024 – 9/25/2024	\$199.23
6	11/15/2024	9/25/2024 – 10/24/2024	\$136.92
<b>Total</b>			<b>\$1,212.53</b>

Tr. 23-24; PECO Ex. 1. According to Ms. Clark, as of November 23, 2024, Mr. Chi’s billing issue was rectified. Tr. 24; PECO Ex. 1.

Ms. Clark testified that, beginning in January of 2024, PECO informed its customers of the upcoming upgrades in its billing system and of some of the changes that they were expected to see in their bills. Tr. 31-32; PECO late-filed Ex. 3. The information was distributed to the customers through bill inserts as well as via emails that contained links to the Company’s website. Tr. 31; PECO late-filed Ex. 3. In addition, she testified that in August 2024, PECO sent an electronic message to Mr. Chi via his online account with PECO stating,

We wanted to let you know that there will be a delay in receiving your next PECO bill.

We are currently working on your bill, and you will receive it as soon as it is available. You will not be charged any late fees, and your account will not go into collections until your billing is current. You may receive multiple bills in one month until all billing is up to date. ...

We apologize for any inconvenience and thank you for your patience. If you have any questions, you may call us at 1-800-494-4000.

Tr. 19, 27; PECO late-filed Ex. 4.

Ms. Clark explained that when customers who are experiencing delayed bills contact PECO, they are offered the option to pay an amount equal to their average bill, or “an amount that makes sense to them to offset the balance once the delayed bills

are issued.” Tr. 24. Some customers, like Mr. Chi, reject these options in favor of paying once the actual bills are issued. Tr. 24. To these customers, once their delayed bills are issued and their accounts are caught up, PECO offers the option to enter into a payment arrangement for the delayed balance. Tr. 24. PECO offered such a payment arrangement to Mr. Chi, but he declined it. Tr. 24.

Ms. Clark explained that, while PECO recognizes that Mr. Chi was inconvenienced by the delayed billing, the Company is unable to waive part of the charges and issue Mr. Chi the discount he requests because the charges are for services rendered to him. Tr. 25. She added that, although Mr. Chi did not receive his electricity bills during the period April 24 through October 24, 2024, he had electric service at the Service Address during the entire time. Tr. 25.

The second PECO witness, Renee Tarpley, testified that PECO did in fact offer Mr. Chi a one-time \$100.00 courtesy credit, but he declined it. Tr. 38. She seconded Ms. Clark’s testimony that PECO offered Mr. Chi a payment arrangement based on the accrual period of the delayed bills; however, he rejected the offer. Tr. 39.

A public utility is required to render a bill once every billing period to every residential customer in accordance with approved rate schedules. 52 Pa. Code § 56.11(a). In addition, Commission regulation at 52 Pa. Code § 56.14 states that,

When a public utility renders a make-up bill for previously unbilled public utility service which accrued within the past 4 years resulting from public utility billing error, meter failure, leakage that could not reasonably have been detected or loss of service, or four or more consecutive estimated bills and the make-up bill exceeds the otherwise normal estimated bill for the billing period during which the make-up bill is issued by at least 50% or at least \$50, whichever is greater:

(1) The public utility shall explain the bill to the customer and make a reasonable attempt to amortize the bill.

(2) The period of the amortization may, at the option of the customer, extend at least as long as:

(i) The period during which the excess amount accrued.

(ii) Necessary so that the quantity of service billed in any one billing period is not greater than the normal estimated quantity for that period plus 50%.

52 Pa. Code § 56.14. At the hearing, Mr. Chi reiterated his earlier opposition to the amortization of his rebilling balance with PECO. Tr. 45. He also clarified that he sought relief in the form of credit of \$100.00 for each of the six months that he was inconvenienced by PECO's failure to issue bills. Tr. 44. The credit that Mr. Chi is seeking is nearly half of the entire balance rebilled by PECO and the relief Mr. Chi is seeking is tantamount to monetary damages. However, the Commission is a creature of legislation, and as such it possesses only the authority the State Legislature has specifically granted to it in the Public Utility Code, 66 Pa.C.S. §§ 101, *et seq.* Its jurisdiction must arise from the express language of the pertinent enabling legislation or by strong and necessary implication therefrom. *Feingold v. Bell of Pa.*, 383 A.2d 1191 (Pa. 1977); *Allegheny Cnty. Port Auth. v. Pa. Pub. Util. Comm'n*, 237 A.2d 602 (Pa. 1967). *Behrend v. Bell of Pa.*, 390 A.2d 233 (Pa. Super. 1978); *Pa. Dept. of Highways v. Pa. Pub. Util. Comm'n*, 182 A.2d 267 (Pa. Super. 1962); *City of Erie v. Pa. Elec. Co.*, 383 A.2d 575 (Pa. Cmwlth. 1978). Nothing in the Code confers jurisdiction upon the Commission to award monetary damages. *See, DeFrancesco v. W. Pa. Water Co.*, 453 A.2d 595 (Pa. 1982); *Elkin v. Bell of Pa.*, 420 A.2d 371 (Pa. 1980); *Feingold v. Bell of Pa.*, 383 A.2d 791 (Pa. 1977); *Poorbaugh v. Pa. Pub. Util. Comm'n*, 666 A.2d 744 (Pa. Cmwlth. 1995). Consequently, the portion of the Complaint seeking monetary damages is denied.

However, it is undisputed that PECO failed to issue monthly bills to Mr. Chi for six consecutive months violating the provisions of 52 Pa. Code § 56.11(a). Under Public Utility Code Sections 3301(a) and (b), the Commission may levy a fine of up to

\$1,000 per day for continuing violations of the Public Utility Code. 66 Pa.C.S. § 3301(a), (b). The Commission has set forth, in a statement of policy, the factors and standards for evaluating proceedings involving violations of the Public Utility Code for purposes of determining appropriate civil penalty amounts. *See* 52 Pa. Code § 69.1201(c). These factors and standards are as follows:

(1) Whether the conduct at issue was of a serious nature. When conduct of a serious nature is involved, such as willful fraud or misrepresentation, the conduct may warrant a higher penalty. When the conduct is less egregious, such as administrative filing or technical errors, it may warrant a lower penalty.

(2) Whether the resulting consequences of the conduct at issue were of a serious nature. When consequences of a serious nature are involved, such as personal injury or property damage, the consequences may warrant a higher penalty.

(3) Whether the conduct at issue was deemed intentional or negligent. This factor may only be considered in evaluating litigated cases. When conduct has been deemed intentional, the conduct may result in a higher penalty.

(4) Whether the regulated entity made efforts to modify internal practices and procedures to address the conduct at issue and prevent similar conduct in the future. These modifications may include activities such as training and improving company techniques and supervision. The amount of time it took the utility to correct the conduct once it was discovered and the involvement of top-level management in correcting the conduct may be considered.

(5) The number of customers affected and the duration of the violation.

(6) The compliance history of the regulated entity which committed the violation. An isolated incident from an otherwise compliant utility may result in a lower penalty, whereas frequent, recurrent violations by a utility may result in a higher penalty.

(7) Whether the regulated entity cooperated with the Commission's investigation. Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty.

(8) The amount of the civil penalty or fine necessary to deter future violations. The size of the utility may be considered to determine an appropriate penalty amount.

(9) Past Commission decisions in similar situations.

(10) Other relevant factors.

52 Pa. Code § 69.1201(c). These factors, relative to this proceeding, are examined below.

First, the evidentiary record collected in this matter does not contain any evidence that PECO's failure to issue monthly bills to Mr. Chi during the period May through October 2024 was willfully fraudulent. On the contrary, the evidence shows that the violation resulted from a glitch in the implementation of a scheduled system upgrade. As the result of a technical error, the violation in question is less egregious and warrants a lower penalty.

Second, the resulting consequences of the conduct at issue were not of a serious nature. As PECO's witnesses pointed out, Mr. Chi received uninterrupted electric service during the entire period he did not receive his bill from PECO. He was given the option to pay an amount he felt comfortable with to mitigate the impact of the rebill, but declined the offer. In addition, he was not charged any late payment charges during the six-month period when no bills were issued by PECO and no payments were made by Mr. Chi. Lastly, Mr. Chi was offered a period in which he could amortize the rebill amount in accordance with 52 Pa. Code § 56.14, but again he declined the offer.

Third, despite its length in duration, the violation at issue seems more the result of an unforeseeable accident than the result of negligence. It clearly was not the result of a willful action on the part of PECO, as PECO too was harmed by its failure to bill for services rendered during the six months in question.

Fourth, PECO took the right steps not only to notify its customers of the upcoming system upgrade and the changes they could look out for, but also to inform them that their bills were being delayed due to a problem at its end. In addition, PECO offered Mr. Chi the opportunity to mitigate the rebill while the bills were not being issued and offered to amortize the rebill amount once the rebilling occurred.

Fifth, PECO witnesses were unable to say how many customers were affected by the billing delay. Tr. 33.

Sixth, the record does not include a history of PECO's past offenses; and seventh, the Commission did not conduct an investigation in this proceeding.

The eighth, ninth and tenth factors listed in 52 Pa. Code § 69.1201(c) are inter-related in this case and they are, respectively: the amount of a civil penalty required to deter future violations; prior Commission decisions in similar cases; and the catch-all "other relevant factors."

After reviewing the evidence collected in this matter, I conclude that a technical error or a system glitch during the implementation of a new billing system is less of a violation that can be deterred through the imposition of a civil penalty, and more of an accident with a small chance of being repeated in the future. Therefore, I find that a civil penalty is not warranted in this case.

## CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the parties and the subject matter of this proceeding. 66 Pa.C.S. § 701.
2. The burden of proof in this proceeding is on the Complainant. 66 Pa.C.S. § 332(a).
3. Preponderance of the evidence means that the party with the burden of proof has presented evidence that is more convincing than that presented by the other party. *Samuel J. Lansberry, Inc. v. Pa. Pub. Util. Comm'n*, 578 A.2d 600 (Pa. Cmwlth. 1990).
4. The Commission's decision must be supported by "substantial evidence," which consists of evidence that a reasonable mind might accept as adequate to support a conclusion. 2 Pa.C.S. § 704. A mere "trace of evidence or a suspicion of the existence of a fact" is insufficient. *Norfolk & W. Ry. Co. v. Pa. Pub. Util. Comm'n*, 413 A.2d 1037 (Pa. 1980).
5. A public utility is required to render a bill once every billing period to every residential customer in accordance with approved rate schedules. 52 Pa. Code § 56.11(a).
6. When rebilling for previously unbilled services, the public utility shall explain the bill to the customer and make a reasonable attempt to amortize the bill. 52 Pa. Code § 56.14.
7. The Commission may levy a fine of up to \$1,000 per day for continuing violations of the Public Utility Code. 66 Pa.C.S. § 3301.

ORDER

THEREFORE,

IT IS ORDERED:

1. That PECO late-filed Exhibits 3 and 4 are admitted into the record.
2. That the Formal Complaint of Mo Se Chi in *Mo Se Chi v. PECO Energy Company* at Docket No. F-2025-3052881 is granted, in part, and denied, in part.
3. That the Formal Complaint of Mo Se Chi against PECO Energy Company at Docket No. F-2025-3052881 is denied with regard to his request for monetary damages.
4. That the Formal Complaint of Mo Se Chi against PECO Energy Company at Docket No. F-2025-3052881 is granted with regard to his claim of unbilled services.
5. That the Secretary mark this docket closed.

Date: August 14, 2025

\_\_\_\_\_  
/s/  
Eranda Vero  
Administrative Law Judge