

**PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17120**

Douglas Smith
v.
PPL Electric Utilities Corporation

Public Meeting held August 14, 2025
3046013-OSA
Docket No. C-2024-3046013

MOTION OF VICE CHAIR KIMBERLY BARROW

Before us for disposition is the Complaint of Douglas Smith (Complainant), filed February 5, 2024, against PPL Electric Utilities Corporation (PPL). In his Complaint, Mr. Smith alleges that beginning in the Fall of 2022, PPL improperly billed separate-meter service to his detached garage under its GS-1 Rate Schedule, rather than under his residential rate, and that PPL’s customer service was unreasonable.

An evidentiary hearing was convened on June 10, 2024, before Administrative Law Judge Gail M. Chiodo. Following the hearing, the ALJ issued an Initial Decision granting the Complaint in part and denying it in part.

Complainant is a residential customer of PPL who owns a detached garage on his property. In May 2022, Complainant approached PPL about electrifying his garage for the purposes of charging first a plug-in hybrid electric vehicle, with the goal of ultimately serving a battery electric vehicle. Mr. Smith credibly testified that he was never informed by PPL that he could, by reconfiguring the connection to his residential meter, receive service at the lower residential rate. PPL’s own Exhibit 6, reflecting information contained on its website about bill impact of electric vehicles describes “The information you need to calculate the impact to your electric bill is:” and then goes on not to mention the possibility that a customer may be subject to demand charges instead of volumetric charges.

Beginning with the October 6, 2022, billing cycle, PPL billed the garage under its GS-1 tariff, which applies to small commercial and general service loads metered separately from a customer’s residence.

I would adopt the ALJ’s conclusion that, under the terms of PPL’s public Tariff, the GS-1 rate charged was correct given the specific electrical setup used. The RS rate schedule applies to dwellings, and a dwelling is defined as “a living space consisting of at least permanent provisions for shelter, dining, sleeping, and cooking, with provisions for permanent electric, water, and sanitation services.”¹ The rate schedule specifically contemplates detached buildings and states that the RS schedule applies to those buildings when they are served through the same meter as the single family dwelling. The GS-1 tariff rate applied to the Complainant is, in part, a

¹ PPL Rate Schedule RS.

catchall rate for general residential service outside the RS rate schedule. The GS-1 rate was therefore correctly applied.

Section 1312 of the Public Utility Code limits Commission authority to order refunds to circumstances where a rate is unjust and unreasonable, in violation of an order or regulation of the Commission, or different than the correct rate. 66 Pa.C.S. § 1312. Because there is no challenge to the justness and reasonableness of PPL's tariff, and because I would determine that the rate applied complied with PPL's tariff rules, the Complaint's request to re-bill the garage under a residential rate unfortunately must be denied.

Despite correctly applying its tariff, PPL's service was unreasonable. The Public Utility Code defines service broadly and is inclusive of not just the delivery of the public utility itself, in this case electricity, but also includes accurate and full communication to customers. See e.g., *AT & T Commc'ns of Pa. v. Pa Pub. Util. Comm'n*, 568 A.2d 1362 (Pa. Cmwlth. 1990) (inaccurately quoting rates by customer service representatives is unjust and unreasonable); *Feingold v. Bell of Pennsylvania*, 383 A.2d 791 (Pa. 1977) (providing directory listings is a service); *Morrow v. Bell Telephone Co. of Pa.*, 479 A.2d 548 (Pa. Super. 1984) (assisting in customer deposit practices is a service); *Elkin v. Bell Telephone Co.*, 372 A.2d 1203 (Pa. Super. 1977), *aff'd*, 420 A.2d 371 (Pa. 1980) (rendering adequate directory assistance is a service); see also *Pa. Pub. Util. Comm'n v. PPL Electric Utilities Corp*, Docket No. M-2023-3038060 (Order entered May 16, 2024) (settlement of claims related to inadequate customer service practices). "Quality customer service is expected of all regulated utilities." *Musgrave v. Pittsburgh Water and Sewer Authority*, Docket No. C-2020-3020714 (Order entered May 6, 2024).

I would adopt the ALJ's determinations that (a) Mr. Smith never received any suggestion from PPL regarding alternative meter connections that would lower his bill, (b) PPL's website inaccurately described its rates, and (c) PPL personnel are in the best position to know and explain tariff nuances.

The tariff itself is public, and that shields PPL from claims that the customer could not have known the appropriate rate. That being said, PPL is still responsible for accurately communicating its rates to customers which it did not do here. *Cf. AT & T Commc'ns of Pa.*, 568 A.2d at 599. And, contrary to PPL's claims that customers have the duty to know the ins-and-outs of PPL's tariff, PPL is in by far the best position to advise customers, using only reasonable efforts, of the details of electrical setups that benefit the system as well as the customer individually. I would find that PPL did not meet that reasonable-efforts standard here. I therefore disagree with the conclusion that utilities have absolutely no responsibility to communicate relevant tariff information when interacting with customers for the purposes of new service requests.² Reasonable information should be provided to inform interconnection requests. Just as important, misleading or incomplete information should be avoided. Furthermore, the cases that PPL cites to, where residential customers raised similar concerns

² *Hubler v. PPL Elec. Util. Corp.*, Docket No. C-2014-2418167, Initial Decision, April 9, 2015, at 8 (Final Order March 19, 2015); *Russell Kanowicz v. PPL Elec. Util. Corp.*, Docket No. C-20043915, Initial Decision, May 17, 2005, at 7 (Final Order entered November 1, 2005).

about being charged a commercial rate, pertain to tariff provisions that pre-date the provisions at issue in this matter.

As the party with extensive knowledge of its tariff structure and electrical engineering, I find that under these circumstances, PPL should have informed Mr. Smith of simple service changes when designing the connection to his garage, such as consolidating loads onto a residential meter, that may have materially benefitted him. It is then up to the customer to make choices based on that information. As the “cheapest cost avoider,” it was more economically efficient for PPL to notify Mr. Smith than to expect him to navigate complex tariff provisions alone. See generally Guido Calabresi & A. Douglas Melamed, *Property Rules, Liability Rules, and Inalienability: One View of the Cathedral*, 85 Harv. L. Rev. 1089, 1118 (1972) (describing principles of cheapest cost avoidance).³ Consequently, PPL did not meet its responsibility to provide reasonable customer service under 66 Pa.C.S. § 1501.

Accordingly, I agree with the ALJ that imposing a civil penalty of \$1,000 against PPL for unreasonable service is appropriate. Given the facts of this case, PPL could have reasonably disclosed the rate that would apply to the service he requested as PPL was in the best position to know the rate impact of the requested electrical setup.

While I would find PPL’s billing under GS-1 lawful on its face, I would also note that other Pennsylvania electric utilities do not segregate small-volume loads by meter in the same manner, and that PPL’s GS-1 criteria may operate unjustly on customers with detached garages at residential locations. The current tariff structure potentially penalizes homeowners who add modest separate loads without clearly understanding the rate implications. In PPL’s next base rate proceeding, I encourage the parties to review the reasonableness of PPL’s tariff as it relates to separately metered residential, detached garages.

Additionally, I would like to highlight the Commission’s Final Policy Statement on *Electric Utility Rate Design for Electric Vehicle Charging*, which became effective on February 15, 2025.⁴ The Policy Statement encourages electric distribution companies (EDCs) to prioritize customer education to encourage efficient and effective use of EV charging infrastructure and knowledge of available distribution and default service generation rates.⁵ While the interactions between PPL and Mr. Smith occurred before the Policy Statement became effective, I urge PPL to follow this guidance in the future.

³ See also Section 1303 of the Code, “*Adherence to tariffs*,” which mandates that when more than one rate is applicable for a patron’s service, utilities must “after notice of service conditions, compute bills under the rate most advantageous to the patron.” 66 Pa.C.S. § 1303. Here, while not directly applicable, Section 1303 provides guidance for utilities that are uniquely aware of a customer’s particular service condition to, at the very least, inform the customer of the difference in rates between two or more available options.

⁴ 52 Pa. Code §§ 69.3551-69.3554.

⁵ 52 Pa. Code § 69.3554.

THEREFORE, I MOVE THAT:

1. The Exceptions of PPL Electric Utilities Corporation, filed on October 16, 2024, to the Initial Decision of Administrative Law Judge Gail M. Chiodo, issued on September 26, 2024, at this docket, are denied, consistent with this Motion.

2. The Initial Decision of Administrative Law Judge Gail M. Chiodo, issued on September 26, 2024, at this docket, is adopted, consistent with this Motion.

3. The Formal Complaint, filed by Mr. Douglas Smith on February 5, 2024, at Docket No. C-2024-3046013, is granted, in part, and denied, in part, consistent with this Motion.

4. Within thirty (30) days of the entry date of the Opinion and Order, PPL Electric Utilities Corporation shall pay a civil penalty of one thousand dollars (\$1,000.00) by sending a certified check or money order to:

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

5. A copy of the Opinion and Order shall be served upon the Financial and Assessment Chief, Bureau of Administrative Services.

6. The Bureau of Administrative Services, Assessment Section, shall monitor this matter for compliance.

7. If PPL Electric Utilities Corporation fails to make the civil penalty payment required by Ordering Paragraph No. 4 above, within thirty (30) days of the entry date of the Opinion and Order, it is further ordered that the Bureau of Administrative Services, Assessment Section, shall refer this matter to the Pennsylvania Office of Attorney General for collection of the total set forth above and appropriate action.

8. Upon payment of the civil penalty directed in Ordering Paragraph No. 4 above, the Secretary shall mark this matter at Docket No. C-2024-3046013 as closed.

9. The Commission's Office of Special Assistants shall prepare an Order consistent with this Motion.

August 14, 2025



Kimberly Barrow, Vice Chair