

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Virginia Maine	:	
	:	
v.	:	C-2025-3054454
	:	
Philadelphia Gas Works	:	

INITIAL DECISION

Before
Michael J. Mroczka
Special Agent

INTRODUCTION

This Initial Decision dismisses the Formal Complaint of a gas service customer seeking a payment arrangement because she failed to meet her burden of proving that she is eligible for a second or subsequent Commission-issued payment arrangement or reinstatement of her prior payment arrangement.

HISTORY OF THE PROCEEDING

On April 7, 2025, Virginia Maine (Complainant or Ms. Maine) filed a Formal Complaint (Complaint) with the Pennsylvania Public Utility Commission (Commission) against Philadelphia Gas Works (PGW, Company or Respondent). Ms. Maine checked the boxes on the Complaint form stating that the utility is threatening to

shut off her service or has already shut off her service and requesting a Commission-issued payment arrangement. Ms. Maine also wrote:

I have an overdue PGW bill that I would like to pay off but I cannot pay the total amount at one time. I have spoken to PGW representative[s] numerous time[s] and even spoken to Supervisors to try to set up a payment plan. After recently speaking with a PUC representative, I called PGW to request a "catch up" payment amount. I was told that there was no "catch up" amount available to [me]. The only way to avoid future shut off of my gas was [to] pay the total amount due according to the PGW Supervisor. . . .

I am having trouble reconstructing all dates and times of the contact I have had with PGW representatives about my situation. As I said on the previous pages, I asked PGW to send me a list of my phone calls with PGW to try to resolve this issue. I was told I'd need a court order to get that information.

My problem with PGW is that I wish someone could offer a solution so that I can get squared away. I am being told over and over again that because I broke more than one contract they can no longer make any arrangement with me. I take full responsibi[li]ty for the broken contracts but I want to make it right now. I am 81 years old and have been a PGW customer for 50 years. I'm not trying to get out of anything I owe PGW, I just want a payment arrangement. My income of \$2,826 (social security \$2,364 and pension \$462) put me over the limit for low income assistance for one pers[o]n living in my house.

My gas was supposed to be shut off on April 1 but I got a 30 day reprieve by filing a Dispute. Therefore, I have a few weeks to find a way to avoid shutoff. Last week I made a \$300 payment to begin to reduce the amount I owe.

Compl. ¶ 4; Compl at 9. Under "Requested Relief," Complainant wrote:

I was told by PUC representative that PGW was required to give me a "catch up amount" so that I can begin to pay the

total amount due. The PGW Supervisor told me that they cannot give me a catch up amount and I would have to pay the total amount due which is now around \$9,000. I would like a have a catch up amount to pay now and a payment agreement. I already paid \$300 last week to get started.

I know that based on the total income for one person living in my house that I am slightly over the income limit for assistance. If there was a way to get some assistance because I am 81 years old and have diabetes. I would be very grateful.

Compl. ¶ 5.

On April 24, 2025, PGW filed its Answer to the Formal Complaint which admitted in part and denied in part the various material allegations of the Complaint.

By Hearing Notice dated May 1, 2025, an Initial Call-In Telephonic Hearing was scheduled for July 9, 2025, and the matter was assigned to me.

A Prehearing Order was issued and served on May 1, 2025, reminding the parties of the date and time of the scheduled hearing, and informing them of the procedures applicable to this proceeding.

On July 9, 2025, at the request of Complainant, without objection from PGW, a Rescheduled Initial Telephonic Hearing Notice was issued rescheduling the hearing to August 27, 2025.

On August 26, 2025, Ms. Maine, via email, again requested a continuance of this matter. PGW objected to the continuance. Ms. Maine provided proof of a conflicting doctor's appointment. Therefore, I granted Ms. Maine's continuance request and the August 27, 2025 hearing was cancelled.

On August 27, 2025, a Rescheduled Initial Telephonic Hearing Notice was issued scheduling the hearing for September 8, 2025.

On September 8, 2025, the hearing convened as scheduled. The Complainant appeared *pro se*, testified on her own behalf, and offered no exhibits for the record. Graciela Christlieb, Esquire, appeared on behalf of PGW and presented the testimony of one witness, Darnise Mallard, a customer review officer with PGW. Ms. Mallard sponsored 5 exhibits, which were admitted into the record without objection. The following exhibits were admitted:

PGW Exhibit 1 – Statement of Account
PGW Exhibit 2 – 10-day Shut-off Notice
PGW Exhibit 3 – History of Payment Agreements
PGW Exhibit 4 – Opening/Closing of BCS No. 3914342
PGW Exhibit 5 – Income Information

The record consists of the 36-page transcript and PGW’s five exhibits. The record closed on September 25, 2025, when the transcript and exhibits were filed with the Commission.

FINDINGS OF FACT

1. Complainant is Virginia Maine, who has gas service at 8001 Crefeld Street, Philadelphia, Pennsylvania 19118 (Service Address). Tr. 9.
2. Respondent is Philadelphia Gas Works, a jurisdictional public utility, which provides gas service to Complainant at the Service Address.
3. Complainant resides alone at the Service Address. Tr. 10.

4. Complainant's gross household monthly income is \$2,787.09.¹ Tr. 14-15, 24; PGW Ex. 5.

5. The total monthly household income and household size of one places the household between 150% and 250% of the Federal Poverty Level.² Tr. 10, 14-15.

6. Complainant has had one prior Commission-issued payment arrangement (PAR) which was issued on June 2, 2023, at BCS No. 3914342 (June 2023 PAR), which was subsequently broken by Complainant. PGW Exs. 3, 4; Tr. 19-23.

7. In granting the June 2023 PAR, Ms. Maine's total household income was determined to be \$2,262 per month with a household size of one. PGW Ex. 4; Tr. 22.

8. Complainant's outstanding balance at the time of the hearing was \$9,000. PGW Ex. 1; Tr. 19.

DISCUSSION

Section 332(a) of the Public Utility Code (Code) provides that the party seeking relief from the Commission has the burden of proof. 66 Pa.C.S. § 332(a). 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. *Patterson v.*

¹ Ms. Maine has two sources of income, her pension and social security. Her gross monthly income from her pension is \$513.59 and her gross monthly income from her social security is \$2,273.50. Tr. 14-15; PGW Ex. 5.

² See Federal poverty guidelines, 90 Fed. Reg. 5917 (Jan. 17, 2025); <https://aspe.hhs.gov/sites/default/files/documents/dd73d4f00d8a819d10b2fdb70d254f7b/detailed-guidelines-2025.pdf>

Bell Tel. Co. of Pa., 72 Pa.P.U.C. 196 (Opinion and Order entered Feb. 8, 1990); *Feinstein v. Phila. Suburban Water Co.*, 50 Pa.P.U.C. 300 (Opinion and Order entered Oct. 6, 1976). Such a showing must be by a preponderance of the evidence. *Samuel J. Lansberry, Inc. v. Pa. Pub. Util. Comm'n*, 578 A.2d 600 (Pa. Cmwlth. 1990). A complainant can meet that burden if they present evidence more convincing, by even the smallest amount, than that evidence presented by Respondent. *Se-Ling Hosiery v. Margulies*, 70 A.2d 854 (Pa. 1950). The offense must be a violation of the Public Utility Code, a Commission Regulation or Order, or a violation of a Commission-approved tariff. 66 Pa.C.S. § 701.

The decision of the Commission must be supported by substantial evidence. 2 Pa.C.S. § 704. “Substantial evidence” is such relevant evidence that a reasonable mind might accept as adequate to support a conclusion. More is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. *Norfolk & W. Ry. Co. v. Pa. Pub. Util. Comm'n*, 413 A.2d 1037 (Pa. 1980); *Erie Resistor Corp. v. Unemployment Comp. Bd. of Rev.*, 166 A.2d 96 (Pa. Super. 1961); *Murphy v. Pa. Dep't of Pub. Welfare, White Haven Ctr.*, 480 A.2d 382 (Pa. Cmwlth. 1984).

If a complainant establishes a *prima facie* case, the burden of going forward with the evidence shifts to the utility. If a utility does not rebut that evidence, the complainant will prevail. If the utility rebuts the complainant's evidence, the burden of going forward with the evidence shifts back to the complainant, who must rebut the utility's evidence by a preponderance of the evidence. The burden of going forward with the evidence may shift from one party to another, but the burden of proof never shifts; it always remains on the complainant. *Milkie v. Pa. Pub. Util. Comm'n*, 768 A.2d 1217 (Pa. Cmwlth. 2001); *see also, Burleson v. Pa. Pub. Util. Comm'n*, 443 A.2d 1373 (Pa. Cmwlth. 1982).

Payment Arrangement

Complainant requests a Commission-issued payment arrangement. Prior to sunset, the Responsible Utility Customer Protection Act, 66 Pa.C.S. §§ 1401–1419 (Chapter 14), applied to complaints alleging inability to pay and requesting a Commission-issued payment arrangement. This law provided strict guidelines that the Commission had to follow when determining whether a payment arrangement could be issued and the length of the payment arrangement. Chapter 14 has sunset, effective December 31, 2024, and is not currently in effect.

However, in its Statement of Policy entered December 24, 2024, the Commission clarified that its regulations codified at 52 Pa. Code Chapter 56 shall remain in effect until amended. *See Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code*, Docket No. M-2024-3052328 (Statement of Policy entered Dec. 24, 2024) (*Statement of Policy*). With regard to the provision of payment arrangements, the Commission explained that it will maintain its application of the four-tiered process establishing the length of payment arrangements previously articulated in Chapter 14. *Id.* at 4. In particular, the Commission’s *Statement of Policy* states that the principles of Section 1405 and definitions of Section 1403 will continue after the expiration of Chapter 14 on December 31, 2024. *Id.* at 5.

As Chapter 14 required, the length of time for a customer to resolve an unpaid balance that is investigated by the Commission and is entered into by a public utility and a customer shall not extend beyond:

- (1) Five years for customers with a gross monthly household income level not exceeding 150% of the Federal poverty level.

(2) Three years for customers with a gross monthly household income level exceeding 150% and not more than 250% of the Federal poverty level.

(3) One year for customers with a gross monthly household income level exceeding 250% of the Federal poverty level and not more than 300% of the Federal poverty level.

(4) Six months for customers with a gross monthly household income level exceeding 300% of the Federal poverty level.

Statement of Policy at 4 (citing 66 Pa.C.S. § 1405(b)).

Ms. Maine has a gross monthly household income of \$2,787.09 and a household size of one. Tr. 10, 14-15, 24; PGW Ex. 5. Based on the household income of \$2,787.09 per month, and her household size of one, Complainant falls between 150% and 250% of the Federal poverty level.³ Tr. 10, 14-15, 24; PGW Ex. 5. Absent further restrictions, Ms. Maine would qualify for a Level 2 payment arrangement. 66 Pa.C.S. § 1405(b)(2). However, as explained below, due to restrictions placed on the Commission by the Code as applied by the *Statement of Policy*, I cannot provide Complainant with a new Commission-issued payment arrangement.

Second or Subsequent Payment Arrangement

If the Commission has not previously ordered a payment arrangement for a complainant, the Commission has the authority to establish a payment arrangement, pursuant to 66 Pa.C.S. § 1405(a), on a complainant's arrearages within the strict guidelines set forth in 66 Pa.C.S. § 1405(b), as stated above. However, Chapter 14, as followed by the *Statement of Policy*, restricts the Commission from issuing a second or

³ See Federal poverty guidelines, 90 Fed. Reg. 5917 (Jan. 17, 2025); <https://aspe.hhs.gov/sites/default/files/documents/dd73d4f00d8a819d10b2fdb70d254f7b/detailed-guidelines-2025.pdf>

subsequent payment arrangement if a customer defaulted on a previous Commission-issued payment arrangement. The Code addresses second or subsequent payment arrangements as follows:

(d) Number of payment arrangements. — Absent a change in income, the commission shall not establish or order a public utility to establish a second or subsequent payment arrangement if a customer has defaulted on a previous payment arrangement established by a commission order or decision. A public utility may, at its discretion, enter into a second or subsequent payment arrangement with a customer.

66 Pa.C.S. § 1405(d). “Change in income” is defined by the Code as “[a] decrease in household income of 20% or more if the customer’s household income level exceeds 200% of the Federal poverty level or a decrease in household income of 10% or more if the customer’s household income level is 200% or less of the Federal poverty level.” 66 Pa.C.S. § 1403.

Complainant has had a prior Commission-issued payment arrangement which was issued on June 2, 2023, at BCS No. 3914342. PGW Exs. 3, 4; Tr. 19-23. In granting the June 2023 PAR, Ms. Maine’s total household income was determined to be \$2,262 per month with a household size of one. PGW Ex. 4; Tr. 22. Complainant defaulted on the June 2023 PAR. Tr. 22-23; PGW Ex. 3.

Currently, as explained above, Ms. Maine’s household income is \$2,787.09 which is an increase of \$525.09 per month from the income determined in the June 2023 PAR. Complainant’s current income, with one person in the household, exceeds 200% of the Federal poverty level. Therefore, she would need to show at least a 20% decrease in her household income to meet the “Change in income” definition under the statute to qualify for a second Commission-issued payment arrangement. Because Ms. Maine has

had an increase in household income instead of a decrease of 20% or more, the Commission is not permitted to grant a second or subsequent payment arrangement under Chapter 14 of the Code, as applied by the *Statement of Policy*. 66 Pa.C.S. §§ 1403, 1405(d).

Reinstatement of Prior Payment Arrangement

Although Ms. Maine is not eligible for a second Commission-issued payment arrangement, I must determine if she is eligible for reinstatement and extension of the June 2023 PAR. Chapter 14, as followed by the *Statement of Policy*, authorizes the Commission to reinstate and extend a Commission-issued payment arrangement on which a customer has defaulted as a result of a significant change in circumstance:

(e) Extension of payment arrangements. — If the customer defaults on a payment arrangement established under subsections (a) and (b) *as a result of* a significant change in circumstance, the commission may reinstate the payment arrangement and extend the remaining term for an initial period of six months. The initial extension period may be extended for an additional six months for good cause shown.

66 Pa.C.S. § 1405(e) (emphasis added). A “significant change in circumstance” is defined in the Code as follows:

“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.

66 Pa.C.S. § 1403.

While Ms. Maine testified that she lost income due to the COVID-19 pandemic, the June 2023 PAR was entered into after her loss of income. Therefore, Ms. Maine has not presented any evidence to meet any of the four criteria set out in the definition of significant change of circumstances. Accordingly, the Complainant's request for a Commission-issued payment arrangement must be denied and the Complaint will be dismissed.

Company-issued Payment Arrangements

During the hearing, Ms. Maine raised a concern with PGW's settlement policy. Specifically, she questions PGW's policy of only allowing a certain number of payment arrangements and whether that policy is in writing and available to the customer. Tr. 28-30.

PGW testified, "PGW follows the regulation, which doesn't require [it] to give an infinite number or more than two payment arrangements on the account." Tr. 29. Therefore, "[t]he company is not offering additional agreements after two have been broken." *Id.* PGW argued that it follows Commission regulations and does not have a written policy regarding settlements. Tr. 31.

At Ms. Maine's request, PGW pointed to Section 56.191, as the regulation it follows when offering payment arrangements. *See* Tr. 31-32; 52 Pa. Code § 56.191. However, section 56.191 applies to payments for a customer who seeks the reconnection of service. In the instant case, Ms. Maine's service has not been terminated and thus is still on. When the service is still on, the company's obligation to attempt to negotiate payment arrangements come from Sections 56.97 and 56.151 of the Commission's regulations. 52 Pa. Code §§ 56.97, 56.151. Section 56.97 states, in relevant part:

§ 56.97. Procedures upon customer or occupant contact prior to termination.

(b) The public utility shall exercise good faith and fair judgment in attempting to enter a reasonable payment arrangement or otherwise equitably resolve the matter. Factors to be taken into account when attempting to enter into a reasonable payment arrangement include the size of the unpaid balance, the ability of the customer to pay, the payment history of the customer and the length of time over which the bill accumulated. Payment arrangements for heating customers shall be based upon budget billing as determined under § 56.12(8) (relating to meter reading; estimated billing; customer readings). . . .

52 Pa. Code § 56.97(b). Section 56.151 states:

Upon initiation of a dispute covered by this section, the public utility shall:

. . . .

(3) Make a diligent attempt to negotiate a reasonable payment arrangement if the customer or occupant is eligible for a payment arrangement and claims a temporary inability to pay an undisputed bill. Factors which shall be considered in the negotiation of a payment arrangement include, but are not limited to:

(i) The size of the unpaid balance.

- (ii) The ability of the customer to pay.
- (iii) The payment history of the customer.
- (iv) The length of time over which the bill accumulated.

52 Pa. Code § 56.151(3).

As PGW explained in its testimony, the regulations do not require that it offer a customer a specific number of payment arrangements. Tr. 29. Instead, the Company is to exercise good faith in an attempt to offer a reasonable payment arrangement under the specific customer's circumstances including weighing the factors listed in Sections 56.97 and 56.151 above. PGW's testimony may bring into question its "policy" of not offering additional payment arrangements if two have been broken, and perhaps PGW should review this policy if it is a hard and fast rule. However, in the instant case, I cannot find that PGW has not acted in good faith, or otherwise violated the Public Utility Code or Commission regulations due to the size of Ms. Maine's balance (\$9,000), her poor payment history, and her likely inability to afford a payment arrangement on such a large balance.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the parties to and subject matter of this case. 66 Pa.C.S. § 701.
2. The burden of proof in this proceeding is upon the Complainant. 66 Pa.C.S. § 332(a).
3. The Responsible Utility Customer Protection Act applies to this proceeding. 66 Pa.C.S. §§ 1401–1419; *Sunset of Chapter 14, Title 66 of the*

Pennsylvania Public Utility Code, Docket No. M-2024-3052328 (Statement of Policy entered Dec. 24, 2024).

4. The Commission is authorized to establish a payment arrangement between a public utility and a customer. *Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code*, Docket No. M-2024-3052328 (Statement of Policy entered Dec. 24, 2024) (citing 66 Pa.C.S. § 1405(a)).

5. Absent a change in income, the Commission shall not establish or order a public utility to establish a second or subsequent payment arrangement if a customer has defaulted on a previous payment arrangement established by a Commission order or decision. *Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code*, Docket No. M-2024-3052328 (Statement of Policy entered Dec. 24, 2024) (citing 66 Pa.C.S. § 1405(d)).

6. If the customer defaults on a payment arrangement established under subsections (a) and (b) as a result of a significant change in circumstance, the commission may reinstate the payment arrangement and extend the remaining term for an initial period of six months. *Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code*, Docket No. M-2024-3052328 (Statement of Policy entered Dec. 24, 2024) (citing 66 Pa.C.S. § 1405(e)).

7. The Complainant has failed to carry the burden of proving that she is eligible for a second or subsequent Commission-issued payment arrangement or an extension of her prior Commission-issued payment arrangement. 66 Pa.C.S. §§ 332(a), 1405(c), (e).

ORDER

THEREFORE,

IT IS ORDERED:

1. That the Formal Complaint filed by Virginia Maine in Virginia Maine v. Philadelphia Gas Works at Docket No. C-2025-3054454 is dismissed.
2. That Docket No. C-2025-3054454 be marked closed.

Date: October 21, 2025

/s/
Michael J. Mroczka
Special Agent