



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

October 31, 2025

Via Electronic Filing

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

Re: Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement v.
FirstEnergy Pennsylvania Electric Company – West Penn Power Rate District
Docket No. C-2024-3052650
Joint Petition for Approval of Settlement

Dear Secretary Homsher:

Enclosed for electronic filing is the Joint Petition for Approval of Settlement in the above-referenced proceeding, as well as the following Appendices: Appendix A – Joint Stipulation of Facts in Support of Settlement, Appendix B – Joint Proposed Conclusions of Law and Ordering Paragraphs, Appendix C – Statement in Support of the Bureau of Investigation and Enforcement, and Appendix D – Statement in Support of First Energy Pennsylvania Electric Company.

Copies have been served on the parties of record in accordance with the Certificate of Service. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink that reads 'Allison C. Kaster'.

Allison C. Kaster
Director and Chief Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 93176
(717) 783-7998
akaster@pa.gov

ACK/ac
Enclosures

cc: Administrative Law Judge Erin L. Gannon (via email – egannon@pa.gov)
Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3052650
	:	
FirstEnergy Pennsylvania Electric Company –	:	
West Penn Power Rate District	:	

JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO PRESIDING ADMINISTRATIVE LAW JUDGE ERIN L. GANNON:

Pursuant to 52 Pa. Code §§ 5.41 and 5.232, the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E” or “Complainant”) and FirstEnergy Pennsylvania Electric Company (“FE PA,” “Company,” or “Respondent”) hereby submit this Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”) to resolve all issues related to the above-docketed I&E Formal Complaint (“Complaint”) proceeding. The Complaint alleges violations of the Public Utility Code and the Public Utility Commission’s Regulations in connection with an event that occurred in December 2021, in Vandergrift, Pennsylvania, that included a fatality. As part of this Settlement Agreement, I&E and FE PA (hereinafter referred to collectively as the “Parties” or “Joint Petitioners”) respectfully request that Your Honor issue an initial decision or recommended decision approving the Settlement without modification. A Joint Stipulation of Facts in Support of Settlement is attached hereto as **Appendix A**. Joint Proposed Ordering

Paragraphs are attached hereto as **Appendix B**. Statements in Support of the Settlement expressing the individual views of I&E and FE PA are attached hereto as **Appendix C** and **Appendix D**, respectively.

I. INTRODUCTION

1. The Parties to this Settlement Agreement are the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement, by its prosecuting attorneys, 400 North Street, Harrisburg, Pennsylvania 17120 and FE PA, an electric distribution company ("EDC"), with a mailing address of 800 Cabin Hill Drive, Greensburg, PA 15601.¹

2. The Pennsylvania Public Utility Commission is a duly constituted agency of the Commonwealth of Pennsylvania empowered to regulate public utilities within this Commonwealth, as well as other entities subject to its jurisdiction, pursuant to 66 Pa.C.S. §§ 101, et seq.

3. I&E is the entity established to prosecute complaints against public utilities and other entities subject to the Commission's jurisdiction pursuant to 66 Pa.C.S. § 308.2(a)(11); *see also* Implementation of Act 129 of 2008; Organization of Bureaus and Offices, Docket No. M-2008-2071852 (Order entered August 11, 2011) (delegating authority to initiate proceedings that are prosecutory in nature to I&E).

4. Section 501(a) of the Code, 66 Pa.C.S. § 501(a), authorizes and obligates the Commission to execute and enforce the provisions of the Code.

¹ At the time of the alleged incident, West Penn Power Company was a "public utility" as defined by 66 Pa.C.S. § 102 with a utility code of 111250. As of December 7, 2023, West Penn Power Company became part of the certified service territory of FirstEnergy Pennsylvania Electric Company under utility code 1126015.

5. Section 2804(1)(ii) of the Code, 66 Pa.C.S. § 2804(1)(ii), requires the Commission “to ensure [the] continuation of safe and reliable electric service to all consumers in the Commonwealth, including . . . [t]he installation and maintenance of transmission and distribution facilities in conformity with established industry standards and practices, including the standards set forth in the [NESC].” *See also* 52 Pa. Code §§ 57.193-194.

6. Section 701 of the Code, 66 Pa.C.S. § 701, authorizes the Commission, *inter alia*, to hear and determine complaints alleging a violation of any law or regulation that the Commission has jurisdiction to administer.

7. Section 3301 of the Code, 66 Pa.C.S. § 3301, authorizes the Commission to impose civil penalties on any public utility or on any other person or corporation subject to the Commission’s authority for violations of the Code, the Commission’s regulations, or both. Section 3301 allows for the imposition of a fine for each violation and each day’s continuance of such violation(s). 66 Pa.C.S. § 3301.

8. FE PA is a “public utility” as that term is defined at 66 Pa.C.S. § 102 as it is engaged in providing public utility service as an EDC in the Commonwealth of Pennsylvania to the public for compensation.

9. FE PA, as an EDC, is subject to the power and authority of the Commission pursuant to Section 501(c) of the Code, 66 Pa.C.S. § 501(c), which requires a public utility to comply with Commission regulations and orders.

10. Pursuant to the provisions of the applicable Commonwealth statutes and regulations, the Commission has jurisdiction over this subject matter and the actions of FE PA in its capacity as an EDC.

II. BACKGROUND

11. Thomas Gourley, Sr. was the FE PA customer of record residing at 157 Jefferson Avenue, Vandergrift, PA 15690.

12. On November 1, 2021, FE PA issued Mr. Gourley a ten (10) day termination notice for the past due balance of two thousand, six hundred and thirteen dollars and thirty-one cents (\$2,613.31).

13. Prior to the end of the ten (10) day termination notice, FE PA had tried to contact Mr. Gourley via telephone on November 8, 9, and 10, 2021, without success.

14. On November 15, 2021, Melissa Gourley, daughter of Thomas Gourley, Sr., contacted FE PA to be added as an authorized representative to the account at 157 Jefferson Avenue, Vandergrift, PA 15690. Services had previously been in Ms. Gourley's name at this location from February 15, 2017, through March 2, 2020, and, at the time of the call, Ms. Gourley was listed on the account along with her father, Thomas Gourley, Sr.

15. On November 15, 2021, Ms. Gourley's call was transferred to FE PA's Advanced Move-In Department within Customer Service. Ms. Gourley advised the customer service representative that she was attempting to get assistance with payment of the past due balance on the account.

16. During the November 15, 2021 call, the customer service representative advised Ms. Gourley that she could apply for assistance and further advised that the assistance agency would make the determination on her eligibility for assistance.

17. During the November 15, 2021 call, Ms. Gourley further advised the customer service representative that she had zero income and was experiencing medical issues.

18. During the November 15, 2021 call, FE PA representatives failed to:
 - a. Fully explain the reasons for the proposed termination;
 - b. Fully explain all available methods for avoiding a termination;
 - c. Fully explain information about the public utility's universal service programs, including the customer assistance program; and
 - d. Fully explain the medical emergency procedures.

19. On November 18, 2021, an automated outbound phone call was made to the service location at 157 Jefferson Avenue, Vandergrift, PA 15690, stating that FE PA would like to discuss household income and occupant information to determine eligibility for assistance programs. The automated outbound phone call also stated that if income information was not provided, the account could be at risk of termination during the Winter Moratorium² period.

20. On December 8, 2021, a FE PA representative attempted in-person contact with the account holder at 157 Jefferson Avenue, Vandergrift, PA 15690, to no avail. The FE PA representative posted a forty-eight (48) hour termination notice on the front door of the service location.

21. On December 14, 2021, a FE PA representative attempted in-person contact with the account holder at 157 Jefferson Avenue, Vandergrift, PA 15690, prior to terminating service; however, no contact was made, and service was terminated. A post-termination notice was left at the service location.

² The "Winter Moratorium" is the period of December 1 through March 31, where, unless otherwise authorized by the Commission, an electric distribution utility may not terminate service to customers with household incomes at or below 250% of the Federal poverty level except as provided in 52 Pa. Code § 56.100 (Winter termination procedures) or in § 56.98 (Immediate termination for unauthorized use, fraud, tampering or tariff violations). 52 Pa. Code § 100(b).

22. On December 20, 2021, Thomas Gourley, Jr., son of Thomas Gourley, Sr., contacted FE PA to notify them that his sister, Melissa Gourley, had passed away in the residence at 157 Jefferson Avenue, Vandergrift, PA 15690 on December 17, 2021.

23. On December 21, 2021, Managing Counsel for FE PA e-mailed the Bureau Director for the Pennsylvania Public Utility Commission's Bureau of Consumer Services to report the death of a customer at a location where the service had been recently terminated, in accordance with 52 Pa. Code § 56.100(j).

24. The Bureau of Consumer Services referred the matter to I&E on December 12, 2022, for further investigation.

25. In the Complaint, I&E made several requests for relief, including that the Commission: (1) find Respondent to be in violation of winter termination procedures and procedures upon customer contact prior to termination for each of the counts set forth in I&E's Complaint; (2) impose a civil penalty in the amount of Fifty Thousand Dollars (\$50,000.00)³, and (3) order such other remedies as the Commission may deem appropriate.

26. On January 13, 2025, Respondent, through counsel, filed an Answer to I&E's Complaint. In its Answer, FE PA denied the allegations and requested that I&E's complaint be dismissed.

27. On January 24, 2025, a Notice of Telephonic Prehearing Conference was issued by the assigned administrative law judge.

³ I&E initially pleaded a violation for FE PA's failure to respond to I&E's Data Request – Set II with an additional civil penalty request of \$10,000, making the total civil penalty request \$60,000. I&E received FE PA's Responses to Data Request – Set II on February 19, 2025; therefore, I&E will not pursue this originally alleged violation.

28. On February 10, 2025, a Prehearing Conference Order was issued, directing the Parties to file Prehearing Memoranda.

29. I&E and FE PA filed Prehearing Memoranda on February 21, 2025.

30. On February 27, 2025, the presiding officer, Administrative Law Judge Erin L. Gannon (“ALJ Gannon”), issued a Scheduling Order outlining the litigation schedule.

31. On February 28, 2025, a Telephonic Evidentiary Hearings Notice was filed scheduling hearings for August 6 and 7, 2025.

32. On May 14, 2025, by e-mail, both parties requested a stay of the litigation schedule for ninety (90) days to continue ongoing settlement negotiations.

33. On May 21, 2025, ALJ Gannon issued an Interim Order Suspending Litigation Schedule and Requiring Status Report.

34. On July 2, 2025, the first Joint Status Report was filed by the Parties indicating that they did not believe that it was necessary to establish a new litigation schedule at that time as they were continuing to negotiate a potential settlement.

III. ALLEGED VIOLATIONS

35. I&E filed a Formal Complaint alleging that FE PA violated certain provisions of the Commission’s regulations and the Code, which FE PA disputes. If this matter had been fully litigated rather than resolved through this Settlement, I&E would have contended that FE PA violated certain provisions of the Commission’s regulations and the Code in that:

- a. FE PA terminated service to a customer during the period between December 1 through March 31, known as the “Winter Moratorium,” without first determining whether the customer had a household income at or below 250% of the Federal poverty level. If proven, this is a violation of 52 Pa. Code § 56.100(b).

- b. FE PA failed to fully explain information about the public utility's universal service program, including the customer assistance program; FE PA failed to refer the customer to the universal service program of the public utility to determine eligibility for a program and to apply for enrollment in a program; and FE PA failed to fully explain the medical emergency procedures. If proven, these are violations of 52 Pa. Code § 56.97.

36. In its Answer, FE PA denied the above-listed alleged violations. Specifically, FE PA denied that the November 15, 2021 call was to discuss termination. Rather, FE PA alleged that the November 15, 2021 call was regarding a billing question where Ms. Gourley sought confirmation that she had the correct account number necessary for an assistance application. FE PA alleged that based on the nature of the call, Ms. Gourley was transferred to the application team to obtain service in her name.

37. If this matter had been fully litigated rather than resolved through this Settlement, FE PA would have contended that it did not violate provisions of the Commission's regulations and the Code.

38. As a mitigating factor to the above allegations, I&E acknowledges that FE PA fully cooperated with I&E's investigation. During the investigatory process, FE PA complied with I&E's requests for information and documentation and provided I&E with records, correspondence, and other documents as requested by I&E.

IV. SETTLEMENT TERMS

39. Pursuant to the Commission's policy of encouraging settlements that are reasonable and in the public interest,⁴ I&E and FE PA held a series of discussions after the filing of I&E's Complaint that culminated in this Settlement. The purpose of this Joint Petition

⁴ See 52 Pa. Code § 5.231(a).

for Approval of Settlement is to terminate I&E's Complaint and to settle this matter completely without further litigation. Although I&E filed a Formal Complaint, there has been no evidentiary hearing before any tribunal, and no sworn testimony has been taken in any proceeding related to this incident. Further, the Parties have stipulated to relevant facts. *See Appendix A* attached hereto.

40. The Settlement is a compromise of a disputed Complaint, which I&E intended to prove, and that FE PA intended to disprove.

41. The Parties recognize that their positions and claims are disputed and further recognize the significant and more immediate benefits of amicably resolving the disputed issues through settlement as opposed to time-consuming and expensive litigation.

42. I&E and FE PA, intending to be legally bound and for consideration given, desire to fully and finally conclude this litigation and agree that a Commission Order approving the Settlement without modification will create the following rights and obligations:

a. Civil Penalty:

FE PA will pay a civil penalty in the amount of Thirty Thousand Dollars (\$30,000.00) pursuant to 66 Pa.C.S. § 3301(a). Said payment will be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement and will be made payable to the "Commonwealth of Pennsylvania." The docket number of this proceeding, C-2024-3052650, will be indicated with the payment and sent to:

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

The civil penalty will not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f), and will not be passed through as an additional charge to FE PA's customers in Pennsylvania.

b. Contribution to FE PA's Dollar Energy Fund:

In addition to the civil penalty set forth above, FE PA will make a Fifteen Thousand Dollar (\$15,000.00) contribution to its hardship fund through the Dollar Energy Fund. Said payment will be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement. The payment will not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f), and will not be passed through as an additional charge to FE PA's customers in Pennsylvania.

c. Advanced Move-In ("AMIP") Agent Training:

Within six (6) months of the entry date of the Commission's Final Order approving this Settlement Agreement, all current AMIP agents will have received standalone Pennsylvania credit training to include procedures on how customers can avoid termination, including installation plans, low-income assistance, and medical certificates. Subsequent to this initial training, all new AMIP agents will thereafter receive this training.

d. AMIP Mandatory Refresher Trainings:

On an ongoing basis, AMIP agents will be included in the mandatory summer and winter refresher credit trainings which include procedures on how customers can avoid termination, including installment plans, low-income assistance, and medical certificates. Winter refresher training specifically addresses the Winter Moratorium protections available to customers.

e. Customer Income Information

All income information obtained from a customer and the associated low-income account indicators will remain valid on the customer's account for a period of two (2) years.

43. Upon Commission approval of the Settlement in its entirety without modification, I&E will not file any other complaints or initiate other action against FE PA at the Commission with respect to the allegations that were the subject of I&E's instant Complaint.

44. Following the performance of each non-monetary, remedial measure referenced above, FE PA will file with the Commission a verification acknowledging that each non-monetary, remedial measure has been met or complied with, pursuant to 52 Pa. Code § 5.591.

45. I&E and FE PA jointly acknowledge that approval of this Settlement Agreement is in the public interest and fully consistent with the Commission's Policy Statement regarding Factors and Standards for Evaluating Litigated and Settled Proceedings, 52 Pa. Code § 69.1201. The Parties submit that the Settlement Agreement is in the public interest because it effectively addresses the allegations in I&E's formal Complaint and avoids the time and expense of further litigation, which entails hearings and the preparation and filing of briefs, exceptions, and reply exceptions, as well as possible appeals. Attached as **Appendices C and D** are Statements in Support submitted by I&E and FE PA, respectively, setting forth the bases upon which the Parties believe the Settlement Agreement is in the public interest.

V. CONDITIONS OF SETTLEMENT

46. This document represents the Settlement Agreement in its entirety and constitutes a negotiated resolution solely of the above-referenced proceeding at Docket No. C-2024-3052650. No changes to obligations set forth herein may be made unless they are in writing and are expressly accepted by the parties involved. This Settlement Agreement shall be construed and interpreted under Pennsylvania law, irrespective of the application of any conflict of laws provisions.

47. The Parties agree that this Settlement may be executed in one or more counterparts, each of which will be deemed an original, and all of which taken together constitute one and the same agreement that is binding upon the Parties as if they executed a single petition.

48. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained in this Joint Petition for Approval of Settlement without modification. If the Commission modifies this Settlement Agreement, any party may elect to withdraw from this Settlement Agreement and may proceed with litigation and, in such event, this Settlement Agreement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission, and served upon all parties within twenty (20) business days after entry of an Order modifying the Settlement.

49. In the event that the presiding ALJ issues an initial decision or recommended decision approving this Joint Petition for Approval of Settlement without modification, the Parties agree to waive the exception period, thereby allowing the Settlement Agreement to be presented directly to the Commission for review, pursuant to 52 Pa. Code § 5.232(e).

50. The Parties agree that the underlying allegations were not the subject of any hearing and that there has been no Order, findings of fact, or conclusions of law rendered in this Complaint proceeding. It is further understood that, by entering into this Settlement Agreement, FE PA has made no concession or admission of fact or law and may dispute all issues of fact and law for all purposes in any other proceeding, including but not limited to any civil proceedings, that may arise as a result of the circumstances described in this Joint Settlement Petition. Nor may this settlement be used by any other person or entity as a concession or admission of fact or law.

51. The Parties acknowledge that this Settlement Agreement reflects a compromise of competing positions and does not necessarily reflect any party's position with respect to any issues raised in this proceeding.

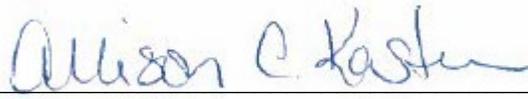
52. This Settlement Agreement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner that is fair and reasonable. This Settlement is presented without prejudice to any position that any of the Parties may have advanced and without prejudice to the position any of the Parties may advance in the future on the merits of the issues in any other proceedings, except to the extent necessary to effectuate or enforce the terms and conditions of this Settlement Agreement. This Settlement does not preclude the Parties from taking other positions in any other proceeding but is conclusive in this proceeding and may not be reasserted in any other proceeding or forum except for the limited purpose of enforcing the Settlement by a Party.

53. The terms and conditions of this Settlement Agreement represent reasonably negotiated compromises on the issues addressed herein. Thus, the Settlement Agreement is consistent with the Commission's rules and practices encouraging negotiated settlements set forth in 52 Pa. Code §§ 5.231 and 69.1201.

WHEREFORE, the Pennsylvania Public Utility Commission's Bureau of Investigation and Enforcement and FirstEnergy Pennsylvania Electric Company respectfully request that the Commission issue an Order approving the terms of this Settlement Agreement in their entirety as being in the public interest.

[Signature Page to Follow]

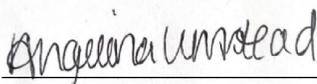
Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement

By: 
Allison Kaster
Chief Prosecutor
PA Attorney ID No. 93176
Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
akaster@pa.gov

Date: October 31, 2025

Respectfully Submitted,

FirstEnergy Pennsylvania Electric Company

By: 
Angelina Umstead, Esq.
PA Attorney ID No. 309615
Timothy McHugh, Esq.
PA Attorney ID No. 317906
FirstEnergy Service Company
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Akron, OH 44320
aumstead@firstenergycorp.com
tmchugh@firstenergycorp.com

Date: October 31, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, :
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 :
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 :
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JOINT STIPULATION OF FACTS IN SUPPORT OF SETTLEMENT

Pursuant to 52 Pa. Code § 5.232(a), the Pennsylvania Public Utility Commission’s (“Commission”) Bureau of Investigation and Enforcement (“I&E”) and FirstEnergy Pennsylvania Electric Company (“FE PA” or “Company”), by their undersigned attorneys, agree and stipulate to the following facts for the sole purpose of supporting the approval of the Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”) in the above-captioned matter.

I&E and FE PA have entered into the Settlement, which they recognize is a compromise of disputed claims. I&E also recognizes that the Settlement is entered into without admission of wrongdoing or liability by FE PA.

STIPULATION OF FACTS

1. Thomas Gourley, Sr. was the FE PA customer of record residing at 157 Jefferson Avenue, Vandergrift, PA 15690.

2. On November 1, 2021, FE PA issued Mr. Gourley a ten (10) day termination notice for the past due balance of two thousand, six hundred and thirteen dollars and thirty-one cents (\$2,613.31).

3. Prior to the end of the ten (10) day termination notice, FE PA had tried to contact Mr. Gourley via telephone on November 8, 9, and 10, 2021, without success.

4. On November 15, 2021, Melissa Gourley, daughter of Thomas Gourley, Sr., contacted FE PA to be added as an authorized representative to the account at 157 Jefferson Avenue, Vandergrift, PA 15690. Services had previously been in Ms. Gourley's name at this location from February 15, 2017, through March 2, 2020, and, at the time of the call, Ms. Gourley was listed on the account along with her father, Thomas Gourley, Sr.

5. On November 15, 2021, Ms. Gourley's call was transferred to FE PA's Advanced Move-In Department within Customer Service. Ms. Gourley advised the customer service representative that she was attempting to get assistance with payment of the past due balance on the account.

6. During the November 15, 2021 call, the customer service representative advised Ms. Gourley that she could apply for assistance and further advised that the assistance agency would make the determination on her eligibility for assistance.

7. During the November 15, 2021 call, in order to further assist Ms. Gourley, the customer service representative transferred her to the application team to review the requirements to have service in her name.

8. During the November 15, 2021 call, Ms. Gourley further advised the customer service representative that she had zero income and was experiencing medical issues.

9. During the November 15, 2021 call, FE PA representatives failed to:
- a. Fully explain the reasons for the proposed termination;
 - b. Fully explain all available methods for avoiding a termination;

- c. Fully explain information about the public utility’s universal service programs, including the customer assistance program; and
- d. Fully explain the medical emergency procedures.

10. On November 18, 2021, an automated outbound phone call was made to the service location at 157 Jefferson Avenue, Vandergrift, PA 15690, stating that FE PA would like to discuss household income and occupant information to determine eligibility for assistance programs. The automated outbound phone call also stated that if income information was not provided, the account could be at risk of termination during the Winter Moratorium¹ period.

11. On December 8, 2021, a FE PA representative attempted in-person contact with the account holder at 157 Jefferson Avenue, Vandergrift, PA 15690, to no avail. The FE PA representative posted a forty-eight (48) hour termination notice on the front door of the service location.

12. On December 14, 2021, a FE PA representative attempted in-person contact with the account holder at 157 Jefferson Avenue, Vandergrift, PA 15690, prior to terminating service; however, no contact was made, and service was terminated. A post-termination notice was left at the service location.

13. On December 20, 2021, Thomas Gourley, Jr., son of Thomas Gourley, Sr., contacted FE PA to notify them that his sister, Melissa Gourley, had passed away in the residence at 157 Jefferson Avenue, Vandergrift, PA 15690 on December 17, 2021.

¹ The “Winter Moratorium” is the period of December 1 through March 31, where, unless otherwise authorized by the Commission, an electric distribution utility may not terminate service to customers with household incomes at or below 250% of the Federal poverty level except as provided in 52 Pa. Code § 56.100 (Winter termination procedures) or in § 56.98 (Immediate termination for unauthorized use, fraud, tampering or tariff violations). 52 Pa. Code § 100(b).

14. On December 21, 2021, Managing Counsel for FE PA e-mailed the Bureau Director for the Pennsylvania Public Utility Commission's Bureau of Consumer Services to report the death of a customer at a location where the service had been recently terminated, in accordance with 52 Pa. Code § 56.100(j).

15. The Bureau of Consumer Services referred the matter to I&E on December 12, 2022, for further investigation.

16. In the Complaint, I&E made several requests for relief, including that the Commissions: (1) find Respondent to be in violation of winter termination procedures and procedures upon customer contact prior to termination for each of the counts set forth in I&E's Complaint; (2) impose a civil penalty in the amount of Fifty-Thousand Dollars (\$50,000.00)²; and (3) order such other remedies as the Commission may deem appropriate.

17. On January 13, 2025, Respondent, through counsel, filed an Answer to I&E's Complaint. In its Answer, FE PA denied the allegations and requested that I&E's complaint be dismissed. Specifically, FE PA denied that the November 15, 2021 call was to discuss termination. Rather, FE PA alleged that the November 15, 2021 call was regarding a billing question where Ms. Gourley sought confirmation that she had the correct account number necessary for an assistance application. FE PA alleged that based on the nature of the call, Ms. Gourley was transferred to the application team to obtain service in her name.

18. On January 24, 2025, a Notice of Telephonic Prehearing Conference was issued by the assigned administrative law judge.

² I&E initially pleaded a violation for FE PA's failure to respond to I&E's Data Request – Set II with an additional civil penalty request of \$10,000, making the total civil penalty request \$60,000. I&E received FE PA's Responses to Data Request – Set II on February 19, 2025; therefore, I&E will not pursue this originally alleged violation.

19. On February 10, 2025, a Prehearing Conference Order was issued, directing the parties to file Prehearing Memoranda.
20. I&E and FE PA filed Prehearing Memoranda on February 21, 2025
21. On February 27, 2025, the presiding officer, Administrative Law Judge Erin L. Gannon (“ALJ Gannon”), issued a Scheduling Order outlining the litigation schedule.
22. On February 28, 2025, a Telephonic Evidentiary Hearings Notice was filed scheduling a hearing for August 6 and 7, 2025.
23. On May 14, 2025, by e-mail, both parties requested a stay of the litigation schedule for ninety (90) days to continue ongoing settlement negotiations.
24. On May 21, 2025, ALJ Gannon issued an Interim Order Suspending Litigation Schedule and Requiring Status Report.
25. On July 2, 2025, the first Joint Status Report was filed by the Parties indicating that they did not believe that it was necessary to establish a new litigation schedule at that time as they were continuing to negotiate a potential settlement.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3052650
	:	
FirstEnergy Pennsylvania Electric Company –	:	
West Penn Power Rate District	:	

JOINT PROPOSED CONCLUSIONS OF LAW AND ORDERING PARAGRAPHS

A. Proposed Conclusions of Law

1. The Commission has jurisdiction over the subject matter and the parties to this proceeding. 66 Pa.C.S. § 701.

2. FirstEnergy Pennsylvania Electric Company (“FE PA”) is a “public utility” as that term is defined at 66 Pa.C.S. § 102, as it is engaged in providing public utility service as an electric distribution company to the public for compensation.

3. FE PA, in providing electric service to the public for compensation, is subject to the power and authority of this Commission pursuant to Section 501(c) of the Code, 66 Pa.C.S. § 501(c), which requires a public utility to comply with Commission regulations and orders.

4. Section 2804(1)(ii) of the Code, 66 Pa.C.S. § 2804(1)(ii), requires the Commission “to ensure [the] continuation of safe and reliable electric service to all consumers in the Commonwealth, including . . . [t]he installation and maintenance of transmission and distribution facilities in conformity with established industry standards and

practices, including the standards set forth in the [NESC].” *See also* 52 Pa. Code §§ 57.193-194.

5. I&E is the entity established to prosecute complaints against public utilities and other entities subject to the Commission’s jurisdiction pursuant to 66 Pa.C.S. § 308.2(a)(11).

6. Section 3301 of the Code, 66 Pa.C.S. § 3301, authorizes the Commission to impose civil penalties on any public utility or on any other person or corporation subject to the Commission’s authority for violations of the Code, the Commission’s regulations, or both. 66 Pa.C.S. § 3301.

7. It is the policy of the Commission to encourage settlements. 52 Pa. Code § 5.231(a).

8. The Commission has adopted a policy statement which enumerates the standards that it uses to evaluate civil penalties. 52 Pa. Code § 69.1201.

9. The Joint Petition for Settlement submitted by I&E and FE PA, including the \$30,000 civil penalty, \$15,000 contribution to the hardship fund and remedial measures, is reasonable and in the public interest.

B. Proposed Ordering Paragraphs

1. That the Joint Settlement Petition filed on October 31, 2025 between the Commission’s Bureau of Investigation and Enforcement and FirstEnergy Pennsylvania Electric Company (“FE PA”) is approved in its entirety without modification.

2. That, in accordance with Section 3301(c) of the Public Utility Code, 66 Pa.C.S. § 3301(a), within thirty (30) days of the date this Order becomes final, FE PA will

pay a civil penalty of Thirty Thousand Dollars (\$30,000.00). Said payment will be made payable to “Commonwealth of Pennsylvania” and will be sent to:

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

3. That the civil penalty will not be tax deductible or passed through as an additional charge to FE PA’s customers in Pennsylvania.

4. FE PA will make a Fifteen Thousand Dollar (\$15,000.00) contribution to its hardship fund through Dollar Energy Fund. Said payment will be made within thirty (30) days of the entry date of the Commission’s Final Order approving the Settlement Agreement.

5. The payment will not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f) and will not be passed through as an additional charge to FE PA’s customers in Pennsylvania.

6. Within six (6) months of the entry date of the Commission’s Final Order approving this Settlement Agreement, all current Advanced Move-In (“AMIP”) agents will have received standalone Pennsylvania credit training to include procedures on how customers can avoid termination, including installation plans, low-income assistance, and medical certificates. Subsequent to this initial training, all new AMIP agents will thereafter receive this training.

7. On an ongoing basis, AMIP agents will be included in the mandatory summer and winter refresher credit trainings which include procedures on how customers can avoid termination, including installment plans, low-income assistance, and medical certificates.

Winter refresher training specifically addresses the Winter Moratorium protections available to customers.

8. All income information obtained from a customer and the associated low-income account indicators will remain valid on the customer's account for a period of two (2) years.

9. That upon fulfillment of each non-monetary, remedial measure set forth in Paragraph 42 of the Joint Petition for Settlement, FE PA will file with the Commission a verification acknowledging compliance with each non-monetary remedial measure, pursuant to 52 Pa. Code § 5.591.

10. A copy of this Opinion and Order will be served upon the Financial and Assessment Chief, Bureau of Administration.

11. That the above-captioned matter will be marked closed upon receipt of the civil penalty and the verifications acknowledging that the non-monetary remedial measures set forth in Paragraph 41 of the Joint Petition for Settlement have been fulfilled.

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, :
Bureau of Investigation and Enforcement :
 :
v. : Docket No. C-2024-3052650
 :
FirstEnergy Pennsylvania Electric Company – :
West Penn Power Rate District :

**THE BUREAU OF INVESTIGATION AND ENFORCEMENT’S
STATEMENT IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF SETTLEMENT**

TO PRESIDING ADMINISTRATIVE LAW JUDGE ERIN L. GANNON:

Pursuant to 52 Pa. Code §§ 5.231, 5.232 and 69.1201, the Pennsylvania Public Utility Commission’s (“Commission” or “PUC”) Bureau of Investigation and Enforcement (“I&E”), a signatory party to the Joint Petition for Approval of Settlement (“Settlement” or “Settlement Agreement”) filed in the matter docketed above, submits this Statement in Support of the Settlement Agreement between I&E and FirstEnergy Pennsylvania Electric Company (“FE PA,” “Respondent,” or “Company”).¹ I&E avers that the terms and conditions of the Settlement are just and reasonable and in the public interest for the reasons set forth herein.

¹ I&E and FE PA are collectively referred to herein as the “Parties.”

I. Background

I&E, along with the Public Utility Commission’s Bureau of Consumer Services (“BCS”), conducted investigations of event that occurred in December 2021, in Vandergrift, Pennsylvania wherein FE PA reported a fatality at a location where service had recently been terminated. The results of the investigations formed the basis for the allegations set forth in I&E’s Formal Complaint (“Complaint”), which was filed on December 20, 2024.

I&E’s Complaint alleged that FE PA terminated service to a customer during the period between December 1 through March 31, known as the “Winter Moratorium,” without first determining whether the customer had a household income at or below 250% of the Federal poverty level, in violation of 52 Pa. Code § 56.100(b).

Additionally, I&E’s Complaint alleged that during a call on November 15, 2021, the FE PA representative failed to fully explain reasons for a proposed termination; failed to fully explain all available methods for avoiding a termination; failed to fully explain information about the public utility’s universal service program; including the customer assistance program; and failed to fully explain the medical emergency procedures, in violation of 52 Pa. Code § 56.97.

I&E’s Complaint sought relief in the form of a civil penalty of \$50,000.00,² as well as other remedies as the Commission may deem appropriate.

On January 13, 2025, FE PA filed an Answer to I&E’s Complaint. On January 24, 2025, a Notice for Telephonic Prehearing Conference was issued. On February 10, 2025, a

² I&E initially pleaded a violation for FE PA’s failure to respond to I&E’s Data Request – Set II with an additional civil penalty request of \$10,000, making the total civil penalty request \$60,000. I&E received FE PA’s Responses to Data Request – Set II on February 19, 2025; therefore, I&E did not pursue this originally alleged violation.

Prehearing Conference Order was issued, directing the Parties to file Prehearing Memoranda. I&E filed its Prehearing Memorandum on February 21, 2025. On February 27, 2025, the assigned Administrative Law Judge Erin L. Gannon (“ALJ Gannon”) issued a Scheduling Order outlining the litigation schedule. On February 28, 2025, a Telephonic Evidentiary Hearings Notice was filed scheduling hearing for August 6 and 7, 2025. On May 14, 2025, by e-mail, the Parties requested a stay of the litigation schedule for ninety (90) days to continue ongoing settlement negotiations. On May 21, 2024, ALJ Gannon issued an Interim Order Suspending Litigation Schedule and Requiring Status Report. On July 2, 2024, the first Joint Status Report was filed by the parties indicating that they did not believe that it was necessary to establish a new litigation schedule at that time as they were continuing to negotiate a potential settlement.

The Parties are filing a Joint Petition for Approval of Settlement in the instant matter resolving all issues between I&E and FE PA. This Statement in Support is submitted in conjunction with this Settlement Agreement.

II. The Public Interest

Pursuant to the Commission’s policy of encouraging settlements that are reasonable and in the public interest, the Parties held a series of settlement discussions. These discussions culminated in this Settlement Agreement, which, once approved, will resolve all issues related to I&E’s Formal Complaint proceeding. This settlement was negotiated in conjunction with and in reference to the Joint Petition for Approval of Settlement. FE PA has been cooperative with I&E related to identifying policies and training that can be further improved to assist FE PA in enhancing the safety and reliability of service and to satisfy the commitments that I&E has required in the settlement process.

The Settlement, if approved, will provide substantial public benefits including improved training for advanced move-in agents who encounter numerous customers and will now be trained on a regular basis on ways customers can avoid termination, including installment plans, low-income assistance, and medical certificates. Mandatory winter refresher courses will also specifically address winter moratorium protections available to customers. FE PA will also increase all income information obtained from a customer and the associated account indicators will remain valid on the customer's account to a period of two (2) years from a period of ninety (90) days.

I&E intended to prove the factual allegations set forth in its Formal Complaint at hearing and which FE PA would have disputed. This Settlement Agreement results from the compromises of the Parties. I&E recognizes that, given the inherent unpredictability of the outcome of a contested proceeding, the benefits to amicably resolving the disputed issues through settlement outweigh the risks and expenditures of litigation. I&E submits that the Settlement constitutes a reasonable compromise of the issues presented and is in the public interest as it provides for a number of relevant corrective measures, as well as a civil penalty. As such, I&E respectfully requests that the Commission approve the Settlement without modification.

III. Terms of Settlement

Under the terms of the Settlement Agreement, I&E and FE PA have agreed to the following:

a. Civil Penalty:

FE PA will pay a civil penalty in the amount of Thirty Thousand Dollars (\$30,000.00) pursuant to 66 Pa.C.S. § 3301(c). Said payment shall be made within thirty (30) days of the entry date of the Commission's Final

Order approving the Settlement Agreement. The civil penalty shall not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f) and shall not be passed-through as an additional charge to FE PA's customers in Pennsylvania.

b. Contribution to FE PA's Dollar Energy Fund:

FE PA will make a Fifteen Thousand Dollar (\$15,000.00) contribution to their Dollar Energy Fund. Said payment shall be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement. The payment shall not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f) and shall not be passed-through as an additional charge to FE PA's customers in Pennsylvania.

c. Advanced Move-In ("AMIP") Agent Training:

Within six (6) months of the date of approval of this Settlement Agreement, all current AMIP agents will have received standalone Pennsylvania credit training to include procedures on how customers can avoid termination, including installation plans, low-income assistance, and medical certificates. All new AMIP agents will receive this training.

d. AMIP Mandatory Refresher Trainings:

On an ongoing basis, AMIP agents will be included in the mandatory summer and winter refresher credit trainings which include procedures on how customers can avoid termination, including installment plans, low-income assistance, and medical certificates. Winter refresher training specifically addresses the winter moratorium protections available to customers.

e. Customer Income Information

All income information obtained from a customer and the associated account indicators will remain valid on the customer's account for a period of two (2) years.

IV. Legal Standard for Settlement Agreements

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements lessen the time and expense that the parties must expend on litigating a case and, at the same time, conserve precious administrative resources. Settlement results are often preferable to those

achieved at the conclusion of a fully litigated proceeding. “The focus of inquiry for determining whether a proposed settlement should be recommended for approval is not a ‘burden of proof’ standard, as is utilized for contested matters.” *Pa. Pub. Util. Comm’n, et al. v. City of Lancaster – Bureau of Water*, Docket Nos. R-2010-2179103, *et al.* (Order entered July 14, 2011) at p. 11. Instead, the benchmark for determining the acceptability of a settlement is whether the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm’n v. Philadelphia Gas Works*, Docket No. M- 00031768 (Order entered January 7, 2004).

I&E submits that approval of the Settlement Agreement in the above-captioned matter is consistent with the Commission’s Policy Statement regarding *Factors and Standards for Evaluating Litigated and Settled Proceedings Involving Violations of the Public Utility Code and Commission Regulations* (“Policy Statement”), 52 Pa. Code § 69.1201; *See also Joseph A. Rosi v. Bell-Atlantic-Pennsylvania, Inc.*, Docket No. C- 00992409 (Order entered March 16, 2000). The Commission’s Policy Statement sets forth ten (10) factors that the Commission may consider in evaluating whether a civil penalty for violating a Commission order, regulation, or statute is appropriate, as well as whether a proposed settlement for a violation is reasonable and in the public interest. 52 Pa. Code § 69.1201.

The Commission will not apply the factors as strictly in settled cases as in litigated cases. 52 Pa. Code § 69.1201(b). While many of the same factors may still be considered, in settled cases, the parties “will be afforded flexibility in reaching amicable resolutions to complaints and other matters as long as the settlement is in the public interest.” *Id.*

The first factor considers whether the conduct at issue was of a serious nature, such as willful fraud or misrepresentation, or if the conduct was less egregious, such as an administrative or technical error. Conduct of a more serious nature may warrant a higher civil

penalty while conduct that is less egregious warrants a lower amount. 52 Pa. Code § 69.1201(c)(1). I&E submits that the conduct alleged in the Complaint does not rise to the level of willful fraud or misrepresentation but is of a more serious nature than a mere administrative error. I&E alleges that FE PA's conduct, through its representative, includes the following: (1) FE PA failed to fully explain information about the public utility's universal service program, including the customer assistance program, during the November 15, 2021, call with Melissa Gourley in which she indicated that she had no income; (2) FE PA failed to refer the customer to the universal service program of the public utility to determine eligibility for a program and to apply for enrollment in a program during the November 15, 2021, call with Melissa Gourley in which she indicated that she had no income; and (3) FE PA failed to fully explain the medical emergency procedures during the November 15, 2021 call with Melissa Gourley in which she indicated that she was in poor health.

I&E submits that the failure to provide information about public assistance programs, enrollment in assistance programs, and medical emergency procedures is serious, particularly when the customer alleges little to no income, given the inherent danger that service may be terminated. Further, the actions and inactions of FE PA described above constitute conduct that placed the public safety at risk, and therefore, I&E submits that the civil penalty is warranted in this case.

The second factor considers whether the resulting consequences of FE PA's alleged conduct 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. 52 Pa. Code § 69.1201(c)(2). FE PA terminated service to a customer during the period between December 1 through March 31, known as the "Winter Moratorium," without first determining

whether the customer had a household income at or below 250% of the Federal poverty level. Approximately one week after terminating service, FE PA was notified that the customer passed away in the residence. The agreed upon civil penalty and remedial measures contained in the Settlement acknowledge the serious nature of these consequences and are designed to enhance safety by strengthening FE PA's training procedures for agents that come into contact with customers who may be in danger of service termination.

The third factor to be considered under the Policy Statement is whether the alleged conduct was intentional or negligent. 52 Pa. Code § 69.1201(c)(3). "This factor may only be considered in evaluating litigated cases." *Id.* Whether FE PA's alleged conduct was intentional or negligent does not apply since this matter is being resolved by settlement of the Parties.

The fourth factor to be considered is whether FE PA has made efforts to change its practices and procedures to prevent similar conduct in the future. 52 Pa. Code § 69.1201(c)(4). In response to this incident, FE PA has agreed to take remedial action, including training agents on how customers can avoid termination, including installment plans, low-income assistance, and medical certificates. Mandatory refresher trainings will also take place, with winter refreshers specifically addressing winter moratorium protections available to customers. A list of remedial actions that FE PA has agreed to undertake is outlined in the Settlement Agreement at Paragraph 42. These remedial actions and commitments address the alleged conduct at issue and are designed to prevent a similar incident from occurring again. The remedial actions demonstrate that FE PA is taking appropriate actions to enhance the training of its representatives who may encounter customers in a situation where termination could be prevented.

The fifth factor to be considered concerns the number of customers affected by the company's actions and the duration of the violations. 52 Pa. Code § 69.1201(c)(5). In this case, the impact to customers was limited to the residence at 157 Jefferson Avenue, Vandergrift, PA.

The sixth factor to be considered relates to the compliance history of FE PA. 52 Pa. Code § 69.1201(c)(6). An isolated incident from an otherwise compliant company may result in a lower penalty, whereas frequent, recurrent violations by a company may result in a higher penalty. *Id.* FE PA's operating companies, including West Penn Power ("WPP"), recently merged into FirstEnergy Pennsylvania Electric Company³ and it was WPP who was communicating with Ms. Gourley at the time of the incident. WPP has had two instances of compliance issues in the preceding ten-year time period.⁴ The first incident, at Docket No. C-2021-3024912, WPP entered into a settlement to resolve alleged violations related to failing to appropriately perform vegetation management on a right of way, ultimately resulting in a fatality. WPP was ordered to pay a civil penalty of \$1,175,000.00 and entered into numerous corrective measures designed to address the alleged violations. In the second incident, at Docket No. C-2023-3042656, WPP entered into a settlement to resolve alleged violations related to distribution line horizontal clearance that resulted in property damage. WPP was ordered to pay a civil penalty of \$17,500.00 and retrain its employees concerning clearance

³ On January 1, 2024, FirstEnergy Corp.'s Pennsylvania operating companies, including West Penn Power Company, merged into FirstEnergy Pennsylvania Electric Company. Due to the merger transaction, the affected operating companies' tariffs were consolidated into a single tariff, with each former operating company's rates becoming its own rate district.

⁴ The Commission has limited review of the compliance history of a long-time certificated natural gas public utility to the past ten years when the matter concerned alleged gas safety violations. *Pa. Pub. Util. Comm'n, Bureau of Investigation and Enforcement v. UGI Utilities, Inc. – Gas Division*, Docket No. C-2018-3005151 (Order entered October 29, 2020) at 27.

procedures. I&E is not aware of any complaints against FE PA for WPP involving termination of service during the “Winter Moratorium” and does not believe that a higher civil penalty is warranted under this factor.

The seventh factor to be considered relates to whether the Company cooperated with the Commission’s investigation. 52 Pa. Code § 69.1201(c)(7). “Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty.” *Id.* As previously referenced, FE PA cooperated with I&E’s investigation and has been cooperative with I&E related to identifying policies, procedures, and trainings that can be further improved to assist FE PA in enhancing the safety and reliability of customer service and to satisfy the commitments that I&E has required in the settlement process.

The eighth factor to be considered is the appropriate settlement amount necessary to deter future violations. 52 Pa. Code § 69.1201(c)(8). I&E submits that given the nature of FE PA’s conduct and the nature of the resulting consequences, a civil penalty amount of \$30,000.00, which is not tax deductible is an appropriate penalty payment in this case. I&E further submits that the monetary contribution of \$15,000.00 into FE PA’s Dollar Energy Fund is sufficient to deter FE PA from committing future violations.

The ninth factor to be considered relates to past Commission decisions in similar situations. 52 Pa. Code § 69.1201(c)(9). At the time of this filing, I&E is unaware of any Commission decisions with facts that are directly on point with this case. However, I&E found a prior Commission Order, at Docket No. M-2012-2264635, concerning the report of death after termination wherein the Commission authorized the utility to pay a civil penalty amount of \$30,000 and a contribution of \$15,000 to its hardship fund. Additionally, the Commission

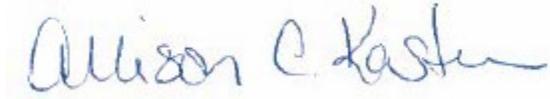
authorized a settlement, at Docket No. M-2018-2531404, regarding terminations during the “Winter Moratorium” that authorized a \$10,000 civil penalty and a \$20,000 increase in matching contributions to the utility’s hardship fund.

The tenth factor considers “other relevant factors.” 52 Pa. Code § 69.1201(c)(10). I&E submits that an additional relevant factor – whether the case was settled or litigated – is of pivotal importance to this Settlement. A settlement avoids the necessity for the governmental agency to prove elements of each allegation. In return, the opposing party in a settlement agrees to a lesser fine or penalty, or other remedial action. Both parties negotiate from their initial litigation positions. The fines and penalties, and other remedial actions resulting from a fully litigated proceeding are difficult to predict and can differ from those that result from a settlement. Reasonable settlement terms can represent economic and programmatic compromise while allowing the parties to move forward and to focus on implementing the agreed upon remedial actions and enhancing public safety.

In conclusion, I&E fully supports the terms and conditions of the Settlement Agreement. The terms of the Settlement Agreement reflect a carefully balanced compromise of the interests of the Parties in this proceeding. The Parties believe that approval of this Settlement Agreement is in the public interest. Acceptance of this Settlement Agreement avoids the necessity of further administrative and potential appellate proceedings at what would have been a substantial cost to the Parties.

WHEREFORE, I&E supports the Settlement Agreement as being in the public interest and respectfully requests that the Commission approve the Settlement in its entirety without modification.

Respectfully submitted,

A handwritten signature in blue ink that reads "Allison C. Kaster". The signature is written in a cursive style.

Allison C. Kaster
Chief Prosecutor
PA Attorney ID No. 93176

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
(717) 787-3663

Dated: October 31, 2025

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3052650
	:	
FirstEnergy Pennsylvania Electric	:	
Company	:	

**FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY’S STATEMENT IN
SUPPORT OF JOINT PETITION FOR APPROVAL OF SETTLEMENT**

TO THE HONORABLE ADMINISTRATIVE LAW JUDGE ERIN GANNON:

FirstEnergy Pennsylvania Electric Company (“FE PA” or the “Company”) hereby files this Statement in Support of the Joint Petition for Settlement (“Settlement”) entered by FE PA and the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission (“Commission”) (hereinafter, collectively referred to as the “Joint Petitioners”) in the above-captioned proceeding. The Settlement, if approved, will fully resolve all issues related to I&E’s Formal Complaint regarding the disconnection of a low-income customer during winter moratorium (“Disconnection”). FE PA respectfully requests that the Honorable Administrative Law Judge Erin Gannon (the “ALJ”) and the Commission approve the Settlement, including the terms and conditions thereof, without modification.

FE PA undertook an investigation of the events related to the Disconnection and cooperated with and assisted I&E with its investigation of the events surrounding the Disconnection. As discussed in the Settlement, FE PA and I&E engaged in discussions that culminated in the Settlement. The Settlement is in the public interest because it effectively addresses I&E’s allegations that are the subject of the I&E Complaint proceeding, promotes public safety, and

avoids the time and expense of litigation which entails hearings, travel for FE PA's witnesses, and the preparation and filing of briefs, exceptions, reply exceptions, as well as possible appeals. For these reasons and the reasons set forth below, the Settlement is fair, just, and reasonable, and should be approved without modification.

I. INTRODUCTION

A. PARTIES

I&E is the entity established by statute to prosecute complaints against public utilities pursuant to 66 Pa.C.S. § 308(b). The Commission has delegated its authority to initiate proceedings that are prosecutory in nature to I&E and other bureaus with enforcement responsibilities. *Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Aug. 11, 2011).

FE PA is a “public utility” and an “electric distribution company” (“EDC”) as those terms are defined in Sections 102 and 2202 of the Code, 66 Pa.C.S. §§ 102, 2803. FE PA provides electric distribution, and supplier of last resort services to approximately 2,091,604 customers throughout its certificated service territory subject to the regulatory jurisdiction of the Commission.

B. BACKGROUND

The background and factual circumstances underlying this matter have been stipulated to by the Joint Petitioners and the Joint Stipulation of Facts is included as Appendix A to the Settlement. FE PA incorporates the Joint Stipulation of Facts herein by reference.

II. COMMISSION POLICY FAVORS SETTLEMENT

Commission policy promotes settlements. See 52 Pa. Code § 5.231. Settlements lessen the time and expense that the parties must expend litigating a case and conserve precious administrative resources. Settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. In order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc.*, Docket No. C-2010-2071433, 2012 Pa. PUC LEXIS 1377 at *6 (August 31, 2012).

The Commission has promulgated a Policy Statement that sets forth ten factors that the Commission may consider in evaluating whether a civil penalty for violating a Commission order, regulation, or state is appropriate, as well as whether a proposed settlement for a violation is reasonable and in the public interest. 52 Pa. Code § 69.1201. These factors are: (i) Whether the conduct at issue was of a serious nature; (ii) Whether the resulting consequences of the conduct at issue were of a serious nature; (iii) Whether the conduct at issue was deemed intentional or negligent; (iv) Whether the regulated entity made efforts to modify internal policies and procedures to address the conduct at issue and prevent similar conduct in the future; (v) The number of customers affected and the duration of the violation; (vi) The compliance history of the regulated entity that committed the violation; (vii) The amount of the civil penalty or fine necessary to deter future violations; (ix) Past Commission decisions in similar situations; and (x) Other relevant factors. 52 Pa. Code § 69.1201(c).

The Commission will not apply these standards as strictly in settled cases as in litigated cases. 52 Pa. Code § 69.1201(b). While many of the same factors may still be considered in settled

cases, the parties “will be afford flexibility in reaching amicable resolutions to complaints and other matters so long as the settlement is in the public interest.” 52 Pa. Code § 69.1201(b).

The substantial public benefits of the Settlement, as well as the ten factors that the Commission considers in reviewing a settlement of an alleged violation, are addressed in the section that follows. For the reasons explained below, the Settlement is in the public interest and should be approved.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST

A. SUMMARY

The Settlement, once approved, will resolve all issues related to the Formal Complaint of I&E related to the Disconnection. The Formal Complaint alleges that FE PA violated the Commission’s regulations, 52 Pa. Code §§ 56.100, 56.97, when it disconnected service to a customer between December 1 and March 1 without first determining whether the household income was at or below 250% of the Federal poverty level; and when it failed to fully explain information about FE PA’s universal service program, refer the customer to the universal service program to determine eligibility, and fully explain medical emergency procedures. Based on these allegations, the Formal Complaint requested that the Commission order FE PA to pay a civil penalty. Had this matter been fully litigated, FE PA would have denied each of the alleged violations of the Commission’s regulations, raised defenses to each allegation, and defended against the same at hearing.

Throughout the investigative and Formal Complaint process, FE PA cooperated with I&E and engaged in discussions surrounding the training on policies and procedures regarding Disconnection and income screening of low-income customers. All of the agreed changes have already been implemented or are in progress by FE PA as a result of the investigation and ongoing

discussions with I&E. These actions have been undertaken in the interest of continuous improvement to FE PA's customer experience.

Furthermore, FE PA has made an economic concession to I&E in the form of a civil penalty and contribution to its hardship fund through Dollar Energy Fund. Finally, the terms and conditions of the Settlement align with the ten factors that may be considered under the Commission's Policy Statement. Accordingly, the Settlement should be approved.

B. DESCRIPTION OF THE SETTLEMENT

Among the terms and conditions of the Settlement, FE PA has agreed to the following measures to be implemented upon approval of the Settlement.

1. **Civil Penalty**: FE PA will pay a civil penalty in the amount of Thirty Thousand Dollars (\$30,000.00). Said payment shall be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement and shall be made by certified check or money order payable to the "Commonwealth of Pennsylvania." The docket number of this proceeding shall be indicated with the certified check or money order and the payment shall be sent to:

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

The civil penalty shall not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f) and shall not be passed through as an additional charge to FE PA's customers in Pennsylvania.

2. **Hardship Fund Contribution**: FE PA will make a one-time contribution to its hardship fund through Dollar Energy Fund in the amount of Fifteen Thousand Dollars (\$15,000.00).

Said payment will be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement. The payment will not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f) and will not be passed through as an additional charge to FE PA's customers in Pennsylvania.

3. **Corrective Action:** FE PA has taken corrective action to train advanced move-in process ("AMIP") agents on credit procedures and update its procedures with respect to income information on a customer's account. The pertinent portions of FE PA's modified procedures are briefly described as follows:

- 1) Within six (6) months of the date of the Commission's Final Order approving the Settlement Agreement, all current AMIP agents will have received a standalone Pennsylvania credit training to include procedures on how customers can avoid Disconnection, including installment plans, low-income assistance, and medical certificates. All new AMIP agents will also receive this training on a forward-going basis;
- 2) On an ongoing basis, AMIP agents will be included in the mandatory summer and winter refresher credit trainings which include procedures on how customers can avoid Disconnection, including installment plans, low-income assistance, and medical certificates; and
- 3) All income information obtained from a customer and the associated low-income indicators will remain valid on the customer's account for a period of two (2) years.

Notably, FE PA has already implemented or begun to implement certain of the terms included in the Settlement as part of its continuous improvement efforts. Importantly, the Joint Petitioners agree that it is their intent that the Settlement not be admitted as evidence in any potential civil proceeding involving this matter. It is further understood that, by entering into the Settlement, FE PA has made no concession or admission of fact or law and may dispute all issues of fact and law for all purposes in all proceedings, including but not limited to any civil proceedings, that may arise as a result of the circumstances described in the Settlement.

The terms of the Settlement fully resolve all of the issues raised in and relief requested by I&E's Formal Complaint, including the payment of civil penalties. As explained below, FE PA believes that approval of the Settlement is in the public interest. Further, acceptance of the Settlement will avoid the necessity of further administrative and potential appellate proceedings at what would have been a substantial cost to the parties.

4. PUBLIC BENEFITS OF THE SETTLEMENT

If approved, the Settlement will provide substantial and important benefits to the customers and communities served by FE PA, including significant enhancements to FE PA's policies and procedures related to the training on policies and procedures regarding clearance issues and overhead lines and equipment inspections. As noted below, these enhancements are designed to decrease the likelihood of Disconnections similar to the Disconnection from occurring in the future.

5. FACTORS UNDER THE COMMISSION'S POLICY STATEMENT

Under the Policy Statement, the Commission may consider ten specific factors when evaluating settlements of alleged violations of the Public Utility Code and the Commission's Regulations. 52 Pa. Code § 69.1201(c).

The first factor considers whether the conduct at issue was of a serious nature, and, if so, whether the conduct may warrant a higher penalty. The alleged conduct in this case involves the disconnection of a low-income customer during the winter moratorium and the failure to fully explain the ways to avoid disconnection to a customer with a pending disconnection. Specifically, FE PA denies that the November 15, 2021 call was to discuss disconnection. Rather, FE PA alleges that the November 15, 2021 call was regarding a billing question where Ms. Gourley sought confirmation that she had the correct account number necessary for an assistance application. FE PA alleges that based on the nature of the call, Ms. Gourley was transferred to the application team to obtain service in her name, and she spoke with an AMIP agent. The agent treated the call as if it was a request for new service and did not provide Ms. Gourley with options to avoid disconnection. Ms. Gourley's electric service was subsequently disconnected on December 9, 2021. Customer service is a paramount concern to FE PA and the Company continually strives to provide the best customer service to its customers. However, FE PA recognizes the seriousness of the allegations and acknowledges that the acts alleged, if committed, may constitute violations of certain legal requirements. The terms and conditions of the Settlement adequately take the alleged conduct into account.

The second factor considers the seriousness of the consequences of the Disconnection at issue. FE PA has already begun implementing credit training for its AMIP agents to include procedures on how customers can avoid Disconnection, including installment plans, low-income assistance, and medical certificates. The terms and conditions of the Settlement recognize the seriousness of the Disconnection and are designed to enhance FE PA's customer service and to minimize the likelihood of a similar Disconnection occurring in the future.

The third factor considers whether FE PA's alleged conduct was intentional or negligent. Because this proceeding is a settled matter, this factor does not apply. To the extent that this factor is to be considered, there has been no finding that FE PA's conduct was either intentional or negligent in nature as is typical in a matter that is being fully resolved through a negotiated settlement.

The fourth factor to be considered is whether FE PA made efforts to modify internal policies and procedures to address the alleged conduct at issue and to prevent similar conduct in the future. As a result of this Disconnection, FE PA undertook an investigation of the events related and cooperated with and assisted I&E in its investigation. As outlined above, FE PA will adopt several changes to its training policies and procedures to further enhance its customer service. The additional credit training for all AMIP agents is designed to address similar situations where a customer with a pending disconnection contacts the Company regarding the account. Additionally, the new policy to allow a low-income indicator to remain valid on a customer's account for a period of two years will provide better protection for vulnerable customers who may be subject to disconnection. The terms and conditions of the Settlement properly acknowledge FE PA's efforts to modify and adopt internal policies and procedures to address the alleged issues.

The fifth factor to be considered deals with the number of customers affected and the duration of the violation. In this case, the Disconnection affected one customer. FE PA believes that it promptly responded to the Disconnection in that it has already begun credit training for all AMIP agents so that they will be prepared to discuss ways to avoid Disconnection with customers. The terms and conditions of the Settlement adequately consider the nature of Disconnection, the number of customers affected, as well as FE PA's response under the circumstances.

The sixth factor considered is the compliance history of FE PA. “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.” 52 Pa. Code § 69.1201(c)(6). The Public Utility Code requires that public utilities provide reasonable and adequate, not perfect, service. 66 Pa.C.S. § 1501. FE PA maintains that it has a strong compliance history with regard to customer service disconnections and Winter Moratorium protections. Furthermore, since the Disconnection, FE PA has, among other things, begun taking steps to provide credit training to AMIP agents as well as keeping low-income indicators on customer accounts for a two-year period. These enhancements to FE PA’s existing standards, policies, and procedures will benefit its customers in the future. As such, the Settlement further evidences FE PA’s good faith efforts to enhance its customer service, consistent with the purposes of the Code and the Commission’s regulations.

The seventh factor to be considered is whether the regulated entity cooperated with the Commission’s investigation. FE PA supported and cooperated with the Commission and its staff throughout its investigation, as well as the Commission complaint and settlement process. FE PA also demonstrated a commitment consistent with the Commission’s public safety goals and objectives by implementing or beginning to implement many of the changes set forth in the settlement prior to the filing of the Settlement.

The eighth factor is whether the amount of the civil penalty or fine will deter future violations. FE PA submits a civil penalty is not necessary to deter it from committing future alleged violations. However, a civil penalty in the amount of \$30,000.00 and a hardship fund contribution of \$15,000.00 as set forth in the Settlement appropriately recognizes the seriousness of the matter but also reflects a negotiated compromise by the Joint Petitioners that considered the efforts of the Company since the Disconnection occurred.

The ninth factor considers past Commission decisions in similar situations.¹ When all of the relevant factors are evaluated, the Settlement is consistent with the past Commission actions. Moreover, since this is a settled matter, it should be considered on its own merits.

Relative to the tenth factor, FE PA submits that additional relevant factors are critically important to the Settlement. First, a settlement avoids the necessity for the prosecuting agency to prove elements of each allegation. In return, the opposing party in a settlement agrees to a lesser fine or penalty, or other remedial action. The Joint Petitioners negotiated from their initial litigation positions. The fines, penalties, and other remedial actions resulting from a fully litigated proceeding are difficult to predict and can differ from those that result from a settlement. Reasonable settlement terms can represent economic and programmatic compromise but allow the parties to move forward and to focus on implementing the agreed upon remedial actions. FE PA has demonstrated a commitment consistent with the Commission's public safety goals and objectives and broadly expanded the scope of the general public that will benefit from the commitments made in this Settlement.

Based on the foregoing, the Settlement should be considered fair, equitable and reasonable under the Commission's Policy Statement.

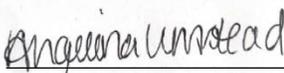
IV. CONCLUSION

WHEREFORE, FirstEnergy Pennsylvania Electric Company submits that this Settlement is the result of the Joint Petitioners' cooperative efforts, and constitutes a fair, equitable, and reasonable resolution of this proceeding. The Settlement resolves all issues related to the I&E complaint and satisfies the ten factors set forth in the Pennsylvania Public Utility Commission's

¹ See *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. PPL Electric Utilities Corp.*, Docket No. M-2012-2264635 (Opinion and Order entered April 4, 2013); see also *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement*, Docket No. M-2018-2531404 (Opinion and Order entered February 7, 2019).

Policy Statement, 52 Pa. Code § 69.1201(c). FE PA supports the Settlement and respectfully requests that the Honorable Administrative Law Judge Erin Gannon and the Pennsylvania Public Utility Commission approve the Settlement in its entirety, without modification.

Respectfully submitted:

By:  _____
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Dated: October 31, 2025

*Attorneys for FirstEnergy Pennsylvania
Electric Company*

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3052650
	:	
FirstEnergy Pennsylvania Electric Company –	:	
West Penn Power Rate District	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Joint Petition for Approval of Settlement** upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Service by Electronic Mail:

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Dated: October 31, 2025