

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Vernice Morris	:	
	:	
v.	:	F-2025-3056083
	:	
PECO Energy Company	:	

INITIAL DECISION

Before
Barbara Shadie Nause
Administrative Law Judge

INTRODUCTION

This Initial Decision dismisses the Formal Complaint of an electric service customer finding that the Commission does not have jurisdiction over interpreting negotiable instruments under the Uniform Commercial Code. In addition, this decision finds that the customer failed to show that PECO Energy Company unlawfully terminated the customer’s service in accordance with Commission regulations.

HISTORY OF THE PROCEEDING

On June 27, 2025, Vernice Morris (Ms. Morris or Complainant) filed a Formal Complaint (Complaint)¹ with the Pennsylvania Public Utility Commission (Commission) against PECO Energy Company (PECO or Respondent).

¹ The Complaint is a timely appeal of the informal determination issued by the Commission’s Bureau of Consumer Services (BCS), at BCS No. 4060284. A timely

In the Complaint, Ms. Morris alleged that the PECO threatened to shut off her service or has already shut off her service. Ms. Morris also alleged that there were incorrect charges on her bill and on April 3, 2025, April 16, 2025, and April 27, 2025, PECO rejected her lawful tender of payment submitted as a “Bill of Exchange” (BOE) with supporting “Power of Attorney” (POA) for two active accounts. Further, she alleged that despite an active dispute, PECO shut off her electricity at 7823 Walker Street on May 1, 2025, causing financial and emotional harm.

As relief, the Complainant requested that the Commission order PECO to apply her BOE as lawful payment, refund \$266.75 that she was forced to pay under protest, stop retaliation or threats of shutoff, acknowledge her POA, investigate PECO’s disconnection policies and hold PECO accountable for violating her rights and bypassing the law.

On July 23, 2025, PECO timely filed an Answer to the Complaint and New Matter, properly accompanied by a Notice to Plead. In its Answer, PECO admitted that it provided residential electric service in Complainant’s name to 7823 Walker Avenue², Philadelphia, PA. In addition, PECO admitted that service at Walker Street was lawfully terminated and denied that there are incorrect charges on Complainant’s bill. Further, PECO admitted that all valid payments were posted to Complainant’s account and denied that PECO’s business practice has caused Complainant “financial and emotional harm.” PECO averred that its actions have been reasonable and in accordance with all applicable laws, PECO’s Commission-approved tariff, the Pennsylvania Public Utility Code (Code), and Commission regulations and orders.

BCS appeal is subject to de novo review. 52 Pa. Code § 56.173(a).

² At the time of the initial hearing, PECO clarified that the correct address for residential electric service is 7823 Walker Street, Philadelphia, PA.

In its New Matter, PECO alleged that the Commission is without jurisdiction or authority to accept Complainant's rationale that a ratepayer is able to determine what is, or is not, legal tender acceptable for the payment of a utility bill. In addition, PECO is not required to accept as payment Complainant's self-styled and self-proclaimed negotiable instruments under the Uniform Commercial Code (UCC). Accordingly, PECO requested that the Formal Complaint be dismissed with prejudice or denied in its entirety.

On August 4, 2025, Complainant filed an "Answer and New Matter to Respondent's Answer and New Matter with Preliminary Objection, Conditional Appearance, and Dismissal of Presumptions" and attached multiple documents. None of Complainant's filings were properly endorsed with a Notice to Plead.

Complainant's Answer to PECO's New Matter denied the allegations. Specifically, she averred that PECO failed to accept her BOE, which was supported by a Durable POA and failed to comply with the UCC. Further, Complainant averred that the Commission has the power to adjudicate billing disputes and the BOE is not "self-styled" and should be recognized as lawful tender.

By Hearing Notice dated August 12, 2025, an Initial Call-In Telephonic Hearing was scheduled for September 24, 2025, and the matter was assigned to me.

A Prehearing Order was issued on August 13, 2025, advising the parties of the date and time of the scheduled hearing, and informing them of the procedures applicable to the proceeding.

On September 24, 2025, the hearing convened as scheduled. The Complainant appeared *pro se*, testified on her own behalf and offered one exhibit which was admitted into the record. Margaret Morris, Esquire, appeared on behalf of PECO and

presented the testimony of one witness, Michael Begley, a regulatory assessor. PECO offered eight (8) exhibits which were all admitted into the record.

The record in this matter consists of a 69-page transcript and nine (9) exhibits. The record closed on October 16, 2025, upon the filing of the transcript with the Commission.

FINDINGS OF FACT

1. Complainant is Vernice Morris.
2. Respondent is PECO Energy Company, a utility under the jurisdiction of the Pennsylvania Public Utility Commission.
3. Complainant receives electric service from PECO at 7823 Walker Street, Philadelphia, Pennsylvania 19136 (Walker Service Address) and 48 E. Hortter Street, Philadelphia, PA (Hortter Service Address) Tr. 8, 20.
4. At the September 24, 2025, hearing, Complainant acknowledged that the issues to be addressed were whether her service was unlawfully terminated at the Walker Address and whether PECO unlawfully rejected her “lawful tender of payment submitted as a Bill of Exchange (BOE) with supporting power of attorney”, for the Walker Service Address. Tr. 11
5. Complainant acknowledged that the Commission cannot enforce the Uniform Commercial Code (UCC). Tr. 11
6. The Complainant’s account for service at the Walker Service Address was established on November 1, 2022. PECO Exhibit 2; Tr. 23.

7. As of September 30, 2025, the Walker Service Address account balance was \$877.64. PECO Exhibit 2; Tr. 25.

8. On April 16, 2025, PECO issued a Ten-Day Shut Off Notice to Complainant advising her that the service at the Walker Service Address was subject to termination on or after April 30, 2025, for a delinquent amount of \$244.50. PECO Exhibit 3; Tr. 27.

9. By letter dated April 23, 2025, PECO notified Complainant that PECO only accepts cash, certified checks, money orders, and valid bank checks in payment of utility accounts. PECO Exhibit 4; Tr. 30.

10. By letter dated April 23, 2025, PECO notified Complainant that PECO will not apply as credit to her account any non-negotiable documents, consent of surety, sight drafts, Acceptance for Value, UCC Certified Tender of Payments, or other UCC documents. PECO Exhibit 4; Tr. 30.

11. On April 24, 2025, at 9:15 a.m., PECO attempted to contact Complainant at the telephone number she provided on the Formal Complaint. Tr. 27, 28.

12. On April 24, 2025, at 9:15 a.m., PECO left a voicemail message. Tr. 27, 28.

13. On April 25, 2025, at 5:03 p.m. PECO successfully contacted Complainant about the pending termination, at the telephone number she provided on the Formal Complaint. Tr. 28.

14. On May 1, 2025, at approximately 2:15 p.m., PECO remotely terminated the electric service at the Walker Service Address. Tr. 26, 28.

15. On May 1, 2025, at approximately 5:24 p.m., PECO restored the electric service at the Walker Service Address. Tr. 29.

16. The Complainant's account for service at the Hortter Service Address was established on March 21, 2024. PECO Exhibit 6; Tr. 34.

17. Complainant never submitted a BOE for the Hortter Service Address. PECO Exhibit 7 and Tr. 35.

18. On July 11, 2025, PECO mailed a Ten-Day Shut Off Notice to Complainant advising her that the service at the Hortter Service Address was subject to termination on or after July 21, 2025, for a delinquent amount of \$108.61. PECO Exhibit 8; Tr. 36, 37.

19. On July 21, 2025, at 10:05 a.m., PECO successfully contacted Complainant about the pending termination at the telephone number she provided on the Formal Complaint. Tr. 37

20. On July 22, 2025, at 5:05 p.m., PECO successfully contacted Complainant about the pending termination at the telephone number she provided on the Formal Complaint. Tr. 37.

21. On July 28, 2025, a payment of \$112.00 was posted to the Hortter Service Address account. Tr. 37.

22. The Hortter Service Address was not terminated. Tr. 37.

DISCUSSION

Section 332(a) of the Public Utility 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. 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 she presents 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 (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).

Complainant's Filings

In this case, Complainant's Conditional Appearance and Dismissal of Presumptions do not constitute permissible pleadings before the Commission and will be considered as an improper filing. *See* Section 5.1 (a) of the Commission's Regulations which does not permit a party to file a Conditional Appearance and Dismissal of Presumptions. 52 Pa. Code § 5.1(a).

Complainant's Preliminary Objection avers that PECO failed to rebut the commercial tender claim and never returned or protested the BOE and cites the UCC.

The grounds for preliminary objections are limited to those set forth as follows:

- (1) Lack of Commission jurisdiction or improper service of the pleading initiating the proceeding.
- (2) Failure of a pleading to conform to this chapter or the inclusion of scandalous or impertinent matter.
- (3) Insufficient specificity of a pleading.
- (4) Legal insufficiency of a pleading.
- (5) Lack of capacity to sue, nonjoinder of a necessary party or misjoinder of a cause of action.
- (6) Pendency of a prior proceeding or agreement for alternative dispute resolution.

(7) Standing of a party to participate in the proceeding.

52 Pa. Code § 5.101(a).

Complainant's preliminary objection does not comprise permissible grounds before the Commission and will not be considered in this matter. Section 52 Pa. Code § 5.101(a).

Termination of Electric Service at Walker Service Address

Initially, Complainant argued that the termination of electric service at the Walker was unlawful because she had a pending dispute with PECO. A public utility may not mail or deliver a notice of termination if a notice of initial inquiry, dispute, informal or formal complaint has been filed and is unresolved and if the subject matter of the dispute forms the grounds for the proposed termination. 52 Pa. Code § 56.92.

A public utility may notify a customer and terminate service provided to a customer after notice as provided in §§ 56.91-56.100 (relating to notice procedure prior to termination) for nonpayment of an undisputed delinquent account. 52 Pa. Code § 56.81(1). Prior to terminating service for grounds authorized by § 56.81 (relating to authorized termination of service), a public utility shall provide written notice of the termination to the customer at least 10 days prior to the date of the proposed termination. The termination notice shall remain effective for 60 days. 52 Pa. Code § 56.91(a).

Further, a public utility may not interrupt, discontinue or terminate service without attempting to contact the customer or responsible adult occupant, either in person, by telephone or electronically with the customer's consent, to provide notice of the proposed termination at least 3 days prior to the scheduled termination using one of the methods in this section. If personal contact by one method is not possible, the public

utility is obligated to attempt another method. 52 Pa. Code § 56.93(a). Further, phone contact shall be deemed complete upon attempted calls on 2 separate days to the residence between the hours of 8 a.m. and 9 p.m., if the calls were made at various times each day, with the various times of the day being daytime before 5 p.m. and evening after 5 p.m. and at least 2 hours apart. Calls made to contact telephone numbers provided by the customer shall be deemed to be calls to the residence. 52 Pa. Code § 56.93(a)(1).

In this case, Complainant failed to provide any evidence that there was an initial inquiry, dispute, informal or formal complaint filed, which was unresolved at the time PECO issued a termination notice to Complainant. Specifically, a ten-day notice was sent on April 16, 2025, for termination of service at the Walker Service Address, and on April 23, 2025, Complainant was advised that PECO only accepts cash, certified checks, money orders, and valid bank checks in payment of utility accounts. Service was terminated at the Walker Service Address on May 1, 2025, and restored on the same date. On May 2, 2025, Complainant filed a BCS informal complaint, which was sixteen (16) days after PECO's April 16, 2025 Ten-Day Shut Off Notice. Further Complainant's BCS informal complaint was dismissed on May 13, 2025, finding that Complainant was properly notified of the pending termination and service was properly restored after acceptable payment was made.

In this case, PECO's termination of electric service at the Walker Service Address was lawful. The PECO witness testified that the requisite ten-day notice, dated April 16, 2025, was mailed to the Walker Service Address advising Complainant that the service was subject to termination on or after April 30, 2025, for a delinquent amount of \$244.50³. In addition, according to the PECO witness, the requisite three-day notice was satisfied on April 24, 2025, and April 25, 2025⁴. As a result of the required ten-day and

³ 52 Pa. Code § 56.91(a).

⁴ 52 Pa. Code § 56.93(a)(1).

three-day notices having been met, on May 1, 2025, PECO lawfully terminated electric service at the Walker Service Address⁵.

Acceptable Forms of Payment

Regarding forms of payment which a utility is required to accept, the Commission's regulations do not specifically address the forms of payment which a utility is required to accept from a customer as payment for services rendered. However, the regulations relating to termination note that a customer may avoid termination if "payment in full is tendered in *any reasonable manner...*" The regulations also states that payment " in any reasonable manner includes payment by personal check..."⁶

Complainant contends that PECO should accept the BOE as payment for electricity service. Despite acknowledging that the Commission cannot enforce the Uniform Commercial Code (UCC), she argued that this form of payment is an acceptable negotiable instrument and she relied on the UCC.

The Commission has held that it does not have jurisdiction to interpret the UCC to determine negotiability of instruments.⁷ Even if the BOE was a properly negotiable debt instrument⁸, as claimed by Complainant, there is no language in the regulations which mandates PECO to accept all forms of payment. In *James Coppedge v. PECO Energy Company*, Docket No. F-2014-2406180 (Opinion and Order entered Jan.

⁵ 52 Pa. Code § 56.81(1).

⁶ 52 Pa. Code § 56.94 (emphasis added).

⁷ *Alkhatib v PECO Energy Co.* Docket No. C-2011-2242125 (Opinion and Order entered Jan. 12, 2012); *Coppedge v. PECO Energy Co.* Docket No. F-2009-2135893 (Opinion and Order entered Aug. 3, 2010).

⁸ Several courts in other jurisdictions have found that "bills of exchange...to be "nothing more than a string of words that sound as though they belong in a legal document, but which, in reality are incomprehensible, signifying nothing." *In re: Denise Fachini*, 2012 Bankr.Lexis 448 at 5 (Bankr. M.D. Ga. 2012) (and the cases cited therein).

29, 2015), the Commission determined that “even accepting as true the Complainant’s contentions, nothing in either PECO’s tariff or [Commission] Regulations requires PECO to accept all forms of payment.” *Id.* at 9.

Further, the Commission has held that it is not unreasonable for a utility to limit the methods of payment that it will accept.⁹ Here, PECO’s witness testified that PECO only accepts cash, certified checks, money orders, and valid bank checks in payment of utility accounts. Moreover, he testified that PECO will not apply as credit to her account any non-negotiable documents, consent of surety, sight drafts, Acceptance for Value, UCC Certified Tender of Payments, or other UCC documents.

Complainant did not demonstrate that PECO’s policy of only accepting cash, certified checks, money orders, and valid bank checks in payment of utility accounts was unreasonable or in violation of the Public Utility Code or any regulation of the Commission. Although Complainant argued that PECO accepts LIHEAP¹⁰, she did not offer specific evidence which proved that she had successfully paid other debts in this manner or that her proposed method of payment is customary in any commercial context or any indicia that PECO’s policy is not reasonable.

Complainant also alleged that the payments made on the Walker Service Address and the Hortter Service Address were made “under duress.” However, she offered no evidence to support her allegation and therefore this claim is dismissed.

Based upon the foregoing, I find that Complainant has failed to satisfy her burden of setting forth that PECO committed an offense that was in violation of the

⁹ *Coppedge v. PECO Energy Co.*, Docket No. F-2014-2406180 (Opinion and Order entered Jan. 29, 2015).

¹⁰ LIHEAP (Low Income Home Energy Assistance) is a cash grant and one-time direct payment sent directly to a utility provider.

Public Utility Code, a Commission Regulation or Order, or a violation of a Commission-approved tariff. Accordingly, Complainant's Formal Complaint is dismissed.

CONCLUSIONS OF LAW

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

2. The burden of proof in this proceeding is on the Complainant. 66 Pa.C.S. § 332(a).

3. Section 5.1 (a) of the Commission's Regulations does not permit a party to file a Conditional Appearance and Dismissal of Presumptions. 52 Pa. Code § 5.1(a).

4. A public utility may not mail or deliver a notice of termination if a notice of initial inquiry, dispute, informal or formal complaint has been filed and is unresolved and if the subject matter of the dispute forms the grounds for the proposed termination. 52 Pa. Code § 56.92.

5. A public utility may notify a customer and terminate service provided to a customer after notice as provided in §§ 56.91-56.100 (relating to notice procedure prior to termination) for nonpayment of an undisputed delinquent account. 52 Pa. Code § 56.81(1).

6. Prior to terminating service for grounds authorized by § 56.81 (relating to authorized termination of service), a public utility shall provide written notice of the termination to the customer at least 10 days prior to the date of the proposed termination. The termination notice shall remain effective for 60 days. 52 Pa. Code §

56.91(a).

7. A public utility may not interrupt, discontinue or terminate service without attempting to contact the customer or responsible adult occupant, either in person, by telephone or electronically with the customer's consent, to provide notice of the proposed termination at least 3 days prior to the scheduled termination using one of the methods in this section. If personal contact by one method is not possible, the public utility is obligated to attempt another method. 52 Pa. Code § 56.93(a).

8. Phone contact shall be deemed complete upon attempted calls on 2 separate days to the residence between the hours of 8 a.m. and 9 p.m. if the calls were made at various times each day, with the various times of the day being daytime before 5 p.m. and evening after 5 p.m. and at least 2 hours apart. Calls made to contact telephone numbers provided by the customer shall be deemed to be calls to the residence. 52 Pa.Code § 56.93(a)(1).

9. Commission regulations relating to termination provide that a customer may avoid termination if "payment in full is tendered in any reasonable manner..." Commission regulations further provide that payment "in any reasonable manner includes payment by personal check..." 52 Pa. Code § 56.94.

10. The Commission does not have jurisdiction to interpret the Uniform Commercial Code (UCC) to determine negotiability of instruments. *Alkhatib v. PECO Energy Co.* Docket No. C-2011-2242125 (Opinion and Order entered Jan. 12, 2012); *Coppedge v. PECO Energy Co.* Docket No. F-2009-2135893 (Opinion and Order entered Aug. 3, 2010).

11. There is no language in the regulations which mandates PECO to accept all forms of payment. *In re: Denise Fachini*, 2012 Bankr.Lexis 448 at 5 (Bankr. M.D. Ga. 2012).

12. The Commission has held that nothing in either PECO's tariff or the Commission Regulations requires PECO to accept all forms of payment. *Coppedge v. PECO*, Docket No. F-2014-2406180 (Opinion and Order entered Jul. 29, 2014).

13. The Commission has held that it is not unreasonable for a utility to limit the methods of payment that it will accept. *Coppedge v. PECO*, Docket No. F-2014-2406180 (Opinion and Order entered Jul. 29, 2014).

14. The Complainant has failed to satisfy her burden of proving that PECO committed an offense that was a violation of the Public Utility Code, a Commission Regulation or Order, or a violation of a Commission-approved tariff. 66 Pa.C.S. §§ 332(a), 701.

ORDER

THEREFORE,

IT IS ORDERED:

1. That the Formal Complaint filed by Vernice Morris in *Vernice Morris v. PECO Energy Company*, Docket No. F-2025-3056083, is hereby dismissed.

