PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held February 19, 2026

Commissioners Present:

Stephen M. DeFrank, Chairman
Kimberly Barrow, Vice Chair, Statement
Kathryn L. Zerfuss
John F. Coleman, Jr.
Ralph V. Yanora

Andrew Matthews F-2025-3055603

v.

Columbia Gas of Pennsylvania, Inc.

OPINION AND ORDER

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition today are the Exceptions of Columbia Gas of Pennsylvania, Inc. (Columbia, Company or Respondent) filed on November 11, 2025, to the Initial Decision (I.D.) of Administrative Law Judge (ALJ) Emily I. DeVoe, issued on October 22, 2025 in the above-captioned proceeding. Therein, the ALJ Initial Decision disposed of the Formal Complaint (Complaint) filed by Andrew Matthews (Complainant or Mr. Matthews) that was a timely appeal of a Payment Arrangement (PAR) set forth in an informal decision of the Commission's Bureau of Consumer Services (BCS), issued

on April 24, 2025 at BCS Case No. 4057441.[1] The Complainant seeks a payment arrangement that is affordable. I.D. at 1.

For the reasons set forth below, we shall grant the Exceptions filed by Columbia, reverse the Initial Decision of ALJ DeVoe, and dismiss the Complaint filed by Mr. Matthews, wherein he sought a PAR that was different than the one issued by BCS. Accordingly, by this Opinion and Order, we shall reinstate the BCS-issued PAR, as adjusted to account for the increased amount of the Complainant's outstanding account balance in the time period since the issuance of the BCS initial decision, and shall also reflect the Respondent's reduction of the budget payment, consistent with the record and based on the four-tier payment structure we set out in our *Statement of Policy on the Sunset of Chapter 14*, entered on December 24, 2024 at Docket No. M-2024-3052328 (*Statement of Policy on Chapter 14* or *Statement of Policy*).[2]

I. History of the Proceeding

On May 30, 2025, Mr. Matthews filed the instant Complaint with the Commission against Columbia. As noted above, the Complaint was of a Payment PAR

[1] The PAR issued by BCS established a 12-month repayment period requiring the Complainant to pay $792 per month, consisting of a regular budget payment of $311 and an additional $481 to retire the outstanding arrears of $5,600. I.D. at 1-2, n.1.

[2] The *Statement of Policy on Chapter 14* was published in the Pennsylvania Bulletin on January 11, 2025 at 55 Pa. Bulletin 2, pp. 268-70. The record shows that the Respondent reduced the budget payment amount since issuance of the BCS PAR from $311 per month to $263. I.D. at 6. Our decision reflects that reduction.

issued by BCS, in an informal decision issued at BCS Case No. 4057441.[3] The Complainant checked the "other" box of the Complaint, acknowledged that he had accumulated a $5,600 balance for gas service provided by the Respondent, and requested a PAR that is more affordable than the one granted by BCS. Complaint ¶ 4. The Complainant stated that his outstanding arrearage accumulated because he had recently lost employment, was caring for a disabled son that precluded a second job, and was addressing a broken furnace. The Complainant selected the option to receive all communications from the Commission via eService, checking the box next to this option. I.D. at 1-2 (citing Complaint ¶ 9).

On June 25, 2025, Columbia filed an Answer to the Complaint (Answer), in which it denied the material allegations of the Complaint and averred that Complainant has defaulted on multiple Company-issued PARs.[4] The Respondent requested that the Commission dismiss the Complaint. I.D. at 2.

On June 26, 2025, the ALJ issued a Call-In Telephone Hearing Notice and set an initial telephonic hearing for August 21, 2025. The Hearing Notice provided the parties with the Toll-Free Bridge Number and the PIN to call and explained how to participate in the telephonic hearing. I.D. at 2.

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[3] As previously noted, the PAR issued by BCS established a 12-month repayment period requiring the Complainant to pay $792 per month, consisting of a regular budget payment of $311 and $481 to retire the arrears of $5,600. I.D. at 1-2, n. 1. The 12-month repayment period in the BCS PAR reflected the four-tier payment structure set out in Chapter 14 and our subsequent *Statement of Policy on Chapter 14*. The Complainant was awarded a PAR based upon his classification as a Level 3 customer, as defined, *infra*.

[4] The Complaint was served on the Respondent on June 6, 2025. Thus, the Respondent's Answer, filed on June 25, 2025, was timely filed pursuant to 52 Pa. Code § 5.61.

Also on June 26, 2025, the ALJ issued a Prehearing Order reminding the parties of the date and time of the hearing. The ALJ informed the parties about the applicable procedural rules, including the procedure to follow for hearing continuances. I.D. at 2.

On August 21, 2025, a hearing was held on the matter. The Complainant appeared *pro se*. The Respondent was represented by Larry Crayne, Esquire. The Complainant offered testimony. The Respondent presented the testimony of one witness, Ms. Deborah Lewis, Regulatory Compliance Analyst, and sponsored three exhibits, which were marked as Columbia Exhibits 1 through 3, and admitted into evidence. The Complainant and the Respondent each made closing statements in lieu of filing briefs. The transcript filed on September 11, 2025 consisted of 45 pages. I.D. at 2-3.

On October 22, 2025, the Commission issued the Initial Decision of ALJ DeVoe, wherein she sustained the Complaint and ordered the Complainant to make monthly payments consisting of current charges, plus one-thirty-sixth ($1/36^{th}$) of the balance on the account. The ALJ's Initial Decision was based on the conclusion that the *Statement of Policy on Chapter 14* is not a binding norm in payment arrangement proceedings held after December 31, 2024, and that prior legal and Commission precedent authorized a PAR determination based on the reasonableness standard governing a PAR in place prior to Chapter 14 of the Public Utility Code (Code), §§ 1401-1419.

As previously noted, On November 11, 2025, the Respondent timely filed Exceptions to the Initial Decision of ALJ DeVoe. The Complainant did not file Replies to Exceptions.

II. Discussion

As an initial matter, we note that any issue that we do not specifically address herein shall be deemed to have been considered and denied without further discussion. It is well-settled that the Commission is not required to consider expressly or at length each contention or argument raised by the parties. *Consolidated Rail Corp. v. Pa. PUC*, 625 A.2d 741, 744 (Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217, 1222-1223 (Pa. Cmwlth. 1984).

A. Legal Standards

1. Burden of Proof

As the proponent of a rule or order, the Complainant in this proceeding bears the burden of proof pursuant to Section 332(a) of the Code. 66 Pa.C.S. § 332(a). To establish a sufficient case and satisfy the burden of proof, the Complainant must show that Columbia is responsible or accountable for the problem described in the Complaint. *Patterson v. The Bell Telephone Company of Pennsylvania*, 72 Pa. PUC 196 (1990). Such a showing must be by a preponderance of the evidence. *Samuel J. Lansberry, Inc. v. Pa. PUC*, 578 A.2d 600 (Pa. Cmwlth. 1990), *alloc. denied*, 529 Pa. 654, 602 A.2d 863 (1992). That is, the Complainant's evidence must be more convincing, by even the smallest amount, than that presented by Columbia. *Se-Ling Hosiery, Inc. v. Margulies*, 364 Pa. 45, 70 A.2d 854 (1950). Additionally, this Commission's decision must be supported by substantial evidence in the record. More is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. *Norfolk & Western Ry. Co. v. Pa. PUC*, 413 A.2d 1037 (1980).

Upon the presentation by a complainant of evidence sufficient to initially satisfy the burden of proof, the burden of going forward with the evidence to rebut the

evidence of the customer shifts to the utility. If the evidence presented by the utility is of co-equal value or "weight," the burden of proof has not been satisfied. The complainant now has to provide some additional evidence to rebut that of the utility. *Burleson v. Pa. PUC*, 443 A.2d 1373 (Pa. Cmwlth. 1982), *aff'd*, 501 Pa. 433, 461 A.2d 1234 (1983).

While the burden of going forward with the evidence may shift back and forth during a proceeding, the burden of proof never shifts. The burden of proof always remains on the party seeking affirmative relief from the Commission. *Milkie v. Pa. PUC*, 768 A.2d 1217 (Pa. Cmwlth. 2001) (*Milkie*).

2. Payment Arrangements

Prior to December 31, 2024, the Commission applied the provisions of The Responsible Utility Consumer Protection Act (Act or Chapter 14), 66 Pa.C.S. §§ 1401-1419, to consumer complaints alleging a consumer's inability to pay and requesting that the Commission issue a payment arrangement. As of December 31, 2024, the Act has sunset, according to its provisions, and is not currently in effect. In light of the sunset of the Act, the Commission has clarified that its Regulations codified at 52 Pa. Code Chapter 56 shall remain in effect until amended. *See Statement of Policy*.[5]

The Commission's *Statement of Policy on Chapter 14* clarifies that "the Commission will apply this statement of policy in **all proceedings related to issues in**

[5] We note that the Commission, at its November 20, 2025, Public Meeting, adopted the Motion of Chairman DeFrank calling on the Commission's Law Bureau, in conjunction with BCS and other relevant Commission staff, to submit a Notice of Proposed Rulemaking incorporating the provisions of Chapter 14 into the Commission's Regulations, including those followed by the Commission pursuant to the *Statement of Policy*. *See* Docket No. M-2024-3052328 (Motion entered November 20, 2025).

Chapter 14 until further direction is provided." *Statement of Policy* at 7 (emphasis added). In relevant part, the *Statement of Policy* outlines that:

> … with regard to the provision of payment arrangements, and without prejudging any future matters that may come before us, the Commission will maintain its application of the four-tiered process establishing the length of payment arrangements currently articulated in Chapter 14. This includes principles provided in Section 1405(b) and the relevant definitions of "change in income" and "significant change in circumstance" as provided in Section 1403 of the Code, 66 Pa.C.S. §§ 1403, 1405(b).
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> As Chapter 14 currently requires, the length of time for a customer to resolve an unpaid balance that is investigated by the Commission and is entered into by a public utility and a customer shall not extend beyond:
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> (1) Five years for customers with a gross monthly household income level not exceeding 150% of the Federal poverty level.
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> (2) Three years for customers with a gross monthly household income level exceeding 150% and not more than 250% of the Federal poverty level.
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> (3) One year for customers with a gross monthly household income level exceeding 250% of the Federal poverty level and not more than 300% of the Federal poverty level.
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> (4) Six months for customers with a gross monthly household income level exceeding 300% of the Federal poverty level.
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> 66 Pa.C.S. § 1405(b). The principles of Section 1405 and definitions of Section 1403 will continue after the expiration of Chapter 14 on December 31, 2024.

Id. at 4-5. The *Statement of Policy*, via footnote, clarifies that:

> [c]onsistent with Chapter 14 at present, after December 31 2024, utility customers will be eligible for one payment arrangement on arrearages accrued while not on a customer assistance program under such terms, subject to a change in income or a significant change in circumstance as again outlined in the existing statute.

Id. at 5, n. 3.

The language of the Act relating to the number of payment arrangements on which the *Statement of Policy* is modeled also stated, as follows:

> (d) **Number of payment arrangements.**--Absent a change in income, the commission shall not establish or order a public utility to establish a second or subsequent payment arrangement if a customer has defaulted on a previous payment arrangement established by a commission order or decision. A public utility may, at its discretion, enter into a second or subsequent payment arrangement with a customer.
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> (e) **Extension of payment arrangements.**--If the customer defaults on a payment arrangement established under subsections (a) and (b) as a result of a significant change in circumstance, the commission may reinstate the payment arrangement and extend the remaining term for an initial period of six months. The initial extension period may be extended for an additional six months for good cause shown.66 Pa.C.S. § 1405(d)-(e).

The Act also stated that to show a "change in income," a Complainant must show a decrease in household income of 20% or more if the customer's household income level exceeds 200% of the Federal poverty level, or a decrease in household income of 10% or more if the customer's household income level is 200% or less of the Federal poverty level. 66 Pa.C.S. § 1403. The Act further defined "significant change in circumstances,"

a definition which has also been adopted by the *Statement of Policy*, stating that the Commission may extend a Commission-issued payment arrangement where the following conditions are present:

> **"Significant change in circumstance."** Any of the following criteria when verified by the public utility and experienced by customers with household income less than 300% of the Federal poverty level:
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> (1) The onset of a chronic or acute illness resulting in a significant loss in the customer's household income.
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> (2) Catastrophic damage to the customer's residence resulting in a significant net cost to the customer's household.
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> (3) Loss of the customer's residence.
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> (4) Increase in the customer's number of dependents in the household.

Id.

B. Initial Decision

In the Initial Decision, ALJ DeVoe made twenty-five (25) Findings of Fact (FOF) and reached six (6) Conclusions of Law (COL). I.D. at 3-6, 15-16. The Findings of Fact and Conclusions of Law are incorporated herein by reference and adopted without comment unless they are either expressly or by necessary implication rejected or modified by this Opinion and Order. The ALJ then determined that the Complainant had the burden of proof and that this burden had been met. I.D. at 6-7 and 16.

The ALJ found that the Complainant's current full-time employment, which occurred only after the loss of a job that generated more income, was $4,300 a month. The ALJ also found that the Complainant was unable to secure a second job

because the Complainant was the custodial parent of a child with multiple disorders and health issues, which render the child unable to work, and would, consequently, require the Complainant's support for the rest of the child's natural life. The ALJ further found that the Complainant's furnace ceased working during the pendency of this case and that the house had no heat as of the date of the hearing. The ALJ also found that the Complainant had become current on his mortgage, car, and electric and water bill payments, but that the outstanding balance on this gas account with Columbia, as of the date of the hearing was $6,007.51. Moreover, the ALJ found that the Complainant had made nine payments on the account, excluding a Low-Income Heating Energy Assistance Plan (LIHEAP) grant, and that most of these payments occurred before the Complainant's loss of employment. The ALJ recognized that the Company had reduced the Complainant's monthly payment amount from $311 to $263. The ALJ then found that the Complainant made significant payments for service until the furnace broke down and that, after finding a new job, albeit at a lower income, the Complainant had become current on his car, mortgage, and other utility payments. I.D. at 3-6, FOF Nos. 3-25, I.D. at 12-13.

As previously noted, the ALJ concluded that in accordance with Section 332(a) of the Code, 66 Pa.C.S. § 332(a), the Complainant has the burden of proof to demonstrate that Columbia's refusal to grant the Complainant a PAR consisting of a lower monthly payment amount constitutes a failure of the mandate that a utility provide reasonable and adequate service. The ALJ also concluded that the provisions set forth in Chapter 14 of the Code, 66 Pa.C.S. §§ 1401-1419, which expired on December 31, 2024, cannot apply to a proceeding after December 31, 2024 and that the *Statement of Policy on Chapter 14* provided guidance but is not a binding norm after December 31, 2024. The ALJ then concluded that the expiration of Chapter 14 meant that PARs are governed under the pre-Chapter 14 reasonability standard set forth in *Mill v. Pa. PUC*, 447 A.2d 1100 (Pa. Cmwlth. 1982) (*Mill*) and *Baum v. Duquesne Light Co.*, 57 Pa. P.U.C. 15 (1983) (*Baum*) (collectively *Mill-Baum*). I.D. at 15-16, COL Nos. 1-6. Finally, the ALJ concluded that if

anyone was deserving of a PAR, it was this Complainant. Accordingly, the ALJ ordered that the Complainant be granted a payment arrangement that is different than the one issued by BCS under the pre-Chapter 14 *Mill-Baum* standard. I.D. at 13.

More specifically, the ALJ ordered a PAR consisting of the Complainant's current monthly budget bill of $263, plus 1/36th of the balance on the account, with the first bill falling due on the first billing date following entry of a final Commission Order in this matter. The ALJ directed that, as long as the Complainant complies with this PAR: (1) Columbia be prevented from suspending or terminating Mr. Matthews' utility service except for valid safety or emergency reasons, and (2) that Columbia also be prevented from assessing late payment or finance charges. However, the ALJ authorized the Respondent to suspend or terminate the account if the Complainant failed to comply. I.D. at 15, 16-17, Ordering Paragraph Nos. 2-4.

C. Exceptions

The Respondent timely filed exceptions on November 11, 2025, consisting of six pages. In its Exceptions, Columbia makes four major claims, arguing that: (1) the ALJ disregarded the *Statement of Policy on Chapter 14* by establishing a PAR that is untethered from the framework that utilities, consumers, statutory advocates, and the Commission have relied upon to maintain reasonable equity for all ratepayers; (2) the Commission's *Statement of Policy on Chapter 14* clarified that the regulations in effect following expiration of the second Chapter 14 statute would remain in effect; (3) the ALJ committed an error of law by applying the pre-Chapter 14 decisions, notwithstanding distinguishable facts; and (4) the ALJ disregarded the *Statement of Policy on Chapter 14* without a compelling justification, and that doing so unfairly shifts the burden of the Complainant's balance to other consumers. Exceptions at 1-2.

The Respondent states that it recognizes the financial hardship or personal circumstances facing consumers like the Complainant and represents that the Company is very aware of "the Complainant's undeniably precarious personal and financial situation." However, the Respondent argues that its concerns must also reflect the responsibility to ensure that uncollectible balances remain low and that the PAR frameworks support that goal, given that the uncollectible balances are paid by all other ratepayers. Exceptions at 2-3.

In its first Exception, Columbia claims that the *Baum* decision is different from this case. Namely, the Respondent argues that *Baum* involved a certified question as to whether or not an ALJ could stay termination while a proceeding was pending following the issuance of a termination notice, immediately after an evidentiary hearing and before an ALJ decision had been issued. Thus, the Company argues that *Baum* is distinguishable on its facts. Per Columbia, a new PAR is also not warranted under *Baum* due to the difference between this case and the changed regulatory environment today, compared to that which existed when the *Baum* decision was issued. Accordingly, Columbia asserts that it is an error of law to apply the *Baum* standard unilaterally and arbitrarily as a general template for adjudicating payment arrangement cases. Exc. at 3-4.

In its second Exception, the Company challenges the conclusion that an ALJ may disregard the *Statement of Policy on Chapter 14* in order to amortize an outstanding arrearage of $6,007.51 over a 36-month period as arbitrary, and in direct violation of the Commission's obligation to balance consumer protections with the utility's right to recover their costs. The Company concludes that the PAR and the repayment plan directed by the ALJ improperly disregards the Complainant's poor payment history, and that such uncollectible amounts are ultimately recovered from all other ratepayers. While the Company acknowledges that the *Statement of Policy on Chapter 14* is not binding, Columbia asserts that disregarding the Commission's guidance

without a compelling justification introduces inconsistency and unpredictability when it comes to PARs. Exc. at 5-6.

D. Disposition

On review of the record evidence in this proceeding, we shall grant the Company's Exceptions, reverse the Initial Decision, and dismiss the Complaint, consistent with the following discussion. The PAR approved via this Opinion and Order adopts that set forth in the BCS informal decision, under our *Statement of Policy* for this Level 3[6] Complainant and incorporates the Company's reduction in the budget bill amount from $311 to $263. This BCS-issued PAR is adjusted through this Opinion and Order to account for the increased amount of the Complainant's outstanding account balance in the time period since the issuance of the BCS initial decision. Consequently, based on the BCS-issued PAR, the increase in the Complainant's outstanding arrearage since the hearing in this matter, and the Company's reduction of the budget amount, the Complainant shall be required to pay a reduced monthly budget bill payment of $263 plus

[6] A Level 3 customer is one with a gross monthly household income level exceeding 250% of the Federal poverty level and not more than 300% of the Federal poverty level. A Level 3 customer shall be afforded a period of twelve months to pay an unpaid balance. *Statement of Policy* at 4-5.

one-twelfth (1/12) of his current outstanding arrearage balance. *See* I.D. at 5-6, COL Nos. 23-25 and Exceptions at 5.[7]

In reversing the Initial Decision of ALJ DeVoe, we find that the ALJ erred in failing to apply the *Statement of Policy on Chapter 14* issued by the Commission for application to requests for Commission-issued PARs. The ALJ's reliance on *Mill* and *Baum* is misplaced because it fails to consider the reasons why the *Statement of Policy of Chapter 14* is relevant and must be applied here.

As noted in the Initial Decision, the Supreme Court of Pennsylvania (Supreme Court) held in *Pa. Hum. Rels. Comm'n v. Norristown Area School District*, 374 A.2d 671 (Pa. 1977) (*Norristown*) that a general statement of policy does not establish a "binding norm" carrying the force of law. I.D. at 9. Prior to 2004, the Commission operated with more flexibility and discretion in executing PARs to residential utility customers. Although a utility shall not grant an unreasonable rate preference to any person, the Commission had the authority to determine what circumstances, and in what amount, a preference may be considered reasonable to assist ratepayers with paying for the utility service the ratepayer consumed. 66 Pa.C.S. §§ 1303, 1304. In *Mill*, the appellate court held the Commission had the authority to schedule payments on arrears in a manner the Commission considered to be equitable,

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[7] The original budget bill payment of $381 established by BCS was subsequently reduced to $263 per month based on the Respondent's recalculation. I.D. at 6, Col No. 25. The Complainant's outstanding arrears as of the date of the hearing were $6,007.51, which is greater than the Complainant's outstanding arrears of $5,600 as of the date of the BCS informal decision. I.D. at 1,15; Exc. at 5. As the ALJ observed, the Complainant's outstanding arrearage may have increased since the hearing. I.D. at 15. Therefore, using the Complainant's account balance at the time of the hearing ($6,007.51) as an example, and applying the length of the BCS-issued PAR for a Level 3 customer, he would pay his current monthly budget bill of $263, plus an additional $500.63 per month toward his arrears ($6,007.51 ÷ 12 =$500.63), for a total monthly bill of $763.63 for 12 months. This would be adjusted to reflect the Complainant's outstanding arrearage amount as of the date of entry of this Opinion and Order.

but that the Commission did not have the authority to forgive any portion of arrears. *Mill* at 1102, n. 4. One year after the decision in *Mill*, in its decision in *Baum*, the Commission established the evidentiary standards a complainant must meet before he or she can be permitted to pay less than current bills.

However, in *Norristown*, the Supreme Court clarified that "[a] policy statement announces the agency's tentative intentions for the future…" and "announces the course which the agency intends to follow in future adjudications." *Norristown* at 679. This is especially true where the policy is underpinned by strong support, as the Commission "must be prepared to support the policy just as if the policy statement had never been issued."

Here, the Commission articulated the reasons in support of the application of its *Statement of Policy on Chapter 14* to continue to apply the relevant provisions of the Commission's Regulations regarding PARs, stating:

> In addition to providing certainty to the utilities, consumers and all affected stakeholders, the Commission finds that continuing to enforce the Chapter 56 regulations mitigates unnecessary expenses and administrative burdens for the utilities and the Commission by maintaining the existing regulatory paradigm. Thus, this statement of policy for the regulated community, statutory and consumer advocates, consumers, and the Commission provides temporary guidance to all involved until such time as the Chapter 56 regulations are amended or new legislation is passed into law. Maintaining the existing regulatory posture will also provide a reasonable backstop to allow more time for the General Assembly to continue deliberating the reauthorization of Chapter 14 next year.
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> It is the Commission's obligation to protect consumers by availing them of just and reasonable access to utility service and associated payment terms. However, the Commission must also maintain equitable service provisions for utilities to

> ensure they have reasonable tools to recover their costs. Maintaining the "status quo" in this regard is in the public interest as it protects the interests of utilities, customers, and statutory advocates, and this Commission during the pendency of continued Chapter 14 reauthorization discussions by the General Assembly.

Statement of Policy on Chapter 14 at 5, 6-7. This recitation of the basis for the Commission's *Statement of Policy on Chapter 14* establishes a clear intention by the Commission that the principles of Chapter 14, on which it is modeled, should be applied to consumer requests for Commission-issued PARs as a matter of policy, given the need for regulatory predictability and to reduce uncollectible arrears.

For these reasons, we find that the ALJ erred in applying *Norristown* and its progeny to this situation and should have instead applied the *Statement of Policy on Chapter 14*. We find our approach to be, as we stated above, equitable and consistent with the public interest. This consistent approach provides clarity regarding the approach the Commission will take to customers, utilities, and statutory and consumer advocates.

Utilizing the discretion afforded to us in this matter, we find the need to maximize consistency and the need to minimize arrears outweighs the "flexibility and discretion" cited by the ALJ as a basis for establishing a PAR different from that set by the BCS under the provisions of Chapter 14 and our *Statement of Policy*. It is a matter within the Commission's discretion to continue to examine the question of whether to grant a Commission-issued PAR under the *Statement of Policy*, using the provisions of Chapter 14 on which that *Statement of Policy on Chapter 14* is premised. Therefore, we address this matter pursuant to the considerations and provisions outlined in the *Statement of Policy on Chapter 14*.

In doing so, we are guided by the following Findings of Fact from the Initial Decision. The Complainant had applied for and received a LIHEAP grant and

adjustment to assist with paying the utility bill. I.D. at 5, FOF No. 21 (citing Tr. at 32 and Columbia Exh. 1.). ALJ DeVoe found that as of the date of the hearing, the Complainant's account balance arrearage was $6,007.51 and that Complainant's monthly income was $4,416.00 per month. I.D. at 5, FOF Nos. 20 and 24 (citing Tr. at 32 and 35). The Complainant had entered into three PARs with the Respondent and had defaulted on each of them. I.D. at 5, FOF No. 22 (citing Tr. at 32 and Respondent Exh. 2). From September 2023 when the Complainant lost his employment, through issuance of the BCS PAR in April 2024, the Complainant made nine valid payments, while becoming current on his mortgage, car, electric, and water payments. I.D. at 4-5, FOF Nos. 9, 18, 24 (citing Tr. at 15, 21 and 35). The total household income at the service address was $53,000 which consisted solely of the Complainant's earnings because the Complainant's son had multiple diagnosed disorders and is unable to work, likely requiring the son to have to reside with the Complainant the rest of his life. I.D. at 3, FOF Nos. 4-7 (citing Tr. at 11-13). Finally, the ALJ found that Complainant's furnace was inoperable as of the date of the hearing, although he had secured a job in his career field. I.D. at 4, FOF Nos. 11-12 (citing Tr. 16-17).

In light of these facts, particularly that Complainant has already defaulted on three Company-issued PARs, we find that it is not appropriate to grant the Complainant a different PAR than the BCS-issued PAR that was established based on our *Statement of Policy on Chapter 14*. The *Statement of Policy on Chapter 14* clearly states that consistent with the previous language of Chapter 14, "utility customers will be eligible for one payment arrangement on arrearages…" subject only to a change in income or significant change in circumstance. *Statement of Policy* at 5, n.3. Here, the record establishes that no Commission-issued PAR other than that set forth in the BCS informal decision for a Level 3 customer is appropriate.

The ALJ set a PAR other than that established by the BCS based on the circumstances faced by the Complainant, particularly the Complainant's loss of

employment and his ongoing obligation to care for a son with multiple diagnosed disorders and an inoperable furnace. While certainly difficult, those circumstances still warrant use of the four-tier payment structure we addressed in our *Statement of Policy on Chapter 14* and which the BCS used in this case. That approach maximizes regulatory predictability, while minimizing increases in uncollectible revenues that will need to be recovered from all other consumers in the utility's service territory in the future, including those like the Complainant.

That said, we shall modify the BCS-issued PAR of April 2024 to Columbia's reduction in the Complainant's monthly budget bill payment from $311 per month to $263 per month. I.D. at 6 (citing Tr. at 37). We shall further modify the BCS-issued PAR to account for the increased amount of the Complainant's outstanding account balance in the time period since: (1) the issuance of the BCS initial decision and (2) any further increase to the Complainant's outstanding arrearages of $6,007.51 as of the date of the hearing in this matter. *See* I.D. at 5 (citing Tr. at 34-35). This results in a requirement for the Complainant to pay to satisfy his PAR as a Level 3 customer by paying a monthly bill consisting of his current $263 monthly budget bill payment plus one-twelfth ($1/12^{th}$) of the outstanding arrearage balance on his account.

As we have previously noted, the decision as to whether or not to grant a Commission-issued PAR is a difficult one, particularly in circumstances like this. *See Anderson v. PECO Energy Co.*, Docket No. F-2008- 2033574 (Opinion and Order entered April 30, 2009) at 13. There is no brightline rule when balancing the matter of a complainant's good payment history and a complainant's arrears against the need to maximize regulatory predictability and minimize uncollectible arrears.

We are of the opinion that today's result balances a customer's right to safe and reliable utility service at just and reasonable rates against the fact a utility is entitled to compensation for the service that it provides. The Complainant's $6,007.51 arrearage

shows that the Respondent has not received payment for the services it provided for a significant period of time, despite its entitlement to receive such funds. The record also demonstrates that the Complainant's efforts to become current with his mortgage, car, water, and electric payments indicates that the same is likely to occur here, such that he is able to reduce his arrears. *See Scaccia v. West Penn Power Co.*, 55 Pa. P.U.C. 637 (1982). We also believe that extending the PAR period beyond that applicable under our *Statement of Policy on Chapter 14* makes it more likely that these arrears will not be retired and could in fact increase.

We are cognizant of the particularly challenging circumstances in this case, including the likelihood that the Complainant will have to care for a son with multiple diagnosed disorders for the rest of his life, which thereby prevents him from obtaining a second job. Nevertheless, we find that the adoption of a modified BCS-issued PAR using our *Statement of Policy on Chapter 14* strikes an appropriate balance.

We also remind the Respondent of its sincere commitment to assisting customers, like the Complainant, experiencing financial hardship or other adverse personal circumstances. We further remind the Respondent that utilities are obligated to protect all customers from those that refuse to pay, with the tools provided by the Code and the Commission's Regulations, including terminating overdue unpaid accounts. *See Pa. PUC v. North Heidelberg Sewer Co.*, Docket No. M-2018-2645983 (Order entered February 9, 2018).

Therefore, based upon our review of the record and applicable law, we shall grant Columbia's Exceptions and reverse the Initial Decision of ALJ DeVoe. We will reinstate the BCS-issued PAR set forth in the April 2024 informal decision, as modified by this Opinion and Order. Accordingly, we shall require the Complainant to pay a monthly bill consisting of his current monthly budget bill payment of $263 plus 1/12th of the outstanding arrearage balance on his account. The modified BCS PAR adopted today

is effective from the first billing cycle following the date of entry of this Opinion and Order.

III. Conclusion

Upon consideration, we shall reverse the ALJ's Informal Decision and modify the BCS April 2024 PAR. The modified PAR reflects the Complainant's status as a Level 3 customer under our *Statement of Policy on Chapter 14*. The PAR requires a monthly bill consisting of his current monthly budget bill payment of $263 plus 1/12th of the outstanding arrearage balance on his account, beginning with the first month billing cycle following the entry of this Opinion and Order; **THEREFORE,**

IT IS ORDERED:

1. That the Exceptions of Columbia Gas of Pennsylvania, Inc., filed on November 11, 2025, to the Initial Decision of Administrative Law Judge Emily I. DeVoe issued by the Commission on October 22, 2025 in *Andrew Matthews v. Columbia Gas of Pennsylvania, Inc*. at Docket No. F-2025-3055603 are granted, consistent with this Opinion and Order.

2. That the Initial Decision of Administrative Law Judge Emily I. DeVoe, issued by the Commission on October 22, 2025 in *Andrew Matthews v. Columbia Gas of Pennsylvania, Inc*., at Docket No. F-2025-3055603, is reversed, consistent with this Opinion and Order.

3. That Andrew Matthews shall make monthly payments consisting of: (a) a current budget bill payment of $263 a month and (b) one-twelfth (1/12th) of the outstanding arrearage balance on his account.

4. That the modified Bureau of Consumer Services-issued payment arrangement shall be effective beginning with the first billing cycle following the entry date of this Opinion and Order.

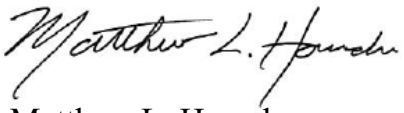
5. That, provided Andrew Matthews keeps the payment schedule stated in this Opinion and Order, Columbia Gas of Pennsylvania, Inc. shall not suspend or terminate utility service, except for valid safety or emergency reasons and shall not assess late payments or finance charges against his account.

6. That if Andrew Matthews does not keep the payment schedule stated in this Order, Columbia Gas of Pennsylvania, Inc. is authorized to suspend or terminate utility service pursuant to the provisions of the Pennsylvania Public Utility Code and this Commission's regulations in Chapter 56 of the Pennsylvania Code.

7. That the Formal Complaint of Andrew Matthews in *Andrew Matthews v. Columbia Gas of Pennsylvania, Inc*., at Docket No. F-2025-3055603, is dismissed.

8. That the Secretary shall mark this matter, at Docket No. F-2025-3055603 closed.

BY THE COMMISSION,



Matthew L. Homsher
Secretary

(SEAL)

ORDER ADOPTED: February 19, 2026

ORDER ENTERED: February 19, 2026