

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Michelle Albert	:	
	:	
v.	:	C-2025-3058672
	:	
PPL Electric Utilities Corporation	:	

INITIAL DECISION

Before
Eranda Vero
Administrative Law Judge

INTRODUCTION

This Decision sustains the Preliminary Objection of PPL Electric Utilities Corporation and dismisses the Complaint because the Commission does not have jurisdiction to address Michelle Albert’s request for a payment arrangement while she is involved in an active Chapter 13 bankruptcy proceeding.

HISTORY OF THE PROCEEDING

On November 18, 2025, the Complainant, Michelle Albert, filed a Formal Complaint (Complaint) with the Pennsylvania Public Utility Commission (Commission) against PPL Electric Utilities Corporation (PPL or Respondent). The Complainant avers that she is unable to pay her electricity bills and that PPL is threatening to shut off her electric service. As relief, the Complainant requests that the Commission establish an affordable payment arrangement for her.

On December 8, 2025, PPL filed an Answer denying the material allegations of the Complaint. Along with the Answer, PPL filed a New Matter alleging that the Complainant has an active Chapter 13 Bankruptcy Petition pending in the U.S. Bankruptcy Court for the Eastern District of Pennsylvania, under Docket Number 22-10918. PPL avers that the existence of an active Chapter 13 bankruptcy proceeding divests the Commission of jurisdiction over both pre- and post-bankruptcy filing arrearages. PPL requests that the Commission dismiss the Complaint for lack of subject matter jurisdiction. The New Matter was accompanied by a Notice to Plead stating that a written response was due within 20 days from service of the Notice.

Also on December 8, 2025, PPL filed a Preliminary Objection seeking to dismiss the Complaint because the Commission does not have jurisdiction to issue a payment agreement for a customer with an active Chapter 13 bankruptcy proceeding. The Preliminary Objection included a Notice to Plead stating that a written response was due within 10 days from service of the Notice.

Complainant did not file a reply to the New Matter or an answer to the Preliminary Objection.

On January 13, 2026, the Commission issued a Motion Judge Assignment Notice, assigning this proceeding to me.

Respondent's Preliminary Objection is procedurally ready for disposition. For the reasons discussed below, the Preliminary Objection will be sustained, and the Complaint will be dismissed.

FINDINGS OF FACT

1. The Complainant is Michelle Albert.

2. The Respondent is PPL Electric Utilities Corporation.
3. On April 7, 2022, the Complainant filed a Chapter 13 Bankruptcy Petition in the United States Bankruptcy Court for the Eastern District of Pennsylvania, under Docket No. 22-10918. New Matter ¶ 15; New Matter Appendix A.
4. The Bankruptcy Petition filed by Complainant is still active. New Matter ¶ 16; New Matter Appendix A.
5. On November 18, 2025, Ms. Albert filed a Complaint averring that she is unable to pay her electricity bills and that PPL is threatening to shut off her service. Complaint ¶ 4.
6. As relief, the Complainant requests that the Commission establish an affordable payment arrangement for her. Complaint ¶ 5.
7. On December 8, 2025, PPL filed an Answer denying the material allegations of the Complaint.
8. On December 8, 2025, PPL filed a New Matter arguing that when there is an active Chapter 13 bankruptcy proceeding, the Commission lacks jurisdiction over both pre- and post-bankruptcy filing arrearages. New Matter ¶ 16.
9. On December 8, 2025, PPL filed a Preliminary Objection seeking to dismiss the Complaint because the Commission does not have jurisdiction to issue a payment agreement for a customer with an active Chapter 13 bankruptcy proceeding.
10. The New Matter and the Preliminary Objection included appropriate Notices to Plead.

11. Complainant did not file a reply to the New Matter or an answer to the Preliminary Objection.

DISCUSSION

The Commission's Rules of Administrative Practice and Procedure provide for the filing of preliminary objections. The Commission's Rules at Section 5.101(a) limit preliminary objections to the following grounds:

- (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).

Commission procedure regarding the disposition of preliminary objections is similar to that utilized in Pennsylvania civil practice. *Equitable Small Transp. Interveners v. Equitable Gas Co.*, Docket No. C-00935435 (Opinion and Order entered July 18, 1994). A preliminary objection in civil practice seeking dismissal of a pleading will be granted only where relief is clearly warranted and free from doubt. *Interstate Traveller Servs., Inc. v. Pa. Dep't of Env't Res.*, 406 A.2d 1020 (Pa. 1979); *Rivera v. Phila. Theological Seminary of St. Charles Borromeo, Inc.*, 595 A.2d 172 (Pa. Super. 1991). The Commission has adopted this standard. *Montague v. Phila. Elec. Co.*, 66 Pa.P.U.C. 24 (1988).

The moving party may not rely on its own factual assertions but must accept, for the purposes of disposition of the preliminary objection, all well-pleaded, material facts of the other party, as well as every inference fairly deducible from those facts. *Raynor v. D'Annunzio*, 243 A.3d 41 (Pa. 2020); *Cnty. of Allegheny v. Commonwealth*, 490 A.2d 402 (Pa. 1985). Therefore, in ruling on a preliminary objection, the Commission must assume that the factual allegations of the Complaint are true. *Id.* Any doubt must be resolved in favor of the non-moving party by refusing to sustain the preliminary objections. *Commonwealth v. UPMC*, 208 A.3d 898 (Pa. 2019); *Dep't of Auditor Gen. v. State Emps. Ret. Sys.*, 836 A.2d 1053 (Pa. Cmwlth. 2003) (*citing*, *Boyd v. Ward*, 802 A.2d 705 (Pa. Cmwlth. 2002)).

In addition, the Commission's regulation at Section 5.63(b), 52 Pa. Code § 5.63(b), provides that, "Failure to file a timely reply to new matter may be deemed in default, and relevant facts stated in the new matter may be deemed to be admitted." Here the Complainant did not file a reply to the New Matter. Consequently, the relevant facts stated in the New Matter are deemed to be admitted.

In its New Matter, PPL averred that the Complainant has an active Chapter 13 Bankruptcy Petition in the United States Bankruptcy Court for the Eastern District of Pennsylvania at Docket No. 22-10918. New Matter ¶ 15; New Matter Appendix A. In its Preliminary Objection, PPL asserts that the Commission does not have jurisdiction to issue a payment agreement for a customer with an active Chapter 13 bankruptcy petition and seeks to dismiss the Complaint pursuant to Section 5.101(a)(1), 52 Pa. Code § 5.101(a)(1).

The Commission, as a creation of the General Assembly has only the powers and authority granted to it by the General Assembly contained in the Public Utility Code ("Code"). *Feingold v. Bell Tel. Co. of Pa.*, 383 A.2d 791 (Pa. 1977). Subject matter jurisdiction is a prerequisite to the exercise of power to decide a

controversy. *Hughes v. Pa. State Police*, 619 A.2d 390 (Pa. Cmwlth. 1992).

Pursuant to Section 1334 of Title 28 of the United States Code (U.S. Code), 28 U.S.C. § 1334, federal district courts (and their bankruptcy courts) have jurisdiction over all civil proceedings arising under Title 11, and the bankruptcy court has exclusive jurisdiction of all property of the debtor:

(a) Except as provided in subsection (b) of this section, the district courts shall have original and exclusive jurisdiction of all cases under title 11.

* * *

(e) The district court in which a case under title 11 is commenced or is pending shall have exclusive jurisdiction—

(1) of all the property, wherever located, of the debtor as of the commencement of such case, and of property of the estate; and

(2) over all claims or causes of action that involve construction of section 327 of title 11, United States Code, or rules relating to disclosure requirements under section 327.

28 U.S.C. § 1334(a), (e).

Ms. Albert has an active Chapter 13 Bankruptcy proceeding before the United States Bankruptcy Court for the Eastern District of Pennsylvania under Docket No. 22-10918. New Matter ¶¶ 15-16; New Matter Appendix A. Because the pending Chapter 13 Bankruptcy Petition denies the Commission the ability to order disbursement of Ms. Albert's assets, the Commission lacks jurisdiction to establish a payment arrangement for Ms. Albert's utility service.

As referenced above, pursuant to Section 1334 of Title 28 of the U.S. Code, 28 U.S.C. § 1334, Federal District Courts and their United States Bankruptcy Courts have jurisdiction over all civil proceedings arising under Title 11, including a Chapter 13 petition for bankruptcy. Section 1334 further establishes that the bankruptcy court has exclusive jurisdiction of all property of the debtor. *See* 28 U.S.C. § 1334 (a), (e) (pertaining to jurisdiction of the Federal District Courts and their bankruptcy courts).

Unlike a Chapter 7 bankruptcy proceeding (in which a debtor's estate is expeditiously liquidated and distributed to creditors), a Chapter 13 bankruptcy allows a debtor to repay debts under the management of a bankruptcy trustee, who controls the debtor's estate and makes the distributions (based on determinations of the debtor's income and expenses) until the bankruptcy petition is discharged or dismissed. Pursuant to Chapter 13 of the Bankruptcy Code, 11 U.S.C. § 1306(a)(1) and (2), the debtor's estate includes both property and earnings acquired "after the commencement of the case but before the case is closed, dismissed, or converted to a case under chapter 7, or 11, or 12 of this title [11 USCS §§ 701 *et seq.*, 1101 *et seq.*, or 1201 *et seq.*], whichever occurs first." By statute, the debtor's assets (with certain limited exceptions not relevant here), whether acquired pre-petition or post-petition, are included within the estate for disposition by the Bankruptcy Court. As explained by the United States Court of Appeals for the Third Circuit in *Begley v. Philadelphia Electric Co.*, 760 F.2d 46, 50 (3d Cir. 1985), discussing a Commission proceeding, *Anyanwu v. Philadelphia Electric Co.*, 55 Pa. P.U.C. 221 (1981), "*Anyanwu* involved a Chapter 13 reorganization, under which the bankruptcy court retains jurisdiction over both pre-petition and post-petition income and obligations[.]"

It is well established that the Commission lacks jurisdiction to order a payment arrangement for a debtor with an active Chapter 13 bankruptcy proceeding, even where the balance is a post-bankruptcy filing arrearage. *See Danjou v. W. Penn Power Co.*, Docket No. F-2018-3006430 (Opinion and Order entered July 22, 2019); *see also*,

Lekawa v. W. Penn Power Co., Docket No. F-2017-2629733 (Order entered Jan. 17, 2019) (citing *Perez v. PECO Energy Co.*, Docket No. C-2016-2551605 (Order entered May 18, 2017); *Chavous v. PECO Energy Co.*, Docket No, F-2010-2215689 (Final Order entered Dec. 20, 2011); *DiBello v. PECO Energy Co.*, Docket No. C-2023-3041825 (Opinion and Order entered Dec. 7, 2023).

Since the nature of a Chapter 13 bankruptcy is an on-going repayment plan in which all of a debtor's assets (including property, income and debts acquired pre-petition and post-petition) are included in the debtor's estate under the exclusive control of the bankruptcy trustee, the Commission is without jurisdiction to issue an order that affects the disposition of the income or assets of a debtor who has an active Chapter 13 bankruptcy proceeding even where the subject of the payment arrangement is a post-petition arrearage. *See* Complaint ¶ 5; Preliminary Objection ¶ 19.

Accordingly, the Commission lacks jurisdiction to address a request for a payment arrangement because Ms. Albert is involved in an active Chapter 13 bankruptcy proceeding. Therefore, the Complaint of Michelle Albert against PPL Electric Utilities Corporation is dismissed.

CONCLUSIONS OF LAW

1. A preliminary objection seeking dismissal of a pleading will be granted only where relief is clearly warranted and free from doubt. *Interstate Traveller Servs., Inc. v. Pa. Dep't of Env't Res.*, 406 A.2d 1020 (Pa. 1979).

2. Failure to file a timely reply to new matter may be deemed in default, and relevant facts stated in the new matter may be deemed to be admitted. 52 Pa. Code § 5.63(b).

3. The Commission, as a creation of the General Assembly, has only the powers and authority granted to it by the General Assembly contained in the Public Utility Code. *Shedlosky v. Pa. Elec. Co.*, Docket No. C-20066937 (Opinion and Order entered May 28, 2008).

4. Federal district courts and their bankruptcy courts have jurisdiction over all civil proceedings arising under Title 11, and the bankruptcy court has exclusive jurisdiction of all property of the debtor. 28 U.S.C. § 1334.

5. The Commission lacks jurisdiction to order a payment arrangement for a debtor with an active Chapter 13 bankruptcy proceeding, even where the balance is a post-bankruptcy filing arrearage. *Danjou v. W. Penn Power Co.*, Docket No. F-2018-3006430 (Opinion and Order entered July 22, 2019).

ORDER

THEREFORE,

IT IS ORDERED:

1. That the Preliminary Objection of PPL Electric Utilities Corporation is sustained.

2. That the Complaint of Michelle Albert in *Michelle Albert v. PPL Electric Utilities Corporation* at Docket No. C-2025-3058672 is dismissed.

