

**PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17120**

Public Meeting held March 26, 2026

Commissioners Present:

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

Pennsylvania Public Utility Commission,  
Bureau of Investigation and Enforcement

C-2024-3052650

v.

FirstEnergy Pennsylvania Electric Company

**TENTATIVE OPINION AND ORDER**

**BY THE COMMISSION:**

Before the Pennsylvania Public Utility Commission (Commission) for consideration and disposition is the Initial Decision (I.D.) of Administrative Law Judge (ALJ) Erin L. Gannon, issued on January 27, 2026, approving a Joint Petition for Approval of Settlement (Joint Petition, Joint Settlement, or Settlement) of a Formal Complaint (Complaint) filed by the Bureau of Investigation and Enforcement (I&E)

against West Penn Power Company (West Penn or the Company)<sup>1</sup> (collectively, the Joint Petitioners or Parties), seeking a \$50,000 civil penalty and other appropriate remedies. The ALJ approved the Settlement without modification. No Exceptions to the Initial Decision have been filed. However, we shall exercise our right to review the Initial Decision, pursuant to Section 332(h) of the Public Utility Code (Code), 66 Pa.C.S. § 332(h). For the reasons stated below, we shall: (1) adopt the Initial Decision, as modified, and (2) tentatively approve the Settlement, as modified, consistent with the discussion in this Tentative Opinion and Order.

## I. Background

On December 14, 2021, West Penn terminated electric service to a Service Address in Vandergrift, Pennsylvania. On December 17, 2021, Ms. Melissa Gourley passed away in the Service Address. On December 20, 2024, I&E filed its Complaint against West Penn, following its investigation of the event. Subsequently, on October 31, 2025, the Joint Petitioners filed the instant Settlement. Namely, the Settlement resolves I&E's Complaint allegations that West Penn violated the

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<sup>1</sup> West Penn is a rate district within FirstEnergy Pennsylvania Electric Company (FirstEnergy or FE PA). However, at the time of initiation of the instant proceeding, FirstEnergy consisted of four separate companies: Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn. These companies have since been merged into a single entity, known as FirstEnergy Pennsylvania Electric Company. *See Joint Application of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, West Penn Power Company, Keystone Appalachian Transmission Company, Mid-Atlantic Interstate Transmission, LLC, and FirstEnergy Pennsylvania Electric Company, et al.*, Docket Nos. A-2023-3038771, *et al.* (Final Order entered December 7, 2023). In this Tentative Opinion and Order, we shall refer to the Company, interchangeably, as West Penn or FirstEnergy.

Commission's Regulations by: (1) terminating service at the residence of Ms. Gourley<sup>2</sup> during the Winter Moratorium,<sup>3</sup> without first determining whether she had a household income at or below 250% of the Federal poverty level; (2) failing to fully provide Ms. Gourley with information about the Company's universal service programming and enrollment eligibility; and (3) failing to fully explain the medical emergency procedures to Ms. Gourley.<sup>4</sup>

Through the Settlement, I&E and West Penn sought approval to fully resolve I&E's Complaint in consideration for the Company's: (1) payment of a \$30,000 civil penalty; (2) payment of a \$15,000 hardship fund contribution to First Energy's Dollar Energy Fund; and (3) commitments to enhance training and improve customer income review. On January 27, 2026, the Commission issued the Initial Decision of ALJ Gannon, wherein she evaluated the proposed, agreed-upon, civil penalty under the *Rosi* factor framework set forth in 52 Pa. Code § 69.1201<sup>5</sup> and determined that, when coupled with West Penn's hardship fund contribution, the civil penalty was appropriate

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<sup>2</sup> Ms. Gourley resided with her father, Mr. Thomas Gourley. Mr. Gourley was West Penn's customer of record, and Ms. Gourley was added to the West Penn account as an authorized representative.

<sup>3</sup> The "Winter Moratorium" is the period of December 1 through March 31 where, unless otherwise authorized by the Commission, an electric distribution company 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). *See* Joint Petition, Appendix A at 3, n.1.

<sup>4</sup> I&E alleged that the West Penn's conduct in the first allegation violated 52 Pa. Code § 56.100(b), while the Company's conduct in the second and third allegations violated 52 Pa. Code § 56.97.

<sup>5</sup> *See also Joseph A. Rosi v. Bell-Atlantic-Pennsylvania, Inc.*, Docket No. C-00992409 (Opinion and Order entered March 16, 2000) (*Rosi*). Because the Commission's Regulations governing the factors and standards applicable to a determination of whether to impose a civil penalty were developed in *Rosi*, these ten factors are commonly known as the "*Rosi* factors."

and in the public interest. Therefore, the ALJ approved the Settlement, without modification.

## II. History of the Proceeding

On December 20, 2024, I&E filed its Complaint) against West Penn. In the Complaint, I&E alleged that West Penn violated the Commission’s winter termination procedures and procedures for customer contact prior to the service termination. Specifically, I&E alleged that West Penn terminated service to a customer during the period between December 1 through March 31, *i.e.*, 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 Section 56.100(b) of the Commission’s regulations, 52 Pa. Code § 56.100(b). Additionally, I&E alleged that, during a call on November 15, 2021, West Penn’s representatives failed to fully explain information about the Company’s universal service program, including the customer assistance program; failed to refer Ms. Gourley to the Company’s universal service program to determine her eligibility and to apply for enrollment; and failed to fully explain the medical emergency procedures, in violation of Section 56.97 of the Commission’s Regulations, 52 Pa. Code § 56.97. I&E proposed a cumulative administrative penalty of \$50,000 for the violations,<sup>6</sup> as well as other remedies that the Commission may deem appropriate. I.D. at 2.

On January 13, 2025, FirstEnergy filed an answer responding to the Complaint. Therein, the Company denied the violations and requested that I&E’s request for relief be denied. I.D. at 2.

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<sup>6</sup> In its Complaint, I&E alleged a third violation and an associated penalty that it did not pursue. Tr. at 8.

By notice dated January 24, 2025, this matter was assigned to ALJ Gannon and was scheduled for a telephonic prehearing conference on February 25, 2025. I.D. at 3.

By email dated May 14, 2025, the Parties advised ALJ Gannon that settlement negotiations were ongoing and jointly requested to stay the litigation schedule. The Parties indicated that a stay of 90 days would allow them to complete negotiations and, if negotiations were successful, to file a proposed settlement. I.D. at 3.

By email dated May 15, 2025, ALJ Gannon advised the Parties that the joint request for stay would be granted. On May 21, 2025, ALJ Gannon issued an interim order granting the stay, suspending the litigation schedule for 90 days, and directing the Parties to file status reports by July 7, 2025 and August 19, 2025. The ALJ further directed that, if a settlement was not reached, the Parties should provide proposed dates for written testimony and hearings. I.D. at 3.

On July 2, 2025, the Parties filed a Joint Status Report 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. I.D. at 4.

By email dated August 18, 2025, the Parties notified ALJ Gannon that they had finalized settlement negotiations and were nearly finished drafting a settlement and their respective statements in support. I.D. at 4.

I&E and FirstEnergy filed the proposed Settlement on October 31, 2025. The filing included the terms of the Settlement, a Joint Stipulation of Facts in Support of Settlement (Appendix A), Joint Proposed Conclusions of Law and Ordering Paragraphs (Appendix B), and Statements in

Support of the Settlement by both I&E and FirstEnergy (Appendices C and D, respectively). I.D. at 4.

On November 13, 2025, ALJ Gannon issued an interim order granting the Joint Stipulation of Facts, admitting it into evidence, and closing the evidentiary record.<sup>7</sup> I.D. at 4.

On January 27, 2026, the Commission issued the Initial Decision of ALJ Gannon, wherein she approved the Settlement without modification. The Settlement required West Penn to: (1) improve training and customer income review processes; (2) pay a civil penalty of \$30,000; and (3) contribute \$15,000 to its hardship fund. I.D. at 1.

As previously noted, no Exceptions to the Initial Decision have been filed.

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<sup>7</sup> As noted in the interim order issued on November 13, 2025, there has been no evidentiary hearing before any tribunal, and no sworn testimony has been taken in any proceeding related to this incident. Thus, the evidentiary record in this matter is limited to the facts enumerated in the Joint Stipulation of Facts, as set forth in Appendix A to the Joint Petition.

### **III. Discussion**

#### **A. Legal Standards**

##### **1. Section 1501 of the Public Utility Code (Code)**

Section 1501 of the Code provides:

§ 1501. Character of service and facilities.

Every public utility shall furnish and maintain adequate, efficient, safe, and reasonable service and facilities, and shall make all such repairs, changes, alterations, substitutions, extensions, and improvements in or to such service and facilities as shall be necessary or proper for the accommodation, convenience, and safety of its patrons, employees, and the public. Such service also shall be reasonably continuous and without unreasonable interruptions or delay. Such service and facilities shall be in conformity with the regulations and orders of the commission. . . .

66 Pa.C.S. § 1501.

“Service” can include many factors and is defined as follows:

“Service.” Used in its broadest and most inclusive sense, includes any and all acts done, rendered, or performed, and any and all things furnished or supplied, and any and all facilities used, furnished, or supplied by public utilities, or contract carriers by motor vehicle, in the performance of their duties under this part to their patrons, employees, other public utilities, and the public, as well as the interchange of facilities between two or more of them . . .

66 Pa.C.S. § 102.

In order for the Commission to sustain a complaint brought under this section, the utility must be in violation of its duty under this section. Without such a violation by the utility, the Commission does not have the authority, when acting on a customer's complaint, to require any action by the utility. *West Penn Power Co. v. Pa. PUC*, 478 A.2d 947 (Pa. Cmwlth. 1984). The statutory definition of "service" is to be broadly construed. *Country Place Waste Treatment Co., Inc. v. Pa. PUC*, 654 A.2d 72 (Pa. Cmwlth. 1995).

## **2. Settlements Must be in the Public Interest**

Pursuant to the Commission's Regulations at 52 Pa. Code § 5.231, it is the Commission's policy to promote settlements. The Commission has stated that settlement terms are often preferable to those achieved at the conclusion of a fully litigated proceeding. 52 Pa. Code §§ 5.231. A full settlement of all the issues in a proceeding eliminates the time, effort, and expense that would otherwise have been used in litigating the proceeding, while a partial settlement may significantly reduce the time, effort and expense of litigating a case. A settlement, whether whole or partial, benefits not only the named parties directly, but, indirectly, all customers of the public utility involved in the case.

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. PUC, et al. v. City of Lancaster - Bureau of Water*, Docket Nos. R-2010-2179103, *et al.* (Opinion and Order entered July 14, 2011). Rather, the benchmark for determining the acceptability of the proposed Settlement is whether the proposed terms and conditions are in the public interest. *Id.* (citing *Warner v. GTE North, Inc.*, Docket No. C-00902815 (Opinion and Order entered April 1, 1996); *Pa. PUC v. C.S. Water and Sewer Associates*, 74 Pa. P.U.C. 767 (1991) (*C.S. Water*

*and Sewer*); *Pa. PUC v. Philadelphia Gas Works*, Docket No. M-00031768 (Opinion and Order entered January 7, 2004)).

### **3. Civil Penalty**

Civil penalties may be imposed where violations of the Code and Commission Regulations or a Commission Order are found. The Commission has adopted standards for evaluating civil penalty amounts. As previously noted, these standards were developed in *Rosi, supra*, and have been codified as a Commission Policy Statement at Section 69.1201 of our Regulations (*Policy Statement*). Consistent with the Commission's policy to promote settlements, the Commission's *Policy Statement* sets forth ten factors (*i.e.*, the *Rosi* factors) that the Commission may consider in evaluating whether, and to what extent, a civil penalty for violating a Commission order, Regulation, or statute is appropriate, as well as if a proposed settlement for an alleged violation is reasonable and whether approval of a proposed settlement is in the public interest. 52 Pa. Code § 69.1201.

These factors are: (1) whether the conduct at issue was of a serious nature; (2) whether the resulting consequences of the conduct at issue were of a serious nature; (3) whether the conduct at issue was deemed intentional or negligent; (4) 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; (5) the number of customers affected and the duration of the violation; (6) the compliance history of the regulated entity that committed the violation; (7) whether the regulated entity cooperated with the Commission's investigation; (8) the amount of the civil penalty or fine necessary to deter future violations; (9) past Commission decisions in similar situations; and (10) other relevant factors. 52 Pa. Code § 69.1201(c)(1)-(c)(10).

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.*

## **B. Joint Petition for Approval of Settlement**

### **1. Proposed Settlement**

The Joint Petitioners asserted that the proposed Settlement is in the public interest and should, therefore, be approved by the Commission. *See* Joint Petition at 11. In support, the Parties set forth the full Settlement Terms and Conditions at Pages 8 through 13 of the Joint Petition and prepared their respective Statements in Support of the Settlement, attached as Appendices C and D to the Joint Petition. The essential Terms and Conditions of the Settlement are set forth in Paragraphs 39 through 45 of the Joint Petition. These essential terms are copied below *verbatim*, and for ease of reference, maintain the paragraph numbers and formatting that appear in the Settlement.

39. Pursuant to the Commission’s policy of encouraging settlements that are reasonable and in the public interest,<sup>[8]</sup> 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 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.

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<sup>8</sup> *See* 52 Pa. Code § 5.231(a).

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.

Joint Petition at 8-11, ¶¶ 39-45.

In addition to the specific essential terms to which the Joint Petitioners have agreed, as set forth above, the Settlement contained certain additional general terms typically found in settlements submitted to the Commission. Specifically, the

Joint Petitioners agreed that the Settlement is conditioned upon the Commission's approval of the terms and conditions therein, without modification. The Settlement established the procedure by which either of the Joint Petitioners may withdraw from the Settlement and proceed to litigate this case, if the Commission should act to modify the Settlement. The Joint Petitioners agreed 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 the underlying Complaint proceeding. The Joint Petitioners also explained that it is further understood that, by entering into the instant Settlement Agreement, the Company 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 the Joint Petition. The Joint Petitioners added that the instant Settlement may not be used by any other person or entity as a concession or admission of fact or law. In addition, the Joint Petitioners asserted that although the Settlement is proffered to settle the instant proceeding, it may not be cited as precedent in any future proceeding, except to the extent required to implement any term specifically agreed to by the Joint Petitioners. Further, the Joint Petitioners submitted that the Settlement was made without prejudice to any position which either of the Joint Petitioners might adopt in future proceedings, except to the extent necessary to effectuate or enforce any term specifically agreed to in the proposed Settlements. Moreover, the Joint Petitioners explained that they have waived their right to file Exceptions regarding the issues in the Settlement if the ALJ and the Commission adopt the Settlement, without modification. Joint Petition at 11-13, ¶¶ 46-53.

## **2. Statements in Support**

In its Statement in Support, I&E submitted that West Penn has been cooperative with I&E with regard to identifying policies and training that can be further improved to assist the Company in enhancing the safety and reliability of service and to

satisfy the commitments that I&E has required in the Settlement process. I&E highlighted that the proposed 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. I&E added that mandatory winter refresher courses will also specifically address winter moratorium protections available to customers. In addition, I&E noted that the Company will increase all income information obtained from a customer and that the associated account indicators will remain valid on the customer's account to a period of two years from a period of ninety days. I&E Statement in Support at 3-4.

According to I&E, the Settlement was a result of the compromises between the Joint Petitioners. I&E noted its recognition 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 asserted that the Settlement constitutes a reasonable compromise of the issues presented and is in the public interest because it provides for a number of relevant corrective measures, as well as an agreed-upon civil penalty. As such, I&E submitted that the Commission should approve the Settlement, without modification. I&E Statement in Support at 4.

In its Statement in Support, West Penn argued that throughout the investigative and Formal Complaint process, the Company cooperated with I&E and engaged in discussions surrounding the training on policies and procedures regarding disconnection and income screening of low-income customers. West Penn highlighted that all of the agreed-upon changes in the Settlement have already been implemented, or are in progress by West Penn, as a result of the investigation and ongoing discussions with I&E. According to the Company, these actions have been undertaken in the interest of continuous improvement to West Penn's customer experience. Furthermore, West Penn asserted, the Company has made an economic concession to I&E in the form

of an agreed-upon civil penalty and contribution to its hardship fund through the Dollar Energy Fund. Finally, West Penn submitted that the terms and conditions of the Settlement align with the ten factors that may be considered under the Commission's *Policy Statement*. Accordingly, West Penn took the position that the Settlement should be approved. West Penn Statement in Support at 4-5.

### **C. Initial Decision**

In her Initial Decision, ALJ Gannon presented twenty-five stipulated facts. As noted, *supra*, the Joint Petitioners set forth these stipulated facts in Appendix A to the Joint Petition. The ALJ quoted these stipulated facts in her Initial Decision. *See* I.D. at 5-9. Additionally, the ALJ reached four Conclusions of Law. I.D. at 28-29. We shall adopt and incorporate herein by reference the Joint Petitioners' Stipulation of Facts and the ALJ's Conclusions of Law, unless they are reversed or modified by this Tentative Opinion and Order, either expressly or by necessary implication.

The ALJ provided that the basis of I&E's Complaint was that West Penn failed to comply with the Commission's winter termination procedures and the procedures for customer contact prior to termination, in terminating service to Ms. Gourley's Service Address on December 14, 2021. As the ALJ noted, Ms. Gourley passed away in the Service Address on December 17, 2021. I.D. at 14-15.

The ALJ explained I&E's contention that West Penn violated the Commission's winter termination procedures by failing to determine Ms. Gourley's household income prior to terminating service. I.D. at 15 (citing 52 Pa. Code § 56.100(b)). The ALJ further explained that, with limited exceptions, those procedures prohibit termination of electric distribution service to customers with household incomes at or below 250% of the Federal poverty level, from December 1 through March 31. I&E also alleged that, when Ms. Gourley contacted West Penn

on November 15, 2021, West Penn's representatives violated 52 Pa. Code § 56.97 by failing to: (1) fully explain its universal service program, including the customer assistance program; (2) refer the customer to its universal service program to determine her eligibility and to apply for enrollment; and (3) fully explain the medical emergency procedures. I.D. at 15.

As relief, I&E requested that the Commission: (1) find West Penn to be in violation of winter termination procedures and procedures upon customer contact prior to termination for each of the counts set forth in its Complaint, (2) impose a civil penalty of \$50,000, and (3) order such other remedies as the Commission may deem appropriate. I.D. at 15.

In its Answer, FirstEnergy admitted to many of the basic facts surrounding the incident but denied that West Penn violated the Commission's Regulations. FirstEnergy specifically denied that 52 Pa. Code § 56.97 is applicable to the Company's November 15, 2021 telephone call with Ms. Gourley, based on its averment that the nature of the phone call was related to a billing question, and not to discuss termination. I.D. at 15.

As previously noted, I&E and the Company engaged in a series of discussions that culminated in the above Settlement. Therein, the Joint Petitioners agreed to several remedial actions, as well as a civil penalty in the amount of \$30,000 and a \$15,000 contribution by FirstEnergy to the Company's hardship fund through the Dollar Energy Fund. I.D. at 15-16. As discussed above, both Parties asserted in their respective Statements in Support that the settlement is reasonable and in the public interest. *See* Joint Petition at Appendices C and D.

The ALJ evaluated the proposed Settlement and examined the civil penalty agreed to under the Settlement, applying the *Rosi* factors, *supra*. Upon review of the

*Rosi* factors, the ALJ concluded that the agreed-upon civil penalty of \$30,000 and the contribution of \$15,000 to West Penn's hardship fund are appropriate. Additionally, the ALJ found that the proposed terms of the Settlement were sufficient to meet the public interest and were consistent with past Commission decisions. Accordingly, the ALJ approved the Settlement, without modification. I.D. at 1, 28.

#### **D. Disposition**

As a preliminary matter, we note that any argument that we do not specifically address shall be deemed to have been duly considered and denied without further discussion. 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*, 625A.2d 741 (Pa. Cmwlth. 1993); *see also, generally, University of Pennsylvania v. Pa. PUC*, 485 A.2d 1217 (Pa. Cmwlth. 1984).

Additionally, at the outset, we restate the ten *Rosi* factors set forth in the Commission's *Policy Statement*, as follows:

- (1) Whether the conduct at issue was of a serious nature. When conduct of a serious nature is involved, such as willful fraud or misrepresentation, the conduct may warrant a higher penalty. When the conduct is less egregious, such as administrative filing or technical errors, it may warrant a lower penalty.
- (2) Whether the resulting consequences of the conduct at issue 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.
- (3) Whether the conduct at issue was deemed intentional or negligent. This factor may only be considered in

evaluating litigated cases. When conduct has been deemed intentional, the conduct may result in a higher penalty.

(4) Whether the regulated entity made efforts to modify internal practices and procedures to address the conduct at issue and prevent similar conduct in the future. These modifications may include activities such as training and improving company techniques and supervision. The amount of time it took the utility to correct the conduct once it was discovered and the involvement of top-level management in correcting the conduct may be considered.

(5) The number of customers affected and the duration of the violation.

(6) The compliance history of the regulated entity which committed the violation. 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.

(7) Whether the regulated entity cooperated with the Commission's investigation. Facts establishing bad faith, active concealment of violations, or attempts to interfere with Commission investigations may result in a higher penalty.

(8) The amount of the civil penalty or fine necessary to deter future violations. The size of the utility may be considered to determine an appropriate penalty amount.

(9) Past Commission decisions in similar situations.

(10) Other relevant factors.

52 Pa. Code § 69.1201(c)(1)-(c)(10).

As noted, *supra*, the ALJ considered and applied the *Rosi* factors set forth in the Commission's *Policy Statement*, above, in evaluating whether the civil penalty agreed to under the Settlement is in the public interest. The ALJ found the proposed civil penalty of \$30,000 and the agreement that FirstEnergy will make a contribution of

\$15,000 to the Company's hardship fund appropriate and in the public interest. On review, we agree with the ALJ's analysis using the *Rosi* factors, except as expressly addressed below. Accordingly, based upon our review of the Settlement terms, and consistent with our discussion below, we shall tentatively approve the Settlement, as now modified.

The ALJ concluded that in applying the first *Rosi* factor, the seriousness of the Company's conduct warranted a higher penalty because the termination of essential utility service by West Penn to vulnerable customers during the winter moratorium is a serious concern. I.D. at 20. Similarly, the ALJ found that in applying the second *Rosi* factor, the consequences of West Penn's conduct, also warranted a higher financial sanction, as the failure of the Company to comply with the Commission's safeguards and requirement for termination of service during the winter months can adversely impact health and safety, especially when low-income customers have no other safe means of obtaining heat. I.D. at 20 (citing *Pa. PUC v. PECO Energy Co.*, Docket No. M-2018-2531404 (Opinion and Order entered February 7, 2019) (*PECO 2019*)). On review, we agree with the ALJ's determination that the first two *Rosi* factors warranted a higher level of civil penalty. We conclude that these factors support our determination that modifying the proposed Settlement to double the level of West Penn's required civil penalty and hardship fund contribution requirements, is in the public interest.

As noted above, the third *Rosi* factor may only be considered in evaluating litigated cases. Therefore, this factor is not applicable in this proceeding.

Regarding the fourth factor, modification of practices and procedures, the ALJ found that the corrective actions West Penn has agreed to put in place, as provided for in the Settlement, should help to protect customers where terminations could be prevented and will aid in identifying customers eligible for low-income assistance. The ALJ reasoned that these commitments will benefit West Penn's customers more directly

than a civil penalty and a contribution to the Company's hardship fund. I.D. at 22. For example, the Settlement provides that West Penn's Advanced Move-In agents will receive training designed to address similar situations where a customer with a pending disconnection contacts the Company regarding the account. *Id.* (citing Settlement at ¶ 42.c). The ALJ also noted that the new policy agreed to by the Company, which will allow a low-income indicator to remain valid on a customer's account for two years, will provide better protection for vulnerable customers who may be subject to termination of service. I.D. at 21 (citing FirstEnergy Statement in Support at 9). On review, we agree that West Penn's commitment to undertaking remedial measures here weighs in favor of approving the Settlement, as now modified. *See Id.* at 22. The ALJ explained that the violations at issue were limited in scope and duration, as it involved the telephone contact between one customer and West Penn's representative on November 15, 2021, and the termination of service approximately one month later. The ALJ reasoned that the fifth *Rosi* factor does not require a different solution than negotiated by the Parties, given that only one customer was affected, the severity of the violation has already been given weight, and FirstEnergy began implementing remedial measures before entering into the Settlement. I.D. at 22. While we acknowledge the limited scope and duration of West Penn's conduct, we do not find it to be a mitigating factor in light of the consequences of that conduct.

Next, we acknowledge that the ALJ's application of the sixth factor, compliance history, wherein the ALJ found that there was no pattern of violations by the Company related to customer service or termination that warrants modification or disapproval of the proposed Settlement based on West Penn's compliance history. I.D. at 24. Nonetheless, given the serious consequences of West Penn's failure to inform Ms. Gourley of the avenues that may have enabled her to retain service, we are not persuaded that this factor sufficiently supported the civil penalty and hardship fund contributions agreed upon in the Settlement.

With regard to the seventh factor, cooperation with the Commission's investigation, the ALJ found that FirstEnergy's cooperation with the Commission's investigation provided a mitigating factor in evaluating the reasonableness of the negotiated civil penalty. I.D. at 25. We acknowledge FirstEnergy's cooperation, and it has been factored into our consideration of the appropriate civil penalty in this matter.

The eighth factor relates to the appropriate civil penalty amount necessary to defer future violations and the ninth factor relates to past Commission decisions in similar situations. 52 Pa. Code § 69.1201(c)(8)-(9). I&E described a settlement approved by the Commission which concerned the report of a death after termination, wherein the Commission authorized a civil penalty of \$30,000 and a contribution of \$15,000 to the utility's hardship fund. I&E Statement in Support at 10 (citing *Pa. PUC v. PPL Elec. Utils. Corp.*, Docket No. M-2012-2264635 (Opinion and Order entered April 4, 2013) (*PPL 2013*)). I&E also provided that the Commission approved a settlement 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. I.D. at 26 (citing I&E Statement in Support at 10; *PECO 2019*). I&E submitted that a civil penalty amount of \$30,000 and a contribution of \$15,000 into FirstEnergy's Dollar Energy Fund is sufficient to deter future violations. I.D. at 25 (citing I&E Statement in Support at 10). The ALJ agreed with the civil penalty of \$30,000 agreed to under the Settlement, as well as the agreement that the Company will contribute \$15,000 to FirstEnergy's Dollar Energy Fund. I.D. at 26.

The ALJ provided a review of past Commission decisions to support the proposed amounts of the civil penalty and the Company's contribution to its hardship fund. The ALJ noted that in *PECO 2019*, the allegations included that PECO terminated electric service to approximately thirty customers during the winter without income

information.<sup>9</sup> Additionally, the ALJ noted that in *PPL 2013*, where the matter also concerned the report of a death after service termination, the Commission approved the same civil penalty and hardship contribution that is proposed in the instant Settlement. I.D. at 27.

On review of the ALJ's analysis in applying the eighth and ninth *Rosi* factors, we disagree with the ALJ's finding that the \$30,000 civil penalty and \$15,000 contribution to the Company's hardship fund, agreed to under the Settlement, were appropriate. Consistent with our discussion *supra*, we find it reasonable to double the amount of West Penn's civil penalty and its hardship fund contribution because we find that the amounts agreed to by the Joint Petitioners are inadequate in light of the Stipulated Facts in this case. We specifically note Stipulated Fact Nos. 8-9 and 12-13, which state, as follows:

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.

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<sup>9</sup> We note that the Initial Decision has a typographical error in the ALJ's description of PECO Energy Company's (PECO's) required contribution to its hardship fund as \$175,000 in *PECO 2019*. I.D. at 27. The civil penalty in *PECO 2019* was \$10,000 and required a contribution of \$20,000 to PECO's Matching Energy Assistance Fund. *PECO 2019* at 27-28. Additionally, in *PECO 2019*, the Commission referenced a proceeding where PPL Electric Utilities agreed to provide a \$175,000 contribution to its hardship fund after winter termination of service for 540 customers, 114 of which later reported they were low-income. *PECO 2019* at 25, n. 9 (citing *Law Bureau Prosecutory Staff Informal Investigation of PPL Electric Utilities Corporation Residential Service Terminations*, Docket No. M-00061942 (Order entered August 21, 2006)). We further note that the Commission's Law Prosecutory Staff was the predecessor of I&E's Enforcement Division. See *Implementation of Act 129 of 2008; Organization of Bureaus and Offices*, Docket No. M-2008-2071852 (Order entered August 11, 2011).

9. During the November 15, 2021 call, [West Penn] 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

\* \* \*

12. On December 14, 2021, a [West Penn] 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 [West Penn] 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.

*See* Joint Petition at Appendix A, Stipulated Fact Nos. 8-9, 12-13.

As noted above, on November 15, 2021, Ms. Gourley spoke to a West Penn customer service representative, and she informed the representative of the fact that she had zero income and that she was experiencing medical issues. Despite the information that Ms. Gourley provided, West Penn failed to inform her of all available methods of preventing service termination, including: (1) failing to provide information regarding

universal service programming; and (2) failing to provide her with an explanation of medical emergency procedures. In short, there may have been two avenues for Ms. Gourley to avoid service termination, but she was not apprised of either of these avenues prior to having her electric service terminated on December 14, 2021.<sup>10</sup> Unfortunately, three days later, on December 17, 2021, Ms. Gourley passed away in the residence.

Given the seriousness of West Penn's failure to inform Ms. Gourley of both of the above avenues that may have enabled her to retain service, and the resulting consequences, we believe that it is appropriate and in the public interest to double the amount of Company's civil penalty and the required hardship fund contribution. Additionally, while I&E's Complaint considered each of West Penn's failures to inform Ms. Gourley of opportunities to prevent termination as one violation, each failure independently violated the Commission's Regulations. Furthermore, the Commission's prior decision in *PECO 2019* that the ALJ relied upon to support the amount of the civil penalty and hardship fund contribution agreed to under the instant Settlement did not address a utility's failure to provide emergency medical procedures to a customer complaining of medical issues, as relevant here. Under these circumstances, the proposed amount of the civil penalty and hardship fund contribution agreed to under the Settlement are both inadequate and insufficiently supported.

Accordingly, we shall modify Paragraph 42(a) of the Settlement to indicate that FirstEnergy will pay a civil penalty in the amount of \$60,000. We shall also modify Paragraph 42(b) to indicate that FirstEnergy will make a \$30,000 contribution to its hardship fund through the Dollar Energy Fund.

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<sup>10</sup> We do note that West Penn attempted to contact Ms. Gourley several times by telephone and in-person prior to termination, but to no avail. *See* Joint Petition at Appendix A, Stipulated Facts Nos. 10-12. But for these attempts, we would find that a significantly higher civil penalty was warranted in this case.

Regarding the tenth *Rosi* factor, *supra*, which considers “other factors,” the ALJ agreed with the parties that resources that would have been used in litigation of the alleged violations by I&E are better utilized in implementing the settlement terms. I.D. at 27-28. We acknowledge the Parties’ positions, and we have considered First Energy’s implementation obligations in our modifications to the Settlement.

Upon review of the evidence and the applicable law, we shall modify the Initial Decision and shall assess a \$60,000 civil penalty upon FirstEnergy and shall require a contribution of \$30,000 to FirstEnergy’s hardship fund.

Therefore, in the ordering paragraphs below, we shall direct that:

(1) FirstEnergy shall remit a civil penalty in the amount of \$60,000 within thirty (30) days of the entry date of this Tentative Opinion and Order; and (2) FirstEnergy shall make a contribution of \$30,000 to the Company’s hardship fund through the Dollar Energy Fund, within thirty (30) days of the entry date of this Tentative Opinion and Order.<sup>11</sup>

Finally, as discussed above, we have modified the Settlement to:

(1) impose an increase of 100% to the agreed-upon civil penalty set forth in the Settlement Agreement, or from \$30,000 to \$60,000; and (2) impose an increase of 100%, or from \$15,000 to \$30,000, to the agreed-upon contribution that FirstEnergy will make to its hardship fund through the Dollar Energy Fund. As we have modified the Settlement, we shall afford the Joint Petitioners twenty (20) business days to file

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<sup>11</sup> Pursuant to Paragraph 44 of the Settlement, following the performance of the non-monetary, remedial measures, we shall direct FirstEnergy to file a verification of compliance with the Commission. Consistent with this provision, we shall also direct the Company to file a notification with the Commission that the contribution of \$30,000 has been made to FirstEnergy’s hardship fund. We do not deem this requirement to be a substantive modification to the Settlement and find it consistent with the compliance reporting requirements set forth in 52 Pa. Code § 5.591.

comments to this Tentative Opinion and Order. Further, we note that in accordance with the provisions of the Settlement Agreement, should either of the Parties wish to withdraw from the Settlement based on these modifications, that Party shall provide written notice to the Secretary of the Commission, and all active Parties to this proceeding, of its election to withdraw within twenty (20) business days from the date that this Tentative Opinion and Order is entered. *See* Settlement at ¶ 48. Therefore, we shall tentatively approve the instant Settlement, as modified, subject to either or both Parties' election to file comments or to withdraw from the Settlement. In the event that either or both Parties elect to withdraw from the Settlement, the Joint Petition for Approval of Settlement shall be denied and returned to I&E for further action.

#### **IV. Conclusion**

Based on our review of the ALJ's Initial Decision, the Joint Petition, and the applicable law, we conclude that it is prudent, necessary, and in the public interest to modify the ALJ's Initial Decision, and the underlying Settlement, by assessing a \$60,000 civil penalty upon FirstEnergy and requiring FirstEnergy to contribute \$30,000 to its hardship fund, consistent with this Tentative Opinion and Order. We further conclude that all other provisions of the proposed Settlement should remain intact, finding them to be in the public interest. Accordingly, we shall adopt the ALJ's Initial Decision, as modified, and shall tentatively approve the Joint Petition for Approval of Settlement, as modified, subject to either or both Parties' election to file comments to this Tentative Opinion and Order or to withdraw from the Settlement; **THEREFORE,**

#### **IT IS ORDERED:**

1. That the Initial Decision of Administrative Law Judge Erin L. Gannon, issued on January 27, 2026, at Docket No. C-2024-3052650, is adopted, as modified, consistent with this Tentative Opinion and Order.

2. That the Bureau of Investigation and Enforcement and FirstEnergy Pennsylvania Electric Company, as parties to this proceeding, shall have twenty (20) business days after the entry date of this Tentative Opinion and Order to file comments.

3. That, should any adverse comments be filed, this proceeding shall be assigned to the Office of Special Assistants for the drafting of a Final Opinion and Order.

4. That, should no adverse comments be filed, and no written notices to withdraw be filed as provided for in Paragraph 6 below, this Tentative Opinion and Order shall become final by operation of law.

5. That the Joint Petition for Approval of Settlement filed on October 31, 2025, at Docket No. C-2024-3052650, between the Commission's Bureau of Investigation and Enforcement and FirstEnergy Pennsylvania Electric Company is tentatively approved, as modified, consistent with this Tentative Opinion and Order.

6. That the Bureau of Investigation and Enforcement and FirstEnergy Pennsylvania Electric Company, as parties to the Joint Petition for Approval of Settlement at Docket No. C-2024-3052650, may elect to withdraw from the modified Settlement within twenty (20) business days after the entry date of this Tentative Opinion and Order, and shall provide written notice of such withdrawal to the Secretary of the Commission and all active Parties to this proceeding, in accordance with Paragraph 48 of the Joint Petition for Approval of Settlement. Should either Party elect to withdraw, the Joint Petition for Approval of Settlement shall be disapproved, without further action by this Commission, and this matter shall be returned to the Commission's Bureau of Investigation and Enforcement for further action as deemed appropriate.

7. That if neither the Commission's Bureau of Investigation and Enforcement, nor FirstEnergy Pennsylvania Electric Company elects to file comments to

this Tentative Opinion and Order, as outlined in Ordering Paragraph No. 2 above, or to withdraw from the Joint Petition for Settlement, as outlined in Ordering Paragraph No. 6 above, then the Joint Petition for Approval Settlement, as modified, shall be approved and Ordering Paragraph Nos. 8 through 20, below, shall apply.

8. That, in accordance with Section 3301(c) of the Public Utility Code, 66 Pa.C.S. § 3301(c), within thirty (30) days of the date this Tentative Opinion and Order becomes final, FirstEnergy Pennsylvania Electric Company shall pay a civil penalty of Sixty Thousand Dollars (\$60,000.00) by sending a certified check or money order payable to the Commonwealth of Pennsylvania to:

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

9. That the civil penalty described in Ordering Paragraph No. 8, above, shall not be tax deductible or passed through as an additional charge to FirstEnergy Pennsylvania Electric Company's customers in Pennsylvania.

10. That FirstEnergy Pennsylvania Electric Company shall make a Thirty Thousand Dollar (\$30,000.00) 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.

11. That this contribution payment to FirstEnergy Pennsylvania Electric Company's hardship fund, described in Ordering Paragraph No. 10 above, 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 FirstEnergy Pennsylvania Electric Company customers in Pennsylvania.

12. That within six (6) months of the entry date of the Commission's Final Opinion and Order approving the Joint Petition for Approval of Settlement, all current Advanced Move-In Process agents shall have received standalone Pennsylvania credit training to include procedures on how customers can avoid termination, including installation plans, low-income assistance, and medical certifications. Subsequent to this initial training, all new Advanced Move-In Process agents shall thereafter receive this training.

13. That, on an ongoing basis, Advanced Move-In Process 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 shall specifically address the Winter Moratorium protections available to customers.

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

15. That upon making payment to the hardship fund, as directed in Ordering Paragraph No. 10, above, and fulfillment of the standalone Pennsylvania credit training for current Advanced Move-In Process agents including procedures on how customers can avoid termination as set forth in Ordering Paragraph No.12, FirstEnergy Pennsylvania Electric Company shall file with the Commission a verification acknowledging compliance, pursuant to 52 Pa. Code § 5.591.

16. That a copy of this Tentative Opinion and Order shall be served upon the Financial and Assessment Chief, Bureau of Administration.


17. That if FirstEnergy Pennsylvania Electric Company fails to pay the civil penalty of Sixty Thousand Dollars (\$60,000.00) within thirty (30) days of the entry date of a Final Commission Order as directed in Ordering Paragraph No. 8, it is further ordered that the Bureau of Administrative Services, Assessment Section, shall refer this matter to the Pennsylvania Office of Attorney General for collection of the total amount set forth above and any other appropriate action.

18. That a copy of this Tentative Opinion and Order shall be served upon the Bureau of Technical Utility Services for monitoring of compliance with Ordering Paragraph No. 15.

19. That if FirstEnergy Pennsylvania Electric Company fails to comply with Ordering Paragraph No. 15, verifying its compliance with Ordering Paragraphs Nos. 10 and 12, it is further ordered that the Bureau of Technical Utility Services shall refer this matter to the Bureau of Investigation and Enforcement for enforcement and any other appropriate action.

20. That the Secretary's Bureau shall mark closed the above-captioned matter upon receipt of the civil penalty of Sixty Thousand Dollars (\$60,000.00) as directed in Ordering Paragraph No. 8, and the verifications acknowledging compliance with the other non-civil penalty, remedial measures as directed in Ordering Paragraph 15.

**BY THE COMMISSION,**

A handwritten signature in black ink, appearing to read "Matthew L. Homsher". The signature is written in a cursive style with a large initial "M".

Matthew L. Homsher  
Secretary

(SEAL)

ORDER ADOPTED: March 26, 2026

ORDER ENTERED: April 23, 2026