

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

Public Meeting held April 30, 2026

Commissioners Present:

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

Petition of FirstEnergy Pennsylvania Electric  
Company to Modify Tax Cuts and Jobs Act of 2017  
Voluntary Surcharge Rider Refund

Docket Number:  
P-2026-3061293

**ORDER**

**BY THE COMMISSION:**

On March 23, 2026, FirstEnergy Pennsylvania Electric Company (FirstEnergy), Utility Code 1126015, filed a Petition with the Pennsylvania Public Utility Commission (Commission) proposing to modify its Default Service Support (DSS) Rider to refund the Tax Cuts and Jobs Act of 2017 (TCJA) Voluntary Surcharge Rider residual balance to customers of the Penelec Rate District. For the reasons expressed in this Order, the Commission will grant the Petition.

On May 17, 2018, the Commission issued a TCJA Voluntary Surcharge Order at Docket No. R-2018-3000599. The Order directed FirstEnergy to establish a TCJA Voluntary Surcharge Rider to refund the amount of the tax savings as a result of the

reduction of the corporate federal income tax rate, which remained in place until FirstEnergy filed and the Commission approved new base rates pursuant to Section 1308(d) that included the effects of the TCJA tax rate changes. Petition ¶(1).

On November 21, 2024, the Commission approved FirstEnergy's base rate filing at Docket No. R-2024-3047068 with an effective date of January 1, 2025. In the approved base rate filing, FirstEnergy proposed to set the TCJA Voluntary Surcharge Rider rates to zero effective January 1, 2025, with a final TCJA Voluntary Surcharge Rider rate to be effective July 1, 2025, to refund or recoup the remaining over or under collection balance related to 2023 and 2024. FirstEnergy stated that the TCJA Voluntary Surcharge Rider rate was reset to zero effective January 1, 2026. Petition ¶(2).

In this instant Petition, FirstEnergy is proposing to refund a Penelec Rate District residual over collection of \$60,796 (\$41,331 to the residential customer class, \$13,487 to the commercial customer class, and \$5,978 to the industrial customer class) as a one-time reduction of the E-factor balance of the non-market based component of the DSS Rider. FirstEnergy states that it will file the actual DSS Rider rate with the Commission by May 1, 2026, with an effective date of June 1, 2026. FirstEnergy further stated that this methodology is both a simple and transparent treatment for small amounts pertaining to only one rate district. Petition ¶¶ (3) and (6).

FirstEnergy avers that utilizing the non-bypassable DSS Rider is a quick and efficient way to refund the over-collection of the TCJA Voluntary Surcharge Rider to customers of the Penelec Rate District. Data Request Response (TUS-2).

FirstEnergy serves approximately 2,096,846 customers and the Penelec Rate District serves 584,819 customers. FirstEnergy submits that the proposed modification will have no direct effect on customers' bills. Petition Attachment A, 52 Pa. Code § 53.52(a)(2), (a)(3), (a)(5).

FirstEnergy avers that moving the over collection to the DSS Rider is consistent with prior Commission orders. These orders approved the transfer of over/under collections to the DSS Rider and set the Non-Utility Generation Charge (NUG) and the Solar Photovoltaic Requirements Charge (SPVRC) to zero in 2020 and 2025, respectively. Petition ¶(4).

FirstEnergy served the Petition on the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate. No complaints have been filed, and no hearings have been held.

The Commission agrees that the proposed modification of the DSS Rider is an effective and efficient way to refund the over-collection of the TCJA Voluntary Surcharge Rider to customers in the Penelec Rate District. Upon review of FirstEnergy's Petition, we find that the proposed modifications contained therein do not appear to be unlawful, unjust, unreasonable, or contrary to the public interest.

Accordingly, we grant FirstEnergy's Petition to modify the DSS Rider to include the TCJA Voluntary Surcharge Rider refund for over-collections; **THEREFORE,**

**IT IS ORDERED:**

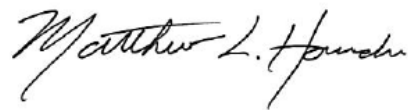
1. That the FirstEnergy Pennsylvania Electric Company Petition to modify its Default Service Support Rider to refund the Tax Cuts and Jobs Act of 2017 Voluntary Surcharge Rider residual balance to customers of the Penelec Rate District, is hereby approved.

2. That FirstEnergy Pennsylvania Electric Company shall file a Default Service Support Rider tariff supplement by May 1, 2026, to be effective June 1, 2026, reflecting the changes approved in this Order.

3. That a copy of this Order be served on FirstEnergy Pennsylvania Electric Company, the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate.

4. That the proceeding at Docket No. P-2026-3061293 be closed.

**BY THE COMMISSION,**



Matthew L. Homsher

Secretary

(SEAL)

ORDER ADOPTED: April 30, 2026

ORDER ENTERED: April 30, 2026