Michael J. Shafer
Assistant General Counsel

PPL
645 Hamilton Street, Suite 700
Allentown, PA 18101
Tel. 610.774.2599 Fax 610.774.4102
MJShafer@pplweb.com

E-File

August 28, 2026

Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17120-3265

Re: Regulations Governing the Public Utility Commission's Standards and Billing Practices for Residential Public Utility Service, Subchapter F, 52 Pa. Code Chapter 56
Docket No. L-2025-3058767

Dear Secretary Homsher:

Enclosed for filing please find the Comments of PPL Electric Utilities Corporation in the above-captioned proceeding. These Comments are being filed pursuant to the February 19, 2026 Notice of Proposed Rulemaking Order which was published in the *Pennsylvania Bulletin* on May 30, 2026.

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on August 28, 2026 which is the date it was filed electronically using the Commission's E-filing system.

If you have any questions regarding these Comments, please do not hesitate to contact me.

Respectfully submitted,

Michael J. Shafer

Enclosure

cc via email: Stephanie Wilson (stepwilson@pa.gov)
Kriss Brown (kribrown@pa.gov)
Karen Thorne (kathorne@pa.gov)
Bobbi Anderson (robertannd@pa.gov)

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Regulations Governing the Public Utility Commission's Standards and Billing Practices for Residential Public Utility Service, Subchapter F, 52 Pa. Code Chapter 56	: : : : : :	Docket No. L-2025-3058767

COMMENTS OF
PPL ELECTRIC UTILITIES CORPORATION ON
THE NOTICE OF PROPOSED RULEMAKING

I. INTRODUCTION

PPL Electric Utilities Corporation ("PPL Electric" or the "Company") appreciates the opportunity to provide comments in response to the Pennsylvania Public Utility Commission's ("PUC" or "Commission") Notice of Proposed Rulemaking Order ("NOPR"). The PUC entered an Order of a Notice of Proposed Rulemaking on February 19, 2026 (Docket No. L-2025-3058767) (the "Order"). The Order was published in the Pennsylvania Bulletin on May 30, 2026, and interested parties are permitted to file comments within 60 days of publication. By Secretarial Letter dated June 18, 2026, the Commission extended the deadline for comments to August 28, 2026, and the deadline for reply comments to October 13, 2026.

As a regulated electric distribution company ("EDC"), PPL Electric provides electric distribution service to approximately 1.5 million customers and adheres to the provisions of Chapter 56 of the Commission's regulations when providing such service. Over more than two decades, the Company gained significant experience with the provisions of Chapter 14 of the Public Utility Code, which the Commission now seeks to memorialize in Chapter 56 of the

Commission's regulations through this rulemaking proceeding. As a result, the Company believes it can provide valuable insight and feedback on the Commission's proposals. PPL Electric therefore offers the following comments in response to the NOPR.

II. COMMENTS

A. Title, Subchapter A

The title of Subchapter A would be revised to (1) remove reference to former Chapter 14 and (2) clarify that the Subchapter is applicable to "customers who are not victims of domestic violence with a protection from abuse order or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence." NOPR, p. 13. PPL Electric agrees with this change.

B. 52 Pa. Code § 56.2. Definitions.

1. Change in Income

The term "change in income" would be added to Chapter 56; a change in income is defined as "[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." NOPR, p. 14. PPL Electric supports this change. As used within the proposed regulation itself, this adequately limits the scenarios in which a payment plan may be changed and ensures that those who experience an impactful income loss are adequately supported while also protecting customers from unreasonably bearing the burden of others' bad debt.

2. Significant Change in Circumstance

The NOPR also proposes the addition of "significant change in circumstance," which is defined as:

> 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:
> (i) The onset of a chronic or acute illness resulting in a significant loss in the customer's household income.
> (ii) Catastrophic damage to the customer's residence resulting in a significant net cost to the customer's household.
> (iii) Loss of the customer's residence.
> (iv) Increase in the customer's number of dependents in the household.

NOPR, p. 14. PPL Electric supports the Commission's objective of balancing the needs of customers who experience impactful life events with the needs of utilities in managing their overdue receivables. However, PPL Electric believes that additional revisions are necessary to best achieve this balance. The Company is concerned that the broad language in the proposed regulation puts the utility in the role of determining what amounts to a "significant loss" in income or "significant net cost" of damage to a customer's home.

Accordingly, PPL Electric proposes that the Commission make the following clarifications to subparts (i) and (ii), which are designed to provide clearer guidance when a utility is determining whether a loss is sufficiently "significant" to warrant a change in the customer's payment plan:

(i) The onset of a chronic or acute illness resulting **<u>or expected to result</u>** in a significant loss in the customer's household **<u>annual adjusted gross</u>** income **<u>of greater than 25%</u>**.

(ii) Catastrophic damage to the customer's residence resulting in a significant net cost to the customer's household **<u>equal to or greater than 10% of the property's value *or* rendering the home uninhabitable for 30 days or more</u>**.

PPL Electric also is concerned that the "increase in the customer's number of dependents in the household" language is vague and should be clarified; PPL suggests the Commission define "dependent" to reflect the Internal Revenue Service's definition.[1] As currently drafted, the criteria

[1] *See* Publication 17, Ch. 3 Dependents (2025), https://www.irs.gov/publications/p17#en_US_2025_publink1000170839.

are ambiguous and subject to misinterpretation, confusion, and unnecessary challenges. The objective qualifiers added above would alleviate those risks.

C. 52 Pa. Code § 56.22. Accrual of Late Payment Charges

The Commission next proposes to add language to Section 56.22 which provides, "[a] public utility shall waive late payment charges on any customer accounts if the charges were improperly assessed." NOPR, p. 15. PPL Electric does not oppose the proposed change to Section 56.22.

D. 52 Pa. Code § 56.102. Residential Field Visit Charge

The Commission also proposes adding a section allowing natural gas distribution companies to charge a minimum $10 fee per residential visit to terminate gas service. *See* NOPR, pp. 15-16. PPL Electric offers no comment on this section.

E. 56 Pa. Code § 56.153. Public Utility Duties

The Commission seeks to add a new regulation, Section 56.153, to address public utility duties related to customer requests for payment arrangements. Specifically, the proposed regulation provides that, when a customer contacts a utility to make a payment arrangement, the utility must offer to provide information about universal service programs, including any customer assistance program; refer the customer to the administrator of such program to determine whether the customer is eligible and to apply; and reasonable attempts to collect payment on an overdue account or face "civil fines or other appropriate sanctions by the Commission" on accounts with arrears in excess of $10,000. NOPR, pp. 16-17. PPL Electric supports the new regulation as it relates to customer assistance programs. However, the Company disagrees with assessing civil fines or sanctions for high customer account balances. While PPL Electric takes seriously its responsibility to work with customers and help prevent large arrearages, high-balance accounts are generally not the result of insufficient collection efforts by the utility; rather, they often arise because the regulatory process gives customers multiple opportunities to delay payment while the balance continues to grow. For example, of the PPL Electric customers who currently have arrearages greater than $10,000, nearly a quarter of those customers are enrolled in OnTrack, PPL Electric's customer assistance program. Further, 27 percent of these customers are non-occupant ratepayers, 10 percent are enrolled in active payment agreements, and 26 percent are actively engaged in the collections process. Stated otherwise, the current regulatory constraints on utilities attempting to collect overdue balances, and the means by which customers can accrue high balances, inhibit the imposition of fines or penalties on utilities for high balances.

F. 52 Pa. Code § 56.171. General Rule

The Commission proposes to amend Section 56.171 to add that the PUC will only accept a formal complaint upon affirmation that a customer has contacted a public utility prior to filing a formal complaint if such complaint is not a request for review of an informal complaint decision. *See* NOPR, pp. 18-19. PPL Electric supports the proposed addition of Section 56.171(b), subject to Section II(K) below.

G. 52 Pa. Code § 56.181. Duties of Parties; Disputing Party's Duty to Pay Undisputed Portion of Bills; Public Utility's Duty to Pay Interest Whenever Overpayment Found

The Commission proposes to add language which would align with former Chapter 14's obligation that customers continue to pay undisputed portions of their bills, as well as subsequent bills that are not in dispute. *See* NOPR, pp. 19-20. The proposed revision clarifies that undisputed bills must be paid while either an informal or a formal complaint is pending. *See id.* PPL Electric supports this clarification. Given the current focus on affordability, especially regarding residential electric service, ensuring bills that are not the subject of a dispute are paid will help keep utility bad debt expenses down, which will ultimately reduce the burden on other customers who timely pay their utility bills.

H. 52 Pa. Code § 56.182. Payment Arrangement Procedures

The Commission proposes adding a new Section 56.182 which would establish payment arrangement procedures, with maximum payment plan length based on a household's monthly income. *See* NOPR, pp. 20-22. It further provides that payment plans may not be changed absent a change in income or significant change in circumstances, as defined in Section 56.2 and that a utility may enter a second or subsequent payment arrangement at the utility's discretion. *See id.* Further, if a customer is already enrolled in an income-based customer assistance program, those rates must be paid timely and will not be the basis for a payment arrangement established by the Commission. *See id.*, p. 21. PPL Electric agrees with this provision and appreciates the clarity it offers. The new Section 56.182 provides objective criteria for determining payment plan length and will implicitly encourage customers with accounts in arrears to promptly address outstanding balances, rather than allow such balances to accumulate. This will alleviate the burden on other customers who timely pay their utility bills because it will limit the length of time that outstanding balances and bad debt are kept "on the books."

I. 52 Pa. Code § 56.225. Surcharges for Uncollectible Expenses Prohibited

The Commission proposes the addition of a new Section 56.225 which would re-codify former Section 1408. It provides that "[a] public utility may not implement a cash receipts reconciliation clause or another automatic surcharge mechanism for uncollectible expenses," without limiting clauses related to "universal service and energy conservation." NOPR, pp. 22-23. PPL Electric opposes this addition. The Company believes the Commission should preserve the ability to consider appropriate cost-recovery mechanisms in individual utility proceedings, where the specific circumstances can be fully evaluated. As discussed above, high account balances can grow when available regulatory processes extend the time for payment, making fair cost recovery important to support reliable and affordable service for all customers.

J. 52 Pa. Code § 56.251. Statement of Purpose and Policy

The Commission proposes revising Section 56.251 to remove reference to former Section 1417. PPL Electric supports the proposed change. As addressed above, other revisions to Chapter 56 clarify that Subchapters A through K apply to customers who are not victims of domestic violence subject to protection from abuse orders, and Subchapters L through V apply to those who are.

III. CONCLUSION

PPL Electric appreciates the opportunity to provide these Comments on the proposed amendments to Chapter 56 of the PUC's regulations. Further, while the Company recognizes that this rulemaking is "not intended as a general review of Chapter 56 of the Commission's regulations," NOPR, p. 12, PPL Electric raises the following, additional points for consideration that would benefit customers, utilities, and the Commission.

First, the Company believes that significant time and resources could be saved with alternative procedures in ability-to-pay situations. At least 74 percent of complaints that PPL Electric receives are based on customers' ability to pay where many result in payment plans, and, in their current state, significant time and resources are expended in handling and resolving complaints. For this reason, PPL Electric suggests adding an informal resolution mechanism, akin to the Bureau of Consumer Services ("BCS")'s Customer Utility Resolution Effort ("CURE") process, which would provide customers and utilities an option to agree to a more flexible payment plan than is currently permitted, without requiring escalation to the Commission.

Under the CURE process, customers and utilities have an opportunity to engage in an informal settlement discussion process in which the parties can investigate inquiries and seek a mutually acceptable resolution. PPL Electric suggests that the Commission require customers to complete this step before filing the formal complaint (much like the company contact requirement in the proposed amendment of Section 56.171) or before the utility must file an answer to the complaint. This would benefit customers with efficient resolution, rather than requiring them to go through the full complaint process, and it would help reduce the administrative and judicial resources that must be dedicated to these complaint proceedings.

Next, the Company believes another opportunity to reduce customer costs and protect utility workers exists in eliminating the same day personal contact requirement in 52 Pa. Code § 56.94. By requiring a utility employee to attempt personal contact at the residence immediately before terminating service, the regulation has forced utility personnel and, in some circumstances, members of law enforcement into potentially unsafe situations. When this requirement was established, utilities did not have the benefit of smart meters, with which a company can remotely terminate service. Given this change, eliminating the personal contact requirement would eliminate much of the safety risk and permit safe, remote termination while maintaining multiple customer notifications.

PPL Electric respectfully requests that the Commission take these Comments under consideration, and the Company looks forward to continuing to participate in this rulemaking process.

Respectfully submitted,

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Michael J. Shafer (ID #205681)
PPL Services Corporation
645 Hamilton Street, Suite 700
Allentown, PA 18101
Phone: 610-774-2599
Fax: 610-774-4102
E-mail: mjshafer@pplweb.com

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Counsel for PPL Electric Utilities Corporation