**BEFORE THE**
**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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| Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56 | : | Docket No. L-2025-3058767 |

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**Comments of the Consumer Advisory Council to**

**the Pennsylvania Public Utility Commission**

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## I. INTRODUCTION

The members of the Consumer Advisory Council ("CAC" or "Council") submit these comments in response to the Order issued by the Commission on February 19, 2026, regarding amendments to Chapter 56 of the Commission's regulations in light of the sunset of Chapter 14 of the Public Utility Code in December 2024. The Council is responsible for advising the Commission upon matters relating to the protection of consumer interests affected by the Commission's exercise of its jurisdiction as provided by law, and is encouraged to provide advice and input that will aid the Commission in pursuit of its regulatory duties.[1]

The CAC respectfully urges the Commission to expand its consideration of consumer protections under Chapter 56 of its regulations in the manner suggested by Vice Chair Barrow in her Statement at this Docket on February 19, 2026, and consistent with the CAC's prior recommendations to the Commission for critical reforms to the then-pending reauthorization of Chapter 14 of the Public Utility Code in 2023. As noted by Vice Chair Barrow in her February 19 Statement:

> *The Commission's mission is to balance the needs of consumers and utilities; ensure safe and reliable utility service at reasonable rates; and protect the public*

[1] 52 Pa. Code § 91.2.

*interest. Ignoring lessons learned in the past 10-20 years Chapter 14 has been in place and ignoring the current landscape of affordability and vulnerability faced by Pennsylvania customers today does not achieve this mission.*

The Council shares Vice Chair Barrow's concerns. Chapter 14 is no longer controlling law, and the Commission is no longer bound by its terms. In fact, the legislature did not require the Commission to maintain the specific billing, collection, and termination standards contained therein – instead deferring to the Commission's expertise on these issues. The Commission should draw on the lessons learned over the last 20 years to ensure balance in the rules for billing, collection, and termination. As such, we respectfully urge the Commission to address the issues raised by Vice Chair Barrow as well as other critical consumer protection issues previously raised by the CAC, in the context of the present rulemaking – either through an amended Chapter 56 rulemaking or as a second phase of the proposed rulemaking.

## II. COMMENTS

On May 23, 2023, the CAC submitted formal recommendations to the Commission regarding priority Chapter 14 reforms, noting our "ongoing concern about the increase in residential termination rates since the passage of Chapter 14." As noted by the Council at that time:

> *Chapter 14 was explicitly intended to 'achieve greater equity by eliminating opportunities for customers capable of paying to avoid the timely payment of public utility bills.' At the same time, the General Assembly sought to balance this objective with its explicit determination "to ensure that service remains available to all customers on reasonable terms and conditions." (66 Pa. C.S. § 1402, declaration of policy).*
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> *Unfortunately, in light of increasing rates of involuntary termination, especially for economically vulnerable households, it appears the Act is not fully protecting households that are not capable of paying – making it difficult for Pennsylvanians to access service based on reasonable terms and conditions.*

In light of those concerns, the Council recommended a number of priority reforms at that time to Chapter 14, which are in several respects similar to the issues raised by Vice Chair Barrow and, in the view of the Council, remain relevant today. Termination rates continue to rise across the state – reaching new record levels each successive year since 2022. Last year, over 414,000 Pennsylvania households experienced an involuntary termination of gas, electric, or water services – the highest number ever recorded in our state. Low income and other vulnerable customer groups are at the greatest risk of shut off – with rates of involuntary termination far surpassing termination rates for general residential customers. The consequences of involuntary termination are severe – especially for seniors, families with young children, individuals with a disability, and other medically vulnerable consumers, for whom access to safe, stable energy and water service can have extreme health consequences. The consequences of utility insecurity reverberate through families and communities, impacting the local economy and the health, safety, and wellbeing of Pennsylvanians across every community.

The current regulatory framework for utility billing, collection, and termination often serves to compound debt by levying penalties rather than emphasizing prevention. To help shift this paradigm, the Council urges the Commission to expand the scope of this rulemaking to include consideration of the following issues, together with the issues raised by Vice Chair Barrow in her Statement of February 19, 2026: ensuring that Pennsylvania families are protected from involuntary termination of utility service, including water and wastewater service, during both the hottest and coldest periods; improving access to equitable payment arrangement terms that focus on what families can reasonably afford to maintain; expanding access to and quality of utility call centers; eliminating reconnection fees and other charges that present an unreasonable barrier to establishing and maintaining service; strengthening protections for medically vulnerable consumers; and improving the information and accessibility of required notices. The critical importance of each of these issues is addressed below.

## A. Termination Protections in Summer and Winter

As suggested by Vice Chair Barrow, much has changed in the 20 years since the enactment of Chapter 14. One of those changes has been in the climate, where record heat waves have made the importance of maintaining utility service in the summer months increasingly essential. As such, Vice Chair Barrow's notes in her February 19 Statement that she would have sought comments on "establishing a summer termination prohibition procedure based upon heat advisories."

According to the Pennsylvania Department of Environmental Protection, average annual temperatures in Pennsylvania are expected to rise substantially and will be accompanied by more extreme weather events.[2] As recently noted by the Energy Justice Lab at Indiana University and the University of Pennsylvania, "Excessive heat is consistently the leading cause of death among weather -related phenomena" and the number and length of annual heat waves has continually increased over the last several decades.[3] At least 19 states and the District of Columbia have implemented some form of protection against terminations of utility service during the hottest summer periods.[4] Most recently, on July 7, 2026 – on the heels of a days-long record heat wave – the National Consumer Law Center issued a report detailing the drastic impact of extreme heat, especially on low-income utility consumers, and calling on policy makers to establish "calendar-based and temperature and humidity-based utility shut-off moratoriums to ensure continued access to essential utility service during weather extremes."[5]

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[2] Pa. DEP, 2024 Pennsylvania Climate Impacts Assessment (2025), Impacts | Department of Environmental Protection | Commonwealth of Pennsylvania.

[3] Energy Justice Lab, Indiana University & UPenn Kleinman Center for Energy Policy, A Tightening Grip of Dangerous Heat, https://acrobat.adobe.com/link/review?uri=urn%3Aaaid%3Ascds%3AUS%3A53115b58-06a2-3aa7-85b0-3f11e55b868a.

[4] LIHEAP Clearinghouse, Disconnect Policies (last updated July 14, 2026), Disconnect Policies | The LIHEAP Clearinghouse.

[5] National Consumer Law Center, Protecting Access to Essential Utility Service During Extreme Heat and Climate Change, https://www.nclc.org/resources/protecting-access-to-essential-utility-service/

As noted above, Vice Chair Barrow specifically raised the possibility of establishing some form of summer termination protection in her February 19 Statement, and the Council submits that this issue should be addressed by the Commission without delay.

In this context, the Council also noted in its 2023 recommendations to the Commission that water and wastewater customers should receive the same type of seasonal weather protections as are provided to electric and natural gas customers. As noted by the Council at that time:

> *When water is shut off, the health department often moves quickly to condemn the property – forcing families from their home. Water terminations in winter can also impact critical household infrastructure, further impacting the household's fragile economic insecurity.*

The Council urges the Commission to explore this issue in the context of its Chapter 56 rulemaking. Reforms are needed to keep Pennsylvanians safe – ensuring access to life-essential services during both the hottest and coldest periods of the year.

**B. <u>Reconnection Fees and Other Unnecessary Charges</u>**

As the Council explained in its prior recommendations regarding Chapter 14 reforms, reconnection fees serve to aggravate payment trouble, making it more difficult for economically vulnerable households to maintain service. On the other hand, there is no evidence that reconnection fees are an effective tool to improve payment. Late fees and security deposits similarly harm consumers who fall behind, compounding payment trouble and making it more difficult for households to maintain service to their home. Vice Chair Barrow noted this issue in her Statement, recommending that the Commission seek comments on "Increasing minimum federal poverty levels for waiver of late payments, prohibiting reconnection fees, and prohibiting in-person meter reading fees." The Council recommends that the Commission work to reform collections-related fees in the context of its Chapter 56 rulemaking, with a focus on prevention.

### C. Protections for Medically Vulnerable Customers

Energy and water are critical to home health and safety – especially for medically vulnerable families, who are more likely to be Seniors, young children, and individuals with a disability or medical condition. As it stands, medically vulnerable households face substantial barriers to accessing a medical certificate. The wait to see a doctor or nurse practitioner can be long – and may require consumers to pay hefty copayments and deductibles, further compounding the household's financial strain.[6]

The Commission's current medical certificate rules and the parameters for protection – including the length, renewal, and payment obligations, can be confusing and not well explained to consumers seeking medical protections. The amount of time to see a provider is also unreasonably short – allowing just 3 days for a household to obtain and submit a written medical certificate from a certifying medical professional.[7] This timing is unrealistic, given the realities of our current health system, especially for lower income households that do not have adequate healthcare coverage. Prior to 2014, the grace period was 7 days, which afforded medically vulnerable households a more reasonable opportunity to make an appointment with their medical provider. Since Chapter 14 is no longer binding law, there is nothing preventing the Commission from returning to this prior standard. In turn, the process established by many utilities for submission of a medical certificate are often cumbersome and can be difficult for health systems to navigate.

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[6] https://time.com/6199666/physician-shortage-challenges-solutions/.

[7] 52 Pa. Code § 56.112.

The Council recommends that the Commission consider changes to the current medical certificate rules to improve protections for medically vulnerable households. These considerations should include restoring the previous 7-day grace period for medically vulnerable households to obtain a written medical certificate; extending the length of a standard medical certificate beyond 30 days; creating an alternative longer medical certificate for individuals with a chronic illness or condition; expanding access to equitable payment arrangements for households with a medical certificate based on their individual facts and circumstances – even if the household was unable to keep up with a prior arrangement; and standardizing requirements to notify and educate consumers about the medical certificate process, including the protections, payment requirements, and process for renewal.

### D. Equitable Payment Arrangements

As the Commission explained in its 2020 Report, Chapter 14 substantially restricted its ability to issue payment arrangements. From 2004 through 2018, the Commission turned away over 265,000 requests for payment arrangements – nearly 20,000 of which were denied in 2018 alone. As a result of the Chapter 14 restrictions on the Commission's authority to issue payment arrangements, there is a high level of debt that is not on an arrangement and, as such, is more likely to be written off as an uncollectible expense.[8]

The current paradigm for establishing payment arrangements is not working for many consumers, and in many respects is unnecessarily compounding utility debts. To be effective, payment arrangements must be reasonably affordable and should include terms that account for an individual's actual ability to pay over the entirety of the arrangement. In this way, payment arrangements should not favor short-term gains over long-term sustainability. When a utility

[8] https://www.puc.pa.gov/general/publications_reports/pdf/Chapter14-Biennial013020.pdf

offers a short-term payment arrangement that adds excessive amounts to a customer's bill each month, the likelihood of failure increases substantially – compounding overall debts and, ultimately, uncollectible expenses borne by other ratepayers. As discussed below regarding utility call centers, utilities are often over-reliant on automated systems to offer standard, short term payment arrangements that do not account for individual circumstances.

The Council notes that utilities are already obligated in section 56.97 of the existing Chapter 56 regulations to "exercise good faith and fair judgment in attempting to enter a reasonable payment arrangement or otherwise equitably resolve the matter." The regulation sets forth a number of factors that a utility must consider in setting an equitable payment arrangement – including the size of the unpaid balance, and the ability of the consumer to pay. Unfortunately, many utility-issued payment arrangements have strayed from these standards, as many utilities now apply the rigid and formulaic payment terms established under the former Chapter 14 provisions for Commission-issued payment arrangements.

In her February 19 Statement, Vice Chair Barrow stated that the Commission should have sought comments in this proceeding on the issue of "adjusting payment arrangement length and levels." The Council agrees and urges the Commission to consider methods to strengthen the standards for initial, utility-issued payment arrangements – developing regulations and guidance that will improve the viability and sustainability of payment arrangements offered when a consumer first falls behind. Establishing a sustainable payment from the outset will help to prevent debts from quickly compounding.

In turn, we urge the Commission to consider proposals to eliminate unnecessary restraints on its ability to issue payment arrangements if a consumer falls behind. While improving the viability of initial payment arrangements will help to prevent further compounded debt, there will still be consumers that fall behind. The Commission is no longer constrained by the former payment arrangement restrictions in Chapter 14, and should not place unnecessary restrictions on its ability to ensure consumers can obtain a payment arrangement that they can reasonably afford – even if they have fallen behind on a prior arrangement.

Specifically, as part of this Chapter 56 rulemaking, we urge the Commission to explore additional reforms with respect to strengthening the requirements in section 56.97 for utilities to enter reasonably affordable payment arrangements; lifting the restrictions that prevent the Commission from issuing a second or subsequent payment arrangement based on the household's circumstances, and expanding the definition of "change in income" and "significant change in circumstances" to include a greater range of hardship experienced by Pennsylvania families in today's harsh economic landscape; and lifting the restrictions on the ability of customers enrolled in a Customer Assistance Program to receive a payment arrangement if they fall behind.

## E. <u>Call Center Access and Customer Service Standards</u>

Utilities increasingly rely on automated call systems to field calls from consumers regarding critical billing, collections, and termination matters. Consumers often have a difficult time navigating automated call systems and face significant frustration – especially when the issue they are calling about is a time-sensitive and stressful issue related to their ability to afford and maintain running water, electricity, and gas to their home. Challenges associated with automated call systems can be especially acute for Seniors, individuals with a disability, individuals with limited English proficiency, and low-income households that may not have access to stable telecommunications systems. While system automation can be a cost-effective way to field commonly asked questions, there must be a quick and easy way for consumers to reach a live representative to help effectively resolve individualized billing, collections, and termination issues.

The Council recommends that the Commission consider the introduction of new parameters for the use of automated call systems such as whether utilities should be required to include an immediate option to bypass the automation and speak directly with a customer service representative. Calls regarding certain highly sensitive consumer issues, including establishing a payment arrangement or resolving a pending termination, should always be handled by a live customer service representative during business hours – with the use of automated options limited to after-hours operations, along with explicit disclosure that consumers who cannot afford the automated payment arrangement can call back during business hours to discuss a more affordable payment arrangement. Finally, utilities should be required to offer a call-back option that allows consumers to hold their place in line without waiting on hold.

The Council also recommends that the Commission undertake a full review of its policies and standards for monitoring utility call center performance such as call abandonment rate and time to be answered. These policies and standards must reflect changing technology, and must be updated to reflect the widespread use of automated call systems and ensure consumers are appropriately served.

### F. Information and Accessibility of Required Notices

Consumers cannot act on information they do not receive or do not understand. While the Commission prescribes the basic information that must be included on a bill or termination notice,[9] that information has not been reviewed for many years to assess whether the information is accurate, accessible,

[9] 52 Pa. Code §§ 56.15, 56.91.

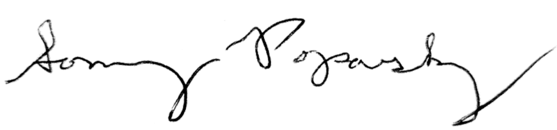
and provided in a timely manner that allows adequate time for consumers to take action. The notice issue was specifically raised by Vice Chair Barrow in her February 19 Statement where she urged the Commission to seek comments on "[u]pdating and/or creating provisions reconciling termination notices, or lack thereof, and LIHEAP eligibility for crisis grants." Notices should always be provided in plain language, at a universally accessible reading level, and must convey up-to-date and accurate information. As part of its Chapter 56 rulemaking, the Council recommends that the Commission review the provisions governing billing information and termination notices to ensure all critical information is conveyed in a timely and accessible manner – incorporating the Commission's plain language policy statement into the Chapter 56 rules.

## III. CONCLUSION

While the Consumer Advisory Council is not suggesting that the Commission is in a position to rule on the issues discussed above without opportunity for comment from all interested parties, the Council respectfully urges that the Commission expand its examination of Chapter 56 amendments to include consideration of the issues raised above, as well as those identified by Vice Chair Barrow in her Statement of February 19, 2026.

Respectfully submitted,

**On Behalf of the Consumer Advisory Council to the Pennsylvania Public Utility Commission**



By: Sonny Popowsky, Chairperson, Consumer Advisory Council

Dated: August 28, 2026