August 28, 2026

VIA E-File

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

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

Comments of the Low Income Advocates

Dear Secretary Homsher:

Pursuant to the Notice of Proposed Rulemaking in the above noted matter, which was published in the *Pennsylvania Bulletin* on May 30, 2026, please find the attached ***Joint Comments of the Low Income Advocates*** *(Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)* and the *Tenant Union Representative Network (TURN)*) for consideration in this proceeding.

Respectfully Submitted,

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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

JOINT COMMENTS OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA)

AND

TENANT UNION REPRESENTATIVE NETWORK (TURN)

August 28, 2026

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I. INTRODUCTION

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)[1] and the Tenant Union Representative Network (TURN)[2] (collectively "Low Income Advocates")[3] submit the following comments and recommendations in response to the Notice of Proposed Rulemaking ("NOPR") issued by the Pennsylvania Public Utility Commission ("Commission" or "PUC") on February 19, 2026, and published in the Pennsylvania Bulletin on May 30, 2026.

The Commission's NOPR proposes to narrowly amend Chapter 56, which governs utility billing, collections, and terminations, to incorporate various aspects of what was previously Chapter 14 of the Public Utility Code – despite the fact that the legislature allowed Chapter 14 sunset on December 31, 2024 and it is no longer binding law. In his motion to initiate this rulemaking, Chairman Stephen M. DeFrank explained that by maintaining the status quo following expiration of Chapter 14, the Commission intends to reduce "unnecessary expenses and administrative burdens for utilities and the Commission."[4] The Low Income Advocates respectfully suggest that the Commission must revisit the unnecessarily narrow scope of its

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[1] **CAUSE-PA** is an unincorporated association of low-income Pennsylvanians from all corners of the state that advocates on behalf of its members to ensure families of limited economic means across the state are able to connect and maintain safe and affordable water, electric, heating and telecommunication services to their home.

[2] **TURN** is a not-for-profit organization with moderate- and low-income tenant members. All of TURN's members are either customers of or dependent on service from the public utilities of this Commonwealth. TURN has intervened in numerous matters before the Commission.

[3] The Low Income Advocates and their legal counsel have decades of knowledge and experience regarding the impacts of the statutory and regulatory framework governing utility collections and termination practices on the health, welfare, economic stability, and dignity of Pennsylvania's low income consumers. The Low Income Advocates' members have personal experience with utility insecurity and can offer deep insight into the practical reality of punitive collections standards and the profoundly harmful consequences that the utility termination and collections practices authorized by the now defunct standards set in Chapter 14 have had for Pennsylvania's low income consumers.

[4] Chapter 14, Title 66 of the Pennsylvania Public Utility Code, Motion of Chairman Stephen M. DeFrank, Docket No. M-2024-3052328 (Nov. 25, 2025).

decision, which places administrative expediency over the health, safety, and wellbeing of Pennsylvania consumers. While maintaining the status quo may yield certainty and administrative efficiencies for utilities and the Commission in the short term, the cost to Pennsylvania families and communities will be profoundly detrimental.

On release of the NOPR, Vice Chair Kimberly Barrow issued a statement explaining that "the time is right to determine the next steps on utility and consumer protections" and expressing concern that narrow scope identified in the NOPR is misaligned with the Commission's mission and "ignore[s] the current landscape of affordability and vulnerability faced by Pennsylvania customers today."[5] Vice Chair Barrow identified a list of issues that should be addressed through an appropriately inclusive revision of Chapter 56. The Low Income Advocates strongly agree with Vice Chair Barrow. The narrow reforms contained in the NOPR ignore the lessons from the past 20 years and the overwhelming data and evidence that the Chapter 14 standards did not meet the needs of Pennsylvanians. In fact, these reforms are contrary to the Commission's own prior recommendations for needed reform.[6]

In the fall of 2026, when Pennsylvanians are facing significant and pervasive utility affordability crises, the Commission should not seek to enshrine limitations on its own authority over utility billing and collections standards. Through these comments, the Low Income Advocates call on the Commission to retain appropriate flexibility within Chapter 56 to ensure that it is protecting the interests of consumers from the actions of utilities. Specifically, we address the Commission's proposals to resurrect provisions of the defunct former Chapter 14 into the

[5] Statement of Vice Chair Kimberly Barrow, Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Public Meeting (Feb. 19, 2026).

[6] See Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee (Oct. 3, 2023); see also Prepared Testimony of Stephen M. DeFrank, Charman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee (Jan. 17, 2024).

regulations at Chapter 56 despite the fact that the General Assembly determined that the provisions should lapse. We also address those questions raised by Vice Chair Barrow in her statement.[7] As explained herein, the Low Income Advocates submit that the Commission's NOPR falls woefully short of achieving an appropriate balance between the interests of consumers and utilities. To the contrary, the NOPR seeks to further embed failed billing, collection, and termination standards that have driven up involuntary termination rates, especially for low income consumers. By allowing Chapter 14 to sunset after 20 years, the General Assembly made the correct choice, recognizing the draconian provisions contained therein were a failure. The Commission should not double-down on failed policy by enshrining Chapter 14 in regulation.

The context of these regulations could not be more clear: Access to safe, reliable, and affordable utility service is essential to economic and personal wellbeing. As such, the Low Income Advocates urge adoption of effective, evidence-based billing, collections, and termination standards that prevent accrual of unmanageable debt and help ensure all Pennsylvanians, regardless of income, can connect and maintain services to their homes.

The Commission has an opportunity to act boldly and reform the way billing and collection standards are handled by monopoly providers of essential services. The current environment calls for clear leadership that strikes the proper balance, not mere maintenance of the status quo that has resulted in record numbers of utility termination and consumer debt. This means prioritizing terms and conditions that support a consumer's ability to make regular payments, improving bill payment and coverage rates, and reducing high write-off rates that stem from high rates of termination. Below, the Low Income Advocates offer comprehensive recommendations to improve the regulations contained in Chapter 56 governing utility collections and terminations practices to

[7] Statement of Vice Chair Kimberly Barrow, Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Public Meeting (Feb. 19, 2026).

better address utility unaffordability, implement prevention-based policies, and promote regular payment.

II. BACKGROUND

When Pennsylvanians move into a home, their electric, gas, water and wastewater distribution service providers are already determined. That unavoidable dependence is the foundation of the regulatory compact: utilities receive the extraordinary benefit of exclusive service territories, and in return they accept a heightened public service obligation to provide safe, reliable, and universally accessible service. As an economic regulator, the Commission's core function is to restrain the tendency of these "natural" monopolies to present unreasonable obstacles to connecting and maintaining connection to utility service.[8] This includes not only the regulation of rates but also the attendant terms and conditions of service. Enshrining these key elements of the regulatory compact into law, the Public Utility Code mandates that the PUC ensure jurisdictional utilities provide adequate, efficient, safe, and reasonable service to consumers at just and reasonable rates.[9] It is also explicit that the Commission's oversight of public utilities must account for the unique vulnerabilities of all Pennsylvanians – including low income households and other vulnerable customer groups – to ensure service is universally accessible.[10]

In this Background section, the Low Income Advocates review the history of Chapter 56, the unacceptable rise in energy and water insecurity across the state that has led to record

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[8] *Use of Fully Projected Future Test Year 52 Pa. Code Chapter 53*, Final Form Order, Docket No. L-2012-2317273, at 4 (order entered Jan. 8, 2025), https://www.puc.pa.gov/pcdocs/1874340.pdf

[9] 66 Pa. C.S. §§ 1301, 1501.

[10] 66 Pa. C.S. §§ 2202 & 2803 (defining *universal service and energy conservation* to include the policies that assist low income customers to maintain service to their home); 2203(8); 2802(8)-(9) (finding that service "is essential to the health and wellbeing of residents, to public safety and to orderly economic development, and electric service should be available to customers on reasonable terms and conditions" and that "[t]he Commonwealth must, at a minimum, continue the protections, policies and services that now assist customers who are low-income to afford electric service."); 2803; 2804 (requiring that universal service and energy conservation policies, activities, and services are appropriately funded and accessible in each service territory).

terminations of service and the accrual of debt, and the devastating impact Chapter 14 restrictions have had on residential billing, collections, and terminations over the two decades that the former law was in place. Faced with extensive evidence that more than a million low and moderate income households are unable to access and maintain safe and affordable services under the now-defunct Chapter 14 standards, the Public Utility Code requires the Commission to act to ensure that low income households and other vulnerable groups are not foreclosed from access to service based only on ability to pay.

Given the decision of the General Assembly to allow Chapter 14 to expire, it is crucial for the Commission to honor this policy decision and ensure that its amendments to the regulations at Chapter 56 do not replicate the failures of Chapter 14, but instead are tailored to create fairer, more just access to continued utility service than was provided over the last 20 years. The Commission's role in crafting changes must seek to protect the health and welfare of Pennsylvania's utility consumers, and it is imperative that the Commission critically examine the harmful legacy of Chapter 14 and implement urgently needed reforms to Chapter 56.

A. History of Chapter 56

As detailed in the Commission's NOPR, the genesis of Chapter 56 began in January 1976. At that time, the Commission promulgated initial interim regulations regarding utility termination procedures after multiple instances of termination resulting in severe health consequences, including an elderly woman who froze to death after service was terminated to her home.[11] Under

[11] NOPR at 2; See Philadelphia Bulletin, January 22 and January 26, 1976; See also Harrisburg Patriot-News January 24, 1976 articles regarding the death of Sophia Easer of Munhall Pennsylvania. See also Western Union telegram dated January 23, 1976 from U.S. Senator Hugh Scott (PA) to Lewis J. Carter, Chairman, Pa. PUC stating: URGE IMMEDIATE ACTION TO PREVENT UTILITIES FROM CUTTING OFF SERVICE UNTIL THEY MAKE PERSONAL CONTACT WITH DELINQUENT CUSTOMERS.

these interim regulations, jurisdictional utilities could not terminate service to a customer without first obtaining written approval from the Commission after complying with notice procedures to inform the occupants of the service address of the intended termination.[12] The Commission relied on its authority under the Public Utility Law, the predecessor to the current Public Utility Code, to implement these regulations of utility termination procedures.[13]

The General Assembly later passed Act 215, which prohibited a public utility from terminating service to a customer for nonpayment without first making personal contact at least three days prior to termination.[14] The Commission then rescinded its interim termination procedure regulations and promulgated new regulations comporting with the requirements outlined in Act 215.[15] These regulations took effect in October 1976.

The Commission then undertook a comprehensive rulemaking process to update and expand Chapter 56.[16] Following comments and hearings on the proposed regulations, the Commission entered a final rulemaking order in April 1978.[17] At that time, the Commission adopted the following Statement of purpose and policy at 52 Pa. Code 56.1:

> This chapter establishes and enforces uniform, fair and equitable residential utility service standards governing eligibility criteria, credit and deposit practices, and account billing, termination and customer complaint procedures. This chapter

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AS REPORTED TODAY IN PHILADELPHIA PRESS, MISS SOPHIA EASER OF MUNHALL PA, WHO WAS IN HER EIGHTIES, FROZE TO DEATH AFTER HER HEAT WAS SHUT OFF BECAUSE OF AN UNPAID BILL.

THIS INCIDENT RAISES SERIOUS QUESTIONS ABOUT THE RESPONSIBILITY UTILITY COMPANIES HAVE WHEN THEY DISCONTINUE SERVICE DURING THE WINTER, PARTICULARLY WHEN THEY TAKE SUCCH [sic] ACTION AGAINST THE POOR OR ELDERLY.

GOVERNMENT—AT ALL LEVELS—MUST RECOGNIZE THAT THE WELL BEING OF THE INDIVIDUAL MUST COME FIRST—AND ACT ACCORDINGLY.

[12] NOPR at 3; 6 Pa.B. 162 (January 31, 1976).

[13] NOPR at 3.

[14] NOPR at 3-4; Act 215 of 1976, S.B. 1216, P.N. 2146, Regular Sess. (Pa. 1975).

[15] NOPR at 4.

[16] Pa. PUC, Consumer Standards and Billing Practices for Residential Service, Order, 76 P.R.M.D. 10 (order entered April 21, 1978).

[17] Id.

assures adequate provision of residential utility service, to restrict unreasonable termination of or refusal to provide that service and to provide functional alternatives to termination or refusal to provide that service. Every privilege conferred or duty required by this chapter imposes an obligation of good faith, honesty and fair dealing in its performance and enforcement. This chapter will be liberally construed to fulfill its purpose and policy and to insure justice for all concerned.[18]

In 2004, the legislature enacted Act 201, which created Chapter 14 of the Public Utility Code.[19] This legislation was introduced primarily to address the significant financial difficulties of the Philadelphia Gas Works, which had come under the jurisdiction of the Public Utility Commission a few years prior, but was expanded during the legislative process to apply to all gas, electric and water utilities.[20]

The initial Chapter 14 legislation imposed several reporting requirements and a 10-year sunset, ensuring rigorous review prior to reauthorization.[21] In 2014, after substantial debate and amendment, the legislature reauthorized the statute – again adopting a subsequent 10-year sunset.[22] Following the passage of Chapter 14, and its reauthorization in 2014, the Commission amended its Chapter 56 regulations to conform to the rules set forth in Chapter 14.[23] The most recent amendments to Chapter 56, implemented in 2019, remain in place.

Leading up to the sunset of Chapter 14 on December 31, 2024, the General Assembly introduced two bills to reauthorize Chapter 14 – one in the House and one in the Senate. After

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[18] Pa. PUC, Consumer Standards and Billing Practices for Residential Service, Annex A, 76 P.R.M.D. 10 (order entered April 21, 1978).
[19] 66 Pa. C.S. § 1401 *et seq.* (sunset Dec. 31, 2024).
[20] It is true that PGW's financial condition before Chapter 14 was bleak, but it is incorrect to attribute PGW's improvement to Chapter 14. In fact, the data suggests PGW's financial condition was improving before Chapter 14 was implemented. According to a January 2006 report, "PGW's collections experience was improving before the enactment of Act 201." Rhodes, Jr., Joseph, Final Report – Inquiry into the Implementation and Correctness of Act 201, January 27, 2006, at 16. It was the Commission's rigorous oversight of PGW that began to improve its collections independent of Chapter 14.
[21] Act of Nov. 30, 2004, P.L. 1578, No. 201.
[22] Act of Oct. 22, 2014, P.L. 2545, No. 155.
[23] NOPR at 7.

extensive debate and hearings on the matter in both chambers, the legislature made the decision to allow Chapter 14 to sunset.

The Commission now proposes this NOPR to codify the provisions of the now expired Chapter 14, despite the legislature's clear decision that the law should not be reauthorized.

B. Contextualizing Utility Insecurity in Pennsylvania

To fully understand the impact of utility collections policies, it is imperative to understand utility insecurity – and the resulting ripple effects it has on Pennsylvania's consumers, families, and communities. Utility insecurity is pervasive across our Commonwealth and has increased in breadth and severity in recent years as energy and water prices have continually outpaced inflation.[24]

There are over 1.2 million Pennsylvania utility customers estimated to have income at or below 150% of the federal poverty level (FPL), the income threshold used by the Commission to define the term: "*low income customer*."[25] At this income level, a family of 4 must have income at or below $49,500. There are hundreds of thousands more families across the Commonwealth that have income exceeding the Commission's 150% FPL standard but are nevertheless unable to afford basic needs.[26] This group of consumers – often referred to as "ALICE" households ("asset limited, income constrained, employed") – are over-income for most public assistance programs, yet have insufficient income to allow them to reasonably afford the bare essentials and are most often just one crisis away from economic disaster. In Pennsylvania, the "ALICE household

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[24] Ryan Hledik et al. for Brattle, Recent Electricity Price Trends and Drivers in Pennsylvania at 6 (Jul. 2026) https://www.ssii.org/wp-content/uploads/2026/07/PA-Electricity-Cost-Drivers-Final-Report.pdf; Sarah Kaplan, Water costs are rising faster than inflation — and sending bills soaring, Washington Post (May 13, 2026).
[25] Pennsylvania Public Utility Commission, 2024 Report on Universal Service Programs & Collections Performance, at 7 (Jan. 2026) https://www.puc.pa.gov/filing-resources/reports/universal-service-programs-and-collections-performance-reports/; 52 Pa. Code § 54.72.
[26] United Way Pa., The State of ALICE in Pennsylvania: 2026 Update on Financial Hardship (2026), https://www.unitedforalice.org/introducing-ALICE/pennsylvania.

survival budget" for a family of four – defined as "the minimum cost to live and work in today's economy" – is $82,740, *which falls between 250-300% FPL.*[27] In crafting its regulations, the Commission must be concerned about the full range and scope of economically vulnerable Pennsylvania households – both those who are income eligible for assistance programs and those who are not.

Experts in utility affordability often refer to a household's "utility burden," the percent of gross household income spent on home utility (energy and water/wastewater) costs, to determine whether service is reasonably affordable for all consumers. On the energy side, there is general agreement across the field that, to be affordable, a combined energy burden should not exceed 6%.[28] On average, residential energy consumers in Pennsylvania (inclusive of all income levels) typically face a combined average energy burden of between 3-4%, while low income residential consumers in Pennsylvania face much higher combined energy burdens, regularly exceeding 30% or more of their household income.[29]

Families facing such high energy burdens must make difficult choices between whether to heat their home or feed their family – this is well known as the "heat or eat" dilemma. According to the federal Energy Information Administration's Residential Energy Consumption Survey, nearly 25% of households nationwide report forgoing other life-sustaining necessities to pay for energy costs.[30] When broken down by income, the disparities are clear: Low and moderate income families face disproportionate levels of utility insecurity, regularly forgoing food, medicine, and

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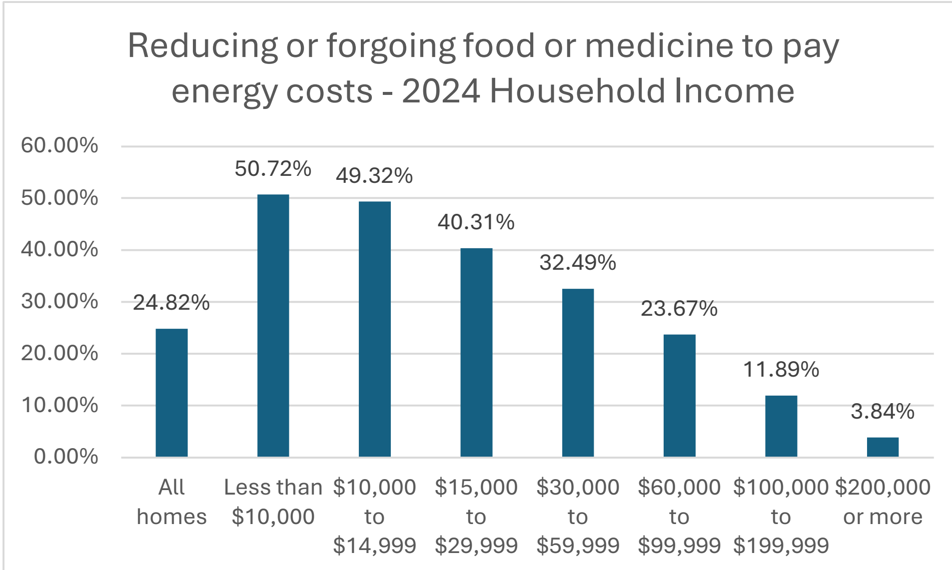
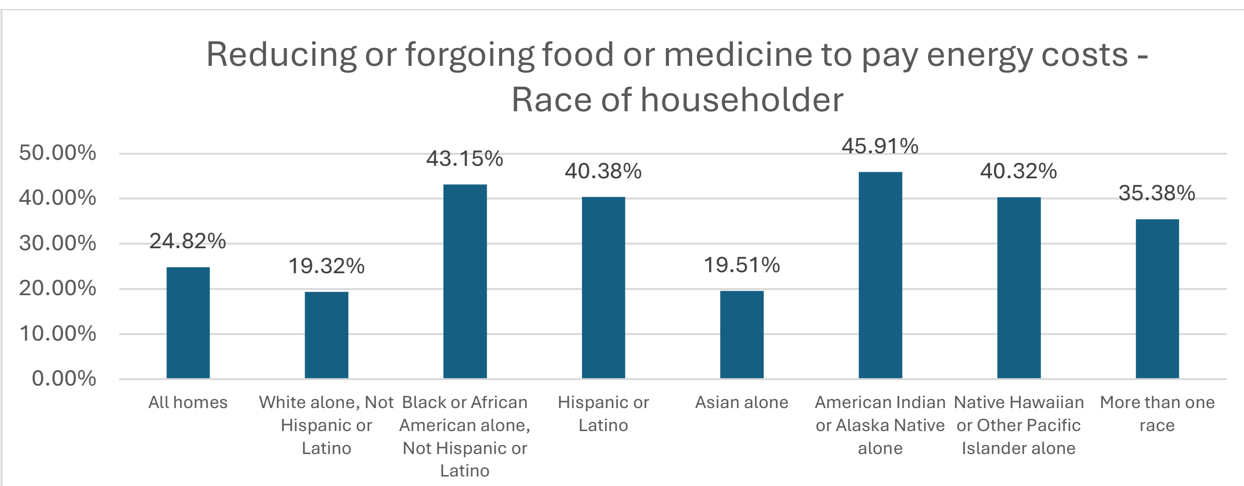
[27] Id. at 4.
[28] Fisher, Sheehan, & Colton, The Home Energy Affordability Gap: 2022 (April 2023), http://www.homeenergyaffordabilitygap.com/03a_affordabilityData.html.
[29] Id.; see also Pa. PUC, Home Energy Affordability for Low-Income Customers in Pennsylvania (Jan. 2019), https://www.puc.pa.gov/pcdocs/1602386.pdf.
[30] U.S. Department of Energy, Energy Information Administration, 2024 Residential Energy Consumption Survey (released 2026), https://www.eia.gov/consumption/residential/data/2024/.

other basic necessities to afford energy services to their home.[31]



Nearly a quarter of all households with income as high as $100,000 per year have had to make stark choices about which bills they can pay and which they have to forgo in order to pay for their home energy bills. The picture is all the more bleak for households with income less than that. There are also clear race-based disparities in utility insecurity that cannot be ignored.[32]



Utility insecurity is not solely the consequence of inadequate income. It is also driven by

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[31] Id.

[32] Id.

disparities in housing quality and access to home energy and water efficiency upgrades that can help reduce high usage. Excessive charges in the residential competitive market are also driving disparities in energy burden for low income families across the Commonwealth – in turn increasing uncollectible expenses recovered from other ratepayers.[33]

Independent of the percentage of income that households are asked to pay for utility service, a critical marker of whether utility bills are unaffordable rests in the number of utility terminations and the rate of termination. **In 2025, over 414,000 Pennsylvania households had their PUC-regulated electric, gas or water shut off because they couldn't pay their bills.[34] This is the highest number of terminations ever recorded.** As discussed further in the next section, termination rates for low income customers spiked following implementation of Chapter 14 and have never returned to prior levels. There were approximately 225% more utility terminations in 2025 (414,669) as compared to 2004 (186,695), the year that Chapter 14 became law.

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[33] While not addressed in the context of this rulemaking, it is important to acknowledge the serious and severe negative impact of excessive supplier pricing on uncollectible expenses – especially for low income customers. Since 2015, residential shopping customers have been charged – on net – more than $2.6 billion in excess of the applicable default service price, exacerbating collections costs and uncollectible expenses. In FirstEnergy PA's most recent Default Service Plan proceeding, which is pending a final decision before the Commission, data revealed that uncollectible expenses associated with shopping accounts were more than two times higher than uncollectible expenses for default service customers across FE PA's four rate districts – ranging between $23-38 per customer in uncollectible expenses associated with shopping charges, compared to $8-15 for uncollectible expenses related to default service charges. Petition of FirstEnergy Pennsylvania Electric Co. for Approval of Its Default Service Program for the Period Commencing June 1, 2027 through May 31, 2031, CAUSE-PA St. 1-R at 17-18 & Exhibit 1-R, Docket No. P-2026-3060298 (April 29, 2026).

This shopping data is compiled from extensive data obtained in each of the electric utilities' default service plan proceedings. See Petition of PECO Energy Co. for Approval of a Default Service Program for the Period of June 1, 2021 through May 31, 2025, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2025-3019290 (June 16, 2020); Petition of PECO Energy Co. for Approval of Its Default Service Program for the Period from June 1, 2025 through May 31, 2029, TURN/CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3046008 (April 25, 2024); Petition of PPL Electric Utilities Corp. for Approval of a Default Service Program for the Period of June 1, 2025 through May 31, 2029, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3047290 (June 3, 2024); Petition of Duquesne Light Co. for Approval of a Default Service Plan for the Period of June 1, 2025 through May 31, 2029, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2024-3048592 (July 12, 2024); Petition of FirstEnergy Pennsylvania Electric Co. for Approval of Its Default Service Program for the Period Commencing June 1, 2027 through May 31, 2031, CAUSE-PA St. 1, Exhibit 1, Docket No. P-2026-3060298 (April 29, 2026).

[34] Pa. PUC, Terminations and Reconnections: Year-to-Date November 2024 vs. Year-to-Date November 2025, https://www.puc.pa.gov/media/3758/terminations-reconnectionsytd-nov2024vs25.pdf.

Like energy, water and wastewater costs are also rising across the Commonwealth at an alarming rate. While some increased costs are driven in part by the cost of infrastructure investments to remove lead and forever chemicals from our water systems, acquisition costs in the sale of public water and wastewater systems have resulted in steep increases to water and wastewater rates.[35] While water and wastewater bills were a relatively small portion of household expenses when Chapter 14 was last reauthorized in 2014, many low income families in Pennsylvania now face monthly water and wastewater bills representing a substantial proportion of household income – regularly exceeding 10% or more of household income.[36] Even a small leak – such as a running toilet – can cause a family's water and wastewater costs to skyrocket, further burdening already overwhelmed families.

Although there is no formal standard for water and wastewater affordability in Pennsylvania, the current consensus among many experts is that the combined cost for water and wastewater service should not exceed 2.5-4% of household income.[37] Pennsylvania's water utilities lack consistent standards of what burden level is considered affordable and have often fallen back on federal system-wide standards utilized by the Environmental Protection Agency that examine affordability from the standpoint of an entire community – not individual low income

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[35] Section 1329 acquisitions of water and wastewater systems have already raised rates by at least $100 million each year over the past 10 years, and are projected to increase rates even further based on additional pending or recently completed acquisitions that are not yet reflected in rates. Joint Application of American Water Works Company, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Co. LLC, and Alpha Merger Sub Inc. for a Certificate of Public Convenience under Sections 1102(a)(3) and 2210(c) of the Public Utility Code and All Other Necessary Approvals to Effect a Change of Control of Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., and Peoples Natural Gas Company, LLC, Docket Nos. A-2025-3058927, 3058928, and 3058929, Direct Testimony of CAUSE-PA (filed May 21, 2026, admitted Aug. 8, 2026), https://www.puc.pa.gov/pcdocs/1946475.pdf (at page 546 of PDF).

[36] Id. at Appendix D, Exhibits 1 & 2 (at page 870 of PDF).

[37] See, e.g., US Water Alliance, The Invisible Crisis: Water Affordability in the United States, at 33 (May 2016), https://www.uusc.org/sites/default/files/the_invisible_crisis_web.pdf; NAACP Legal Defense and Educational Fund, Inc., Water/Color: A Study of Race & The Water Affordability Crisis in America's Cities (2019), https://www.naacpldf.org/wp-content/uploads/Water_Report_FULL_5_31_19_FINAL_OPT.pdf; Roger Colton, The Affordability of Water and Wastewater Service in Twelve US Cities, The Guardian (May 2020), https://www.theguardian.com/environment/2020/jun/23/full-report-read-in-depth-water-poverty-investigation.

families.[38] The absence of distinct water and wastewater affordability standards has made it difficult to systematically address water insecurity felt by Pennsylvania's consumers as rates for water and wastewater services continue to rise.

The consequences of utility insecurity are vast and have reverberating impacts on individuals and communities. When a consumer falls behind on their utility bills, they often must take time away from work to negotiate with the utility and/or apply for assistance. This is no small task. Even in 2026, applying for assistance requires access to stable internet service, hours of time on hold with multiple agencies and/or customer service, in-person visits to a social service agency, or in some cases access to a fax machine. For hourly workers, time to handle personal matters during business hours is often severely limited and can result in disciplinary action. Low-wage workers often face additional working constraints compared to higher-wage workers. For example, low-wage workers often do not have access to leave time or flexible working schedules – further limiting their ability to navigate the stringent requirements of Chapter 14 to stay connected to services.

Unresolved utility debt can also serve as an immediate catalyst for eviction and/or the loss of public housing assistance and may disqualify a family from future public or private housing rental options – driving short and long-term housing insecurity and homelessness.[39] When unresolved utility debt reaches the point of involuntary service termination, the loss of electricity, heat, and running water can have severe short- and long-term impacts on the health, safety, and financial stability of families and individuals – especially for uniquely vulnerable populations,

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[38] See Pa. PUC v. Aqua, CAUSE-PA St. 1 at 39-40, Docket Nos. R-2021-3027385, 3027386 (CAUSE-PA St. 1 dated Nov. 10, 2021) (providing an in-depth examination of water and wastewater affordability standards).
[39] See Joint State Government Commission, General Assembly of the Commonwealth of Pennsylvania, Homelessness in Pennsylvania: Causes, Impacts, and Solutions: A Task Force and Advisory Committee Report (2016), http://jsg.legis.state.pa.us/resources/documents/ftp/documents/HR550%201%20page%20summary%204-6-2016.pdf.

including seniors, individuals with a disability, and young children. The loss of refrigeration, exposure to extreme temperatures, and the inability to prepare food, bathe, or sanitize surfaces can all serve to expose household members to serious health consequences, complicating preexisting conditions and increasing the risk of hospitalization.[40] The risk of fire also increases dramatically, as the use of unsafe alternative heating sources is a leading cause of fatal home fires.[41] Involuntary service termination can also trigger other state intervention by the local health department, code enforcement, children and youth services and/or area agencies on aging. These stark consequences of utility insecurity come at a great cost to families – as well as the local, state, and federal agencies, schools, health providers, and nonprofits that must devote increased resources to stabilize families and communities.

Universal service programs play a critical role in alleviating utility insecurity and offer an alternative path to traditional collections for low income consumers that cannot reasonably afford service. However, existing programs are severely undersubscribed and can be difficult to access in time to prevent the loss of service. There are also currently no statutory requirements that PUC-regulated water and wastewater utilities develop and maintain universal service programs, nor are there any specific regulatory standards governing oversight of water and wastewater programs. While a few large water utilities have developed rate assistance programs through the course of individual utility rate proceedings to address broad unaffordability, the programs are in their infancy and lack comprehensiveness necessary to address the multifaceted issues that arise in addressing water insecurity.

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[40] Nat'l Consumer Law Ctr, Protecting Seriously Ill Consumers from Utility Disconnections (Feb. 2021), https://www.nclc.org/wp-content/uploads/2022/09/Serious_Illness_Rpt.pdf; Antonio Gasparrini, et al., Mortality Risk Attributable to High and Low Ambient Temperature: A Multicountry Observational Study, 386 Lancet 369-375 (July 25, 2015); Diana Hernández, Understanding 'energy insecurity' and why it matters to health. Soc Sci Med. at 167: 1-10 (Oct. 2016), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5114037/.
[41] U.S. Fire Admin., Heating Fire Safety, https://www.usfa.fema.gov/prevention/home-fires/prevent-fires/heating/

In the coming years, utility costs will continue to rise across the state as we work to repair aging infrastructure, cope with increasingly severe storms and temperatures that threaten grid stability, remove forever chemicals and lead from our drinking water, and navigate the rapid transformation of our energy and water systems, including the build-out of hyperscale data centers. In grappling with these acute challenges, the Commission must enact billing, collections, and termination policies that ensure universal access to service, regardless of individual wealth, prioritizing the prevention of arrears rather than punishing those incapable of affording rising utility burdens.

As discussed below in these Comments, there are a multitude of ways that the Commission can reform its regulations at Chapter 56 to address utility insecurity and ensure the ability of all Pennsylvanians to reasonably afford to connect and maintain services to their homes.

C. Chapter 14 Standards Increase Terminations Without Reducing Collections Costs

Chapter 14 compounded misery and did not improve outcomes. Despite being sold as policy that was meant to ensure that households who could pay did pay, the collections tools in former Chapter 14 ensnared Pennsylvanians experiencing utility insecurity – resulting in the disproportionate loss of utility service for those who are categorically *unable* to pay, contrary to the explicit goals of the Act. At the same time, while the impetus of Chapter 14 was to rein in uncollectible expenses borne by other ratepayers, there has not been a proportional decrease in uncollectible expenses since Chapter 14 took effect in 2004.

In 2024, confirmed low income customers accounted for roughly 12% of residential electric customers and 16% of residential gas customers, yet this same customer group accounted for the majority (54%) of payment troubled electric customers and over two-thirds (70%) of payment troubled gas customers.[42] Confirmed low income customers also carried the lion's share of utility debt – shouldering 53% of residential electric debts and 41% of residential gas debts:

Residential and Low Income Customer Debt, 2024[43]

	Residential $ In Debt	Confirmed Low Income $ In Debt	% of Debt Carried by Confirmed Low Income Customers
Electric	$341,953,498	$180,401,762	53%
Gas	$140,261,717	$57,341,092	41%
Water/WW	Unknown*	Unknown*	Unknown*

The disproportionately high debt levels carried by confirmed low income customers are not an indication that low income customers do not want to pay – it is an indication that they are unable to pay. As discussed above, low income families often face extreme energy and water burdens, leaving very little left to pay for all of life's basic needs.[44] The consequences of loss of utility services are severe and potentially long lasting. Termination of service to a home can jeopardize a parent's custody of their children and is often cited as a cause of evictions from private and public housing, leading to increased rates of housing insecurity and homelessness.[45] Utility consumers who can afford to pay will continue to do so to prevent these harsh consequences.

Following implementation of Chapter 14, the delta between residential and low income termination rates as a result of higher debts increased exponentially.[46]

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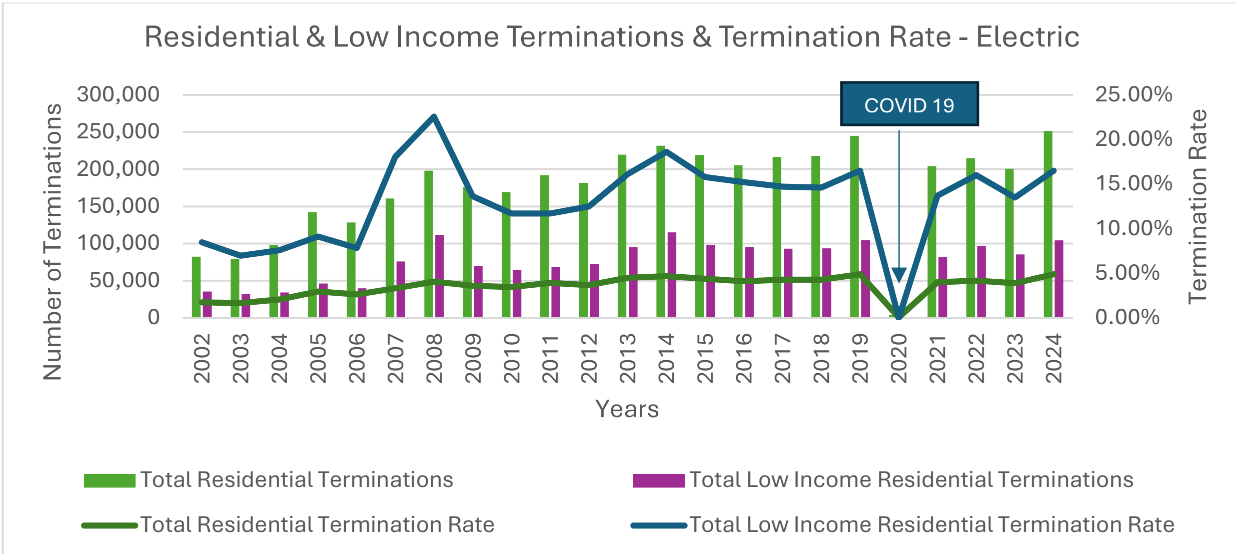
[42] Pennsylvania Public Utility Commission, 2024 Report on Universal Service Programs & Collections Performance, at 6, 8 (Jan. 2026) https://www.puc.pa.gov/filing-resources/reports/universal-service-programs-and-collections-performance-reports/.

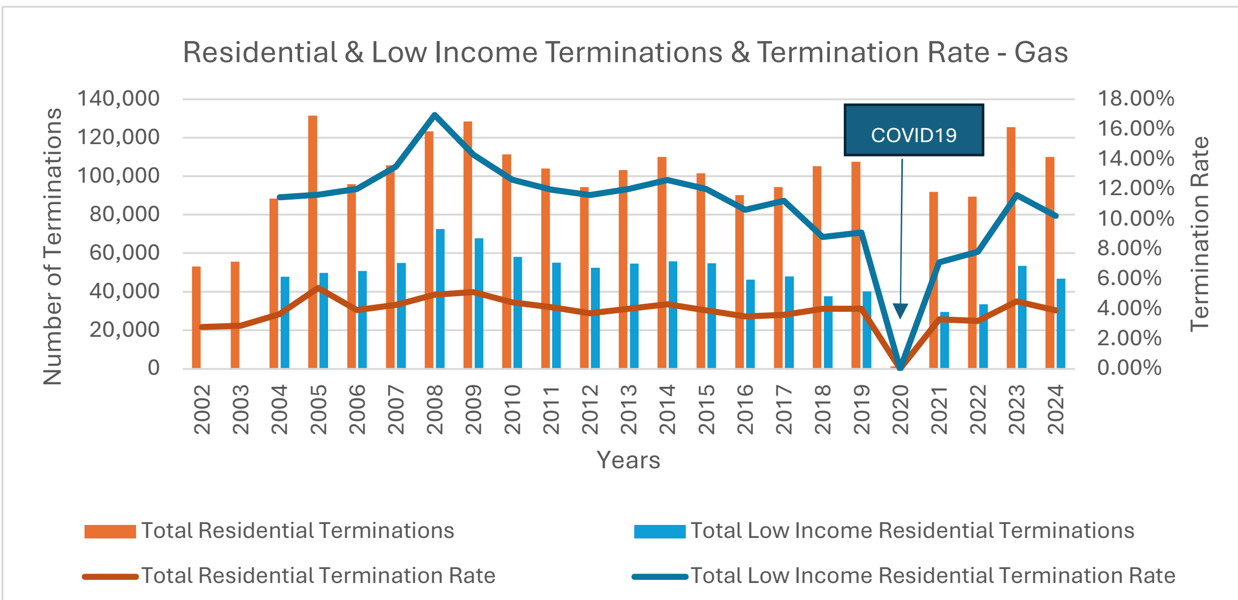
[43] Pennsylvania Public Utility Commission, 2024 Report on Universal Service Programs & Collections Performance, at 6, 8 (Jan. 2026) https://www.puc.pa.gov/filing-resources/reports/universal-service-programs-and-collections-performance-reports/. *Water and wastewater utilities are not currently required to publicly report this information.

[44] See supra Section II.B.

[45] Id.

[46] Compiled from data in the 2001-2024 Universal Service Reports, https://www.puc.pa.gov/filing-resources/reports/universal-service-programs-and-collections-performance-reports/. Note that electric data was first available in 2001, whereas gas data was not available until 2002. Termination data was excluded from the chart for 2020, as terminations were largely prohibited as a result of the pandemic-related moratorium on utility terminations.





Notably, there was a significant increase in electric and gas termination rates in 2008, during the Great Recession, and again in 2014 following the Polar Vortex, when competitive market prices spiked dramatically as a result of extreme temperatures and high demand. However, residential consumers as a whole did not experience the same dramatic increase in termination rates through these volatile economic periods, evidencing a direct correlation between the *inability* to pay and the loss of service under Chapter 14 collection standards.

In 2021, despite record levels of utility debt incurred because of the pandemic and the economic pressures that followed, low income termination rates declined for both gas and electric utilities. This decline was attributable to the fact that many regulated Pennsylvania utilities had not yet fully resumed termination activities following the pandemic-related moratorium on utility terminations – coupled with the extraordinary levels of emergency utility assistance funding administered through the Low Income Home Energy Assistance Program (LIHEAP), the Emergency Rental Assistance Program, and the Low Income Household Water Assistance Program (LIHWAP), which helped families to catch up with rising utility debt. Unfortunately, with the expiration of these extraordinary energy and water assistance funds, involuntary termination rates have returned to pre-pandemic levels.

On the gas side, the delta in termination rates between low income and residential customers declined through the 2010s, corresponding with the decline in gas prices due to increased gas production in Pennsylvania. That trend reversed course, however, and the delta in termination rates between low income and residential customers is again widening through the 2020s following the rapid development of liquified natural gas exports in the United States and the corresponding increase in natural gas commodity costs and price volatility.[47] The practical impact of increasing gas exports on Pennsylvania families is undeniable. Following the spike in gas rates from 2022-2023, involuntary gas terminations increased 40% year over year – resulting in a staggering number of Pennsylvania families without basic gas service.[48] In the year that

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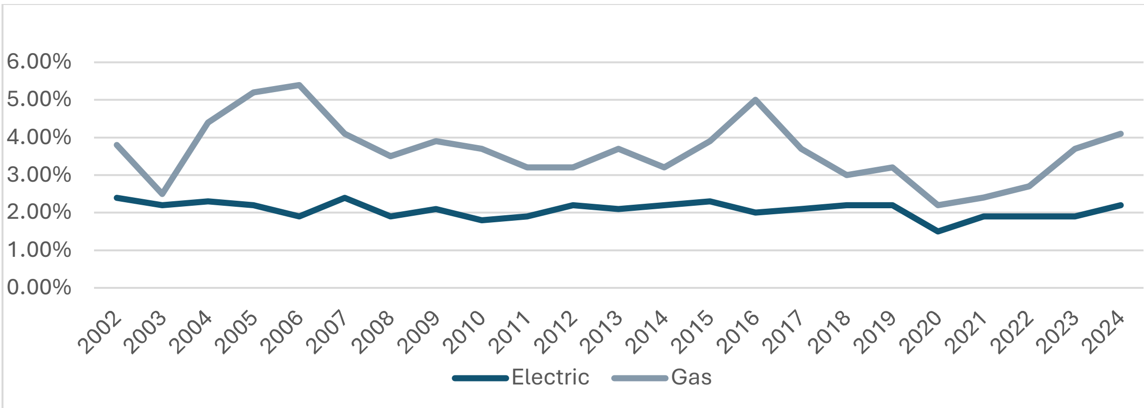
[47] See Chris Martinez, LNG Exports Raise Natural Gas Prices for Americans, Center for American Progress (Nov. 6, 2023) https://www.americanprogress.org/article/lng-exports-raise-natural-gas-prices-for-americans/ (explaining that LNG exports tie natural gas commodity costs to global markets subject to global price fluctuations).

[48] Pennsylvania Public Utility Commission, Terminations and Reconnections: Year-to-Date December 2022 vs. Year-to-Date December 2023 As Reported by Utilities Pursuant to Monthly Reporting Requirements at 52. Pa. Code 56.231 (Jan. 2024), https://www.puc.pa.gov/media/2735/terminations-reconnectionsytd-dec2022vs23.pdf.

followed, as high gas prices found their way into electric generation rates, involuntary termination rates for electricity customers followed suit – increasing 25% year over year from 2023 to 2024.[49]

While involuntary termination rates continue to climb, there has not been a corresponding decline in uncollectible expenses since Chapter 14 was first enacted in 2004.

Gross Write-Off Ratio, Residential Electric and Gas Utilities[50]



As the above chart shows, the gross write-off ratio remained relatively stagnant for electric utilities, while the write-off ratio was higher for gas utilities in most years following enactment of Chapter 14. As with recent termination data, extraordinary levels of federal relief received in 2020 and 2021 helped suppress the write-off ratio – though the ratio nevertheless remained largely consistent with pre-Chapter 14 levels. Given the precipitous increase in both energy and water rates over the last 18 months, the Low Income Advocates anticipate the residential write-off ratios for gas and electric will continue to increase.

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[49] Pennsylvania Public Utility Commission, Terminations and Reconnections: Year-to-Date December 2023 vs. Year-to-Date December 2024 As Reported by Utilities Pursuant to Monthly Reporting Requirements at 52. Pa. Code 56.231 (Jan. 2025), https://www.puc.pa.gov/media/3309/terminations-reconnectionsytd-dec2023vs24-v2.pdf.
[50]Compiled from data in the 2001-2024 Universal Service Reports, https://www.puc.pa.gov/filing-resources/reports/universal-service-programs-and-collections-performance-reports/. The "Gross Write-Off Ratio" is calculated by dividing the annual total gross dollars written off for residential accounts by the annual total dollars of residential billings. According to the PUC, "The measure offers an equitable basis for comparison of gross residential dollars written off to the annual total dollars of residential billings." 2024 Universal Service Report at 34.

The clear takeaway is that Chapter 14 did not provide the right tools for the hard job of alleviating utility insecurity, and in many ways served to compound collections costs and write-offs that are ultimately borne by other ratepayers. As a practical matter, in the days before or immediately following a utility termination, many households end up in bankruptcy proceedings, while others go for extended stretches of time without service or relocate out of the service territory. Regardless of the path, the end result is the same, and nobody wins. The household is without service, the utility is without a customer, and the debt is written off and recovered through rates from other residential ratepayers. Rather than perpetuating the punitive, ineffective collections tools of the defunct Chapter 14, the Commission should adopt common-sense reforms that are rooted in prevention to ensure that all Pennsylvanians, regardless of wealth, can maintain service to their home.

D. Chapter 56 Reforms Must Be Supported by Substantial Evidence and Conform to the Public Utility Code

The Low Income Advocates concur in the PUC's conclusion that the Public Utility Code provides the Commission with authority to regulate utility termination, collection, and billing practices, even in the absence of the former Chapter 14.[51] That said, the Commission should not promulgate regulations that mirror provisions of a former law that the General Assembly allowed to expire consistent with the plain language of the statute. The Commission must support the justness and reasonableness of its proposed regulations with independent analysis and data and must ensure its proposed regulations do not conflict with other provisions of the Public Utility Code.[52]

[51] NOPR at 10.
[52] See NOPR at 9.

As discussed above, after utility termination practices resulted in the loss of life, the Commission originally promulgated Chapter 56 regulations in 1978 – decades before Chapter 14 – supported by the Commission's existing authority under the Public Utility Law.[53] In particular, the Commission's authority to regulate utility termination, collections, and billing practices derives from its general rulemaking authority under Chapter 5,[54] its authority under Chapter 13 to set just and reasonable rates[55] (inclusive of "any rules, regulations, practices, classifications or contracts affecting" charges for utility service),[56] and its authority to regulate the standards of utility service and the provision of service to residential tenants under Chapter 15.[57] The Commission also finds authority to regulate utility billing, collections, and termination standards in Chapters 22 and 28, which each contain explicit obligations on the Commission to ensure Pennsylvanians can universally access safe and affordable service to their home.[58] In short, there is no question that, following sunset of Chapter 14, the Commission has both the authority and the explicit obligation to regulate utility billing, collections, and terminations.

Although the Commission's authority to create regulations regarding these aspects of utility service is unquestionably broad, the Commission must exercise this authority in furtherance of the legislative intent of the General Assembly.[59] The PUC's regulations will undergo review by the Pennsylvania Independent Regulatory Review Commission, which will, "first and foremost, determine whether the agency has the statutory authority to promulgate the regulation and whether the regulation *conforms to the intention of the General Assembly in the enactment of the statute*

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[53] NOPR at 5, citing 8 Pa.B. 1655 (June 17, 1978) (The former Public Utility Law was replaced by the current Public Utility Code in 1978).
[54] 66 Pa. C.S. § 501 et seq.
[55] 66 Pa. C.S. § 1301 et seq.
[56] 66 Pa. C.S. § 102.
[57] 66 Pa. C.S. § 1501 et seq.
[58] 66 Pa. C.S. §§ 2201 et seq., 2801 et seq.
[59] 66 Pa. C.S. § 501.

upon which the regulation is based."[60] The sunset clause in former Chapter 14 contains an affirmative expression of the General Assembly's intent for the provisions of Chapter 14 to expire, but through this NOPR, the Commission proposes "to incorporate the provisions of the former Chapter 14 of the Code, as it was in effect prior to its sunset."[61] This action expressly subverts the legislative intent of Chapter 14.

The General Assembly enacted Chapter 14 in 2004 with a sunset clause providing that "Ch. 14 shall expire on December 31, 2014, unless sooner reenacted by the General Assembly."[62] When the General Assembly re-enacted Chapter 14 in 2014, it preserved the sunset clause but eliminated reference to reenactment, stating succinctly that "This chapter shall expire December 31, 2024".[63] In 2024, the General Assembly debated the issue extensively, but ultimately chose to allow the law to expire by its own terms on December 31, 2024.[64] Through the sunset clause, the General Assembly expressed incontrovertible legislative intent for these provisions of law to expire on December 31, 2024, and in accord with that intent, they did. The fact that the General Assembly debated whether to reenact Chapter 14 in 2024 does not provide any evidence that the legislature intended Chapter 14 to continue. To the contrary, the result of that legislative debate – the General Assembly's decision to not reenact Chapter 14 – is a reaffirmation of the General Assembly's clearly expressed intent that Chapter 14 expire.

It is the General Assembly – not the Commission – that has the authority to decide whether Chapter 14 should continue, and the General Assembly decided that it should not. In this rulemaking, the Commission oversteps its role by attempting to decide an issue left properly in the

[60] 71 P.S. § 745.5b (emphasis added).
[61] NOPR at 12.
[62] Act of Nov. 30, 2004, P.L. 1578, No. 201; NOPR at 7.
[63] Act of Oct. 22, 2014, P.L. 2545, No. 155; NOPR at 7.
[64] NOPR at 1.

hands of the General Assembly, and in doing so, it attempts to decide the issue in the exact opposite manner as the General Assembly did. The Commission's proposal to reenact provisions of expired legislation explicitly subverts the legislative intent plainly expressed by the General Assembly that its provisions "shall expire."

By allowing the sunset clause to take effect, the General Assembly restored the PUC's discretion to regulate utility termination, collections, and billing procedures under just and reasonable service standards. The legislature did not see fit to continue authorization of the punitive billing, collections, and termination paradigm encompassed in Chapter 14. The PUC's proposal to reinstate the expired Chapter 14 provisions through regulation would conflict with that legislative choice. Absent independent data and evidence supporting the justness and reasonableness of specific provisions, the Commission should not conform Chapter 56 to the punitive parameters in former Chapter 14.

As noted above, Chapters 5, 13, 15, 22 and 28 of the Public Utility Code provide the Commission with the authority – and the duty – to promulgate regulations regarding utility terminations, collections, and billing procedures that "ensure the provision of safe and reliable utility service at just and reasonable rates."[65] Chairman DeFrank previously recognized in testimony before the General Assembly that the provisions of former Chapter 14 that the Commission now seeks to incorporate into regulation, including those regarding payment arrangement procedures, among others, are not the most effective way to regulate utility billing, collections, and terminations.[66]

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[65] NOPR at 9; *See e.g.*, 66 Pa.C.S. §§ 1301, 1501.

[66] See Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee (Oct. 3, 2023) at 6; see also Prepared Testimony of Stephen M. DeFrank, Charman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee (Jan. 17, 2024) at 2.

Similarly, in her statement, Vice Chair Barrow recognized:

> 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 interest. Ignoring lessons learned in the past 10-20 years Chapter 14 had been in place and ignoring the current landscape of affordability and vulnerability faced by Pennsylvania customers today does not achieve this mission. **Simply copying and pasting the prior Chapter 14 into our regulations is not in the public interest, and is frankly a disservice.** … The Commission has had 20 years to evaluate what works and what doesn't work for customers with regard to affordability and utilities with regard to collections under Chapter 14, and this is the opportunity to utilize the knowledge gained over those two decades.[67]

In light of Chapter 14's sunset, the Commission must use its expertise and decades of particularized experience with the former Chapter 14's collections tools to enact regulations that carry out the stated policy purpose of Chapter 56 to "restrict unreasonable termination of or refusal of service."[68] In doing so, the Commission must prioritize adoption of new standards that more effectively prevent accrual of unmanageable arrears – turning away from the failed Chapter 14 policies that punish customers who are categorically unable to afford essential utility service.

The comments below provide recommendations for common-sense reforms to the Commission's Chapter 56 regulations that would prioritize the prevention of unmanageable arrears, promote customers' ability to make regular payments, minimize the transfer of uncollectible expenses to other ratepayers, and keep customers connected to vital services regardless of wealth.

[67] Statement of Vice Chair Kimberly Barrow, Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Public Meeting (Feb. 19, 2026).
[68] 52 Pa. Code § 56.1.

III. COMMENTS

The Low Income Advocates' Comments are divided into two subsections. The first subsection provides comments and recommendations in response to the language the Commission proposed in the Annex of the NOPR that would incorporate provisions of former Chapter 14 into the Commission's regulations. The second subsection provides comments and recommendations regarding the topics outlined in Vice Chair Kimberly Barrow's statement, which was published in the Pennsylvania Bulletin alongside the NOPR.[69] This section also addresses necessary revisions to other sections that the Commission should consider incorporating into its final regulations through the Advance Notice of Final Rulemaking process. These recommendations primarily include amendments to the language in Subchapters A-K, but where appropriate, the Low Income Advocates urge the Commission to also make corresponding amendments to Subchapters L-V to ensure parity in the expanded protections advocated herein.

The Low Income Advocates strongly agree with Vice Chair Barrow's statement and agree that the topics she outlined should have been addressed through the instant NOPR and, along with other issues raised by commenters, must be addressed prior to finalization of these regulations. As discussed above, the Low Income Advocates submit that the Commission should not reinstate provisions of law that the General Assembly intended to be sunset without substantial data and analysis independently supporting the justness and reasonableness of those provisions. We assert that the answer to the question "*whether there is a need for further amendments to the Chapter 56 regulations*"[70] is a resounding "YES!", and that the time for further amendment is now.

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[69] Statement of Vice Chair Kimberly Barrow, Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Public Meeting Feb. 19, 2026, 56 Pa. B. 3143 (May 30, 2026).
[70] NOPR at 12.

Accordingly, the Low Income Advocates' comments extend beyond the Annex text to respond to additional areas of concern raised by Vice Chair Barrow.

Of note, the Regulatory Review Act (RRA) provides that, "[t]o the greatest extent possible, this act is intended to encourage the resolution of objections to a regulation and the reaching of consensus among the commission, the standing committees, interested parties and the agency."[71] Given the deep concerns raised in these Comments, the Low Income Advocates submit that the Commission is far from reaching consensus. We suggest the Commission further amend its Chapter 56 regulations, utilizing the Advance Notice of Final Rulemaking (ANFR) process to solicit further input from stakeholders – providing an opportunity for the Commission to build consensus among the interested parties consistent with the RRA requirements.[72] The ANFR process may be used when, "based on feedback received at the proposed stage or other factors, the agency has made substantial changes to the final regulation."[73] As IRRC explains, the ANFR process permits agencies to gather additional input from stakeholders on changes made between issuance of a NOPR and publication of final rules.[74] The ANFR process does not impact the timeline for review and, as such, would not delay the ultimate finalization of this important rulemaking.[75]

A. Response to Commission Proposals Identified in Notice of Proposed Rulemaking

This section is organized to follow the Commission's NOPR, section-by-section. The order in which each section is addressed is not an indication of its relative importance.

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[71] 71 P.S. § 745.2(a).
[72] IRRC, The Regulatory Review Process in Pennsylvania, at 27 (2019), https://www.irrc.state.pa.us/resources/docs/Regulatory_Review_Process_Manual.PDF.
[73] Id.
[74] Id.
[75] Id.

i. *Subchapter A. Preliminary Provisions for Utilities and Customers Subject to Chapter 14 of the Public Utility Code*

The Low Income Advocates support modifying the existing title of Subchapter A to eliminate reference to former Chapter 14. The Low Income Advocates also support making clear in the modified title, as the NOPR suggests, that this section does not apply to customers who are instead covered by subchapters L through V, which are specific to victims of domestic violence. There are strong public policy provisions supporting the ongoing distinction in applicable regulations for survivors of domestic violence, which ensure that survivors are able to access payment arrangement terms based on their individual facts and circumstances and are not saddled with the debt of a third party that may hinder their ability to obtain safe housing.[76]

Notwithstanding our support for maintaining separate standards for survivors of domestic violence, the Low Income Advocates recommend simplifying the language of the title to read "*Preliminary Provisions for Utilities and All Customers Not Subject to Subchapters L-V.*" This proposal maintains the clear distinction between Subchapters A-K and Subchapters L-V.[77] The statement of purpose and policy for Subchapters L-V, contained in Section 56.251, defines which customers are subject to Subchapters L-V.[78] As a practical matter, this ensures the Commission is able to revise Sections L-V without implicating the heading assigned to Subchapter A.[79] The Low Income Advocates' proposed title for Subchapter A indicates the same applicability as the Commission's proposed title, but with simplified language that is easier to understand and that

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[76] See infra Section III.A.x., further discussing the domestic violence protections embedded within Chapter 56.
[77] NOPR at 13.
[78] 52 Pa. C.S. § 56.251 as proposed in NOPR at 23 "Subchapters L-V apply to victims under a protection from abuse order as provided by 23 Pa. C.S. Chapter 61 (relating to Protection from Abuse Act) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer."
[79] As discussed below in response to the Commission's proposed amendments to § 56.251, the Low Income Advocates recommend that the Commission revise the statement of purpose and policy for Subchapters L-V to expand acceptable evidence of domestic violence. See infra Section III.A.x.

accommodates the recommended additional methods for demonstrating that a customer has experienced domestic violence set forth below.[80]

ii. § 56.2 Definitions

The Commission proposes to incorporate into Chapter 56 the definitions for "change in income" and "significant change in circumstance" from former Chapter 14, without any amendment.[81] The Low Income Advocates do not support incorporating these Chapter 14 definitions without amendment. The proposed definitions of "change in income" and "significant change in circumstance," when read in combination with the Commission's proposed payment arrangement regulation at Section 56.182,[82] are unduly restrictive and unnecessarily limit the Commission's discretion to establish new payment arrangements and extend existing ones based on a realistic assessment of the household's actual circumstances.[83] The Low Income Advocates propose generally that both the number and extension of payment arrangements should be specific, fact based determinations left to the Commission's experience and discretion, rather than arbitrarily determined time frames limited by regulation.

The Commission itself has repeatedly emphasized that the payment arrangement requirements in the former Chapter 14 should be modified. In testimony to the Senate regarding Chapter 14's potential reauthorization, Chairman DeFrank indicated that the Commission's "highest priority recommendation regarding Chapter 14 [was] revising the requirements for establishing Commission payment arrangements."[84] In testimony to the House, Chairman DeFrank

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[80] See infra Section III.A.x.
[81] NOPR at 14.
[82] Id. at 20-22.
[83] The Low Income Advocates' opposition to proposed Section 56.182 is discussed below. However, even if Section 56.182 is incorporated as proposed, the Low Income Advocates strongly suggest revisions to the proposed definitions of "change in income" and "significant change in circumstance."
[84] Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee (Oct. 3, 2023) at 6; Prepared Testimony of

stated "[a]t the core of current proposals, including House Bill 1077, Senate Bill 1017, and the Commission's recommendations to the General Assembly, there is recognition that modifications related to payment arrangements (PARs) are necessary. Many customers struggling to pay their utility bills need more affordable, manageable, and effective payment terms that will help keep their households connected to essential services."[85]

The Low Income Advocates agree with Chairman DeFrank's prior comments, which are supported by substantial data. Despite substantially higher average debts carried by residential and low income customers today compared to 2004, there are far fewer payment arrangements issued and a far greater number of involuntary terminations performed.[86] As discussed in greater detail below, in section III.A.viii (Payment Arrangements), it would be unreasonable to adopt definitions from Chapter 14 that prevent the Commission from adjusting the terms of a payment arrangement based on an individual's facts and circumstances – especially after the Commission has publicly acknowledged that the Chapter 14 standards are insufficient to assist consumers to maintain service to their home. As discussed at the outset of these comments, such a result directly contradicts other basic service standards in the Public Utility Code – including the universal service provisions of Chapters 22 and 28.[87]

The Commission previously explicitly advocated for modifying the definitions of "change in income" and "significant change in circumstance" embedded in Chapter 14 "in an effort to grant

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Gladys Brown Dutrieuille, Chairman, Pennsylvania Public Utility Commission, before Senate Consumer Protection and Professional Licensure Committee (May 1, 2023) at 3.

[85] Prepared Testimony of Stephen M. DeFrank, Chairman, Pa. PUC, before the House Consumer Protection, Technology, and Utilities Committee (Jan. 17, 2024).

[86] See infra section III.A.viii.; Compare Pa. PUC, BCS, 2004 Report on Universal Service Programs & Collections Performance, https://www.puc.pa.gov/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2004.pdf; with Pa. PUC, BCS, 2024 Report on Universal Service Programs & Collections Performance, https://www.puc.pa.gov/media/3771/2024-universal-service-report-final.pdf.

[87] See supra section II.D; see also 66 Pa. C.S. §§ 2202, 2803 (defining universal service and energy conservation to include the policies that assist low income customers to maintain service to their home).

more manageable and effective payment terms that will help keep those households connected to essential services, reduce or pay off arrearages, and prevent the financial burden of uncollectable bills being transferred to other utility customers."[88] The Low Income Advocates offer amendments to the proposed definitions that, together with the recommended amendments to Section 56.182 below, would help to provide customers with more manageable and effective payment arrangements.

a. Change in Income

The Low Income Advocates recommend the Commission amend its proposed definition of "*change in income*" in Section 56.2 to include both a decrease or increase in household income of 5% or more.[89] Further, the Commission should eliminate the income threshold or, alternatively, increase the threshold to 300% FPL to protect a more inclusive range of low and moderate income households that may be struggling to keep up with rising utility costs.

For a household struggling to afford utilities and other essentials, a 5% decrease in income can significantly impact a household's budget. For a household of two at 200% FPL ($43,280), a 5% decrease would reduce monthly income from $3,607 to $3,426 – or approximately $181 each month. That $181 decrease means $181 is no longer available to pay towards utility bills and may make the difference between being able to afford ongoing payment arrangements and not. The lower income a household has, the more impactful that 5% difference is likely to be.

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[88] Prepared Testimony of Gladys Brown Dutrieuille, Chairman, Pennsylvania Public Utility Commission, before Senate Consumer Protection and Professional Licensure Committee, at 3-4 (May 1, 2023); see also Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee (Oct. 3, 2023) at 6-7 (recommending modification of the definition of "change in income").

[89] See Appendix A, § 56.2 Definitions.

Further, if a household experiences an *increase* in income, they may be better able to afford payments toward a payment arrangement than before, supporting the issuance of a new payment arrangement even if they defaulted on a prior agreement.[90] Expanding the definition of "change in income" to include *either a decrease or increase in income* would therefore enable issuance of a new payment arrangement that better accommodates a customer's current circumstances and ability to make payments.

The Low Income Advocates' primary recommendation is that the Commission recognize a "change in income" to include a decrease or increase in income of 5% or more for households *at any income level*.

> *Change in income* – A decrease **OR INCREASE** in household income of ~~20%~~ **5%** 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**~~.[91]

If the Commission chooses to preserve the tiered percentage change based on relative FPL, the Low Income Advocates recommend in the alternative that the regulations include a 5% decrease or increase in the definition specifically for households at or below 300% of the Federal poverty level, and a 10% increase or decrease for households with income exceeding 300% of the FPL.

[90] In her statement, Vice Chair Barrow noted an interest in comment regarding "[a]dding an increased change of income as a justification for a new payment arrangement." Statement of Vice Chair Kimberly Barrow, Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Public Meeting Feb. 19, 2026.

[91] See Appendix A, § 56.2, Definitions. Through these comments, our proposed additions to existing and proposed regulatory language will be notated using capitalized, underlined text and bold, blue font. Our proposed deletions to both existing regulatory language and proposed amendments to regulatory language will be notated using strikethrough and bold, blue font. The Commission's originally proposed additions are underlined and deletions are bracketed, consistent with the formatting in the Commission's Annex.

b. Significant Change in Circumstance

The Low Income Advocates also recommend that the Commission amend its proposed definition of "*significant change in circumstance*" in Section 56.2 to better reflect the real-life circumstances that disrupt a consumer's ability to keep up with a payment arrangement.

> *Significant change in circumstance*—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 of the customer's household income**~~**.**
>
> (ii) ~~**Catastrophic d**~~ **D**amage 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.
>
> **(V) CHANGE IN INCOME.**
>
> **(VI) ISSUANCE OF A MEDICAL CERTIFICATE FOR THE HOUSEHOLD.**
>
> **(VII) ANY OTHER CIRCUMSTANCE TO BE CONSIDERED IN THE COMMISSION'S DISCRETION, INCLUDING A CHANGE IN EMPLOYMENT STATUS, DEATH, INJURY, DIVORCE, SEPARATION, OR OTHER SUBSTANTIAL HARDSHIP.** [92]

As it stands, the Commission's proposed definition of "change in circumstances" is not attuned to the realities facing Pennsylvanians – reserving a second chance only for the most extreme circumstances. For example, under the current rules, the Commission would not be able to grant an additional payment arrangement if a customer, their child, or their family member suffers an injury or illness that increases household medical costs unless it results in a direct loss of household income – without accounting for the increased financial burden. This, of course, is divorced from reality. An unexpected medical expense or other unavoidable costs has just as

[92] See Appendix A, § 56.2 Definitions.

profound an effect on the household's ability to pay their utility bill as a direct loss of income and should be considered in determining whether to adjust or re-set payment arrangement terms.

The Low Income Advocates submit that consumers facing additional types of acute hardship should be able to obtain new or revised payment arrangement terms from the Commission. Our proposed amendments provide the Commission with the necessary flexibility and discretion to offer an additional payment arrangement or otherwise reset the terms of an existing payment arrangement. Removing the requirement that the onset of a chronic or acute illness must result in a significant loss of income accounts for a situation in which a household may be unable to meet previous payment arrangement terms because of a sudden increase in medical expenses, rather than a loss of income. Further, incorporating issuance of a medical certificate into the definition would enable the Commission to extend or issue a payment arrangement to help a customer experiencing a medical hardship other than the onset of illness to manage utility arrears. This is fundamentally consistent with the concept that a medical certificate creates a temporary pause on termination so as to allow the household the ability to resolve the arrears that caused the termination notice to be issued in the first instance. This should include the ability for the Commission to issue a further payment arrangement or extend the payment arrangement that has already been issued.

Of note, the Low Income Advocates recommend the Commission strike language from its proposed definition requiring a utility to verify a customer's change in circumstances. This requirement could add substantial cost and burden to an already complex process. Further, since this definition is only relevant to the issuance of a Commission-issued payment arrangement, the Commission should not require a consumer to go back to the utility to prove their circumstances meet the definition.

iii. § 56.22. Accrual of Late Payment Charges

The Low Income Advocates support the addition of the Commission's proposed language requiring waiver of improperly assessed late payment charges. Requiring waiver of improperly assessed late fees is common sense policy that promotes fairness in billing.

The Low Income Advocates additionally propose the following amendment to § 56.22(d), which would require waiver of late payment charges for low and moderate income households:

> (d) A public utility may waive late payment charges on any customer accounts. A public utility shall waive late payment charges on any customer accounts if the charges were improperly assessed. The Commission ~~**may only**~~ **SHALL** order a waiver of late payment charges levied by a public utility as a result of a delinquent account for customers with a gross monthly household income not exceeding ~~**150**~~ **300**% of the Federal poverty level.[93]

Fee and deposit requirements are unnecessarily punitive and serve to compound economic insecurity and utility unaffordability for households that are already struggling to catch up. There is simply no evidence that late fees do anything to encourage timely payment from those who cannot afford to pay. To the contrary, the Commission does not require any reporting related to the assessment and collection of late fees and has not examined whether late fees are an effective way to improve collections – as opposed to a way to bolster profit. A recent examination of late fees assessed by an Illinois utility found that late fees increased from $16 million in 2020 to $29 million in 2021 – contributing substantially to the utility's net income.[94] The Low Income Advocates contend that, rather than incent timely payment, late fees unduly punish low and moderate income households and create a barrier to preventing termination and to reestablishing service after termination, keeping the household without service and the utility without a customer.

[93] See Appendix A, § 56.22 Accrual of Late Payment Charges.
[94] American Economic Liberties Project, Eliminate Monopoly Utility Junk Fees and Abusive Late Fees, https://www.economicliberties.us/eliminate-monopoly-utility-junk-fees-and-abusive-late-fees/.

The Low Income Advocates recommend increasing the FPL level for waiver of late payments to 300% FPL because late fees are an unnecessary barrier to preventing termination and/or reestablishing service for low to moderate income households alike.[95] As discussed at the outset of these comments, an estimated 27% of Pennsylvanians have income exceeding the federal poverty level, but are nevertheless unable to afford basic needs.[96] This group of consumers – often referred to as "ALICE" households, "asset limited, income constrained, employed" – are just over-income for most public assistance programs, but are nevertheless one crisis away from economic disaster.[97] The proposed amendment would help ensure that economically vulnerable households do not face a punitive fee when they are unable to make a payment on time – compounding their debt and making it even more difficult to catch up.

iv. § 56.102. Residential Field Visit Charge

The Low Income Advocates oppose the addition of this section, which would allow a city natural gas distribution operation or, specifically, Philadelphia Gas Works (PGW), to charge a minimum fee of $10 when a service representative is required to visit a customer's residence to complete required service termination steps, such as making personal contact three days prior to a scheduled termination per Section 56.93. Incorporating this PGW-specific provision is both unreasonable and unnecessary. PGW's financial condition does not warrant the inclusion of any additional provisions providing it with one-of-a-kind revenue or collections opportunities. Notably,

[95] United Way Pa., The State of ALICE in Pennsylvania: 2026 Update on Financial Hardship (2026), https://www.unitedforalice.org/introducing-ALICE/pennsylvania.
[96] Id.
[97] Id.

PGW currently projects its debt to capitalization ratio will be below 50% for the next five fiscal years, without necessity of a base rate increase.[98]

Likewise, imposing an additional financial penalty solely on Philadelphia natural gas customers facing service termination because they cannot afford to pay does nothing to help customers address their arrears and needlessly creates a barrier to maintaining or restoring service. Additionally, as far as the Low Income Advocates are aware, PGW has rarely implemented this prior provision of Chapter 14. The Commission should not incorporate this unnecessary provision from a former law that the legislature chose not to renew.

When Chapter 14 was first enacted, PGW had only recently come under Commission jurisdiction. Prior to Commission oversight, PGW had faced collections difficulties, mismanagement, and even allegations of criminal theft and misuse of company funds.[99] This documented mismanagement was, in fact, a primary impetus driving the introduction of Chapter 14. This is why Chapter 14 included provisions applicable only to PGW, with the apparent goal of improving PGW's finances. While PGW's operations have stabilized under the Commission's jurisdiction, there is no evidence that Chapter 14 had any influence on PGW's improved collections performance.[100] Even before Chapter 14 was enacted, PGW's collections performance had already begun to improve.[101]

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[98] See Phila. Gas Commission, FY2027 Operating Budget Information, https://www.phlgc.net/budget-documents.html.

[99] See, e.g., Dave Davies, PGW: Run, and Ruined by Politicians? (Mar 4, 2014), https://www.nbcphiladelphia.com/news/local/pgw-run-and-ruined-by-politicians/102281/.

[100] Rhodes, Jr., Joseph, Final Report – Inquiry into the Implementation and Correctness of Act 201, (Jan. 27, 2006), at 16.

[101] According to the January 2006 Rhodes Report, "PGW's collections experience was improving before the enactment of Act 201." Rhodes, Jr. at 16.

Along with authorizing the field visit charge for PGW customers, there are several other PGW-specific Chapter 14 provisions that were previously enshrined in Chapter 56, including additional deposit rules,[102] exemptions to winter termination procedure requirements,[103] and additional requirements on PGW customers seeking service restoration.[104] These provisions are unnecessary for PGW's financial wellbeing and are harmful to customers, and susceptible to legal challenge because they result in disparate treatment for households in PGW's service territory that are reliant on gas service to heat their home, cook food, and run hot water.

The Low Income Advocates strongly recommend that the Commission remove these unjustified and unreasonable PGW-specific provisions from Chapter 56, and that the Commission not adopt the proposed residential field visit charge.

v. § 56.153. Public Utility Duties

The Commission's proposed addition of Section 56.153 would establish public utility duties when a customer or applicant contacts the utility for a payment arrangement.[105] The first two of these duties relate to the public utility's duty to provide information about and referrals to universal service programs.

The Low Income Advocates support inclusion of this duty within Chapter 56. However, this requirement does not go far enough to ensure that low income customers are receiving an appropriate rate before debt is accrued. The Commission should require public utilities to screen all new and moving applicants and customers for eligibility in the utility's universal service and

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[102] 52 Pa. Code §§ 56.32(b), 56.51(b); 66 Pa. C.S. § 1404(f) (expired 2024).
[103] 52 Pa. Code § 56.100(c-d); 66 Pa. C.S. § 1406(e)(2-3) (expired 2024).
[104] 52 Pa. Code § 56.191(c)(iv); 66 Pa. C.S. § 1407(c)(2)(iii) (expired 2024).
[105] NOPR at 16-17.

energy conservation programs *before* they fall behind. Specifically, the Low Income Advocates urge the Commission to add the following provision as a public utility duty:

> **(A) SCREENING. A PUBLIC UTILITY SHALL SCREEN A CUSTOMER OR APPLICANT TO DETERMINE IF THEIR HOUSEHOLD INCOME IS AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL AT THE TIME SERVICE IS ESTABLISHED AND ON AN ANNUAL BASIS THEREAFTER. THE PUBLIC UTILITY SHALL ATTEMPT TO UPDATE THE INCOME INFORMATION UNDER THIS SUBSECTION AT LEAST ONCE PER YEAR**.[106]

We propose that the above would be followed by § 56.153(b):

> **(B) REFERRALS**. When a customer or applicant **IS IDENTIFIED THROUGH THE SCREENING REQUIRED BY SUBPART (A) AS REASONABLY LIKELY TO BE INCOME ELIGIBLE FOR A UNIVERSAL SERVICE AND ENERGY CONSERVATION PROGRAM, OTHERWISE PROVIDES INFORMATION THAT REASONABLY SUGGESTS THE HOUSEHOLD MAY BE INCOME ELIGIBLE FOR A UNIVERSAL SERVICE AND ENERGY CONSERVATION PROGRAM, OR** contacts a public utility to make a payment arrangement as required by § 56.166 and 56.171 ((relating to informal complaints; and general rule for formal complaints), the public utility shall:
>
> (1) Provide information about the public utility's universal service **AND ENERGY CONSERVATION** programs, including a customer assistance program. [107]
>
> (2) ...

This change would allow a public utility more chances to connect eligible customers or applicants to assistance from the utility's universal service programs *before* they fall behind or face termination.

The Commission's proposed Section 56.153 also includes language describing a public utility's affirmative responsibility to collect payment on an overdue account, with the potential for

[106] See Appendix A, § 56.153 Public Utility Duties.

[107] See Appendix A, § 56.153 Public Utility Duties. Note that the Low Income Advocates are not recommending changes to subparts (2) and (3), so we have not included that text here.

civil fines or other sanctions where the public utility fails to make reasonable attempts to collect payments on accounts with arrearages over $10,000.[108] The Low Income Advocates would like to highlight here that the best way to prevent accrual of arrearages over $10,000 is to ensure bills are affordable before these high arrears accumulate. Low and moderate income customers do not accumulate high arrearages because they are not properly motivated by collection attempts. They do not pay because they cannot afford to pay. The higher a balance becomes, the more unlikely it is to catch up. Early intervention through screening and referrals to rate assistance, arrearage management, usage reduction, and grant assistance programs *before* high balances accumulate will help prevent unmanageable accrual of arrears and help low income customers remain connected to essential services.

Enrolling eligible customers in rate assistance programs is not just best practice to help prevent the accumulation of high arrearages, it is a statutory obligation. The Public Utility Code requires that "[a]ny public utility, having more than one rate applicable to service rendered to a patron, shall, after notice of service conditions, compute bills under the rate most advantageous to the patron."[109] By failing to routinely screen customers' income eligibility for CAP and other affordability programs and subsequently ensure those customers are able to enroll in such programs, utilities subject customers who are eligible for CAP to the full tariff rate, violating the statutory requirement to bill customers at the most advantageous rate.

As it stands, utility CAPs are dramatically undersubscribed. As of 2024 – the most recent aggregate data available – the CAP participation rate for electric utilities was just 47.7%, and for

[108] NOPR at 17.
[109] 66 Pa. C.S. § 1303.

gas utilities, just 35%.[110] That rate, however, is calculated based on the number of customers a utility has already confirmed by the utility to have low income. Using the *estimated* low income customer population, which uses census data to provide a more accurate count of low income customers, the CAP enrollment rate is just 23.9% of estimated eligible electric customers and just 22.7% for estimated eligible gas utilities.[111] That is, more than three quarters of low income customers are billed at the full tariff rate in stark violation of the Public Utility Code's requirement to bill customers at the most advantageous rate available.

The Low Income Advocates recommend the above amendments to Section 56.153 to help ensure eligible households are connected to CAP and other affordability programs ***before*** high debts are accrued. This would prevent arrears from accumulating while promoting compliance with the Public Utility Code's requirement that utilities bill customers at the most advantageous rate. Improving utilities' ability to identify eligible customers and match them to rate assistance and usage reduction programs at the earliest opportunity is essential for the Commission to fulfill its duty to "ensure the provision of safe and reliable utility service at just and reasonable rates."[112]

vi. § 56.171. General Rule

The Commission proposes to add language related to public utility contact prior to filing some formal complaints.[113] The Low Income Advocates do not oppose this proposed language.

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[110] Pa. PUC, Universal Service Programs & Collections Performance 2024 Report at 7, 56 (Jan. 2026), https://www.puc.pa.gov/media/3771/2024-universal-service-report-final.pdf.

[111] Pa. PUC, Universal Service Programs & Collections Performance 2024 Report at 7, 56 (Jan. 2026), https://www.puc.pa.gov/media/3771/2024-universal-service-report-final.pdf. These rates use the estimated low income customer population, which uses census data to provide a more accurate count of low income customers than the utilities' confirmed low income customer count. Data regarding enrollment in water and wastewater programs is not currently subject to public reporting requirements, though data provided through recent rate proceedings show that enrollment rates are even lower for water and wastewater programs.

[112] NOPR at 9; *See e.g.*, 66 Pa. C.S. §§ 1301, 1501.

[113] NOPR at 18.

vii. *§ 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 minor modifications to Section 56.181 to clarify the customer's obligation to pay the undisputed portion of all bills.[114] The Low Income Advocates do not oppose this clarification. However, we recommend that the Commission strike the phrase "*the consumer services representative determines*" from §56.181(2), so that it instead reads:

> (2) *Pending formal complaint*. Prior to the hearing on a formal complaint or prior to the issuance of a Commission order when no hearing is to be held in a formal complaint proceeding, the customer shall be required to pay that amount which ~~the consumer services representative determines~~ is not disputed <u>and subsequent bills which are not in dispute.</u>[115]

The Low Income Advocates propose striking the term consumer services representative as it is not clear how the Commission defines "consumer services representative," or why it is appropriate to empower someone in this role to determine the amount in dispute in a pending formal complaint. A "consumer services representative" employed by a utility should not be solely empowered to determine what amount is in dispute in the context of a formal dispute. Notably, subpart (1) of section 56.181 regarding pending informal complaints does not contain the same language – instead appropriately deferring to the Commission and the parties to the informal dispute.

The Low Income Advocates submit that the consumer raising the dispute should define the amount in dispute. While a utility or the Bureau of Consumer Services should help to clarify the amount a consumer disputes and should provide clear information about the consumer's obligation

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[114] <u>Id.</u> at 20.
[115] <u>See</u> Appendix A, § 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.

to pay any undisputed charges, the consumer should ultimately be able to determine the amount of in dispute.

viii. § 56.182. Payment Arrangement Procedures

The Commission proposes adding the expired Chapter 14 payment arrangement restrictions into Chapter 56, without amendment.[116] The Low Income Advocates oppose this proposal and urge adoption of standards for both utility and Commission-issued payment arrangements that prioritize affordability.

For decades, Chapter 14 restrained the Commission's authority to order reasonably affordable payment arrangements as an alternative to termination. In choosing to allow Chapter 14 to sunset, the General Assembly knew that this restraint would go away – restoring the Commission's discretion to issue reasonable payment arrangement terms based on the individual consumer's facts and circumstances. Still, through this NOPR, the Commission proposes to perpetuate limitations on its own authority to order reasonable payment arrangements – incorporating restrictions from a law the General Assembly allowed to expire. This proposal is inconsistent with the public positions taken by the Commission in its reports to the General Assembly about Chapter 14 and its testimony to the General Assembly.[117]

As mentioned above in section III.A.ii (definitions), Chairman DeFrank testified before the Pennsylvania Senate that "[t]he PUC's highest priority recommendation regarding Chapter 14 is revising the requirements for establishing Commission payment arrangements" and that reforming payment arrangement requirements would enable the PUC to "grant more manageable and

[116] NOPR at 20.
[117] Pa PUC, Sixth Report to the General Assembly and the Governor Pursuant to Section 1415: Implementation of Chapter 14 (Jan. 30, 2020) (recommending amendment to Chapter 14 to allow the Commission "at its discretion, to grant a second payment arrangement.").

effective payment terms that will help keep households connected to essential services, reduce arrearages, and minimize the transfer of uncollectable balances to other public utility customers."[118] Similarly, in testimony before the Pennsylvania House of Representatives, Chairman DeFrank highlighted "the pressing need to address affordability of payment arrangements for customers who have fallen behind on their current bills."[119] He explained in simple terms: *A payment arrangement is the "single best tool the Commission has" to maintain service for income-challenged customers while ensuring customers pay the charges for which they are responsible.*[120] This balance, Chairman DeFrank argued, "can be achieved by giving the Commission reasonable latitude within statutory parameters."[121]

In allowing Chapter 14 payment arrangement restrictions to expire, the General Assembly gave the Commission this sorely needed latitude. Rather than use that latitude to set just and reasonable payment arrangement standards, the Commission instead proposes to handcuff itself and maintain the defunct standards from Chapter 14 that the Commission has itself recognized "may be unaffordable for a customer from the very start."[122]

The Commission's proposal to maintain the status quo Chapter 14 restrictions on the issuance of a reasonably affordable payment arrangement is misguided. When payment arrangements are unaffordable, debt quickly compounds – ultimately triggering higher collections costs, termination rates, and uncollectible expenses. The data bears this out, as illustrated in the table below. Following implementation of Chapter 14, the number of payment arrangements issued

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[118] Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee, at 6 (Oct. 3, 2023).
[119] Prepared Testimony of Stephen M. DeFrank, Charman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee, at 2 (Jan. 17, 2024).
[120] Id. at 2-3 (emphasis added).
[121] Id. at 2.
[122] Id. at 2(emphasis added).

to residential consumers declined by more than half after implementation of the Chapter 14 restrictions.[123] At the same time, average arrearage levels doubled and termination rates continue to hit new records year after year.[124] This sharp decline in payment arrangements has not helped improve residential write-offs, but it has contributed to higher average arrearage levels and record termination rates.

Average Arrears	**2004**	**2024**	**% Increase/Decrease**
Residential Electric	$313	$669	114%
Low Income Electric	$484	$930	92%
Residential Gas	$467	$572	22%
Low Income Gas	$722	$747	3%
Payment Arrangements Issued	**2004**	**2024**	**% Increase/Decrease**
Residential Electric	767,211	370,215	-52%
Low Income Electric	378,438	171,603	-55%
Residential Gas	317,396	159,093	-50%
Low Income Gas	178,796	92,950	-48%
Involuntary Terminations Performed	**2004**	**2024**	**% Increase/Decrease**
Residential Electric	98,420	251,332	155%
Low Income Electric	34,228	104,480	205%
Residential Gas	88,275	109,885	24%
Low Income Gas	47,743	46,731	-2%

It is unjust and unreasonable for the Commission to adopt payment arrangement regulations that it *knows* will produce unaffordable results – precipitating increased terminations and uncollectible expenses. Chapter 56 was promulgated in part "to provide alternatives to

[123] Compare Pa. PUC, BCS, 2004 Report on Universal Service Programs & Collections Performance, https://www.puc.pa.gov/General/publications_reports/pdf/EDC_NGDC_UniServ_Rpt2004.pdf; with Pa. PUC, BCS, 2024 Report on Universal Service Programs & Collections Performance, https://www.puc.pa.gov/media/3771/2024-universal-service-report-final.pdf.
[124] Id. Notably, full 2025 collections data is not yet available; however, the precipitous rise in electricity costs since December 2024 has driven termination rates to new record levels – up 14.1% year over year from 2024 to 2025.

termination of service or refusal to provide service by the public utility."[125] In his 2024 testimony before the House, Chairman DeFrank stated:

> At its most basic level, our data in the report indicated that a customer with arrears that is *not on a payment arrangement* is at the greatest risk for default and termination. A customer with arrears *on a payment arrangement* is more likely to keep the account active through monthly payments and is more likely to make payments to the public utility to maintain service."[126]

In other words: **"*Debt on a payment arrangement is less likely to become uncollectible.*"** [127] By adopting payment arrangement standards that the Commission knows will produce unaffordable payment arrangements, the Commission would be electing to increase uncollectible debt and exacerbate the risks of termination. If the Commission wants to mitigate the impacts of uncollectible expenses and decrease the likelihood of termination, it should not seek to constrain its own authority and must restore its own discretion to issue payment arrangements that are responsive to the needs of individual consumers – better ensuring those customers are reasonably able to make ongoing payments and to retire arrears.

Instead of enshrining the overly restrictive Chapter 14 standards into its regulatory framework, it is imperative that the Commission expand the availability of reasonable and affordable payment arrangements to keep Pennsylvania's households connected to essential utility services and, in turn, reduce uncollectible expenses that are ultimately borne by other customers. Specifically, the Low Income Advocates recommend the Commission improve the accessibility

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[125] NOPR at 5, citing 8 Pa.B. 1655 (June 17, 1978): "The policy of this chapter is to assure adequate provision of residential utility service, to restrict unreasonable termination of or refusal to provide that service, and to provide functional alternatives to termination or refusal to provide that service." See also 2004 version of Chapter 56: "This chapter assures adequate provision of residential utility service, to restrict the unreasonable termination of or refusal to provide that service and to provide functional alternatives to termination or refusal to provide that service." 52 Pa. Code § 56.1.
[126] Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee, at 3 (Jan. 17, 2024).
[127] Prepared Testimony of Gladys Brown Dutrieuille, Chairman, Pennsylvania Public Utility Commission, before Senate Consumer Protection and Professional Licensure Committee, at 3 (May 1, 2023) (emphasis added).

and effectiveness of payment arrangement standards related to the following: payment arrangement length, payment arrangements and customer assistance programs, the number and extension of payment arrangements, utility-issued payment arrangements, and restoration payment arrangements. Each issue is discussed in turn below.

a. Length of Payment Arrangements

The Commission proposes adding Section 56.182, adopting the now-expired Chapter 14 income-based limits on payment arrangement terms.[128] As discussed above, the Low Income Advocates oppose the Commission's proposal to unnecessarily constrain its own discretion and authority to help consumers establish a reasonably affordable payment arrangement, based on their unique facts and circumstances. The Low Income Advocates recommend that the Commission strike this unnecessarily restrictive provision. The Commission should have the flexibility to set payment arrangements based on the unique facts and circumstances presented by a household, not prescribed limits.

Notwithstanding our opposition, should the Commission nevertheless proceed with proposed plans to truncate its own authority, we recommend that the Commission extend the rigid timeframes and establish an alternative payment arrangement capped at 20% of the customer's average monthly bill for low and moderate income households with income below 300% FPL:

> ***§ 56.182. Payment arrangement procedures.***
>
> <u>(a) *General rule*. The Commission may establish payment arrangements between a public utility, customers, and applicants within the limits established by this section.</u>
>
> <u>(b) *Length of payment arrangements.* The length of time for a customer to resolve an unpaid balance on an account that is subject to a payment arrangement that is</u>

[128] NOPR at 21, Annex at 4 (section 56.182(b), capping payment arrangement terms at five years for customers with income not exceeding 150% FPL, three years for customers with income between 150-250% FPL, one year for customers with income between 250-300% FPL, and 6 months for households with income exceeding 300% FPL).

investigated by the Commission and is entered into by a public utility and a customer must not extend beyond:

(1) ~~**Five**~~ **SIX** years for customers with a gross monthly household income level not exceeding 150% of the Federal poverty level.
(2) ~~**Three**~~ **FOUR** years for customers with a gross monthly household income level exceeding 150% and not more than 250% of the Federal poverty level.
(3) ~~**One**~~ **TWO** years for customers with a gross monthly household income level exceeding 250% of the Federal poverty level and not more than 300% of the Federal poverty level.
(4) ~~**Six months**~~ **ONE YEAR** for customers with a gross monthly household income level exceeding 300% of the Federal poverty level.

(B.1) ALTERNATIVE PAYMENT ARRANGEMENT. IF A CUSTOMER'S INCOME LEVEL IS NOT MORE THAN 300% OF THE FEDERAL POVERTY LEVEL AND THE CUSTOMER'S MONTHLY PAYMENT WOULD EXCEED 20% OF THE CUSTOMER'S AVERAGE MONTHLY BILL BASED ON THE LENGTH OF THE PAYMENT ARRANGEMENT FOR THE CUSTOMER, THE COMMISSION SHALL EXTEND THE LENGTH OF THE PAYMENT ARRANGEMENT FOR THE CUSTOMER SO THAT THE MONTHLY PAYMENT DOES NOT EXCEED 20% OF THE CUSTOMER'S AVERAGE MONTHLY BILL, NOT TO EXCEED TWO TIMES THE LENGTH OF THE PAYMENT ARRANGEMENT FOR THE CUSTOMER UNDER SUBSECTION (B).[129]

The Low Income Advocates' recommendations are consistent with the Commission's own recommendation that the legislature "set longer repayment terms than what is currently included in" former Chapter 14.[130] Establishing an overall cap on the monthly charges added to the bill for low and moderate income households (up to 300% FPL), as recommended in subpart (b.1), would help ensure the customer's monthly charges (inclusive of the arrangement) do not greatly exceed their regular energy costs. As the Commission is well aware, "*debt on a payment arrangement is less likely to become uncollectible*."[131]

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[129] See Appendix A, § 56.182 Payment Arrangement Procedures.
[130] Prepared Testimony of Gladys Brown Dutrieuille, Chairman, Pennsylvania Public Utility Commission, before Senate Consumer Protection and Professional Licensure Committee (May 1, 2023) at 4.
[131] Id. at 3 (May 1, 2023) (emphasis added).

Improving access to affordable payment arrangements is the "single best tool the Commission has" to maintain service for income-challenged customers while ensuring customers pay the charges for which they are responsible.[132] Thus, the Low Income Advocates stand by its recommendation that the Commission not constrain its own authority to issue fair payment arrangement terms. Nevertheless, if the Commission is inclined to maintain timeframes, these recommended reforms - extending the maximum length by income tier and setting an alternative cap on the maximum payment - would help improve the affordability of Commission-issued payment arrangements and will help reduce uncollectible expenses.

b. Payment Arrangements and Customer Assistance Programs

The Commission proposes including language in Section 56.182(c) that would restrain the Commission's authority to issue a payment arrangement for "customer assistance program rates" (CAP rates).

The Low Income Advocates oppose this proposal, as it fails to account for the real-life circumstances facing low income CAP participants and is lacking in policy support. The prohibition on payment agreements for CAP arrears, without legislative authorization, deprives CAP participants of rights available to all other customers and is susceptible to legal challenge. Ultimately, this proposal sets low income customers up for failure and increases termination risk as well as utility uncollectible expenses.

Alternatively, and notwithstanding our opposition to subpart (c), the Low Income Advocates propose the following amendment to the Commission's proposed section 56.182(c):

[132] Prepared Testimony of Stephen M. DeFrank, Charman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee, at 2-3 (Jan. 17, 2024) (emphasis added).

(c) *Customer assistance programs.* **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, REDUCED** customer assistance program rates shall be timely paid and must not be the subject of payment arrangements negotiated or approved by the Commission **WHILE A CUSTOMER IS ACTIVELY ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM.**

(1) THE COMMISSION MAY ISSUE A PAYMENT ARRANGEMENT ON A CUSTOMER'S FULL BALANCE IF A CUSTOMER IS NOT CURRENTLY ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM, EVEN IF THE CUSTOMER INCURRED ARREARS WHILE ENROLLED IN THE CUSTOMER ASSISTANCE PROGRAM.

(2) THE RESTRICTION IN THIS PROVISION DOES NOT APPLY TO ARREARAGES ACCRUED AT FULL RESIDENTIAL TARIFF RATES WHILE ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM.

(3) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO PROHIBIT A PUBLIC UTILITY FROM ENTERING A PAYMENT ARRANGEMENT WITH A CUSTOMER WHO IS CURRENTLY ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM.[133]

Together, these proposed amendments would help to clarify common issues that arise for current and former CAP participants under the former Chapter 14 standards and would better ensure low income households have equitable access to a reasonable payment arrangement if they fall behind.

First, the proposed additions to subpart (c)(1) would help ensure that former CAP participants are able to obtain a payment arrangement if they are no longer actively participating in CAP. A customer in this situation may have a new income source that would allow them to make payments on prior CAP arrears, but not high enough to immediately pay off a prior balance accrued while in CAP. This is a common scenario, given the variable and often unpredictable nature of low-wage work. Demanding full payment, right as the household is getting back on their

[133] See Appendix A, § 56.182 Payment Arrangement Procedures.

feet, has a destabilizing effect. The Commission should ensure that households have a reasonable opportunity to catch up on prior debts – including those accrued while enrolled in CAP.

Further, the proposed language in subpart (2) provides a key clarification of the meaning of "customer assistance program rates." There are often scenarios where a household may be enrolled in CAP but are nevertheless billed at the full tariff rate. Many CAP participants are billed at the actual or average rate, and do not receive a monthly discount through the program. Moreover, if a CAP customer exceeds the maximum CAP discount provided by an electric utility, they may remain in CAP to receive arrearage management assistance but will be charged the full residential tariff rate until the end of the program year. Exceeding this maximum does not mean that the household is using the utility wastefully or irresponsibly. Recent spikes in generation rates are causing an increasingly high number of households to exceed the maximum CAP credit well before the end of the program year – resulting in substantial accrual of arrears at the full tariff rate and driving exceedingly high rates of resulting termination.[134] Maximum CAP exceedance is also commonly attributable to a repair issue that the household is unable to remediate, or because they are a tenant whose property owner refuses to make a repair.[135] Even if the customer is taking advantage of a utility's usage reduction programs, they may exceed the maximum CAP limit and accrue bills at a full tariff rate while waiting to receive usage reduction services.

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[134] **In 2025, over 14,000 CAP participants in FirstEnergy PA's service territory exceeded the maximum CAP credit, with deficiencies ranging between $296 and $1,380.** Petition of FirstEnergy Pennsylvania Electric Co. for Approval of Its Default Service Program for the Period Commencing June 1, 2027 through May 31, 2031, Docket No. P-2026-3060298, CAUSE-PA Statement in Support, at 27-28 (filed April 29, 2026). **In 2023, 28% of Duquesne Light's CAP customers exceeded the maximum CAP credit, and more than one in four (27%) were terminated for nonpayment within just 120 days of the exceedance.** Pa. PUC v. Duquesne Light Co., Docket No. R-2024-3046523, Recommended Decision, at 60-61 (order entered Oct. 1, 2024).

[135] Sophie Wedeen, Joint Center for Housing Studies, Harvard Univ., Home Repairs and Updates Pose Considerable Burdens for Lower-Income (Jun. 16, 2022), https://www.jchs.harvard.edu/blog/home-repairs-and-updates-pose-considerable-burdens-lower-income-homeowners

A household with income level low enough to qualify for a CAP rate is, by definition, unlikely to be able to afford full tariff rate bills. It is much more likely that, once their monthly bill amount goes back down to their CAP rate, they will be able to afford a payment on top of their CAP bill towards the month(s) they were billed the full tariff rate. Without access to a Commission issued payment arrangement, these households are likely to face termination based on their inability to pay full tariff rates. With a Commission issued payment arrangement, households that exceed the maximum CAP credit threshold would have a chance to remain enrolled in CAP and connected to service.[136]

Finally, the proposed language in subpart (3) emphasizes that, notwithstanding any limitations on *Commission-issued* payment arrangements, a public utility has the discretion to enter a payment arrangement with a CAP customer. A public utility can and should exercise this discretion and offer reasonable payment arrangements – based on the customer's facts and circumstances – that allow CAP participants an opportunity to catch up on missed payments.

The Low Income Advocates urge the Commission to eliminate punitive restrictions proposed for payment arrangements for low income households enrolled in CAP. If the Commission nevertheless chooses to impose restrictions on its authority to issue a reasonable payment arrangement for CAP customers, it is critical that the Commission nevertheless exempt undiscounted arrears accrued at full tariff rates.

[136] The Low Income Advocates believe that outside of the context of this NOPR, public utilities should make changes to their Universal Services plans to decrease the number of households facing termination because of exceeding their CAP maximum, and that the Commission should require utilities to recognize certain exemptions to the CAP credit maximum. However, in the absence of or in addition to these changes, a Commission issued payment arrangement can help keep these households connected to service and in active repayment.

c. Number and Extension of Payment Arrangements

Under the Commission's proposed language for Section 56.182(d) and (e), it may only establish one payment arrangement with a customer absent a change in income, and may extend a payment arrangement only six months at a time after a significant change in circumstance.[137] As discussed above in section III.A.ii., the Commission's proposed definitions of "change in income" and "significant change in circumstance" are unduly restrictive, and do not match real-life circumstances – nor are they reasonably tied to a household's ability to pay.

The Low Income Advocates submit that the number and extension of payment arrangements should be left to the Commission's discretion, rather than limited by regulation. Specifically, the Low Income Advocates recommend that the Commission revise Section 56.182(d) and (e) to allow an additional payment arrangement for good cause shown, and to reinstate a previously defaulted payment arrangement for a reasonable period of time:

> (d) *Number of payment arrangements*. Absent a change in income **OR OTHER DEMONSTRATED GOOD CAUSE**, the Commission shall not establish or order a public utility to establish a second or subsequent payment arrangement if a customer has defaulted on a previous payment arrangement established by a Commission order or decision. A public utility may, at its discretion, enter into a second or subsequent payment arrangement with a customer.
>
> (e) *Extension of payment arrangements*. If the customer defaults on a payment arrangement established under subsections (a) and (b) as a result of a significant change in circumstance, the Commission may reinstate the payment arrangement and extend the remaining term for **A REASONABLE PERIOD OF TIME** ~~**an initial period of six months. The initial extension period may be extended for an additional six months for good cause shown.**~~ [138]

[137] NOPR at 21-22.
[138] See Appendix A, § 56.182 Payment Arrangement Procedures.

As discussed in greater detail above, the Commission has previously requested "more flexibility" in relation to payment arrangements,[139] and "the authority to grant more than one payment arrangement."[140] Given the Commission's recognition of this need, it must retain discretion to determine an appropriate balance in the number and extensions of payment arrangements. It cannot be stated too many times: customers on reasonable and fair payment arrangements that are based on their ability to pay are able to remain connected to the system, retire their arrearages, contribute to the common costs of operating the utility, and *do not* contribute to overall uncollectible expenses. It is a win for all involved. In contrast, setting unrealistic or unworkable payment arrangement terms sets customers up to fail then blames those very customers for not following through and at the same time causes increased costs for all involved. That is a loss for all involved.

If the Commission elects to unnecessarily constrain its own discretion and authority, and rejects the proposed modifications here and in Annex A to this section, the Low Income Advocates nevertheless submit that their proposed modified definitions of "change in income" and "significant change in circumstance"[141] should still be adopted to provide the Commission with a broader range of discretion to issue a subsequent or revised payment arrangement based on a more realistic range of circumstances that low and moderate income households are likely to face.

d. Utility Issued Payment Arrangements

When an initial payment arrangement issued by a utility is unaffordable, debt quickly compounds and, by the time a consumer reaches the Commission to request a payment

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[139] Prepared Testimony of Stephen M. DeFrank, Charman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee, at 3 (Jan. 17, 2024).
[140] Id..
[141] See supra section III.A.ii.

arrangement, debt is often unmanageably high. Nevertheless, while proposing unnecessary limits on its own authority to issue payment arrangements to address high balances, the Commission's proposed regulations fail to address the inadequacy of initial, *utility-issued* payment arrangements.

Rather than impose unnecessary restraint on its own authority to issue a payment arrangement, the Low Income Advocates urge the Commission to retain flexibility and strengthen the standards for initial *utility*-issued payment arrangements.

Utilities are required to "exercise good faith and fair judgment in attempting to enter a reasonable payment arrangement or otherwise equitably resolve the matter."[142] In setting a reasonable payment arrangement, utilities must consider the size of the balance, the ability of the household to pay, and their payment history.[143] But in practice, utilities routinely offer short-term arrangements that are not reasonably tied to the customer's ability to pay – often through an automated phone service, without ever speaking to the customer to determine whether the terms are objectively reasonable based on the facts and circumstances.

Additional reforms and standards on utility-issued arrangements would help to improve the success rate before households fall behind. Specifically, the Low Income Advocates recommend that the Commission establish a reasonableness threshold for utility-issued payment arrangements within section 56.97:

> (b) The public utility shall exercise good faith and fair judgment in attempting to enter a reasonable payment arrangement or otherwise equitably resolve the matter. Factors to be taken into account when attempting to enter into a reasonable payment arrangement include the size of the unpaid balance, the ability of the customer to pay, the payment history of the customer and the length of time over which the bill accumulated. Payment arrangements for heating customers shall be based upon budget billing as determined under § 56.12(8) (relating to meter reading; estimated billing; customer readings). **FOR HOUSEHOLDS WITH INCOME AT OR BELOW 300% FEDERAL POVERTY LEVEL, A REASONABLE PAYMENT ARRANGEMENT SHALL NOT EXCEED 20%**

[142] 52 Pa. Code § 56.97.
[143] Id.

<u>OF THE CUSTOMER OR APPLICANT'S AVERAGE MONTHLY BILL AS CALCULATED FOR THE PRIOR 12 MONTH PERIOD</u>. …

To be considered reasonable, an initial utility-issued payment arrangement should not exceed 20% of the customer's average bill for households with income at or below 300% FPL. If a customer or applicant falls behind on a utility-issued payment arrangement that does not meet this minimum reasonableness threshold, the customer or applicant should not be considered in default. Rather, the Commission should order the utility to issue a revised payment arrangement before issuing a payment arrangement under section 56.182.

e. Restoration Payment Arrangements and Reconnection Fees

As discussed, *affordable* payment arrangements are crucial to ensuring that economically vulnerable households can maintain service to their home and, in turn, to help reduce terminations and uncollectible expenses. But as proposed, the Commission's payment arrangement standards do nothing to address acute barriers to service *restoration* through a payment arrangement.

Under the current and proposed regulations, a customer of any income level is not eligible for a restoration payment arrangement from the Commission if they have defaulted on two or more payment arrangements – regardless of whether the prior defaulted payment arrangements were reasonably affordable.[144] This restriction creates an unreasonable barrier to restoration of essential service and is incompatible with the way that utilities offer and customers accept payment arrangements.

When a customer calls a utility after falling behind on bills or receiving a shutoff notice, they are often initially offered a very short payment arrangement with high up-front payment

[144] 52 Pa. Code § 56.191 (c)(2)(i).

requirements, often through an automated system. Many consumers accept these initial terms because they believe it is the only way to prevent termination. Payment arrangements with unreasonable terms, whether offered through a phone menu or by a live representative, set low and moderate income customers up to fail. When the customer inevitably defaults on an unreasonably short payment arrangement, their debt is even higher – and the second payment arrangement is even less affordable, causing the customer to fall quickly into termination. Once off, the current restoration payment arrangement standards force the customer to pay the full amount due as a condition of restoration.

The Commission's regulations do not require utilities to offer a new payment arrangement to facilitate restoration if the customer has defaulted on two or more payment arrangements in the past – *regardless of whether the terms of the defaulted payment arrangement were reasonable, based on the consumer's ability to pay*.

As the Commission has repeatedly recognized, unrealistic and unaffordable payment arrangement terms serve only to compound debt, increase terminations, and inflate uncollectible expenses borne by other consumers.[145] Thus, in addition to establishing a reasonableness threshold for initial payment arrangements issued by a public utility, as discussed in the prior section, the Low Income Advocates further recommend that the Commission amend Section 56.191(c)(2)(i) to remove the language that bars a customer who has defaulted on two or more payment arrangements from entering a Commission-issued restoration payment arrangement:

[145] See Prepared Testimony of Gladys Brown Dutrieuille, Chairman, Pennsylvania Public Utility Commission, before Senate Consumer Protection and Professional Licensure Committee (May 1, 2023) at 3; see also Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee, at 6 (Oct. 3, 2023); see also Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the House Consumer, Technology, and Utilities Committee, at 2 (Jan. 17, 2024).

> (2) A public utility may require:
>
> (i) Full payment of any outstanding balance incurred together with any reconnection fees by the customer or applicant prior to reconnection of service if the customer or applicant has an income exceeding 300% of the Federal poverty level ~~**or has defaulted on two or more payment arrangements. For purposes of this section, neither a payment arrangement intended to amortize a make-up bill under § 56.14 (relating to previously unbilled public utility service) or the definition of ''billing month'' in § 56.2 (relating to definitions), nor a payment arrangement that has been paid in full by the customer, are to be considered a default. Budget billing plans and amortization of budget plan reconciliation amounts under § 56.12(8) (relating to meter reading; estimated billing; customer readings) may not be considered a default for the purposes of this section.**~~[146]

Similarly, Section 56.191 also includes reconnection fees, which are only required if a utility has terminated service to a household involuntarily. Because these fees present a substantial barrier to reconnection of vital utility services, the Low Income Advocates recommend limiting reconnection fees to households with income over 300% FPL by amending Section 56.191(a) as follows:

> (a) *Fee.* A public utility may **ONLY** require a reconnection fee **FOR HOUSEHOLDS WITH INCOMES EXCEEDING 300% OF THE FEDERAL POVERTY LEVEL**, based upon the public utility's cost as approved by the Commission prior to reconnection of service following lawful termination of the service. The amount of this fee must be specified in the public utility's tariff on file with the Commission.

By definition, a household is paying reconnection fees only if they had their service terminated for non-payment or for some other involuntary reason. Requiring a reconnection fee presents an unreasonable barrier to service by adding an additional, and in some cases substantial,[147] cost to

[146] See Appendix A, § 56.191 Payment and Timing.
[147] PGW's current reconnection fee is $123.23. Note that PGW doesn't list its reconnection fee anywhere in its tariff – instead, the reconnection fee is the equivalent of "the Customer Service Call Charge for 7/10 of an hour." Philadelphia Gas Works Gas Service Tariff at 32, https://www.pgworks.com/uploads/pdfs/CURRENT_(Full)_PGW_Gas_Services_Tariff_Through_Supp_187_(June_2026_GCR)_-_effective_June_1_2026_-_FINAL_Updated_FOR_WEB(126105953).pdf. For a single household on SSI ($994 per month), this represents 12.3% of their month's income.

reconnecting service. Reconnection fees reduce the assistance and resources available to pay down debt that has accrued.

Each of the payment arrangement reforms detailed above will help to refocus the Commission's collections policies on prevention and debt reduction, keeping families connected to service and reducing costs to other ratepayers.

ix. § 56.225. Surcharges for Uncollectible Expenses Prohibited

The Low Income Advocates support the Commission's proposal to create a new regulation prohibiting surcharges for uncollectible expenses.[148]

x. § 56.251. Statement of Purpose and Policy

Section 56.251 sets forth the purpose of subchapters L-V and explains that the subchapters apply only to survivors of domestic violence. Subchapters L-V encapsulate the billing, collections, and termination standards that were in effect prior to Chapter 14, which explicitly exempted victims of domestic violence.[149] This exemption was adopted when Chapter 14 was first promulgated in recognition of the fact that the harsh collections and termination rules contained therein could serve as a barrier for victims of domestic violence attempting to establish a new home after fleeing abuse.

Subchapters L-V exempt survivors of domestic violence from the harsh occupant liability rules established in Chapter 14 and provide additional flexibility for the Commission to issue payment arrangements based on individual facts and circumstances. The existence of utility debt

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[148] NOPR at 22.
[149] 66 Pa. C.S. § 1417 (expired 2024).

can prevent survivors from securing both public or private housing and is among the top barriers to re-housing cited by domestic violence service providers. Along with several other protections, the alternative collections standards in subchapters L-V help to alleviate utility debt for victims of domestic violence, helping to ensure that utility debt does not prevent the survivor and their family from establishing a new home that is safe from violence.

The Commission proposes removing reference to former Chapter 14 but does not propose any further amendments to improve the ability for survivors to access these critical protections.

The Low Income Advocates support the removal of all references to Chapter 14, as the law no longer exists. We also urge further revisions to this section to add additional ways to certify status as a survivor of domestic violence.

The Commission should model revisions to this section on Act 55 of 2025,[150] which the General Assembly enacted in December 2025 allowing survivors of domestic violence to certify their status for purposes of establishing eligibility for Unemployment Compensation.[151]

Currently, Chapter 56 requires a survivor of domestic violence to certify their status by providing a Protection from Abuse order or another court order providing clear evidence of domestic violence.[152] This standard is difficult for utilities to administer and does not reach many of the most at-risk survivors of domestic violence, who are unable to access protection from the courts. Utilities should not be empowered to make a judgment call as to whether a court order contains sufficient evidence that an individual is a victim of domestic violence. Requiring a survivor to provide their utility with a copy of their PFA can disclose extremely sensitive

[150] Act of Dec. 22, 2025, P.L. 333, No. 55.
[151] Id. at Section 402.7(b).
[152] 52 Pa. Code § 56.251.

information about the nature of abuse and often includes graphic detail about the survivor's victimization.

The Low Income Advocates propose that in addition to a Protection From Abuse Order or other court order, clear evidence of domestic violence can be shown through the methods set forth in Act 55, including certification by a qualified domestic violence counselor/advocate or through self-certification.[153]

> **Subchapter L. PROVISIONS FOR 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~~**
>
> **§ 56.251. Statement of purpose and policy.**
>
> Subchapters L—V apply to victims **OF DOMESTIC VIOLENCE.** **~~under a protection from abuse order as provided by 23 Pa.C.S. Chapter 61 (relating to Protection from Abuse Act) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer~~ [~~as provided by 66 Pa.C.S. § 1417 (relating to nonapplicability)~~].** These subchapters establish and enforce uniform, fair and equitable residential public utility service standards governing eligibility criteria, credit and deposit practices, and account billing, termination and customer complaint procedures. This chapter assures adequate provision of residential public utility service, to restrict unreasonable termination of or refusal to provide that service and to provide functional alternatives to termination or refusal to provide that service. Every privilege conferred or duty required under this chapter imposes an obligation of good faith, honesty and fair dealing in its performance and enforcement. This chapter will be liberally construed to fulfill its purpose and policy and to insure justice for all concerned.
>
> **APPLICABILITY OF SUBCHAPTERS L-V MAY BE DEMONSTRATED THROUGH SUBMISSION OF ONE OF THE FOLLOWING DOCUMENTATION, WHICH SHALL BE TREATED AS HIGHLY CONFIDENTIAL:**
>
> **(1) A COURT ORDER, COURT RECORDS, OR POLICE REPORT**

[153] Act 55 of 2025 (Unemployment Compensation Law – Qualifications Required to Secure Compensation, Ineligibility for Compensation, Eligibility Related to Domestic Violence and Rate and Amount of Compensation), (2025). https://www.palegis.us/statutes/unconsolidated/law-information/view-statute?sessind=0&actnum=55&txttype=htm&sessyr=2025.

(2) A STATEMENT OF A MEDICAL PROVIDER OR A DOMESTIC VIOLENCE COUNSELOR /ADVOCATE, AS DEFINED IN 23 PA.C.S. Ch. 61.

(3) A SELF-AFFIRMATION THAT THE INDIVIDUAL OR A MEMBER OF THE INDIVIDUAL'S FAMILY OR HOUSEHOLD IS A VICTIM OF DOMESTIC VIOLENCE.[154]

Modernizing Chapter 56 to align with the procedures the General Assembly recently enacted in the context of Unemployment Compensation would facilitate survivors' ability to access the critical protections contained in Subchapters L-V, improving the ability of survivors of domestic violence to access more flexible payment arrangement terms and helping ensure survivors are not saddled with the debt of a third party – preventing them from establishing a safe home, free from abuse. These methods for certifying domestic violence status are reasonable, as affirmed by the General Assembly, and would help effectuate Chapter 56's purpose to restrict unreasonable termination of service.[155]

B. Additional Chapter 56 Reforms Must Be Addressed

The Low Income Advocates strongly support the statement of Vice Chair Barrow and take this opportunity to respond to critical topics outlined therein.[156] Specifically, the Commission failed to address critically needed reforms to improve protections from termination for medically vulnerable households; failed to expand the seasonal termination moratorium to ensure customers remain connected to life-sustaining utility service through the hottest months of the year; failed to improve outdated notice procedures to ensure households understand and can timely respond; and

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[154] See Appendix A, § 56.251 Statement of Purpose and Policy.
[155] 52 Pa. Code § 56.1(a).
[156] Statement of Vice Chair Kimberly Barrow, Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Public Meeting Feb. 19, 2026, 56 Pa. B. 3143 (May 30, 2026).

failed to ensure adequate protections are in place to ensure both low and moderate income households (up to 300% FPL) can reasonably connect and maintain utility service.

i. Further Improve Payment Arrangements

In her statement, Vice Chair Barrow poses several direct questions regarding the adequacy of the Commission's payment arrangement standards, including adjusting payment arrangement lengths and levels, adding increased change in income as justification for a new payment arrangement, extending payment arrangements to small businesses, and creating a term length for restarting the clock for defaulted and fulfilled payment arrangements.

The Low Income Advocates address most of these questions above, in Section III.A.viii. As discussed therein, the Commission's current and proposed payment arrangement standards unnecessarily handcuff the Commission's ability to provide reasonable payment arrangement terms that are responsive to real-life circumstances faced by low and moderate income households. The Commission has itself recognized publicly that the current standards produce unaffordable results – compounding debts and leading to terminations and higher collections costs that could be avoided if initial payment arrangement terms were attuned to what a household can actually afford to pay. It is absolutely critical that the Commission holistically reform its existing payment arrangement standards – both for utility-issued payment arrangements and Commission-issued payment arrangements.

The Low Income Advocates did not specifically address above whether the Commission should extend payment arrangements to small businesses, though we note here that we are generally supportive of extending payment arrangements to small businesses. Many low and moderate income individuals are self-employed as a small or microbusiness owner – and many others are employed by small business owners.[157] Ensuring access to reasonable payment arrangements for small businesses helps keep small businesses in business, reducing uncollectible expenses and improving local economies.

ii. Expand Protections for Medically Vulnerable Customers

In her statement, Vice Chair Barrow expressed interest in comments regarding medical certificates and, specifically, whether the group of people who can sign a medical certificate should be expanded. The Low Income Advocates submit that the Commission should go further to adopt additional protections from termination for medically vulnerable households. As Chairman DeFrank stated to the General Assembly, "[t]he existing language and process for medical certificates, which provide up to 90 days of service protection, is burdensome on all parties."[158] The Low Income Advocates recommend adopting the following medical certificate reforms to ease the burden of the medical certificate process on all parties:

- *Expand approved signatories to include registered nurses.*
- *Extend the duration of a medical certificate from 30 to 90 days, or up to 180 days for households with a chronic illness or long-term condition.*
- *Require utilities to stop termination for at least 7 days if a utility is informed a customer has a medical condition to allow time to obtain a medical certificate.*
- *Allow consumers protected by a medical certificate to access an equitable payment arrangement, regardless of past payment history.*

These reforms protect medically vulnerable households and are another meaningful way of ensuring utility payment can be made and that debts do not accrue. There are hundreds of

[157] Maurice Kugler, et al., US Small Business Admin., Entrepreneurship in Low-Income Areas (Sept. 2017), https://advocacy.sba.gov/wp-content/uploads/2019/05/437-Entrepreneurship-in-Low-income-Areas.pdf.
[158] Prepared Testimony of Stephen M. DeFrank, Chairman, Pennsylvania Public Utility Commission, before the Senate Consumer Protection and Professional Licensure Committee (Oct. 3, 2023) at 7.

thousands of medically vulnerable individuals across Pennsylvania, including seniors, families with young children, and individuals with disabilities, who rely on running water, electricity, heat, and air conditioning to treat a range of conditions and illnesses. Many households have significant medical usage, such as oxygen machines, hospital beds, motorized wheelchairs, and breathing machines, which drive up home energy costs – contributing to energy insecurity.[159] For medically vulnerable individuals, the ability to maintain stable utility service is a matter of life and death.[160] Given the shift in focus of healthcare to in-home care, especially for aging seniors and individuals with a disability that are largely reliant on fixed income, the need for comprehensive medical protections to prevent utility termination has grown.[161]

Chapter 56, like the former Chapter 14, provides short-term protection from involuntary termination for medically vulnerable households. However, the current medical certification process imposes unnecessarily burdensome requirements that are especially difficult for individuals with chronic illnesses and those that lack access to affordable health care options. Accessing a medical professional is often time-consuming and costly. Further, according to the federal Health Resources and Services Administration, Pennsylvania has over 150 medically underserved areas and populations with documented primary care shortages, compounding the difficulty of accessing a healthcare professional to sign a medical certificate in many communities across the state.[162]

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[159] See NCLC, Protecting Seriously Ill Consumers From Utility Disconnections: What States Can Do To Save Lives Now (Feb. 2021), https://www.nclc.org/wp-content/uploads/2022/09/Serious_Illness_Rpt.pdf
[160] Id.
[161] Dr. Peter Kahn et al., Regulators Can Save Lives by Protecting Medically Vulnerable Utility Users, The Hill (Sept. 10, 2022), https://thehill.com/opinion/energy-environment/3637206-regulators-can-save-lives-by-protecting-medically-vulnerable-utility-users/.
[162] Health Resources and Services Administration, Find MUA/P, https://data.hrsa.gov/topics/health-workforce/shortage-areas/mua-find; Pa. Dept. of Health, Pennsylvania's Designated Primary Care (PC) Medically Underserved Areas/Populations (MUA/Ps) (Mar. 2024) https://www.pa.gov/content/dam/copapwp-pagov/en/health/documents/topics/documents/programs/primary-care/Designated_MUA-P_March_2024.pdf.

Protections for medically vulnerable households must be accessible and must account for the real-life challenges inherent in our health system. Comprehensive amendments to the medical certificate process are critical to remove barriers to obtaining a certificate, improve payment options, and ensure that medically vulnerable family members can focus on getting better – without worrying that life-essential service will be shut off.

To effectuate these recommendations, the Low Income Advocates suggest the following amendments to Chapter 56 provisions regarding medical certificate procedures:

§ 56.2. Definitions

Medical certificate—A written document, in a form approved by the Commission, and consistent with § 56.113 (relating to medical certifications), that:

(i) Certifies that a customer or member of the customer's household is seriously ill or has been diagnosed with a medical condition which requires the continuation of service to treat the medical condition.

(ii) Is signed by a licensed physician, nurse practitioner, **REGISTERED NURSE,** or physician assistant.

***REGISTERED NURSE*—AN INDIVIDUAL LICENSED IN THIS COMMONWEALTH BY THE STATE BOARD OF NURSING AS A REGISTERED NURSE UNDER 49 PA. CODE CHAPTER 21, SUBCHAPTER A (RELATING TO REGISTERED NURSES).**

§ 56.111. General provision.

A public utility may not terminate service, or refuse to restore service, to a premises when a licensed physician, physician assistant**, REGISTERED NURSE,** or nurse practitioner has certified that the customer or an applicant seeking restoration of service under § 56.191 (relating to payment and timing) or a member of the customer's or applicant's household is seriously ill or afflicted with a medical condition that will be aggravated by cessation of service. The customer shall obtain a letter from a licensed physician, physician assistant**, REGISTERED NURSE,** or nurse practitioner verifying the condition and promptly forward it to the public utility. The determination of **(1)** whether a medical condition qualifies for the purposes of this section **AND (2) WHETHER A MEDICAL CONDITION IS A CHRONIC CONDITION OR LONG-TERM ILLNESS** resides entirely with the physician, nurse practitioner**, REGISTERED NURSE**, or physician assistant and not with the public utility. A public utility may not impose any qualification standards for medical certificates other than those specified in this section.

§ 56.112. Postponement of termination pending receipt of certificate.

If, prior to termination of service, the public utility employee is informed that an occupant is seriously ill or is affected with a medical condition which will be aggravated by a cessation of service and that a medical certification will be procured, termination may not occur for at least ~~3~~ 7 days. If a certification is not produced within that ~~3~~ 7-day period, the public utility may resume the termination process at the point where it was suspended.

§ 56.113. Medical certifications.

Medical certifications must be in writing. Public utilities may develop a medical certificate form. The public utility's medical certificate may not be mandatory. A medical certificate form developed by the public utility shall be made readily available. Medical certificates may be electronically transmitted and electronic signatures are valid. A medical certificate must include all of the following:

(1) The name and address of the customer or applicant in whose name the account is registered.

(2) The name and address of the afflicted person and relationship to the customer or applicant.

(3) The anticipated length of the affliction.

(4) The name, office address and telephone number of the certifying physician, nurse practitioner**, REGISTERED NURSE**, or physician assistant.

(5) The signature of the certifying physician, nurse practitioner**, REGISTERED NURSE**, or physician assistant.

§ 56.114. Length of postponement; renewals.

Service may not be terminated for the time period specified in a medical certification; the maximum length of the certification shall be ~~30~~ **90** days**, OR, IF THE MEDICAL PROFESSIONAL SIGNING THE MEDICAL CERTIFICATE INDICATES THAT THE AFFLICTION IS A CHRONIC CONDITION OR A LONG-TERM ILLNESS, 180 DAYS.**

(1) Time period not specified. If no length of time is specified or if the time period is not readily ascertainable, service may not be terminated for at least ~~30~~ **90** days.

(2) Renewals. Certifications may be renewed in the same manner and for the same time period as provided in § § 56.112 and 56.113 (relating to postponement

of termination pending receipt of certificate; and medical certifications) and this section if the customer has met the obligation under § 56.116 (relating to duty of customer to pay bills). In instances when a customer has not met the obligation in § 56.116 to equitably make payments on all bills, the number of renewals for the customer's household is limited to two ~~30-day~~ certifications filed for the same set of arrearages. In these instances the public utility is not required to honor a third renewal of a medical certificate and is not required to follow § 56.118(3) (relating to right of public utility to petition the Commission). The public utility shall apply the dispute procedures in § § 56.151 and 56.152 (relating to public utility company dispute procedures). When the customer eliminates these arrearages, the customer is eligible to file new medical certificates.

§ 56.116. Duty of customer to pay bills.

Whenever service is restored or termination postponed under the medical emergency procedures, the customer shall retain a duty to make payment on all current undisputed bills or budget billing amount as determined under § 56.12(8) (relating to meter reading; estimated billing; customer readings). **THE UTILITY SHALL INFORM THE CUSTOMER OF THE CUSTOMER'S DUTY TO MAKE PAYMENT ON ALL CURRENT UNDISPUTED BILLS OR BUDGET BILLING AMOUNT UNDER § 56.12(8) (RELATING TO METER READING; ESTIMATED BILLING; CUSTOMER READINGS) AND SHALL INFORM THE CUSTOMER OF THE AVAILABILITY OF MEDICAL CERTIFICATE RENEWALS UNDER § 56.114(2).**

Each of the overarching recommendations captured in the above recommended language is discussed below.

a. Allow Registered Nurses to Sign a Certificate

Expanding the group of people who can sign a medical certificate to include registered nurses is a meaningful reform that would ease the administrative burden on medically vulnerable consumers and the healthcare system alike. Registered nurses are independently licensed and highly competent medical professionals with rigorous medical training and experience.[163] Oftentimes, registered nurses are more intimately involved with direct patient care and will thus have a more holistic view of their patients' medical needs, including what medical support

[163] See 49 Pa. Code § 21.20 et seq.

apparatus a patient may require, what medications may require refrigeration, and other specific medical needs that require utility service to support healthy living and recovery. As a practical matter, doctors can be difficult for patients to get ahold of and a patient may only see a doctor briefly, so allowing registered nurses to sign medical certificates would remove a significant barrier to accessing medical protection.

Although registered nurses do not have *diagnostic* privileges or the authority to write *prescriptions*,[164] a medical certificate to halt utility termination is not a diagnosis or a prescription – it is far more akin to applying a temporary bandage that prevents further injury or death, allowing the medically vulnerable household extra time to cure the underlying debt. The definition of "medical certificate" in Section 56.2 is clear that a medical certificate "[c]ertifies that a customer or member of the customer's household *is seriously ill* or *has been diagnosed* with a medical condition which requires the continuation of service to treat the medical condition."[165] Nothing in the definition requires that the medical professional signing the certificate has diagnostic authority or is the same medical professional who made the diagnosis. The definition requires that the medical professional signing the certificate has the capability to determine whether someone is seriously ill or *has been diagnosed* with a medical condition. Registered nurses are highly competent medical professionals with the capability of determining whether a patient has already been diagnosed with a medical condition by another medical professional with diagnostic authority. Although registered nurses do not have the authority to issue a new diagnosis, they play a critical role in communication between a diagnosing provider and patients to provide patients with information about their diagnosis and treatment. As such, registered nurses are well positioned to communicate through a medical certificate the fact that a patient *has been diagnosed*

[164] 49 Pa. Code § 21.20.
[165] 52 Pa. Code § 56.2 (emphasis added).

with a medical condition whose treatment requires continuation of service.

Registered nurses are close enough to patients to understand when someone needs power, heat, and water to ensure their condition does not worsen, and should be permitted to certify that a medical condition or illness is serious or requires continuation of service to treat. Certainly, a registered nurse has the necessary training to understand when this short term bandage is necessary to prevent irreversible harm to a medically vulnerable household.

b. Extend the Minimum Duration from 30 to 90 or 180 Days

As it stands, the medical certificate process requires a household to see a doctor or nurse practitioner every 30 days. It is both untenable and unrealistic to require *any* household to be able to be able to access the health care services required for the completion of a medical certificate every 30 days – especially those who may have inadequate health coverage or high co-pays.[166] The addition of a co-pay only detracts from the ability of a consumer to keep up with utility costs.

As discussed, the process of obtaining medical certificate renewals can be especially burdensome for customers with chronic conditions or long-term illnesses. It is unreasonable and administratively inefficient – for customers, their medical professionals, and public utilities – to require customers with chronic conditions or long-term illnesses to recurrently recertify the continuation of their medical condition which is, by definition, not likely to resolve in the short term. The Low Income Advocates recommend an amendment to Section 56.114 that would ease this administrative inefficiency by enabling medical professionals to certify that a customer has a chronic condition or long-term illness and enable the customer to receive protection from

[166] See Al Rifai et al., Prevalence and Determinants of Difficulty in Accessing Medical Care in U.S. Adults, 61 American Journal of Preventive Medicine Issue 4 at 492-500 (Oct. 2021); see also Ng et al. for U.S. Centers for Disease Control and Prevention, Sociodemographic Differences in Nonfinancial Access Barriers to Health Care Among Adults: United States, 2022, 207 National Health Statistic Reports (Aug. 2024).

termination for up to 180 days.

The Low Income Advocates also recommend amendments to Section 56.111 to clarify that the determination of whether a patient has a chronic condition or long-term illness lies solely with the medical provider. This amendment fits into the existing language in Section 56.111, which makes clear that the determination about whether a medical condition qualifies for medical protection from service termination lies with the medical professional, not with the public utility. The proposed language would similarly ensure that the medical determination of whether a condition is chronic or long-term properly lies with the certifying medical professional, not with the utility.

c. Restore 7-Day Termination Hold to Obtain a Medical Certificate

As discussed above, the reality of our health system is that doctors can be difficult for patients to get ahold of and appointments can be difficult to schedule. The current 3-day period was incorporated following 2014 amendments to Chapter 14.[167] In practice, this restrictive timeframe does not account for the reality of the amount of time it can take to schedule an appointment or even get a medical professional on the phone to alert them to the requested medical certificate. The Low Income Advocates recommend amending Section 56.112 to allow an initial 7-day postponement of termination to better accommodate the realities of the medical system.

d. Improve Payment Terms for Medically Vulnerable Households

Medical certificates are not only difficult to obtain, the payment requirements for consumers protected by a medical certificate are confusing and difficult for medically vulnerable consumers to navigate. There are no standardized requirements for utilities to notify medically

[167] 52 Pa. Code § 56.352.

vulnerable households of the payment requirements after a medical certificate is submitted.

Pursuant to the current language of Chapter 56, a consumer protected by a medical certificate must make timely payment on current charges to renew a medical certificate beyond the first 90 days of protection.[168] In practice, medically vulnerable consumers are rarely informed of this ongoing payment requirement, or of the consequences if they do not continue to pay their current charges while the medical certificate is in place.

Typically, a household only resorts to the burdensome process of obtaining a medical certificate as last resort, after they have defaulted on a payment arrangement – leaving very few options once the medical certificate expires. Many individuals with extreme medical vulnerabilities are unable to obtain a payment arrangement from the utility following issuance of a medical certificate. As a result, following the short-term extension, service is often terminated to medically vulnerable households regardless of the severe consequences to the health and safety of the consumer.

The Low Income Advocates' recommended amendment to Section 56.116 would create a uniform standard requiring that, when termination is postponed or service is restored based on submission of a medical certificate, utilities must explain to customers their duty to pay current bills, that a medical certificate can be renewed so long as they pay their current bills, and that if they do not pay their current bills by the due date they will be limited to just two renewals – which currently provide just 90 days of protection from termination. This informational requirement would help customers better understand the duty to pay current bills as well as the availability and limitations of medical certificate renewals. As expressed throughout these comments, the Commission should always prioritize policies that keep Pennsylvania households connected to

[168] 52 Pa. Code §§ 56.114(2), 56.116.

service and making ongoing payments. This policy, along with the other recommendations in this section, would achieve both goals – protecting medically vulnerable households from devastating consequences of termination, improving ongoing payment, and reducing accrual of uncollectible arrears.

iii. Prevent Involuntary Termination in Coldest and Hottest Months

In her statement, Vice Chair Barrow expressed interest in comments regarding a summer termination moratorium procedure based upon heat advisories. The Low Income Advocates strongly recommend the Commission expand the termination moratorium procedures to protect economically vulnerable households from termination of energy and water service during both the coldest and hottest months of the year. Specifically, the Low Income Advocates recommend the following additional Chapter 56 reforms to ensure Pennsylvanians remain connected in the winter and summer months when temperatures are most extreme:

- *Impose a moratorium on electric, water, and wastewater service for customers at or below 300% FPL from June 15 to August 31.*
- *Increase the current income threshold for winter protection to protect households with income at or below 300% of the Federal Poverty Level.*
- *Extend the winter moratorium to all water and wastewater services.*
- *Remove PGW-specific termination moratorium procedures.*

As discussed above in Section II.D., the Public Utility Code authorizes the Commission to issue regulations regarding termination of service, even without Chapter 14. Indeed, the Commission implemented the winter shut-off moratorium in Chapter 56 prior to the passage of Chapter 14, citing its authority under the Public Utility Code at sections 331, 501, 504, 1301, 1305, 1501 and 1504.[169] Chapter 14 preserved the winter moratorium but restricted its protections to customers at or below 250% FPL.[170] Following the sunset of this restriction, the Commission should implement critical reforms to its moratorium regulations to advance Chapter 56's policy purpose to "prevent unreasonable termination of service"[171] by prohibiting dangerous utility service termination during the winter and summer alike.

The Low Income Advocates recommend the following amendments and additions to Chapter 56 provisions regarding termination moratorium procedures:

§ 56.100 ~~Winter~~ SEASONAL termination ~~procedures~~ PROTECTIONS.

(a) *Water distribution **AND WASTEWATER** utilities.* Notwithstanding any provision of this chapter, during the periods of December 1 through March 31 **AND JUNE 15 THROUGH AUGUST 31**, water distribution **AND WASTEWATER** utilities subject to this subchapter may not terminate ~~**heat related**~~ service **TO CUSTOMERS WITH HOUSEHOLD INCOMES AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL** ~~**between December 1 and March 31**~~ except as provided in this section or § 56.98 (relating to immediate termination for unauthorized use, fraud, tampering or tariff violations).

(b) *Electric distribution ~~**and natural gas distribution**~~ utilities.* Unless otherwise authorized by the Commission, during the periods of December 1 through March 31 **AND JUNE 15 THROUGH AUGUST 31**, an electric distribution utility ~~**or natural gas distribution utility**~~ may not terminate service to customers with household incomes at or below ~~**250**~~ **300%** of the Federal poverty level except as provided in this section or in § 56.98. The Commission will not prohibit an electric distribution utility ~~or natural gas distribution utility~~ from terminating service in accordance with this section to customers with household incomes exceeding ~~**250**~~ **300%** of the Federal poverty level.

(c) ~~***City natural gas distribution utility***~~ ***NATURAL GAS DISTRIBUTION UTILITIES***. **UNLESS OTHERWISE AUTHORIZED BY THE COMMISSION, DURING THE PERIOD OF DECEMBER 1 THROUGH MARCH 31, A NATURAL GAS DISTRIBUTION UTILITY MAY NOT**

[169] 13 Pa.B. 1250, 1254.
[170] 66 Pa. C.S. §§ 1406(e) (expired 2024).
[171] 52 Pa. Code § 56.1.

TERMINATE SERVICE TO CUSTOMERS WITH HOUSEHOLD INCOMES AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL EXCEPT AS PROVIDED IN THIS SECTION OR IN § 56.98. THE COMMISSION WILL NOT PROHIBIT A NATURAL GAS DISTRIBUTION UTILITY FROM TERMINATING SERVICE IN ACCORDANCE WITH THIS SECTION TO CUSTOMERS WITH HOUSEHOLD INCOMES EXCEEDING 300% OF THE FEDERAL POVERTY LEVEL. ~~In addition to the winter termination authority in subsection (b), a city natural gas distribution operation may terminate service after January 1 and before April 1 to a customer whose household income exceeds 150% of the Federal poverty level but does not exceed 250% of the Federal poverty level, and starting January 1, has not paid at least 50% of charges for each of the prior 2 months unless the customer has done one of the following:~~

~~(1) Proven in accordance with Commission rules, that the household contains one or more persons who are 65 years of age or older.~~

~~(2) Proven in accordance with Commission rules, that the household contains one or more persons 12 years of age or younger.~~

~~(3) Obtained a medical certification, in accordance with Commission rules.~~

~~(4) Paid to the city natural gas distribution operation an amount representing at least 15% of the customer's monthly household income for each of the last 2 months.~~

(d) [RESERVED.]~~*City natural gas distribution utility notice to the Commission*. At the time that the notice of termination required under § 56.91 (relating to general notice provisions and contents of termination notice) is provided to the customer, the city natural gas distribution operation shall provide notice to the Commission. The Commission will not stay the termination of service unless the Commission finds that the customer meets the criteria in subsection (c)(1), (2), (3) or (4).~~

…

(f) *Landlord ratepayer accounts*. During the periods of December 1 through March 31 **AND JUNE 15 THROUGH AUGUST 31**, a public utility may not terminate service to a premises when the account is in the name of a landlord ratepayer as defined in 66 Pa.C.S. § 1521 (relating to definitions) except for the grounds in § 56.98.

The winter moratorium on heat-related service termination saves lives.[172] This is not an exaggeration. The winter moratorium keeps customers connected to utility service during the coldest months of the year, avoiding the preventable deaths that result from a lack of access to safe home heating.[173] With summer heat intensifying, a similar moratorium applied during the hottest summer months would likewise prevent heat-related deaths of customers whose electric service would otherwise be terminated.

Pennsylvania is experiencing more prolonged and extreme weather events – with dangerous heat waves stretching through much longer periods of the summer.[174] Heat-related deaths are also increasing, especially among seniors and other uniquely vulnerable households.[175] To prevent heat related illness or death, the Pennsylvania Emergency Management Agency notes that access to air conditioning, hydration, and cool showers or baths are essential protective factors against heat-related illness.[176] Customers disconnected from water and electricity service during the hottest months of the year are disconnected from protective lifelines, and this is especially risky for seniors, young children, and individuals with underlying health conditions.[177]

The Low Income Advocates strongly recommend that the Commission implement a date-based summer termination moratorium that prohibits termination of electric, water, and wastewater services between June 15 and August 31 for all households at or below 300% FPL. The

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[172] 52 Pa. Code § 56.100.
[173] See Sean Adams, After Pa. woman's death in cold house, penalty doubled for utility that shut off her heat, PennLive Patriot-News (Mar. 27, 2026) https://www.pennlive.com/news/2026/03/pa-utility-penalized-after-woman-dies-while-her-heat-was-shut-off.html.
[174] Pa. DEP, Pennsylvania Climate Impacts Assessment, at 12-18 (2024), https://www.pa.gov/agencies/dep/residents/climate-change/impacts.
[175] Cherise Lynch, Two people die in their Lehigh County homes due to extreme heat: Coroner, NBC 10 Philadelphia (May 20, 2026); Nicole Leonard, Philadelphia heat-related death toll jumps to 7 fatalities in first week of July, WHYY (Jul. 7, 2026).
[176] Pennsylvania Emergency Management Agency, Ready PA, Extreme Heat, https://www.pa.gov/agencies/ready/hazards/extreme-heat.
[177] Karen Lusson, NCLC, Protecting Access to Essential Utility Service During Extreme Heat and Climate Change (Jul. 2026), at 9, https://www.nclc.org/wp-content/uploads/2024/07/2026.07_Report_Update-to-Protecting-Access-to-Essential-Utility-Service-During-Extreme-Heat-and-Climate-Change.pdf.

Commission should follow the lead of the New Jersey Board of Public Utilities, which recently implemented this exact protection, prohibiting electric, water, and sewer service termination during these months.[178] This recommendation is narrowly tailored to cover electric, water, and wastewater utilities, which provide essential protection against extreme summer heat, and excludes natural gas utilities.

A calendar-based moratorium during the hottest summer months is more effective than a moratorium that only takes effect during heat advisories. Terminations that occur before or between heat advisories can expose consumers to heat-related illness or death during subsequent extreme heat. Tragic stories of recent heat-related deaths demonstrate the shortcomings of moratoria that only take effect once a heat advisory has been issued. For example, Missouri's Hot Weather Law prohibits termination during heat wave events, but last year, a Missouri woman died during a heat wave after her electricity was terminated for nonpayment just two weeks prior.[179] To more effectively protect consumers from dangerous and irreversible health consequences, the Commission should adopt a calendar-based summer termination moratorium – like the winter moratorium – that prohibits electric, water, and wastewater service termination for customers at or below 300% FPL between June 15 to August 31.

In addition, winter termination moratorium protections should extend to protect consumers at or below 300% FPL. As discussed above, "ALICE" households, "asset limited, income constrained, employed," are just over income for public assistance programs but are economically vulnerable and need support to have a fighting chance at staying connected to utility service. In

[178] New Jersey Board of Public Utilities & New Jersey Department of Community Affairs, NJBPU Approves Summer Termination Program: Eligible NJ Households Protected from Utility Shutoffs Through August 31 (Jun. 24, 2026) https://www.nj.gov/bpu/newsroom/2026/approved/20260618.html.

[179] Kate Grumke, A Missouri woman died in her hot apartment. Ameren had shut off her power, KCUR | NPR (Jun. 25, 2025) https://www.kcur.org/news/2025-06-25/st-ann-missouri-heat-ameren-energy-bills.

line with recommendations throughout these comments to increase income thresholds for other Chapter 56 supports to 300% FPL, the Low Income Advocates recommend increasing termination moratorium protections to households with income at or below 300% FPL.

Moreover, the Low Income Advocates submit that the moratorium protections should prevent water and wastewater service termination in both winter and summer. The existing termination moratorium regulations only prevent termination of water distribution service during winter months if a customer's water use is heat-related. Even when water and wastewater services are not required to operate home heating equipment, access to hot water and sanitation services are nevertheless essential to health and safety through the cold winter months. As discussed, water service is essential to staying cool in the hot summer months. Without water and wastewater service, a home quickly becomes unsafe and uninhabitable, and can result in condemnation or eviction.

As discussed above in Section III.A.iv., the Low Income Advocates also oppose the inclusion of any PGW-specific provisions in Chapter 56 and recommend the Commission revise Section 56.100 to remove the termination moratorium exception for PGW. This exception to the termination moratorium is unnecessary for PGW's financial wellbeing and unreasonably risks exposing PGW's customers to hypothermic injury and death. Further, as noted above, this provision is susceptible to legal challenge because it results in disparate treatment for households in PGW's service territory.

iv. Improve Notice Requirements

If notices are not received or understood, consumers cannot timely respond. In her statement, Vice Chair Barrow raises two discrete notice issues: LIHEAP crisis eligibility and personal contact prior to termination. While important to address, issues with current notice requirements go far deeper than these two identified issues. This includes the need to lengthen the initial notice period, improve the use of plain language, require expanded language accessibility, and strengthen delivery requirements.

e. Reconciling Termination Notices and LIHEAP Crisis Eligibility

In her statement, Vice Chair Barrow invites comment regarding updating or establishing rules reconciling termination notices and LIHEAP eligibility. As the PUC is aware, LIHEAP is within the purview of the Department of Human Services, and the Commission does not have jurisdiction to change eligibility for the program through regulation. That said, the Commission should more closely review the policies and regulations governing the timing and content of a termination notice and should ensure that termination notice processes and procedures are standardized and adjusted to appropriately align with LIHEAP crisis eligibility.

Of note, the Commission can and should further policies that ensure coordination across LIHEAP and utility-run universal service programming. As it stands, there are tens of thousands of households that receive LIHEAP but are not enrolled in CAP – despite the fact they are, by definition, income eligible for CAP assistance. As rates continue to rise, and an increasing number of households are facing involuntary termination, it is critical that the Commission advance every tool to improve access to service. As recommended above, enhanced screening and referrals would help improve access to assistance programs, as would improvements to cross-coordination between LIHEAP and CAP to expand program reach for those *known* to be eligible for assistance.

f. Personal Contact Prior to Termination

In her statement, Vice Chair Barrow expressed interest in comments regarding updating provisions relating to personal contact prior to termination. Currently, prior to termination, a public utility must provide written notice at least 10 days before the proposed termination,[180] and attempt personal contact at least 3 days before the scheduled termination.[181] Attempted contact includes either two attempted phone calls, an attempt at a home visit with a posted termination notice, _or_ contact by email, text message, or other form of electronic notice if the customer has provided prior consent to this method of notice.[182]

Based on the experience of the Low Income Advocates, customers often report never receiving a 3 day termination notice phone call. This reported lack of notice could happen for many reasons, even assuming public utilities are making the required call attempts. Customers wary of scams may be unlikely to answer a call from an unknown number. They may answer a call but not be able to understand if the notice is in a language they do not speak. They may be working or otherwise unavailable during the two attempted calls. Utilities are not required to leave a voicemail if they are unable to reach the customer, so the customer may not even know they have missed an important call. Customers that are struggling to pay their gas, electric, or water bill, are often also struggling to pay their phone bill and may be unable to maintain access to the phone number the utility has on file and are more likely to lack stable internet services in order to receive other forms of notice.[183]

The current 3-day notice standards also fail to appropriately advise consumers of the options available to prevent termination – including the availability of equitable payment arrangements, universal service programs, medical certificates, and protections for victims of

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[180] 52 Pa. Code § 56.91.
[181] 52 Pa. Code § 56.93.
[182] 52 Pa. Code § 56.93(a).
[183] Benton Institute for Broadband & Society, What Policymakers Should Know About Lifeline Participants (Mar. 8, 2022), https://www.benton.org/blog/what-policymakers-should-know-about-lifeline-participants.

domestic violence.[184] This information is required for the 10-day written notice, and utilities are required to ask the customer or occupant if they have questions about the 10-day notice, but consumers regularly report that they misplaced or did not receive the written notice. In the days leading up to termination, it is critical that consumers are provided *actual* notice and additional information about how they may prevent involuntary termination of service to their home.

To increase the likelihood that customers receive and understand the personal contact notice, the Low Income Advocates recommend the following changes:

- *At least 3 days prior to termination, a public utility should be required to make actual contact with the customer. If actual contact is unsuccessful, a utility should be required to post a written termination notice at the residence at least 48 hours prior to termination.*

- *This 3-day verbal notice or 48-hour written, posted notice must include a clear, plain language statement of the amount the utility is willing to accept to prevent termination – as well as the availability of payment arrangements, universal service programs, medical protections, and other key termination protections.*

The Low Income Advocates' suggested changes to the personal contact requirement would increase the likelihood that customers actually receive and understand the notice and information, providing an additional opportunity to make payment or connect with assistance programs before facing a harmful utility termination.

To effectuate these changes, the Low Income Advocates recommend the following amendments to section 56.93:

> (a) Except when authorized under 56.71, 56.71 or 56.98 (relating to interruption of service; discontinuation of service; and immediate termination for unauthorized use, fraud, tampering or tariff violations), a public utility may not interrupt, discontinue or terminate service without ~~**attempting to**~~ contact**ing** the customer or responsible adult occupant, either in person, by telephone or electronically with the customer's consent, to provide notice of the proposed termination at least 3 days prior to the scheduled termination using one of the methods in this section. If personal contact

[184] 52 Pa. Code § 56.93(b).

by one method is not **EFFECTUATED** ~~possible~~, the public utility must **POST CONSPICUOUS NOTICE OF TERMINATION AT THE PREMISE AT LEAST 48 HOURS PRIOR TO TERMINATION** ~~is obligated to attempt another method~~.

~~**(1) Phone contact shall be deemed complete upon attempted calls on 2 separate days to the residence between the hours of 8 a.m. and 9 p.m. if the calls were made at various times each day, with the various times of the day being daytime before 5 p.m. and evening after 5 p.m. and at least 2 hours apart. Calls made to contact telephone numbers provided by the customer shall be deemed to be calls to the residence.**~~

~~**(2) If contact is attempted in person by a home visit, only one attempt is required. The public utility shall conspicuously post a written termination notice at the residence if it is unsuccessful in attempting to personally contact a responsible adult occupant during the home visit.**~~

[~~(3)~~**]** Contact by e-mail, text message or other electronic messaging format consistent with the Commission's privacy guidelines and approved by Commission order. The electronic notification option is voluntary and shall only be used if the customer has given prior consent approving the use of a specific electronic message format for the purpose of notification of a pending termination. ~~**Electronic contact shall be deemed complete if, after attempted transmittal, no message is received indicating that the transmittal was undeliverable or otherwise not received. If the public utility receives notification that the transmittal was undeliverable or otherwise not received, the public utility shall attempt to contact the customer either in person or by telephone, consistent with the requirements of this section.**~~

(b) The content of the 3-day personal contact notice **OR 48 HOUR POSTED NOTICE** must **INCLUDE** **[**~~the earliest date at which termination may occur and~~**]** **A PLAIN LANGUAGE STATEMENT INDICATING** the following information:

(1) The **EARLIEST** date **WHICH TERMINATION MAY OCCUR** and grounds of the termination.

(2) ~~**What is**~~ **A PRECISE STATEMENT OF THE AMOUNT** needed to avoid the termination of service.

(3) How to contact the public utility and the Commission.

(4) THE AVAILABILITY OF PAYMENT ARRANGEMENT TERMS, ALONG WITH INFORMATION ABOUT HOW TO REQUEST A PAYMENT ARRANGEMENT.

(5) THE AVAILABILITY OF ASSISTANCE FOR INCOME-ELIGIBLE HOUSEHOLDS, ALONG WITH INFORMATION ABOUT PROGRAM ELIGIBILITY, BENEFITS, AND HOW TO APPLY.

(6) The availability of emergency medical ~~procedures~~ **PROTECTIONS, ALONG WITH INFORMATION ABOUT HOW TO OBTAIN A MEDICAL CERTIFICATE.**

(7) THE AVAILABILITY OF ADDITIONAL PROTECTIONS FOR VICTIMS OF DOMESTIC VIOLENCE.

(8) THE AVAILABILITY OF SEASONAL PROTECTIONS.

g. Improve Language Access

There are approximately 1.4 million Pennsylvanians that speak a language other than English – and approximately 39% of those individuals have limited English proficiency.[185] However, there are scant requirements for utilities to translate critical notices into other commonly spoken languages. The Low Income Advocates urge further amendment to the current language access rules to ensure termination notices – and other critical documents – contain basic information in the top five languages spoken in a given service territory.

As it stands, language translation requirements are minimal. Public utilities are only required to provide "information in Spanish directing Spanish-speaking customers to the numbers to call for information and translation assistance."[186] This minimal information is only provided in other languages if over 5% of the entire service territory speaks a given language.[187] Given the broad geographic footprint of Pennsylvania's large utilities, this standard is ineffective at ensuring the language access needs of large segments of the population are appropriately served.

Of particular concern, there is no requirement that the utility translate the title of the document or otherwise indicate the critical importance of the document in other languages. Thus, while the current standards require utilities to include basic information about how to request translation services, a consumer with limited English proficiency is unlikely to understand the

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[185] Penn State Data Center, Language Diversity in Pennsylvania: Research Brief (Feb. 2025), https://pasdc.hbg.psu.edu/sites/default/files/resources/Feb_2025_1.pdf.

[186] 52 Pa. Code § 56.91(17).

[187] Id.

urgency associated with the written notice.

The Low Income Advocates urge further amendment to the current language access provision in section 56.91(17) to ensure termination notices – and other critical documents – contain basic information in the top five languages spoken in a given service territory. Specifically, we recommend the following amendment:

> (17) Information in ~~Spanish~~ **THE TOP FIVE LANGUAGES SPOKEN IN THE PUBLIC UTILITY'S SERVICE TERRITORY INDICATING THAT THE DOCUMENT IS AN URGENT NOTICE OF TERMINATION AND** directing ~~Spanish-speaking~~ **CUSTOMERS WITH LIMITED ENGLISH PROFICIENCY** to the numbers to call for information and translation assistance. ~~**Similar information shall be included in other languages when census data indicates that 5% or more of the residents of the public utility's service territory are using that language.**~~

These important accessibility amendments will help to ensure that Pennsylvanians with limited English proficiency are more equipped to respond to a notice and prevent termination.

h. Require Plain Language Notices

In Pennsylvania, 29% of working-age adults do not have basic literacy skills necessary for work, family, and community life.[188] The Commission has a formal "plain language" policy establishing "guidelines for written material provided to residential consumers"; however, there is no formal binding regulation requiring notices of termination and other critical documents to meet these guidelines. The Low Income Advocates urge the Commission to revise sections 56.15 (billing information) and 56.91 (general notice provisions and contents of termination notice) – as well as other relevant sections within the Chapter – to explicitly require that all critical notices and information related to the involuntary termination of service must be conveyed in plain language.

[188] Beyond Literacy, Pennsylvania Fact Sheet, https://beyondliteracy.org/wp-content/uploads/2023/08/PA-Adult-Literacy-Brief-2023-1-2.pdf.

The contents of the documents should be reviewed on a regular basis to further refine and improve upon the accessibility of information provided.

v. Increase Poverty Threshold to 300% FPL for all Chapter 56 Protections

Consistent with the specific recommendations offered throughout our comments, the Low Income Advocates urge the Commission to increase the federal poverty level threshold to 300% FPL for various Chapter 56 protections. Specifically, for households with income up to 300% FPL, the Commission should improve flexibility of payment arrangement terms; prohibit late fees, reconnection fees, in-person meter reading fees, and security deposits; and adhere to seasonal moratoria on terminations.

As discussed at the outset of these comments, there are hundreds of thousands of households across the Commonwealth with income that exceeds the Commission's "low income" designation (150% FPL) – yet are nevertheless unable to afford all of their basic needs. These households are sometimes referred to as "ALICE households," which stands for are asset limited, income constrained, and employed.[189] In Pennsylvania, the "ALICE household survival budget" for a family of four – defined as "the minimum cost to live and work in today's economy" – is $82,740, *which falls between 250-300% FPL.*[190] While this is the average self-sufficiency threshold for the state, this self-sufficiency income level varies by county. These households are often just over income for public assistance programs – yet their income level is nevertheless insufficient to meet basic needs in their geographic region.

Extending basic protections from termination to ALICE households, up to 300% FPL, would help to meaningfully improve outcomes for households that are just over income for direct

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[189] United Way Pa., The State of ALICE in Pennsylvania: 2026 Update on Financial Hardship (2026), https://www.unitedforalice.org/introducing-ALICE/pennsylvania.
[190] Id. at 4.

assistance – helping improve access to affordable payment arrangements, eliminating punitive fees, and removing barriers to reconnection.

IV. CONCLUSION

As detailed throughout, the Low Income Advocates urge the Commission to adopt critically needed reforms and further amendments to its proposed regulatory language to better protect consumers from unreasonable termination, promote utility affordability, and promote the ability of customers to make regular payments. The Commission must take action to reverse the punitive collections policies of the past that have precipitated record termination rates without improving collections. Through this rulemaking, the Commission has an opportunity to adopt prevention-based policies that ensure consumers have access to fair and reasonable payment terms that prioritize keeping consumers connected and making payments toward their debt. We urge the Commission to seize on this opportunity to better protect Pennsylvania families from harm.

Respectfully Submitted,

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APPENDIX A: RECOMMENDED AMENDMENTS

Review Key:
The Low Income Advocates' proposed additions to existing and Commission-proposed regulatory language appear in **CAPITALIZED AND BOLD, BLUE FONT**.
Proposed deletions to both existing regulatory language and proposed amendments to regulatory language appear in **~~strikethrough and bold, blue font~~.**

Commission-proposed regulatory amendments appear below as they appear in the NOPR Annex attached to the Commission's Order (i.e., proposed additions are underlined and proposed deletions are bracketed). Existing regulatory language appears as it does in the Pennsylvania Code.

TITLE 52. PUBLIC UTILITIES
PART I. PUBLIC UTILITY COMMISSION
Subpart C. FIXED SERVICES PUBLIC UTILITIES
CHAPTER 56. STANDARDS AND BILLING PRACTICES FOR RESIDENTIAL PUBLIC UTILITY SERVICE

Subchapter A. PRELIMINARY PROVISIONS FOR UTILITIES AND CUSTOMERS **NOT SUBJECT TO SUBCHAPTERS L-V** **[~~SUBJECT TO CHAPTER 14 OF THE PUBLIC UTILITY CODE~~]** **~~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~~**

§ 56.2. Definitions.

Change in income – A decrease **OR INCREASE** in household income of **[~~20%~~]** **5%** 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~~**.

Medical certificate—A written document, in a form approved by the Commission, and consistent with § 56.113 (relating to medical certifications), that:

(i) Certifies that a customer or member of the customer's household is seriously ill or has been diagnosed with a medical condition which requires the continuation of service to treat the medical condition.

(ii) Is signed by a licensed physician, nurse practitioner, **REGISTERED NURSE**, or physician assistant.

***REGISTERED NURSE*—AN INDIVIDUAL LICENSED IN THIS COMMONWEALTH BY THE STATE BOARD OF NURSING AS A REGISTERED NURSE UNDER 49 PA. CODE CHAPTER 21, SUBCHAPTER A (RELATING TO REGISTERED NURSES).**

Significant change in circumstance—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 of the customer's household income~~.
(ii) ~~Catastrophic d~~ 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.
(V) CHANGE IN INCOME.
(VI) ISSUANCE OF A MEDICAL CERTIFICATE FOR THE HOUSEHOLD.
(VII) ANY OTHER CIRCUMSTANCE TO BE CONSIDERED IN THE COMMISSION'S DISCRETION, INCLUDING A CHANGE IN EMPLOYMENT STATUS, DEATH, INJURY, DIVORCE, SEPARATION, OR OTHER SUBSTANTIAL HARDSHIP.

Subchapter B. BILLING AND PAYMENT STANDARDS

PAYMENTS

§ 56.22. Accrual of late payment charges.

* * * * *

(d) A public utility may waive late payment charges on any customer accounts. A public utility shall waive late payment charges on any customer accounts if the charges were improperly assessed. The Commission ~~may only~~ **SHALL** order a waiver of late payment charges levied by a public utility as a result of a delinquent account for customers with a gross monthly household income not exceeding ~~150~~ **300**% of the Federal poverty level.
[See 66 Pa.C.S. § 1409 (relating to late payment charge waiver).]

Subchapter E. TERMINATION OF SERVICE

NOTICE PROCEDURES PRIOR TO TERMINATION

§ 56.91. General notice provisions and contents of termination notice.

(17) Information in ~~Spanish~~ **THE TOP FIVE LANGUAGES SPOKEN IN THE PUBLIC UTILITY'S SERVICE TERRITORY INDICATING THAT THE DOCUMENT IS AN URGENT NOTICE OF TERMINATION AND** directing ~~Spanish-speaking~~ **CUSTOMERS**

WITH LIMITED ENGLISH PROFICIENCY to the numbers to call for information and translation assistance. ~~Similar information shall be included in other languages when census data indicates that 5% or more of the residents of the public utility's service territory are using that language.~~

§ 56.93. Personal contact.

(a) Except when authorized under 56.71, 56.71 or 56.98 (relating to interruption of service; discontinuation of service; and immediate termination for unauthorized use, fraud, tempering or tariff violations), a public utility may not interrupt, discontinue or terminate service without **[~~attempting to~~]** contact**ing** the customer or responsible adult occupant, either in person, by telephone or electronically with the customer's consent, to provide notice of the proposed termination at least 3 days prior to the scheduled termination using one of the methods in this section. If personal contact by one method is not **EFFECTUATED** ~~possible~~, the public utility must **POST CONSPICUOUS NOTICE OF TERMINATION AT THE PREMISE AT LEAST 48 HOURS PRIOR TO TERMINATION** ~~is obligated to attempt another method~~.

~~(1) Phone contact shall be deemed complete upon attempted calls on 2 separate days to the residence between the hours of 8 a.m. and 9 p.m. if the calls were made at various times each day, with the various times of the day being daytime before 5 p.m. and evening after 5 p.m. and at least 2 hours apart. Calls made to contact telephone numbers provided by the customer shall be deemed to be calls to the residence.~~

~~(2) If contact is attempted in person by a home visit, only one attempt is required. The public utility shall conspicuously post a written termination notice at the residence if it is unsuccessful in attempting to personally contact a responsible adult occupant during the home visit.~~

~~(3)~~ Contact by e-mail, text message or other electronic messaging format consistent with the Commission's privacy guidelines and approved by Commission order. The electronic notification option is voluntary and shall only be used if the customer has given prior consent approving the use of a specific electronic message format for the purpose of notification of a pending termination. ~~Electronic contact shall be deemed complete if, after attempted transmittal, no message is received indicating that the transmittal was undeliverable or otherwise not received. If the public utility receives notification that the transmittal was undeliverable or otherwise not received, the public utility shall attempt to contact the customer either in person or by telephone, consistent with the requirements of this section.~~

(b) The content of the 3-day personal contact notice **OR 48 HOUR POSTED NOTICE** must **INCLUDE** ~~the earliest date at which termination may occur and~~ **A PLAIN LANGUAGE STATEMENT INDICATING** the following information:

(1) The **EARLIEST** date **WHICH TERMINATION MAY OCCUR** and grounds of the termination.

(2) ~~What is~~ **A PRECISE STATEMENT OF THE AMOUNT** needed to avoid the termination of service.

(3) How to contact the public utility and the Commission.

(4) THE AVAILABILITY OF PAYMENT ARRANGEMENT TERMS, ALONG WITH INFORMATION ABOUT HOW TO REQUEST A PAYMENT ARRANGEMENT.

(5) THE AVAILABILITY OF ASSISTANCE FOR INCOME-ELIGIBLE HOUSEHOLDS, ALONG WITH INFORMATION ABOUT PROGRAM ELIGIBILITY, BENEFITS, AND HOW TO APPLY.

(6) The availability of emergency medical procedures ~~procedures~~ **PROTECTIONS, ALONG WITH INFORMATION ABOUT HOW TO OBTAIN A MEDICAL CERTIFICATE.**

(7) THE AVAILABILITY OF ADDITIONAL PROTECTIONS FOR VICTIMS OF DOMESTIC VIOLENCE.

(8) THE AVAILABILITY OF SEASONAL PROTECTIONS.

§ 56.97. Procedures upon customer or occupant contact prior to termination.

(b) The public utility shall exercise good faith and fair judgment in attempting to enter a reasonable payment arrangement or otherwise equitably resolve the matter. Factors to be taken into account when attempting to enter into a reasonable payment arrangement include the size of the unpaid balance, the ability of the customer to pay, the payment history of the customer and the length of time over which the bill accumulated. Payment arrangements for heating customers shall be based upon budget billing as determined under § 56.12(8) (relating to meter reading; estimated billing; customer readings). **FOR HOUSEHOLDS WITH INCOME AT OR BELOW 300% FEDERAL POVERTY LEVEL, A REASONABLE PAYMENT ARRANGEMENT SHALL NOT EXCEED 20% OF THE CUSTOMER OR APPLICANT'S AVERAGE MONTHLY BILL AS CALCULATED FOR THE PRIOR 12 MONTH PERIOD** …

§ 56.100 [~~Winter~~] SEASONAL termination [~~procedures~~] PROTECTIONS.

(a) *Water* ***AND WASTEWATER*** *distribution utilities.* Notwithstanding any provision of this chapter, during the periods of December 1 through March 31 **AND JUNE 15 THROUGH AUGUST 31**, water distribution **AND WASTEWATER** utilities subject to this subchapter may not terminate ~~heat related~~ service **TO CUSTOMERS WITH HOUSEHOLD INCOMES AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL** ~~between December 1 and March 31~~ except as provided in this section or § 56.98 (relating to immediate termination for unauthorized use, fraud, tampering or tariff violations).

(b) *Electric distribution* ~~*and natural gas distribution*~~ *utilities.* Unless otherwise authorized by the Commission, during the periods of December 1 through March 31 **AND JUNE 15 THROUGH AUGUST 31**, an electric distribution utility ~~or natural gas distribution utility~~ may not terminate service to customers with household incomes at or below ~~250~~ **300%** of the Federal poverty level except as provided in this section or in § 56.98. The Commission will not prohibit an electric distribution utility ~~or natural gas distribution utility~~ from terminating service in accordance with this section to customers with household incomes exceeding ~~250~~ **300%** of the Federal poverty level.

(c) ~~*City natural gas distribution utility*~~ ***NATURAL GAS DISTRIBUTION UTILITIES***. **UNLESS OTHERWISE AUTHORIZED BY THE COMMISSION, DURING THE PERIOD OF DECEMBER 1 THROUGH MARCH 31, A NATURAL GAS DISTRIBUTION UTILITY MAY NOT TERMINATE SERVICE TO CUSTOMERS WITH HOUSEHOLD INCOMES AT OR BELOW 300% OF THE FEDERAL POVERTY LEVEL EXCEPT AS PROVIDED IN THIS SECTION OR IN § 56.98. THE COMMISSION WILL NOT PROHIBIT A NATURAL GAS DISTRIBUTION UTILITY FROM TERMINATING SERVICE IN ACCORDANCE WITH THIS SECTION TO CUSTOMERS WITH HOUSEHOLD INCOMES EXCEEDING 300% OF THE FEDERAL POVERTY LEVEL.** **[~~In addition to the winter termination authority in subsection (b), a city natural gas distribution operation may terminate service after January 1 and before April 1 to a customer whose household income exceeds 150% of the Federal poverty level but does not exceed 250% of the Federal poverty level, and starting January 1, has not paid at least 50% of charges for each of the prior 2 months unless the customer has done one of the following:~~**

~~(1) Proven in accordance with Commission rules, that the household contains one or more persons who are 65 years of age or older.~~

~~(2) Proven in accordance with Commission rules, that the household contains one or more persons 12 years of age or younger.~~

~~(3) Obtained a medical certification, in accordance with Commission rules.~~

~~(4) Paid to the city natural gas distribution operation an amount representing at least 15% of the customer's monthly household income for each of the last 2 months.~~

(d) [RESERVED.]*~~City natural gas distribution utility notice to the Commission.~~* ~~At the time that the notice of termination required under § 56.91 (relating to general notice provisions and contents of termination notice) is provided to the customer, the city natural gas distribution operation shall provide notice to the Commission. The Commission will not stay the termination of service unless the Commission finds that the customer meets the criteria in subsection (c)(1), (2), (3) or (4).~~]

(f) *Landlord ratepayer accounts*. During the periods of December 1 through March 31 **AND JUNE 15 THROUGH AUGUST 31**, a public utility may not terminate service to a premises when the account is in the name of a landlord ratepayer as defined in 66 Pa.C.S. § 1521 (relating to definitions) except for the grounds in § 56.98.

§ 56.102. Residential field visit charge.

~~A city natural gas distribution operation is authorized to charge a minimum fee of $10 for each instance in which its representative is required to visit the residence of a customer in the process of attempting to complete required service termination steps.~~

EMERGENCY PROVISIONS

§ 56.111. General provision.

A public utility may not terminate service, or refuse to restore service, to a premises when a licensed physician, physician assistant**, REGISTERED NURSE,** or nurse practitioner has certified that the customer or an applicant seeking restoration of service under § 56.191 (relating to payment and timing) or a member of the customer's or applicant's household is seriously ill or afflicted with a medical condition that will be aggravated by cessation of service. The customer shall obtain a letter from a licensed physician, physician assistant**, REGISTERED NURSE,** or nurse practitioner verifying the condition and promptly forward it to the public utility. The determination of **(1)** whether a medical condition qualifies for the purposes of this section **AND (2) WHETHER A MEDICAL CONDITION IS A CHRONIC CONDITION OR LONG-TERM ILLNESS** resides entirely with the physician, nurse practitioner**, REGISTERED NURSE**, or physician assistant and not with the public utility. A public utility may not impose any qualification standards for medical certificates other than those specified in this section.

§ 56.112. Postponement of termination pending receipt of certificate.

If, prior to termination of service, the public utility employee is informed that an occupant is seriously ill or is affected with a medical condition which will be aggravated by a cessation of service and that a medical certification will be procured, termination may not occur for at least ~~3~~ **7** days. If a certification is not produced within that ~~3~~ **7**-day period, the public utility may resume the termination process at the point where it was suspended.

§ 56.113. Medical certifications.

Medical certifications must be in writing. Public utilities may develop a medical certificate form. The public utility's medical certificate may not be mandatory. A medical certificate form developed by the public utility shall be made readily available. Medical certificates may be electronically transmitted and electronic signatures are valid. A medical certificate must include all of the following:

(1) The name and address of the customer or applicant in whose name the account is registered.

(2) The name and address of the afflicted person and relationship to the customer or applicant.

(3) The anticipated length of the affliction.

(4) The name, office address and telephone number of the certifying physician, nurse practitioner**, REGISTERED NURSE,** or physician assistant.

(5) The signature of the certifying physician, nurse practitioner**, REGISTERED NURSE,** or physician assistant.

§ 56.114. Length of postponement; renewals.

Service may not be terminated for the time period specified in a medical certification; the maximum length of the certification shall be ~~30~~ **90** days**, OR, IF THE MEDICAL PROFESSIONAL SIGNING THE MEDICAL CERTIFICATE INDICATES THAT THE AFFLICTION IS A CHRONIC CONDITION OR A LONG-TERM ILLNESS, 180 DAYS.**

(1) Time period not specified. If no length of time is specified or if the time period is not readily ascertainable, service may not be terminated for at least ~~30~~ **90** days.

(2) Renewals. Certifications may be renewed in the same manner and for the same time period as provided in § § 56.112 and 56.113 (relating to postponement of termination pending receipt of certificate; and medical certifications) and this section if the customer has met the obligation under § 56.116 (relating to duty of customer to pay bills). In instances when a customer has not met the obligation in § 56.116 to equitably make payments on all bills, the number of renewals for the customer's household is limited to two ~~30-day~~ certifications filed for the same set of arrearages. In these instances the public utility is not required to honor a third renewal of a medical certificate and is not required to follow § 56.118(3) (relating to right of public utility to petition the Commission). The public utility shall apply the dispute procedures in § § 56.151 and 56.152 (relating to public utility company dispute procedures). When the customer eliminates these arrearages, the customer is eligible to file new medical certificates.

§ 56.116. Duty of customer to pay bills.

Whenever service is restored or termination postponed under the medical emergency procedures, the customer shall retain a duty to make payment on all current undisputed bills or budget billing amount as determined under § 56.12(8) (relating to meter reading; estimated billing; customer readings). **THE UTILITY SHALL INFORM THE CUSTOMER OF THE CUSTOMER'S DUTY TO MAKE PAYMENT ON ALL CURRENT UNDISPUTED BILLS OR BUDGET BILLING AMOUNT UNDER § 56.12(8) (RELATING TO METER READING; ESTIMATED BILLING; CUSTOMER READINGS) AND SHALL INFORM THE CUSTOMER OF THE AVAILABILITY OF MEDICAL CERTIFICATE RENEWALS UNDER § 56.114(2).**

Subchapter F. DISPUTES; TERMINATIONDISPUTES; INFORMAL AND FORMAL COMPLAINTS

PUBLIC UTILITY COMPANY DISPUTE PROCEDURES

§ 56.153. Public utility duties.

(A) SCREENING. A PUBLIC UTILITY SHALL SCREEN A CUSTOMER OR APPLICANT TO DETERMINE IF THEIR HOUSEHOLD INCOME IS AT OR BELOW

300% OF THE FEDERAL POVERTY LEVEL AT THE TIME SERVICE IS ESTABLISHED AND ON AN ANNUAL BASIS THEREAFTER. THE PUBLIC UTILITY SHALL ATTEMPT TO UPDATE THE INCOME INFORMATION UNDER THIS SUBSECTION AT LEAST ONCE PER YEAR.

(B) REFERRALS. When a customer or applicant IS IDENTIFIED THROUGH THE SCREENING REQUIRED BY § 56.153(A) AS REASONABLY LIKELY TO BE INCOME ELIGIBLE FOR A UNIVERSAL SERVICE AND ENERGY CONSERVATION PROGRAM, OTHERWISE PROVIDES INFORMATION THAT REASONABLY SUGGESTS THE HOUSEHOLD MAY BE INCOME ELIGIBLE FOR A UNIVERSAL SERVICE AND ENERGY CONSERVATION PROGRAM, OR contacts a public utility to make a payment arrangement as required by § 56.166 and 56.171 ((relating to informal complaints; and general rule for formal complaints), the public utility shall:

(1) Provide information about the public utility's universal service AND ENERGY CONSERVATION programs, including a customer assistance program.

(2) Refer the customer or applicant to the universal service program administrator of the public utility to determine eligibility for a program and to apply for enrollment in a program.

(3) Have an affirmative responsibility to attempt to collect payment on an overdue account. Failure to make reasonable attempts to collect payments on overdue accounts with arrearages in excess of $10,000 may result in civil fines or other appropriate sanctions by the Commission.

PAYMENT OF BILLS PENDING RESOLUTION OF DISPUTES AND COMPLAINTS AND PAYMENT ARRANGEMENT PROCEDURES

§ 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.

(2) *Pending formal complaint*. Prior to the hearing on a formal complaint or prior to the issuance of a Commission order when no hearing is to be held in a formal complaint proceeding, the customer shall be required to pay that amount which ~~the consumer services representative determines~~ is not disputed and subsequent bills which are not in dispute.

§ 56.182. Payment arrangement procedures.

**The Low Income Advocates recommend eliminating the timeframes established in this section. Alternatively, we recommend expanding the timeframe and establishing a cap on the resulting monthly payment at 20% of the average bill.*

(a) *General rule*. The Commission may establish payment arrangements between a public utility, customers, and applicants within the limits established by this section.

(b) *Length of payment arrangements.* The length of time for a customer to resolve an unpaid balance on an account that is subject to a payment arrangement that is investigated by the Commission and is entered into by a public utility and a customer must not extend beyond:

(1) ~~Five~~ **SIX** years for customers with a gross monthly household income level not exceeding 150% of the Federal poverty level.

(2) ~~Three~~ **FOUR** years for customers with a gross monthly household income level exceeding 150% and not more than 250% of the Federal poverty level.

(3) ~~One~~ **TWO** years for customers with a gross monthly household income level exceeding 250% of the Federal poverty level and not more than 300% of the Federal poverty level.

(4) ~~Six months~~ **ONE YEAR** for customers with a gross monthly household income level exceeding 300% of the Federal poverty level.

(B.1) ALTERNATIVE PAYMENT ARRANGEMENT. IF A CUSTOMER'S INCOME LEVEL IS NOT MORE THAN 300% OF THE FEDERAL POVERTY LEVEL AND THE CUSTOMER'S MONTHLY PAYMENT WOULD EXCEED 20% OF THE CUSTOMER'S AVERAGE MONTHLY BILL BASED ON THE LENGTH OF THE PAYMENT ARRANGEMENT FOR THE CUSTOMER, THE COMMISSION SHALL EXTEND THE LENGTH OF THE PAYMENT ARRANGEMENT FOR THE CUSTOMER SO THAT THE MONTHLY PAYMENT DOES NOT EXCEED 20% OF THE CUSTOMER'S AVERAGE MONTHLY BILL, NOT TO EXCEED TWO TIMES THE LENGTH OF THE PAYMENT ARRANGEMENT FOR THE CUSTOMER UNDER SUBSECTION (B)

(c) *Customer assistance programs.* **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, REDUCED** customer assistance program rates shall be timely paid and must not be the subject of payment arrangements negotiated or approved by the Commission **WHILE A CUSTOMER IS ACTIVELY ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM**.

(1) THE COMMISSION MAY ISSUE A PAYMENT ARRANGEMENT ON A CUSTOMER'S FULL BALANCE IF A CUSTOMER IS NOT CURRENTLY ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM, EVEN IF THE CUSTOMER INCURRED ARREARS WHILE ENROLLED IN THE CUSTOMER ASSISTANCE PROGRAM.

(2) THE RESTRICTION IN THIS PROVISION DOES NOT APPLY TO ARREARAGES ACCRUED AT FULL RESIDENTIAL TARIFF RATES WHILE ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM.

(3) NOTHING IN THIS SUBSECTION SHALL BE CONSTRUED TO PROHIBIT A PUBLIC UTILITY FROM ENTERING A PAYMENT ARRANGEMENT WITH A CUSTOMER WHO IS CURRENTLY ENROLLED IN A CUSTOMER ASSISTANCE PROGRAM.

(d) *Number of payment arrangements.* Absent a change in income **OR OTHER DEMONSTRATED GOOD CAUSE**, the Commission shall not establish or order a public utility to establish a second or subsequent payment arrangement if a customer has defaulted on a previous payment arrangement established by a Commission order or decision. A public utility may, at its discretion, enter into a second or subsequent payment arrangement with a customer.

(e) *Extension of payment arrangements*. If the customer defaults on a payment arrangement established under subsections (a) and (b) as a result of a significant change in circumstance, the Commission may reinstate the payment arrangement and extend the remaining term for **A REASONABLE PERIOD OF TIME** ~~**an initial period of six months. The initial extension period may be extended for an additional six months for good cause shown.**~~

Subchapter G. RESTORATION OF SERVICE

§ 56.191. Payment and Timing

(a) *Fee.* A public utility may **ONLY** require a reconnection fee **FOR HOUSEHOLDS WITH INCOMES EXCEEDING 300% OF THE FEDERAL POVERTY LEVEL**, based upon the public utility's cost as approved by the Commission prior to reconnection of service following lawful termination of the service. The amount of this fee must be specified in the public utility's tariff on file with the Commission.

(c) *Payment to restore service.*

(2) A public utility may require:

(i) Full payment of any outstanding balance incurred together with any reconnection fees by the customer or applicant prior to reconnection of service if the customer or applicant has an income exceeding 300% of the Federal poverty level ~~**or has defaulted on two or more payment arrangements. For purposes of this section, neither a payment arrangement intended to amortize a make-up bill under § 56.14 (relating to previously unbilled public utility service) or the definition of ''billing month'' in § 56.2 (relating to definitions), nor a payment arrangement that has been paid in full by the customer, are to be considered a default. Budget billing plans and amortization of budget plan reconciliation amounts under § 56.12(8) (relating to meter reading; estimated billing; customer readings) may not be considered a default for the purposes of this section.**~~

Subchapter J. GENERAL PROVISIONS

§ 56.225. Surcharges for uncollectible expenses prohibited.

A public utility may not implement a cash receipts reconciliation clause or another automatic surcharge mechanism for uncollectible expenses. This section shall not affect any clause associated with universal service and energy conservation.

Subchapter L. PROVISIONS FOR 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~~

§ 56.251. Statement of purpose and policy.

(a) Subchapters L—V apply to victims **OF DOMESTIC VIOLENCE. VERIFICATION OF A DOMESTIC VIOLENCE SITUATION MAY BE PROVIDED THROUGH ANY ONE OF THE DOCUMENTS LISTED IN SUBPART (B) OF THIS SECTION** ~~**under a protection from abuse order as provided by 23 Pa.C.S. Chapter 61 (relating to Protection from Abuse Act) or a court order issued by a court of competent jurisdiction in this Commonwealth which provides clear evidence of domestic violence against the applicant or customer [as provided by 66 Pa.C.S. § 1417 (relating to nonapplicability)]].**~~ These subchapters establish and enforce uniform, fair and equitable residential public utility service standards governing eligibility criteria, credit and deposit practices, and account billing, termination and customer complaint procedures. This chapter assures adequate provision of residential public utility service, to restrict unreasonable termination of or refusal to provide that service and to provide functional alternatives to termination or refusal to provide that service. Every privilege conferred or duty required under this chapter imposes an obligation of good faith, honesty and fair dealing in its performance and enforcement. This chapter will be liberally construed to fulfill its purpose and policy and to insure justice for all concerned.

APPLICABILITY OF SUBCHAPTERS L-V MAY BE DEMONSTRATED THROUGH SUBMISSION OF ONE OF THE FOLLOWING DOCUMENTATION, WHICH SHALL BE TREATED AS HIGHLY CONFIDENTIAL:

(1) A COURT ORDER, COURT RECORDS, OR POLICE REPORT

(2) A STATEMENT OF A MEDICAL PROVIDER OR A DOMESTIC VIOLENCE COUNSELOR /ADVOCATE, AS DEFINED IN 23 PA.C.S. Ch. 61.

(3) A SELF-AFFIRMATION THAT THE INDIVIDUAL OR A MEMBER OF THE INDIVIDUAL'S FAMILY OR HOUSEHOLD IS A VICTIM OF DOMESTIC VIOLENCE.