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August 28, 2026

VIA E-FILING
Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, Second Floor
Harrisburg, PA 17120

RE: PECO Energy Company's Comments to Notice of Proposed Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56
Docket No. L-2025-3058767

Dear Secretary Homsher:

Enclosed for filing with the Commission are the **Comments to Notice of Proposed Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56** of **PECO Energy Company** pursuant to the Pennsylvania Public Utility Commission's Order dated February 19, 2026, in the above reference matter.

Thank you for your time and attention. Please do not hesitate to contact me with any questions.

Very truly yours,

Anthony E. Gay

Anthony E. Gay
General Counsel
PECO Energy Company

(Encl.)

cc:
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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

COMMENTS OF
PECO ENERGY COMPANY ON
THE NOTICE OF PROPOSED RULEMAKING ORDER

I. INTRODUCTION

On December 31, 2024, the former Chapter 14 of the Public Utility Code ("Code"), previously codified at 66 Pa.C.S. Sections 1401-1419, expired due to the sunset provision embedded within 66 Pa.C.S. Section 1419. By Order dated February 19, 2026[1], the Pennsylvania Public Utility Commission ("Commission" or "PAPUC") proposed to amend the regulations at 52 Pa. Code Chapter 56 to incorporate provisions of the former Chapter 14 of the Code, as it was in effect prior to its sunset, including those currently being followed by the Commission via its Statement of Policy.[2] The proposed amendments to the Chapter 56 regulations are displayed in an Annex appended to the NOPR. PECO Energy Company ("PECO" or the "Company") respectfully submits the following Comments on the proposed regulations set forth in the NOPR.

PECO is a combined electric and gas distribution utility company committed to delivering energy safely, reliably, and affordably to the communities we serve. PECO provides electric distribution service to approximately 1.7 million electric customers located throughout a 2,100 square-mile area in southeastern Pennsylvania. The Company's electric service territory comprises

[1] Rulemaking to Further Amend the Provisions of 52 Pa. Code Chapter 56, Notice of Proposed Rulemaking Order, Docket No. L-2025-3058767 (February 19, 2026) ("NOPR").

[2] *See*, *Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code*, Docket No. M-2024-3052328, Statement of Policy (entered December 24, 2024) ("Statement of Policy").

all, or portions of, Bucks, Chester, Delaware, Montgomery, Philadelphia, and York Counties and includes a total population served of approximately 4.2 million people. In addition, PECO provides natural gas service to over half a million customers. PECO's natural gas service territory is located throughout a 1,900 square-mile area in southeastern Pennsylvania adjacent to, but exclusive of, the City of Philadelphia. The Company's natural gas service territory comprises all or portions of Bucks, Chester, Delaware, Montgomery and Lancaster counties and includes a total population served of approximately 2.6 million people. PECO appreciates the opportunity to submit these comments on the NOPR.

II. BACKGROUND AND SUMMARY

The former Chapter 14 was intended to promote the prompt payment of public utility bills by customers with the means to pay and to assist public utilities in reducing uncollectible accounts through changes to delinquent-account collection procedures. Although the provisions of former Chapter 14 of the Code have expired, the Commission has continued to make decisions consistent with its Statement of Policy and the Chapter 56 regulations and in accordance with the Commission's authority under other chapters of the Code. PECO and other Pennsylvania utilities have established extensive administrative processes and controls to comply with the requirements of the former Chapter 14 since its inception in 2004 and continue to invest in enhancements to ensure compliance.

PECO supports preserving the former Chapter 14 provisions as proposed in the NOPR and applying those provisions consistent with longstanding Commission and utility practice. The Company also supports the limited scope of this rulemaking effort to facilitate timely adoption of the NOPR proposals and provide regulatory certainty to both customers and utilities. PECO believes it is important to maintain a balanced regulatory framework that promotes timely payment, preserves reasonable customer protections, and mitigates unnecessary utility burden and expense which is ultimately borne by customers.

The Company currently employs a range of tools to address arrearages and collect outstanding balances, including a portfolio of low-income assistance programs for customers to address affordability. PECO further believes that preserving flexibility for utilities to utilize existing operational processes and systems to comply with the updated Chapter 56 requirements promotes efficiency while supporting the shared goals of timely payment, customer protection, and regulatory certainty.

Additionally, PECO recognizes that certain aspects of Chapter 56 may warrant further review and modernization in the future. However, the instant rulemaking is not intended to serve as a comprehensive reevaluation of Chapter 56. If the Commission determines that a broader assessment of Chapter 56 is warranted, that effort would be more appropriately undertaken through a separate proceeding specifically designed to consider the full range of policy, financial, operational, and stakeholder issues implicated by such changes.

Lastly, if the scope of this current rulemaking effort expands beyond preserving former Chapter 14 provisions, and there are regulatory changes that could lead to an increase in customer arrearages or utility uncollectibles, PECO joins the Energy Association of Pennsylvania ("EAP") in encouraging the Commission to remove the prohibition on the recovery of uncollectible expenses through surcharges in proposed Section 56.225.[3] PECO does not oppose the continued inclusion of Section 56.225 in the context of the regulatory framework proposed in the NOPR. However, the Company notes that limitations on recovery of uncollectible expenses should be

[3] *See* Energy Association of Pennsylvania Comments, Docket No. L-2025-3058767.

considered in conjunction with the broader customer protection, collections, and arrearage management provisions adopted by the Commission. PECO, therefore, supports revisions to the extent they allow the Commission to retain flexibility to consider appropriate cost recovery mechanisms in a future proceeding.

III. COMMENTS OF PECO ENERGY COMPANY

As directed by the Commission in the NOPR, PECO's comments are organized to address each provision listed in the Annex as stated, and information about financial impact to PECO and utilities has been provided as applicable.

A. Proposed Section 56.2. Definitions

PECO supports the proposed 52 Pa. Code Section 56.2[4] and agrees that the addition is consistent with language in former Chapter 14 of the Code. PECO notes that the proposed definitions are utilized solely in proposed Section 56.182 which relates to the establishment, extension, and reinstatement of payment arrangements by the Commission. PECO's support for inclusion of these definitions for use in the proposed Section 56.182 should not be interpreted as support for the use of these definitions in other contexts in the future.

B. Proposed Section 56.22 Accrual of Late Payment Charges

PECO supports the proposed amendment to 52 Pa. Code Section 56.22(d)[5] and agrees that the addition is consistent with language in former Chapter 14 of the Code. PECO's processes are consistent with the proposed amendment, and therefore the Company does not anticipate any incremental costs or cost savings associated with this amendment.

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[4] NOPR Annex at 1-2.
[5] NOPR Annex at 2-3.

C. Proposed Section 56.102 Residential Field Visit Charge

This proposed section would create a new regulation at Section 56.102[6] to incorporate the residential field visit charge for a city natural gas distribution operation formerly found in Section 1414(b) of the Code, previously codified at 66 Pa.C.S. § 1414(b).[7] PECO does not have comments on the proposed regulation at this time because it would not apply to PECO. The Company reserves the right to reply to comments submitted by other parties regarding this proposed section.

D. Proposed Section 56.153. Public Utility Duties

This proposed section seeks to create a new regulation at Section 56.153[8] to incorporate certain public utility duties regarding customer or applicant contact for payment arrangements formerly found in Section 1410.1 of the Code, previously codified at 66 Pa.C.S. § 1410.1.[9] These duties include:

(1) Provide information about the public utility's universal service 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.

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[6] NOPR Annex at 3.
[7] NOPR at 11.
[8] NOPR Annex at 3.
[9] NOPR at 11.

Regarding the first and third provision, PECO supports the language in proposed 52 Pa. Code Section 56.153 and agrees that the additions are consistent with language in former Chapter 14 of the Code. PECO's processes are consistent with the proposed amendments, and therefore the Company does not anticipate any incremental costs or cost savings associated with the new provisions.

PECO also supports inclusion of a universal service referral requirement, but requests that PECO and other utilities continue to have flexibility regarding referral processes and procedures. Maintaining this flexibility for utility-established and effective referral processes would avoid incremental expenditures to establish new processes and procedures. Such flexibility will also further the Commission's goals of maintaining consistency for the customers and utilities and avoiding unnecessary expense and administrative burden.

E. Proposed Section 56.171. General Rule

PECO supports the proposed requirements in Section 56.171[10] and agrees that the addition is consistent with language in former Chapter 14 of the Code.

F. Proposed Section 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

PECO supports the proposed addition to 52 Pa. Code Section 56.181[11] and agrees that the addition is consistent with language in former Chapter 14 of the Code. By expressly requiring payment of subsequent non-disputed bills during the pendency of informal and formal complaints, the proposed additions promote appropriate payment discipline. Requiring continued payment of undisputed amounts ensures that customers remain engaged with their current obligations while

[10] NOPR Annex at 3-4.
[11] NOPR Annex at 4.

preserving their ability to dispute charges in good faith. Additionally, PECO notes that this approach supports customer affordability by helping to prevent the accumulation of additional arrearages during the complaint process, which benefits both customers and utilities.

G. Proposed Section 56.182. Payment Arrangement Procedures

PECO supports the proposed 52 Pa. Code Section 56.182[12] and agrees that the addition is consistent with language in former Chapter 14 of the Code as it specifically relates to the Commission's ability to establish payment arrangements between a public utility, customers, and applicants within the limits established by Section 56.182.

H. Proposed Section 56.225. Surcharges For Uncollectible Expenses Prohibited

The Commission has proposed a new Section 56.225[13] that would incorporate into the regulations the former Chapter 14 prohibition on the recovery of uncollectible expenses through customer surcharges. PECO agrees that the addition is consistent with language in former Chapter 14 of the Code. PECO does not object to the retention of Section 56.225 as proposed. However, as discussed above, PECO encourages the Commission to provide flexibility for utilities to recover the cost of increased arrearages through surcharge mechanism options. In adopting the proposed Section 56.225, the Commission should preserve its ability to evaluate the need for such tools when circumstances warrant, such as to benefit the overall regulatory framework and to address impacts on customer arrearages, utility uncollectibles, and cost recovery.

[12] NOPR Annex at 4-5.
[13] NOPR Annex at 5.

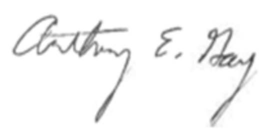
I. Subchapter L. Section 56.251. Statement of Purpose and Policy

PECO does not object to the proposed 52 Pa. Code Section 56.251[14] to the extent the revision is consistent with language in former Chapter 14 of the Code.

IV. CONCLUSION

PECO appreciates the opportunity to offer these Comments and looks forward to working with the Commission and stakeholders as this proceeding moves forward.

Respectfully submitted,



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[14] NOPR Annex at 6.