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E-File

October 13, 2026

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

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

Dear Secretary Homsher:

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

Pursuant to 52 Pa. Code § 1.11, the enclosed document is to be deemed filed on October 13, 2026 which is the date it was filed electronically using the Commission's E-filing system.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael J. Shafer", is written over a light blue horizontal line.

Michael J. Shafer

Enclosure

cc via email: Stephanie Wilson (stepwilson@pa.gov)
Kriss Brown (kribrown@pa.gov)
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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

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

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

PPL Electric Utilities Corporation (“PPL Electric” or the “Company”), by and through its counsel, in accordance with the Pennsylvania Public Utility Commission’s (“Commission”) February 19, 2026 Notice of Proposed Rulemaking Order (“NOPR”),¹ hereby submits these Reply Comments in response to the Comments filed by various parties on or about August 28, 2026.

I. INTRODUCTION

The Commission entered an Order of a Notice of Proposed Rulemaking on February 19, 2026 (Docket No. L-2025-3058767) (the “Order”). The Order was published in the *Pennsylvania Bulletin* on May 30, 2026. On August 28, 2026, interested parties, including PPL Electric, submitted Comments regarding the NOPR.

II. OVERALL POSITION ON OTHER PARTIES’ COMMENTS

As the Commission stated in the NOPR, this rulemaking is “not intended as a general review of Chapter 56 of the Commission’s regulations.” (NOPR, p. 12.) Sweeping revisions to

¹ See *Notice of Proposed Rulemaking*, Docket No. L-2025-3058767 (Order entered Feb. 19, 2026) (“NOPR”).

Chapter 56—by way of new or expanded moratoriums, medical certification changes, significant expansion of customer assistance programs, or additional categories of customers that fall under the regulation’s protection—are not only beyond the articulated scope of this proceeding and impractical, but they would come with significant costs to other utility customers who consistently pay their bills on time. If the Commission ultimately were to consider more extensive revisions to Chapter 56 than those articulated in the NOPR, PPL Electric would welcome the opportunity to provide more fulsome comments on those proposed revisions. However, due to this rulemaking’s limited scope, this proceeding is not the appropriate forum to propose and implement such significant modifications to Chapter 56 of the Commission’s regulations. Accordingly, those suggested revisions should be rejected.

In addition, PPL Electric will not respond to each proposal in the other parties’ Comments. To the extent that the Company does not address a specific issue raised by another commenter in these Reply Comments, it should not be viewed as the Company agreeing with that position.

III. REPLY COMMENTS OF PPL ELECTRIC

A. EXPANSION OF CHAPTER 56 PROTECTIONS TO SMALL BUSINESSES

The Office of Small Business Advocate (“OSBA”), in its Comments, recommends substantial revisions to Chapter 56 that would extend the protections offered to residential customers to Small Commercial Businesses. (OSBA Comments at 13-18.) The OSBA also recommends expanding termination moratoriums to Small Commercial Businesses. (OSBA Comments at 26.)

PPL Electric supports efforts to help small businesses to afford their electric bills. In fact, in PPL Electric’s most recent rate case, the Company agreed to amend its Retail Tariff to add a rule affording it discretion to enter into flexible payment arrangements with Rate GS-1 and GS-3

customers.² However, many of the changes sought by the OSBA in its Comments are outside the scope of this proceeding and, if implemented, would create significant confusion regarding how to apply Chapter 56 to Small Commercial Businesses.

For example, in its Comments, OSBA proposes the following change:

§ 56.35. Payment of outstanding balance. (b)(3) Any outstanding [Small Commercial Business or] residential account with the public utility may be amortized in accordance with § 56.191 (relating to payment and timing).

(OSBA Comments at 23.) In contemplating how payments may be amortized in accordance with Section 56.191, determinations must be made regarding whether a customer has an income exceeding 300% of the Federal Poverty Level. *See* 52 Pa. Code § 56.191(c)(2). There is no way suggested to evaluate how such standards would apply to Small Commercial Businesses. This is just one example of the numerous issues that exist with several of OSBA's proposed revisions. In other words, the solution that OSBA seeks is not as simple as adding the phrase "Small Commercial Business" to Chapter 56. The former Chapter 14 of the Code and Chapter 56 were designed and structured to limit its application to residential customers. Thus, these provisions cannot be simply expanded to apply to other customer classes just because a party suggests it.

Further, if Chapter 56 protections were extended to small businesses, PPL Electric notes that the costs associated with those protections would likely need to be recovered from other ratepayers. For example, at this time, it is unclear how much OSBA's proposed revisions would impact small business customers' arrearages and increase utilities' uncollectible expenses. The limited scope of this rulemaking proceeding and the timeline for submitting Reply Comments do not afford adequate time to develop a record on the increased costs associated with OSBA's

² *Pa. PUC v. PPL Elec. Utilities Corp.*, Docket No. R-2025-3057164, et al., Joint Petition for Non-Unanimous Settlement of All Issues, Appendix D ¶422 (filed Mar. 13, 2026; approved by Order entered Jun. 11, 2026; Petition for Reconsideration denied Aug. 27, 2026).

proposals. Therefore, while PPL Electric would be willing to investigate the impact of some of OSBA's proposals, the Company does not believe this is the appropriate proceeding to evaluate such proposals.

PPL Electric also notes its specific opposition to changes such as extending moratorium protections to small businesses. The winter moratorium currently applies to customers with incomes that fall below 250% of the Federal Poverty Level. *See* 52 Pa. Code § 56.100(b). It appears that OSBA is requesting that the moratorium be applied to every "Small Commercial Business consumer," based on its proposed revision to Section 56.100(b). (OSBA Comments at 26.) Extending such protections to include all "Small Commercial Business Consumer[s]," as defined by OSBA on page 17 of its Comments, would effectively ensure that other ratepayers subsidize their operations in the winter months. Therefore, the Commission should reject these proposals.

B. PROPOSAL TO PROHIBIT TERMINATION FOR LOW-INCOME CUSTOMERS

The Center for Coalfield Justice proposes in its Comments that the Commission should "consider prohibiting utility terminations for low-income customers year-round." (Center for Coalfield Justice Comments at 2.) It is axiomatic that a utility customer must pay for the utility service that they consume.³ Such a proposal would effectively and potentially subsidize utility service for all low-income customers and, as a result, drive up rates for other customers. The Commission's regulations already provide for a four-month winter moratorium protecting low-income customers from termination due to non-payment in those months. *See* 52 Pa. Code

³ *James Wise v. PPL Electric Utilities Corp.*, 2013 Pa. PUC LEXIS 796, Docket No. F-2013-2343824, Initial Decision (Jun. 28, 2013, adopted by Final Order entered Aug. 15, 2013); *Dionne Oliver-Booker v. PECO Energy Company*, 2015 Pa. PUC LEXIS 378, Docket No. C-2014-2452659, Initial Decision (Jun. 23, 2015, adopted by Final Order entered Aug. 26, 2025).

§ 56.100 (b). That’s a mandatorily imposed restriction for twenty five percent of the year. Further, as discussed in Section III.C, *infra*, PPL Electric does not terminate electric service for nonpayment on days when the temperature is expected to exceed 95 degrees. Thus, protections from termination in the winter and summer seasons in appropriate instances already exist for PPL Electric’s low-income customers.

There would also be significant costs associated with a year-round moratorium that, like the winter moratorium, would be borne by other customers. In essence, low-income customers could stop paying their bills entirely, and there would be no ability for utilities to terminate service for nonpayment and stop the customers’ balances in arrears from increasing exorbitantly. Even with the current Chapter 56 protections in place, PPL Electric has seen low-income customers’ balances in arrears reach tens of thousands of dollars, due in large part to a failure to pay bills over the winter moratorium period. At the same time, the costs of these programs have ballooned to more than \$131 million a year.⁴ Expanding the moratorium to year-round would only make the issue worse and increase the costs passed on to other customers. Thus, PPL Electric strongly opposes this proposal.

C. PROPOSALS TO IMPOSE SUMMER MORATORIUM

Several commenters propose adding a broad summer moratorium on residential electric terminations,⁵ including proposals to prohibit terminations from May 1 through October 1. PPL Electric respectfully opposes a categorical summer moratorium. While the Company recognizes the importance of protecting customers with genuine health, safety, or financial vulnerabilities, a

⁴ This figure does not include PPL Electric’s Winter Relief Assistance Program, which cost approximately an additional \$12 million in 2025.

⁵ See, e.g. Center for Coalfield Justice Comments at 2; Energy Justice Lab Comments at 3; Governor’s Office of General Counsel Comments at 7 (“Governor’s Office Comments”); Health, Education, and Legal Assistance Project: A Medical-Legal Partnership Comments at 8-9 (“HELP: MLP Comments”); Joint Commenters for Utility Access Comments at 3.

broad seasonal prohibition on electric shutoffs would most certainly increase bad debt expenses. Additionally, as explained *supra*, PPL Electric currently has voluntary protections in place to prevent shutoff during the hottest days of summer.

First, a sweeping summer moratorium would materially limit a utility's ability to address unpaid balances during the suspension period. As it stands now, PPL Electric regularly sees spikes in unpaid balances during winter moratorium months. Between October 2024 and February 2025, customers with outstanding balances nearly doubled, going from 41,847 customers to 79,936 customers with arrearages. The same occurred between October 2025 and February 2026, going from 44,082 customers to 86,515 customers with outstanding balances. More than 71% of outstanding balances come from customers more than 365 days in arrears. Existing suspension of termination mechanisms (i.e., winter moratorium and complaint processes) already contributes to this issue, and additional periods where utilities are unable to terminate service would exacerbate the problem. As arrearages continue to accrue over an extended period, those balances become more difficult to resolve and more likely to become uncollectible. Those unpaid balances do not disappear; to the extent they become uncollectible, they are ultimately borne by other customers, shifting the cost of nonpayment of these arrearages to other bill-paying customers.

Chapter 56 already contains important customer protections designed to prevent inappropriate terminations, including emergency protection for customers with serious medical conditions that would be aggravated by loss of service. Even without a medical basis for avoiding termination, qualifying customers can enroll in PPL Electric's Customer Assistance Program ("CAP"), known as OnTrack, to facilitate a minimized payment arrangement, which will ensure their service is maintained so long as they remain on the program in good standing. Those targeted protections, along with existing notice, dispute, payment arrangement, and other universal service

programs, provide a more appropriate and balanced framework than a broad summer moratorium that would reduce payment accountability and very likely increase arrearages across affected accounts.

Moreover, many utilities, including PPL Electric, have internal procedures that prevent termination of service on high-heat days. Pursuant to the Commission's March 17, 1994, guidance, PPL Electric will not terminate a customer's electric service on days when the high temperature is expected to exceed 95 degrees. This protection, along with medical certification options and CAPs, is better suited to protect vulnerable customers, while limiting the burden on paying customers for other customers' nonpayment.

D. PROPOSALS TO EXPAND WINTER MORATORIUM

The Energy Justice Lab Comments propose expanding the winter moratorium to remove the income requirement. (Energy Justice Lab Comments at 3.) As discussed in Section III.C., *supra*, the number of arrearages significantly rise during the winter moratorium. Expanding the class of customers to whom this protection is available would increase uncollectible expenses and significantly drive up distribution rates for all residential customers. The Commission's existing protections strike a careful balance between offering appropriately limited protections to low-income customers while keeping the rates of others, including those just above the eligibility guidelines, reasonable. Expanding moratorium applicability as suggested here will increase rates for all residential customers at a time when affordability is challenged more than ever. As such, PPL Electric opposes this proposal.

E. EXTENDING AND EXPANDING PAYMENT ARRANGEMENTS

Several commenters propose substantial revisions to the existing payment arrangement framework, including longer repayment periods, mandatory subsequent arrangements after

default, reinstatement or extension of defaulted arrangements, and payment caps that would require repayment terms to be extended until monthly arrearage payments fall below a prescribed percentage of the customer's average bill.⁶ PPL Electric respectfully opposes modifications that would materially expand payment arrangements for electric bill arrearages beyond the framework reflected in Chapter 56. Payment arrangements are an important tool for avoiding termination and resolving delinquent balances, but they must remain a mechanism for repayment—not an indefinite deferral of collection.

The proposals advanced in other parties' Comments would risk creating arrangements of effectively open-ended duration,⁷ particularly where extended terms are combined with repeated opportunities to reinstate, renegotiate, or enter subsequent arrangements following default. Such a framework would not necessarily serve customers' long-term interests, nor would it necessarily result in greater success in payment agreements. Under such a model, customers may be required to make payments on usage incurred years earlier, while also remaining responsible for current monthly bills, obscuring the cost of ongoing service and making it more difficult to achieve financial stability.

From a utility collections perspective, extended and repeatedly renewed arrangements would delay resolution of arrearages and increase the likelihood that balances become uncollectible, increasing bad debt and placing additional pressure on bill-paying customers who ultimately bear those costs. Customers who require repeated payment arrangements for extended periods of time would be better served by the Company's OnTrack program or other federal

⁶ See, e.g., Consumer Advisory Council Comments at 9; HELP MLP Comments at 3; Joint Commenters for Utility Access at 2.

⁷ See, e.g., Consumer Advisory Council Comments at 9; Governor's Office Comments at 6; HELP MLP Comments at 3; Low Income Advocates Comments at 46-49; Office of Consumer Advocate Comments at 7-8 ("OCA Comments").

assistance, such as LIHEAP, than obtaining a payment arrangement that extends years into the future with no end in sight. Therefore, PPL Electric urges the Commission to preserve payment arrangement rules that provide a reasonable opportunity to cure arrearages while maintaining finality, accountability, and administrable limits on the duration of repayment obligations.

F. EXPANSION OF MEDICAL CERTIFICATION PROVISIONS

Several parties⁸ support reforms to timelines for medical certificates. PPL Electric supports the Commission's objective of balancing the needs of customers who have serious medical conditions with the needs of utilities in managing their overdue receivables. However, it is PPL Electric's experience that these processes can be and are exploited. Expanding the list of providers who can issue a medical certificate and expanding the duration of the certificate from the standard 30 days could enable an individual to misuse these protections. As a result, PPL Electric opposes these proposals.

G. SUPPORT FOR EXPANSION OF PROTECTIONS FOR SURVIVORS OF DOMESTIC VIOLENCE

Some commenters, including the Pennsylvania Coalition Against Domestic Violence ("PCADV"), have advanced that "additional options to seek relief under the exemption could provide relief to more domestic violence victims who do not have [protection from abuse orders]" due to the risks associated with seeking court intervention. (PCADV Comments at 10.) PPL Electric recognizes and appreciates the difficulty that domestic violence victims may have in seeking court intervention. Therefore, the Company supports this proposal and requests that if the Commission adopts such a proposal, the Commission should provide (1) clear guidance as to what

⁸ Consumer Advisory Council Comments at 6-7, Governor's Office at 7-8, HELP MLP Comments at 5, Joint Commenters for Utility Access Comments at 3, Low Income Advocates Comments at p 65-67, OCA Comments at 73-75, OSBA Comments at 28-29, Pennsylvania Coalition Against Domestic Violence Comments ("PCADV Comments") at 3.

documentation may be accepted to support eligibility for the domestic violence exemption,⁹ and (2) sufficient time prior to implementation so that utilities may train its employees on any new requirements.

IV. **CONCLUSION**

PPL Electric respectfully requests that the Commission consider these Reply Comments and the Company's earlier proposals as it evaluates revisions to Chapter 56, and thanks the Commission for the opportunity to comment on such important issues.

Respectfully submitted,



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Date: October 13, 2026

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⁹ PPL Electric supports PCADV's suggestion for qualifying documents, including court documentation, verification from a qualified third party (such as a professional therapist or counselor), or self-verification with a timeline for third-party documentation. *See* PCADV Comments at 6.