



Lindsay Baxter
Senior Manager, Energy Policy and Public Affairs
lbaxter@duqlight.com
412-393-6224

October 13, 2026

VIA ELECTRONIC FILING

Mr. Matthew Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

**Re: Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Address
Payment Arrangements
L-2025-3058767**

Dear Secretary Homsher:

Enclosed for filing please find Duquesne Light Company's Reply Comments in the above referenced proceeding. If you have any questions regarding the information contained in this filing, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "LBQ", is written over a faint, light blue circular background.

Lindsay A. Baxter
Senior Manager, Energy Policy and Public Affairs

Cc:
Stephanie A. Wilson, stepwilson@pa.gov
Kriss E. Brown, kribrown@pa.gov
Karen Thorne, kathorne@pa.gov
Bobbi Anderson, robertannd@pa.gov

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Rulemaking to Amend the Provisions of 52 :
Pa. Code, Chapter 56 to Address Payment : Docket No. L-2025-3058767
Arrangements :

**REPLY COMMENTS OF
DUQUESNE LIGHT COMPANY**

I. INTRODUCTION

The Pennsylvania Public Utility Commission (“PUC” or “Commission”) adopted a Notice of Proposed Rulemaking Order (“NOPR”) at its February 19, 2026 Public Meeting proposing to amend provisions of 52 Pa. Code, Chapter 56 to address payment arrangements. This effort follows the expiration of former Chapter 14 of the Public Utility Code on December 31, 2024. The Commission had previously entered a Statement of Policy on December 24, 2024, providing guidance regarding payment arrangements and public utility service termination.¹

The NOPR allowed for Comments and Reply Comments. In August 2026 more than twenty entities representing diverse interests, including Duquesne Light Company (“Duquesne Light” or “Company”), filed comments on this topic. The Company hereby submits the following Reply Comments for the Commission’s consideration.

¹ Statement Of Policy, Sunset of Chapter 14, Title 66 of the Pennsylvania Public Utility Code, Order Entered December 24, 2024 at Docket No. M-2024-3052328.

II. COMMENTS

Duquesne Light is committed to best serving all of its customers and welcomes continued input and collaboration with stakeholders to identify opportunities for improvement. A public utility is uniquely connected to the communities it serves. Unlike other types of businesses, a utility cannot move to another location or easily change its offerings. As such, the success of Duquesne Light is intrinsically tied to the success of the greater Pittsburgh community.

Some commenters have implied or directly suggested that utilities are solely driven by profit, lacking care or empathy for their customers. The Company rejects this notion. In fact, the Company has financial motivation to support policies that lead to healthy, prosperous communities and businesses in its service territory. More than 70% of Duquesne Light employees are also customers, whose families live and work in the communities the Company serves. To suggest that utilities as a whole, or Duquesne Light specifically, are “privately owned gatekeepers of access to water and electricity”² is an unfair characterization that lacks merit.

The Company agrees with many commenters that there is value in a more comprehensive review of Chapter 56 to identify opportunities to improve customer experience, modernize outdated requirements, and capture efficiencies. However, this proceeding is not the appropriate venue for that review. The Company has observed multiple entities recycling talking points from the years of negotiations in the legislature prior to the expiration of the former Chapter 14. The instant proceeding was not designed as an opportunity to make wholesale changes, but rather a venue to provide certainty to all stakeholders by codifying existing practice in the absence of legislative action. Duquesne Light limited its comments to this topic, as directed by the Order. The Commission should reject comments that are outside of the scope of the instant proceeding,

² See Comments of Center for Coalfield Justice at 3.

setting them aside for future consideration. Should the Commission decide to move forward with more far-reaching changes based on comments in this proceeding, the Company urges it to provide additional opportunities for input so that all commenters have an opportunity to fully participate, rather than being limited by the directives of this particular NOPR.

The Company stands by its original comments,³ which support the PUC's proposed regulations with the intent of giving certainty to all stakeholders following the expiration of Chapter 14, which provided statutory authority for the existing practices. Additionally, the Company supports initiation of a separate proceeding to more comprehensively evaluate the provisions in Chapter 56, with a goal of modernizing the regulations to capture efficiencies and meet customer expectations. To that end, the Company does not directly respond to each of the many recommendations made by commenters that are out of scope.⁴ Absence of comment should not be perceived as support; the Company reserves the right to provide subsequent comments in future opportunities. However, a select few deserve additional discussion, as follows:

a. Suggestion that Chapter 14 alone has increased terminations

Some commenters suggested that Chapter 14 has not only been unsuccessful in its intended purpose of reducing arrearages, but instead suggest it has resulted in increased debt. The Joint Comments of Low Income Advocates cite information from various public reports to make this point.⁵ Duquesne Light does not dispute the dollar amounts cited but opposes the suggestion that Chapter 14 is the sole cause of these increases.

³ Comments of Duquesne Light Company at Docket No. L-2025-3058767. *Rulemaking to Amend the Provisions of 52 Pa. Code, Chapter 56 to Address Payment Arrangements*. August 28, 2026.

⁴ Note that the Company is a member of the Energy Association of Pennsylvania, which offers a more comprehensive review of the recommendations made by other commenters in its Reply Comments filed at this docket.

⁵ See Joint Comments of Low Income Advocates at 44.

Similarly, other commenters cited reports that utility terminations have increased since adoption of Chapter 14, appearing to suggest this policy has sole responsibility for this increase.⁶ For example, the Joint Comments of Low Income Advocates cite the statistic that, “There were approximately 225% more utility terminations in 2025 (414,669) as compared to 2004 (186,695), the year that Chapter 14 became law.”⁷

To suggest that Chapter 14 is the only contributing factor to increased arrearage amounts or terminations is a gross oversimplification. Utility bills have increased year over year since the adoption of Chapter 14 for a variety of reasons: increased costs to provide service, inflation, and more recently capacity costs in the PJM market. At the same time, other costs, such as gasoline, housing, groceries, and more have also increased. Wages have not increased at the same rate, though. The purchasing power of a stagnant minimum wage is negatively impacted by inflation.⁸

To simply compare dollar amounts from 2004 to 2024 without adjusting for these factors is not good data science. To be clear, the Company understand the value of a comprehensive assessment of the effectiveness of Chapter 14. It urges the Commission, should it undertake such an effort, to refrain from focusing on a singular determinant, recognizing there are multiple factors that may contribute to customers falling behind on their bills.

⁶ See Comments of Low Income Advocates at 15-16; Joint Commenters for Utility Access at 1; Office of Josh Shapiro at 2

⁷ See Comments of Joint Comments of Low Income Advocates at 11.

⁸ *Analysis of the Pennsylvania Minimum Wage* (March 2024) Pennsylvania Department of Labor and Industry, Center for Workforce Information and Analysis, at www.pa.gov/content/dam/copapwp-pagov/en/dli/documents/cwia/products/minimum-wage-reports/minimum-wage-report-2023.pdf

b. Characterization of reconnection fees and late fees as ‘unnecessary’

Some commenters seem to suggest reconnection and late fees are simply adders that solely profit the utility.⁹ This is a false characterization. Reconnection fees are established to partially recoup the true costs associated with termination. If these costs are not assigned to the cost causer, they are paid by other customers. Similarly, late fees help to offset the costs associated with unpaid bills and serve as an incentive to make timely payments. The Company has agreed to waive late and reconnection fees in some circumstances — for example during the COVID-19 pandemic. Utilities also can waive fees on a one-off basis due to individual circumstances.

Per the Company’s original comments in this proceeding, there is an opportunity to reduce the actual costs of collection activities, including maximizing the use of digital communications for customers who prefer this format; leveraging smart meter capabilities, including allowing for remote disconnect; and reducing the need for truck rolls. If commenters are serious about reducing the need for reconnection fees, the Commission should explore in the context of reducing the costs of this activity.

c. Summer moratorium

Several commenters suggested the Commission establish a summer moratorium on service terminations, akin to the existing winter moratorium that prohibits service terminations of residential customers with income at or below 250% of Federal Poverty Income Guidelines between December 1st and April 1st.¹⁰ The Company strongly opposes

⁹ See Comments of Joint Commenters for Utility Access at 3 and Center for Coalfield Justice at 2-3

¹⁰ See Joint Comments of Low Income Advocates; Office of Small Business Advocate; Joint Commenters for Utility Access; Consumer Advisory Council; HELP-MLP; PA Coalition Against Domestic Violence; Commission on Economic Opportunity; and Center for Coalfield Justice.

this suggestion. In its experience, moratoriums do not benefit customers. Unless there is risk of losing their service, customers do not reach out to the utility, losing the opportunity to apply for assistance programs and hardship grants, enroll in budget billing, identify cost saving opportunities (for example, switching from an expensive supply contract), or requesting a payment arrangement. Instead, they avoid making contact with the Company, allowing their arrearage to continue to grow.

The Company shared substantial evidence to support this point in Comments filed during the emergency moratorium put in place at the start of the COVID-19 pandemic.¹¹ In its February 16, 2021 comments, the Company shared that despite significant outreach to its customers via written letters, emails, outbound calls, media campaigns, and more applications to the Customer Assistance Program (“CAP”) and the Low-Income Home Energy Assistance Program (“LIHEAP”) remained low. In those comments the Company shared that “in December 2019, Duquesne Light customers had received \$538,485 in LIHEAP grants, as compared to just \$149,639 in December 2020.”

While the Company opted not to initiate terminations during a brief nine-day window in which they were allowed in November 2020, it did send letters to customers noting the lifting of the moratorium on service terminations. While this letter was not a termination notice, “it resulted in a notable, albeit short-lived, increase in customer contact for about one week, with call volume more than 50% greater than normal.”

The Company strongly encourages the Commission to reject calls for a nearly year-round moratorium in recognition of the significant evidence that customers do not avail themselves of the support available if there is not a threat of termination, allowing

¹¹ Comments of Duquesne Light Company at Docket No. M-2020-3019244. *Public Utility Service Termination Moratorium—Modification of March 13th Emergency Order*: Filed February 16, 2021.

arrears to continue to grow. It is worth noting that Duquesne Light has internal procedures to stop terminations during any extenuating circumstance, which may include extreme heat, storm activity, etc. These types of common sense, compassionate protections are more appropriate than a blanket prohibition.

d. Office of Small Business Advocate (“OSBA”) recommendations to expand Chapter 56 provisions to cover small commercial customers

OSBA filed extensive comments with the primary intent of expanding Chapter 56 to apply to small business customers. While Duquesne Light supports programs to assist small business customers, it does not agree with expanding provisions that were established to ensure residential customers maintain access to electricity as a key life sustaining service to non-residential customers. Beyond concern that business customers do not meet the intended purpose of these collections proceedings, the Company notes that this proposal risks having successful businesses subsidizing struggling businesses, as businesses that are regularly paying their bills will begin to cover the costs of businesses who are not. While the Company is opposed to expanding all provisions in Chapter 56 to commercial customers, it remains committed to identifying new opportunities to better serve small business customers and is open to continued conversation with OSBA and other entities on this topic.

e. § 56.225. Surcharges for uncollectible expenses prohibited

The Annex proposes, “A public utility may not implement a cash receipts reconciliation clause or another automatic surcharge mechanism for uncollectible

expenses.” Several commenters noted that instead of a blanket prohibition on surcharges for uncollectibles, it may be more prudent to allow that matter to be considered in individual proceedings.¹² While Duquesne Light does not oppose the Commission’s proposed language, it is persuaded by those comments to agree that a blanket prohibition may not be appropriate and potentially stifles innovation. The Company encourages the PUC to give consideration to this suggestion.

f. Reduce threats to utility worker safety

In its initial comments the Company recommended that if the PUC were to open a subsequent proceeding to complete a more comprehensive review of Chapter 56, it should look for opportunities to modernize the regulations to capture efficiencies and cost savings. Specifically, the Company discussed expanding use of electronic communications to customers who prefer that method and considering changes to personal contact requirements. In these Reply Comments, Duquesne Light augments that position by supporting points made by PPL Electric related to worker safety.¹³ PPL writes “By requiring a utility employee to attempt personal contact at the residence immediately before terminating service, the regulation has forced utility personnel and, in some circumstances, members of law enforcement into potentially unsafe situations.” Duquesne Light’s experience supports this point. Over 75% of customer accounts associated with threatening behavior towards Duquesne Light employees have experienced collections activity in the past five years. The capabilities of smart meters make the personal visit to a premise unnecessary in the vast majority of circumstances.

¹² See Comments at EAP at 3, PECO at 3, and PPL at 6.

¹³ See Comments of PPL at 8.

As PPL explains, “eliminating the personal contact requirement would eliminate much of the safety risk and permit safe, remote termination while maintaining multiple customer notifications.”

III. CONCLUSION

In conclusion, Duquesne Light encourages the Commission to find balance between the calls from stakeholders to expand the current proceeding and the need for regulatory certainty in the near term. The Company agrees with many commenters that a more comprehensive review of Chapter 56 and additional updates are warranted. However, such an effort will take several months or even longer in consideration of the many priority topics the Commission needs to address in the present moment. The Company urges the PUC to lock in regulatory certainty now, with the intention of opening a more fulsome review of Chapter 56 in the near future.

Respectfully submitted,



Lindsay A. Baxter
Senior Manager, Energy Policy and Public Affairs
Duquesne Light Company
100 South Commons, Suite 118
Mail Drop OGC-L1
Pittsburgh, PA 15212
lbaxter@duqlight.com
Tel. (412) 393-6224

October 13, 2026