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October 13, 2026

VIA ELECTRONIC FILING

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

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

Dear Secretary Homsher:

Pursuant to the Notice of Proposed Rulemaking Order issued by the Pennsylvania Public Utility Commission on February 19, 2026, enclosed for filing please find the Reply Comments of FirstEnergy Pennsylvania Electric Company.

Please contact me if you have any questions regarding this matter.

Very truly yours,

A handwritten signature in blue ink, appearing to read "D. Hawkins".

Diamond Hawkins

DH/krak

c: As Per Certificate of Service

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

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

**REPLY COMMENTS OF FIRSTENERGY PENNSYLVANIA ELECTRIC COMPANY TO
THE NOTICE OF PROPOSED RULEMAKING ORDER**

I. INTRODUCTION

On February 19, 2026, the Pennsylvania Public Utility Commission (“Commission” or “PUC”) entered a Notice of Proposed Rulemaking Order¹ (“NOPR”) at the above-referenced docket soliciting comments on proposed amendments to its regulations under 52 Pa. Code Chapter 56, which were appended to the Order as Annex A, to incorporate provisions of the former Chapter 14 of the Pennsylvania Public Utility Code, previously codified at 66 Pa.C.S. §§ 1401-1419, as it was in effect prior to its sunset, including those currently being followed by the Commission via its Statement of Policy entered on December 24, 2025, at Docket No. M-2024-3052328. On May 30, 2026, the NOPR was published in the Pennsylvania Bulletin, initiating the public comment period for interested parties to submit comments on the NOPR on or before August 28, 2026,² with reply comments due on October 13, 2026.

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

² Comments were filed by, among others, the Energy Association of Pennsylvania (“EAP”), Office of Governor Josh Shapiro (“Governor’s Office”); the Office of Consumer Advocate (“OCA”); the Office of Small Business Advocate (“OSBA”); the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania and the Tenant Union Representative Network (together, the “Low Income Advocates”); the Commission’s Consumer Advisory Council (“CAC”); the Joint Commenters for Utility Access (“Joint Commenters”), a coalition that includes members of the General Assembly, local officials, community action agencies, and advocacy organizations; the Pennsylvania Coalition Against Domestic Violence (“PCADV”); the Health, Education and Legal Assistance Project: A Medical-Legal Partnership (“HELP: MLP”); the Energy Justice Lab (“EJL”); the Center for Coalfield Justice (“CCJ”); the Commission on Economic Opportunity (“CEO”); and a group of individual customers (“Joint Ratepayer Comments”).

FirstEnergy Pennsylvania Electric Company (“FE PA” or the “Company”) commends the PUC for recognizing the importance of efficient and clear administrative practice and procedure. However, FE PA respectfully asks the Commission to keep this proceeding focused on its stated purpose, which is codifying the provisions of the former Chapter 14 into Chapter 56 which the Commission made clear is not a general review of the chapter. Several commenters are proposing changes that are well outside of that scope. Some of these include a summer termination moratorium, the extension of Chapter 56 to small commercial customers, mandatory income screening of all customers at 300% of the federal poverty level, bill redesign requirements, and new restrictions on the use of social security numbers. To the extent the Commission wishes to consider those proposals, FE PA submits that they should be addressed in a separate proceeding. Further, FE PA expresses its full support of the EAP’s reply comments (the “EAP reply comments”) filed in this docket as more fully representative of its position, particularly as it relates to the scope of this rulemaking. Finally, FE PA offers several limited comments on specific proposals, as follows.

II. REPLY COMMENTS TO PROPOSED REGULATIONS

A. § 56.2. Definitions.

1. Change in Income.

The Company agrees with the EAP’s reply comments related to redefining the definition of “change of income.” FE PA supports codifying the definition of “change in income” consistent with former Section 1403 of the code. Commenters propose redefining “change in income” to include any decrease or increase in household income of five percent or more, regardless of income level.³ A five percent threshold and the treatment of an increase in income as a basis for a new

³ Low-Income Advocates Comments, pp. 30-31; Governor’s Office Comments, p. 3.

Commission ordered payment arrangement would capture fluctuations in household income and expand the circumstances in which a defaulted arrangement may be reset. Furthermore, treating an increase in income the same way as a decrease in income conflicts with the intent of the provisions since a customer whose income has gone up is better able to pay. A customer in this position does not need a new Commission ordered payment arrangement and proposed Section 56.182(d) already preserves each utility's discretion to enter a subsequent payment arrangement where circumstances warrant. For these reasons, FE PA respectfully requests that the Commission retain the tiered 10% and 20% thresholds in place, which provide a clear and administrable standard for evaluating changes in income.

2. Significant Change in Circumstances.

The Company agrees with EAP's reply comments related to expanding the definition of "significant change in circumstances" and opposes commenters proposals to expand the definition to include enumerated events, such as any change in income, the issuance of a medical certificate, and "any other circumstance to be considered in the Commission's discretion."⁴ The enumerated events currently included in the Commission's definition give customers, utilities, and the Commission a clearly defined and predictable standard for identifying a change in circumstance. Expanding the definition to include additional events broadens it in a manner that makes the definition open-ended, which could result in inconsistent application across customers and leaves the utility guessing as to what the Commission would determine to be appropriate in individual instances.

Furthermore, FE PA opposes removing the requirement that the change in circumstances be verified by the utility. As noted in EAP's reply comments, the utility is in the best position to

⁴ Low-Income Advocates Comments, pp. 30-33; Governor's Office Comments, pp. 3-4; CAC Comments, p. 9; CEO Comments.

verify the change in circumstances due to having access to customer information and specific details related to the payment arrangement. Placing this responsibility on the Commission would be inefficient and unnecessary.

B. § 56.22. Accrual of Late Payment Charges.

FE PA supports the Commission's existing proposal to require waiver of late payment charges that are improperly assessed. The Commission's existing rules align with FE PA's current policy and practice.

C. § 56.153. Public Utility Duties.

The Company supports EAP's reply comments on this matter. Many of the proposed duties reflected in the commenters' proposals are consistent with the FE PA's existing practices. Specifically, FE PA provides information about its universal service programs to customers and proactively refers customers to its universal service administrator when a customer contacts the Company to request a payment arrangement.

An additional proposal in this section includes requiring utilities to screen all customers at 300% of the Federal Poverty Level ("FPL") and collect household income at the time service is established.⁵ FE PA opposes this proposal for several reasons. FE PA currently does not collect household income information from customers at the time service is established and believes this proposal should not be adopted. First, collecting customer income has the potential to create a negative customer experience and unnecessarily extend call handling times for many customers who would neither qualify for nor be interested in the assistance programs being evaluated.

Administratively, implementing mandatory screening will require system changes, which could bear significant costs to utilities. Furthermore, mandating that FE PA screen customers and

⁵ Low-Income Advocates Comments, pp. 37-40; Governor's Office Comments, p. 5; Joint Commenters Comments, p. 2; HELP: MLP Comments, p. 6; PCADV Comments, § II.

collect specific information puts the Company in the position to not only collect sensitive financial data outside of its normal practices, but to protect it. While protecting the information of its customers is FE PA's priority, the Commission should consider the privacy implications of unnecessarily expanding the information that utilities collect from customers.

D. § 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.

FE PA supports the EAP reply comments related to Section 56.181, specifically related to the proposal to expand the documents collected under this section and modernizing the document collection process. While FE PA does not oppose examining the existing process to identify areas for improvement, this proposal is outside the scope of the PUC's NOPR Order.

E. § 56.182. Payment Arrangement Procedures.

The Company supports proposed Section 56.182, which codifies the payment arrangement procedures of the former Section 1405. As EAP explains in its reply comments, those procedures have given customers, utilities, and the Commission a predictable framework for more than twenty years. The existing tiers already tie the length of a payment arrangement to household income, with the lowest income customers receiving the longest terms. FE PA opposes the proposal to lengthen each income tier and to further extend any arrangement for a customer at or below 300% FPL so that the monthly installment does not exceed 20% of the customers' average monthly bill. Some commenters support a similar cap with no limit on the resulting term. Since the cap is keyed to the customer's bill and not to the size of the arrearage or the customers' ability to pay, a large balance could accrue over many years.

In FE PA's experience, a longer payment arrangement gives new arrears more time to build while the customer is still paying down the old balance and leaves more of the balance exposed to default. Altering the tiers described under this section make the carrying costs an uncollectible

expense that is recoverable from FE PA's other residential customers. Thus, the Company respectfully requests that the Commission reject this proposal.

III. REPLY COMMENTS TO ADDITIONAL CHANGES REQUESTED

FE PA agrees with EAP that the proposals detailed below should not be adopted in this rulemaking, in part, because the financial and operational implications of adoption are so vast amongst utilities that they should be analyzed in a separate proceeding. Thus, FE PA offers these brief comments only on select proposals. For any additional changes requested that are not specifically referenced below, FE PA offers its support of the reply comments of EAP.⁶

A. Extension of Chapter 56 to small businesses.⁷

The Company supports the EAP reply comments related to not extending Chapter 56 provisions to small businesses as the stated intent of Chapter 56 was to establish standards and billing practices for "residential" public utility service and consideration of an extension to commercial customers is far outside the scope of this proceeding.

B. § 56.12. Meter Reading, Estimated Billing, and Budget Billing.⁸

Commenters propose several modifications to Section 56.12, including amongst other things, a requirement for utilities with automatic meter reading technology to bill customers based on actual monthly meter readings absent malfunction, permit customers to provide meter readings electronically, and obtain customer consent before imposing any fee associated with an in-person

⁶ FE PA provides no additional comment regarding the following proposals, including, but not limited to: § 56.11 Billing and Payment Standards; § 56.13. Billing for Non-Basic Services; § 56.15. Billing Information; §§ 56.21, 56.24, and 56.25. Payment, Application of Partial Payments, and Electronic Payment; § 56.32(c). Applicant Identification and Social Security Numbers; §§ 56.35 and 56.37. Outstanding Balances and Timing of Service; §§ 56.92 through 56.96. Personal Contact, Posting, and Post-Termination Notice; § 56.97. Procedures Upon Customer Contact Prior to Termination; § 56.100(j). Reporting of Incidents at Premises Where Service Was Terminated; Language Access, Plain Language, and Customer Service; § 56.191. Restoration of Service and Reconnection Fees; §§ 56.201, 56.222, 56.223, and 56.231. Public Information, Exceptions, Tariffs, and Reporting.

⁷ OSBA Comments, pp. 11-38.

⁸ OCA Comments, pp. 30-34; CAC Comments, pp. 5-6.

meter reading used to verify an automated reading. FE PA notes that these proposals are generally consistent with the Company's existing practices. For example, the Company already bills customers monthly based on actual readings absent malfunction, currently allows customers to provide a meter reading during a high bill complaint phone call as a part of the Company's high bill dispute process, and does not charge a fee for an in-person meter reading, even if the customer has a smart meter. While FE PA does not oppose these proposals as applied to the Company, they extend beyond the scope of this rulemaking and should be analyzed in a separate proceeding.

C. § 56.16. Transfer of Accounts.⁹

As it relates to Section 56.16, the Company opposes proposals to eliminate the ability to deny a service transfer in the circumstances described in Section 56.16(c)(1), which applies only in limited circumstances where a customer has already received the required termination notices and has prevented termination by denying access to the premises. The Company agrees with the EAP reply comments that the ability to deny a transfer under the circumstances described by commenters should be retained so that customers cannot avoid termination of service simply by moving. The existing rule appropriately balances customer protection with the utility's ability to enforce valid collection and termination procedures. Therefore, FE PA respectfully requests that the Commission retain Section 56.16(c)(1) as proposed in the NOPR.

D. § 56.17. Advance Payments.¹⁰

FE PA supports the EAP reply comments related to Section 56.17. Further, FE PA disagrees with the suggested removal of a voluntary opt-in option for low-income households to participate in advance pay/prepay meters.

⁹ OCA Comments, pp. 36-38.

¹⁰ OCA Comments, pp. 38-40.

E. § 56.22. Accrual Late Payment Charges.¹¹

The Company supports the EAP reply comments associated with Section 56.22. FE PA opposes the commenters' proposals that would prohibit or require the waiver of late payment charges for broad categories of customers, including customers at or below 300% FPL, customers enrolled in payment arrangements or universal service programs, and residential customers generally. FE PA also opposes proposals to extend Commission-ordered waivers of late payment charges to small commercial customers.

As EAP explains, late payment charges are approved by the Commission in utility tariffs and serve an important role in encouraging timely payment and reducing the accumulation of customer arrearages. Waiving late payment charges for a broad segment of residential customers would reduce incentives for timely payment and increase costs that ultimately must be recovered from other customers. In addition, implementation of a 300% FPL eligibility standard would require utilities to obtain and maintain income information that they do not generally collect outside of existing assistance programs. The record contains little information regarding the administrative costs and operational impacts associated with such a requirement. FE PA also notes that many of the proposals raised by commenters would significantly modify the existing framework governing late payment charges rather than codify current requirements. To the extent the Commission wishes to consider such changes, those issues would be more appropriately addressed in a proceeding supported by a fuller record regarding their operational, financial, and customer impacts.

Furthermore, the Office of Consumer Advocate ("OCA") proposal to prohibit late payments charges on all payment arrangements warrants a further response, because the proposal

¹¹ OCA Comments, pp. 41-43.

would apply regardless of the customers' income. FE PA's current practice is more targeted and focused on customers with demonstrated financial need. Specifically, FE PA's practice is to not assess late payment charges on arrearages included in a payment arrangement for customers at or below 200% FPL, except on installment amounts that are past due. The record does not demonstrate why the need for a broader prohibition applicable to all customers on payment arrangements is necessary or appropriate.

In addition, FE PA supports EAP's reply comments in the section on security deposits. As EAP explains, the existing rules appropriately balance customer protection with the need to mitigate the risk of non-payment. FE PA estimates that prohibiting deposits for customers at or below 250% FPL would increase its uncollectible expense by \$2.1 million in the first year, with the impact increasing in subsequent years. Notably, that estimate is based on a threshold lower than the 300% FPL threshold proposed by several commenters. Any changes should be supported by a more developed record evaluating the impact on uncollectible expenses, cost recovery, and other customers.

F. § 56.81. Authorized Termination of Service.¹²

FE PA supports the EAP reply comments related to Section 56.81. Delaying collection activity until an account reaches a minimum balance, or until a payment arrangement has been past due for a minimum period, would significantly delay a utility's collection process, add to arrearages, and create unmanaged delinquencies which are ultimately borne by other ratepayers. Any appropriate threshold would also depend on factors such as the average bill and the type of service. Accordingly, the Commission should retain the existing termination framework. The proposed thresholds would delay the timely resolution of delinquent accounts, increase arrearages,

¹² OCA Comments, pp. 57-59.

and introduce operational complexities that have not been adequately evaluated on this record. If the Commission wishes to consider such changes, it should do so in separate proceedings supported by a more developed record regarding the costs, implementation challenges, and customer impacts of the proposal.

G. § 56.91. Termination Notice Period and Contents.¹³

The Company supports EAP's reply comments on Section 56.91. As EAP explains, the current notice proposal would effectively require utilities to guarantee receipt of termination notices, rather than demonstrate compliance with established notice procedures. This in turn would invite disputes over the validity of properly mailed notices and is a matter wholly outside the realm of a utility's control. Further, extending the termination notice period from ten days to either twenty or thirty days would delay collection activity and allow customer balances to continue to grow. Section 56.91 already contains substantial notice and customer protection requirements that address many of the concerns raised by commenters. FE PA therefore respectfully requests that the Commission retain the existing notice framework and decline to adopt these proposals.

H. § 56.100. Seasonal Termination Protections.¹⁴

The Company fully supports EAP's opposition to the proposals to establish a summer termination moratorium or otherwise expand the existing winter termination protections found in this section. The current winter moratorium reflects a longstanding policy judgment that balances the need to protect customers during the winter months with the importance of maintaining reasonable collection practices and limiting the growth of customer arrearages. The current winter termination protections strike that balance. The proposals advanced by certain commenters would

¹³ OCA Comments, pp. 59-65.

¹⁴ Low-Income Advocates Comments, pp. 72-77; Governor's Office Comments, p. 7; CAC Comments, pp. 4-5; Joint Commenters Comments, p. 3; HELP: MLP Comments, pp. 8-9; PCADV Comments, § VI; EJP Comments; CCJ Comments; CEO Comments; OSBA Comments, pp. 26-27; Joint Ratepayer Comments, p. 1.

materially alter the existing framework. However, the record in this proceeding contains little information regarding the costs, operational impacts, or ratepayer consequences associated with those proposals.

FE PA's experience demonstrates that restrictions on collection activity can significantly increase customer arrearages. The existing winter moratorium alone increases arrearages on FE PA's system by approximately \$15 million, or about 10% each year. Similarly, during the COVID-19 pandemic, when collection activities were substantially restricted, FE PA's arrearages increased by approximately \$71 million, or approximately 55%. While a summer moratorium would not mirror the pandemic-related restrictions in scope, FE PA's experience nevertheless illustrates the relationship between extended limitations on collection activity and the accumulation of unpaid balances. A summer moratorium would not replace the winter period, but would be layered on top of it, thus increasing the likelihood that arrearages would continue to grow over time. In addition, proposals tied to temperature thresholds or other variable criteria could create uncertainty regarding the application of the Commission's rules and prove difficult to administer consistently across FE PA's large and geographically diverse service territory.

FE PA is also concerned that the long-term effects of these proposals may ultimately undermine the objectives they are intended to achieve. As customers remain protected from termination for longer periods, outstanding balances may continue to accumulate, making those balances more difficult to address through payment arrangements, customer assistance programs, and other available tools. Higher arrearages also increase the risk of uncollectible expenses, which would ultimately be borne by FE PA's other residential customers, many of whom may also face affordability challenges. For these reasons, FE PA believes the Commission should retain the existing winter termination protections. If the Commission wishes to consider broader seasonal

termination restrictions, it should do so in a separate proceeding supported by a more fully developed record regarding the costs, implementation challenges, and customer impacts associated with such proposals.

I. §§ 56.111-56.118. Medical Certificates and Emergency Provisions.¹⁵

FE PA supports the EAP reply comments regarding Sections 56.111 through 56.118. FE PA takes seriously its responsibility to serve medically vulnerable customers and agrees with EAP that the existing medical certificate process provides meaningful protection for those customers. FE PA opposes the proposals that would expand the categories of health care professionals authorized to certify a medical condition. Under Section 56.111, the determination of whether a medical condition exists rests entirely with the certifying professional and utilities are not permitted to challenge that determination. Given the deference afforded to the certification, the qualifications of those authorized to issue medical certificates play an important role in maintaining the integrity and reliability of the process. FE PA therefore believes that the Commission should retain the existing certification requirements, which appropriately balance the need to protect medically vulnerable customers with the need to ensure consistent administration of the medical certification program.

FE PA also opposes proposals to lengthen the certificate period or to remove limits on the number of certificates that a customer can obtain. Medical certificate protection is meant to be temporary, and renewals are already made available in Section 56.114 of the Pennsylvania Public Utility Code. Based on the Company's experience, the average balance on an FE PA account receiving its first medical certificate is \$2,457. Longer protection periods would let those

¹⁵ OCA Comments, pp. 73-77; Low-Income Advocate Comments, pp. 67-70; Governor's Office Comments, pp. 7-8; Joint Commenters Comments, p. 3; HELP: MLP Comments, pp. 6-8; PCADV Comments, § V; CAC Comments, pp. 6-7; OSBA Comments, pp. 15-16, 28-29.

customers with already substantial balances keep growing. This in turn leaves the household with an arrearage that is harder to resolve when the protection ends.

Finally, FE PA opposes proposals that would prohibit utilities from assessing reconnection charges when service is restored following the receipt of a valid medical certificate. This proposal is unnecessary since under existing Commission regulations, reconnection is already required within twenty-four hours of a utility's receipt of a valid certificate,¹⁶ ensuring that customers with qualifying medical conditions receive timely restoration of service and appropriate protection from interruption. Accordingly, prohibiting reconnection charges would not improve or accelerate the restoration process. Instead, the proposal would eliminate a tariff authorized charge associated with restoring service while leaving the utility responsible for the costs incurred in reconnecting that customer.

Because those costs would continue to be incurred, preventing utilities from recovering them from the customer whose service necessitated the reconnection would improperly shift such costs to the broader body of ratepayers. Such cost shifting is inconsistent with traditional ratemaking principles, which seek to allocate costs to the customers who cause them whenever reasonably possible. For these reasons, FE PA respectfully submits that the Commission should reject this proposal, as it would unnecessarily transfer utility reconnection costs from the customer receiving the reconnection to the broader ratepayer population.

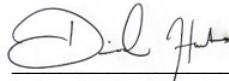
¹⁶ See 52 Pa. Code § 56.115.

IV. CONCLUSION

FirstEnergy Pennsylvania Electric Company appreciates the opportunity to provide reply comments towards the advancement of this proceeding. The Company looks forward to further collaboration and discussion with the Commission and interested stakeholders on this important topic.

Respectfully Submitted,

Dated: October 13, 2026



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