PULP
PENNSYLVANIA
UTILITY LAW PROJECT

October 13, 2026

**VIA E-File**

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

Re: **Petition of Pennsylvania-American Water Company for Extension of Time to Implement Certain Information Technology Changes Related to its Arrearage Management Plan, Docket Nos. R-2025-3057983 and R-2025-3058051**

*Answer of CAUSE-PA*

Dear Secretary Homsher:

Please find attached the **Answer of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** to the above-captioned Petition, which is respectfully submitted for filing in the above noted proceeding.

As indicated on the attached Certificate of Service, service on the parties was accomplished by email only unless otherwise noted.

Respectfully Submitted,

Lauren N. Berman, Esq.
*Counsel for CAUSE-PA*

*CC: Administrative Law Judge Jeffrey A. Watson (via email only: jeffwatson@pa.gov)*
*Administrative Law Judge Emily I. DeVoe (via email only: edevoe@pa.gov)*
*Certificate of Service*

**BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|---|---|---|
| Petition of Pennsylvania-American Water | : | |
| Company for Extension of Time to Implement | : | Docket No. R-2025-3057983 |
| Certain Information Technology Changes | : | |
| Related to its Arrearage Management Plan | : | Docket No. R-2025-3058051 |

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

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**PENNSYLVANIA UTILITY LAW PROJECT**

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**October 13, 2026**

## I. INTRODUCTION

Pursuant to the provisions of the Rules of Practice and Procedure of the Pennsylvania Public Utility Commission, 52 Pa. Code § 5.572(d) and (e), and the Secretarial Letter issued October 8, 2026 at the above-captioned dockets, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), through its legal counsel at the Pennsylvania Utility Law Project (PULP), hereby files the foregoing Answer to the Petition of PAWC for Extension of Time to Implement Certain Information Technology Changes Related to its Arrearage Management Plan (Petition).

## II. BACKGROUND

On July 16, 2026, the Pennsylvania Public Utility Commission (PUC or Commission) issued its Final Order in the 2025 PAWC Rate case (Order).[1] In relevant part, the Order required the Pennsylvania-American Water Company (PAWC or Company) to implement changes to its Arrearage Management Programs (AMP):

> Allowing AMP participants to earn a monthly arrearage forgiveness credit for each complete payment they make, regardless of timeliness, and to apply retroactive credits to the household once it pays its in-program balance in full, is reasonable and supported by substantial record evidence.[2]

The Commission further addressed the time frame necessary to implement these changes, stating "…within 90 days of the effective date of rates, i.e. by no later than November 11, 2026, we will require PAWC to implement the modifications, supra, to its AMP, and file an associated report with BCS concerning these modifications."[3] Taking into consideration the technical updates necessary to make some of these changes, the Commission added, "[i]f PAWC finds that it is not

[1] Pa. PUC v. Pennsylvania-American Water Company, Docket Nos. R-2025-3057983, *et al*. herein *2025 PAWC Rate Case* (Final Order issued July 16, 2026).
[2] Order at 351.
[3] Order at 353.

feasible to make these changes within the 90-day period, it may request an extension of time from the Commission at that time."[4]

On September 30, 2026, PAWC filed the instant Petition requesting an extension of time from November 11, 2026 to June 30, 2027 to implement the following changes mandated in the Final Order: 1) to allow a participant to earn a monthly arrearage-forgiveness credit for each complete payment, regardless of timeliness, 2) to apply retroactive credits once the participant pays the in-program balance in full, and 3) to provide complete arrearage forgiveness over a 24-month period.[5] PAWC asserts that this extension is necessary because these AMP changes require PAWC to also make information technology changes.[6] In its Petition, the Company indicated that the remaining adjustments to its BDP and AMP will be timely implemented.[7]

## III. ANSWER

CAUSE-PA was an active party to PAWC's underlying base rate proceeding, through which PAWC was ordered to make critical adjustments to its universal service programs. Specifically, the overwhelming evidence in PAWC's base rate proceeding showed significant ongoing hardship faced by PAWC's confirmed low income customers due, in part, to the ineffectiveness of the Company's Arrearage Management Program (AMP). Specifically, CAUSE-PA presented evidence that PAWC's current requirement that AMP enrollees must make timely payments to receive forgiveness does not account for the reality of low income customers' lives.[8] This evidence demonstrated that eliminating the timeliness requirement, as well as providing

[4] Id.
[5] Petition at ¶ 4.
[6] Id. at ¶ 6.
[7] Id. at ¶ 5.
[8] See CAUSE-PA MB at 69.

retroactive credits for previously missed payments, will ensure that the Company's low income households are able to meaningfully access the benefits of this essential program. [9]

As a part of its disposition of PAWC's request to substantially increase rates (which were, at the time, already the highest in the state), the Commission ordered PAWC to make certain changes to its Bill Discount Program (BDP) and AMP by no later than November 11, 2026.[10] The increased rates approved through this proceeding have already gone into effect, and low income customers are already seeing these increases to their bills. To further delay relief that was necessary *before* any rate increase went into effect is to exacerbate the well-documented harms caused by unaffordable rates. These harms are then compounded by the deficiencies in PAWC's AMP. As the Commission clearly stated in its Order, "we agree with the ALJs that the recommendations are warranted and that PAWC's low-income customers need these programs to work effectively *now*."[11]

In its Petition, PAWC requests an extension until June 30, 2027, to implement the following changes to its AMP: (1) to allow a participant to earn monthly arrearage forgiveness credit for each complete payment, regardless of timeliness; (2) to apply retroactive credits once the participant pays the in-program balance in full; and (3) to provide complete arrearage forgiveness over a 24 month period.[12] CAUSE-PA asserts that each of the foregoing changes which PAWC seeks to delay are essential to ensuring that low income customers can access programs that assist them in managing unaffordable bills. Delaying implementation will continue to compound harm. However, CAUSE-PA understands that programmatic changes are complex and, if done poorly, may cause other harms to occur.

[9] See CAUSE-PA Reply Exceptions at 13-17.
[10] Order at 353.
[11] Id.
[12] Petition at ¶ 5.

To ensure that these changes are durable, done correctly, and do not cause unintended consequences, CAUSE-PA does not oppose the Commission granting PAWC's requested for a limited extension to June 30, 2027, to implement these changes. However, given the critical nature of the changes, and the potential harm to economically vulnerable households, the Commission should require additional temporary protections for the Company's affected customers until the AMP reforms set forth in the Commission's Order are fully implemented.

Specifically, CAUSE-PA recommends that the Commission require PAWC to (1) immediately suspend service terminations for any potentially effected accounts until the changes are fully implemented; (2) provide retroactive forgiveness credits for payments made in the amount of 1/24 for each full payment made, regardless of timeliness, between November 11, 2026 and when PAWC fully implements changes to its AMP required by the Commission's Order; and (3) provide quarterly reports at the above-captioned docket detailing the status of implementing AMP changes.

## IV. CONCLUSION

**WHEREFORE,** CAUSE-PA urges the Commission to swiftly approve the relief requested herein so as to prevent any further harms to the Company's most vulnerable households while the enhancements to PAWC's AMP order by the Commission are being implemented.

Respectfully submitted,

**PENNSYLVANIA UTILITY LAW PROJECT**
*Counsel for CAUSE-PA*



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Dated: October 13, 2026

## Verification

I, **Ria M. Pereira**, legal counsel for the Coalition for Affordable Utility Services and Energy Efficiency ("CAUSE-PA"), on behalf of CAUSE-PA, hereby state that the facts contained in the foregoing pleading are true and correct to the best of my knowledge, information and belief, that I am duly authorized to make this Verification, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



On behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania

Date: October 13, 2026

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## Certificate of Service

I hereby certify that I have this day served copies of the **Answer of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA)** upon the parties of record in the above captioned proceeding in accordance with the requirements of 52 Pa. Code § 1.54.

**VIA EMAIL ONLY**

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