CENTER FOR COALFIELD JUSTICE

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Secretary Matthew L. Homsher
Pennsylvania Public Utility Commission
Submitted via eFile.

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

Thank you for the opportunity to provide input on amendments to Chapter 56. The Center for Coalfield Justice ("CCJ") respectfully submits the following comments.

CCJ is a Pennsylvania-incorporated not-for-profit organization with federal Internal Revenue Service § 501(c)(3)-status recognition located in Washington, PA. Our mission is to "improve policy and regulations for the oversight of fossil fuel extraction and use; to educate, empower, and organize coalfield citizens; and to protect public and environmental health." CCJ has over three thousand members and supporters and is governed by a volunteer Board of Directors.

Even though our region in Southwest Pennsylvania either produces or supplies much of the feedstock for the energy utilities that use it, many community members are struggling to pay their bills. General economic difficulties, made up of stagnant wage growth, an un/underemployment crisis, and drastic inflation of consumer goods and services, are happening at the same time that household utility prices are reaching all-time highs.[1] With multiple substantial price increases by utilities across the state over the last few years, low-income residents have been squeezed in every direction economically, creating an affordability crisis. In response to this, the PUC needs to recognize and address this crisis not only from the perspective of the utilities contributing to this squeeze, but also from that of the low-income residents whose livelihoods and safety are at risk due to current utility prices. In solidarity with the communities and residents we work with, CCJ offers the following comments.

Public utilities in Pennsylvania enjoy a very unique economic position. They are publicly supported and mandated monopolies that distribute essential services to almost everyone in the state, while, by and large, functioning like any other business. There are regulations governing who they can and cannot serve. They must go through established PUC processes to determine pricing, but otherwise function like any other business that is truly beholden to its shareholders and growth/profit motive. In practice, this creates privately owned entities that operate under the state's authority to generate revenue from the gas, water, or electricity they provide. This leads to utilities making inequitable decisions, which make business sense, while depriving disproportionately low-income residents of the necessities of life. Late and reconnection fees and utility service terminations are salient examples of such practices. The PUC is statutorily mandated to regulate utilities in the public interest. As

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1 https://www.puc.pa.gov/press-release/2026/puc-alerts-consumers-to-june-1-electric-price-changes-and-higher-summer-energy-costs-5-20-26

such, the PUC should take the present rulemaking as an opportunity to reexamine whether such fees and terminations support that, or are merely a form of austerity-based revenue generation.

1. Utility Shutoff Moratorium

It becomes clearer every year that climate change will continue to make our summers hotter and intense storms more frequent; July 2026 officially tied to become the hottest month in modern records.[2] At the same time, electricity rates are about 20% higher than they were in 2024.[3] High prices may force some to avoid using air conditioning, risking heat stroke.[4] Those who do use their electricity to stay cool but can't pay their bills risk service cut-offs and complete power loss. That means losing access not only to their cooling systems but also to medically necessary machines, cell phones that connect them to emergency services, and more. Electricity loss isn't just an affordability issue: it's a threat to public health. It is also a threat to family and housing security. Utility shutoffs are often used as reasons to take children out of their homes or evict someone from their housing, making an already difficult time even worse.

We must ensure that Pennsylvanians aren't put in a position where their health, families, and housing are threatened because of the unreasonable cost of utility services. The Commonwealth can make this a reality by prohibiting the termination of electricity service from May through September through this rulemaking. This time frame will accommodate hotter summer weather that seeps into other seasons. However, the PUC should consider prohibiting utility terminations for low-income customers year-round. Allowing the termination of essential services such as electricity and water is state-sanctioned violence against its people and must be removed from a utility's toolbox. Utilities are profiting more than ever, and they can afford to subsidize people who are struggling to make ends meet. The bare minimum the PUC can do is to match the winter shutoff moratorium with one for the summer months; true equity would prohibit shutoffs year-round.

2. Low-Income Residents Need Additional Protections

This rulemaking is also an opportunity for the PUC to fundamentally reconsider its approach to payment structures and late reconnection fees for low-income residents. Because when a utility provider does not get paid for gas, water, or electricity a customer uses, they lose money. Still, when low-income residents lose access to utilities, they can lose their lives. It is time for PUC regulations concerning low-income residents to reflect that reality.

a. <u>Late + Reconnection Fees</u>

It is important to examine late fees and reconnection fees not as standard business practices for a provider trying to recoup costs from non-payment, but as a tax on low-income residents. Even in very rural communities without sewage or water services, electricity and/or gas services are vital to safe, dignified living. As such, in nearly all incidents, when a residential utility customer does not pay or is late on their utility bill, it is usually because they simply cannot afford it. So the threat of late fees does not incentivize residents to stay up to date on their bills; it merely punishes them for being low-income and going through an economic crisis. In this time of significant economic hardship, residents are frequently picking and choosing which bills they can pay each month to stay afloat. When unforeseen costs arise, people frequently choose to leave their electric or water bills unpaid.

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[2] Jeff Masters, *July 2026 ties with July 2024 as Earth's hottest month on record*, YALE CLIMATE CONNECTIONS (August 11, 2026) https://yaleclimateconnections.org/2026/08/july-2026-ties-with-july-2024-as-earths-hottest-month-on-record/.

[3] Matthew Rink, *Pennsylvania electric bills rise 20% in two years*, GOERIE, (August 1, 2026) https://www.goerie.com/story/news/state/2026/08/01/why-pa-electric-bills-are-up-20-percent-in-two-years/91083032007/?gnt-cfr=1&gca-cat=p&gca-uir=true&gca-epti=z115736p002550l003450c002550e008100v115736d--88--b--88--&gca-ft=139&gca-ds=sophi.summers that spillsummers that spill

[4] *Heatstroke*, MAYO CLINIC (last accessed August 14, 2026) https://www.mayoclinic.org/diseases-conditions/heat-stroke/symptoms

Therefore, by imposing an additional late fee, a utility is merely creating further economic hardship as punishment for already experienced hardship.

Utilities may argue that such late fees are intended to cover the additional costs of processing, notifying, and addressing a non-paying customer. But in practice, it is a regressive tax on low-income customers. When a utility can function under the force and authority of the state, it begins to consider these fees as if they are tax penalties, a fully regressive tax penalty, which will largely only apply to low-income customers. While the practice is equal in its creation, in application, it merely creates additional inequity for those already most vulnerable.

All of the above is equally true with reconnection fees. If the PUC allows service terminations, which CCJ believes it should not, it must reconsider the who and the why of those subjected to reconnection fees. From the perspective of private business, such fees make sense. A provider incurs costs to terminate a customer's services and to reconnect that customer to those services. The customer's conduct technically caused the disconnection; the customer should bear the economic burden of remedying it. However, this confronts the central inequities and contradictions within how public utilities are allowed to operate. Utilities are allowed to make decisions to maximize shareholder value and generate profit, while having the state's authority and protection to operate as a monopoly. That is why Pennsylvanians need the PUC to make rules that protect the public interest from these practices.

How is the public interest protected by tacking on an additional tax/fee onto low-income residents who are merely trying to regain their access to a life necessity? From the perspective of a low-income resident, utilities are not just providers of essential services; they are privately owned gatekeepers of access to water and electricity, which are basic human needs. CCJ acknowledges that providing utility services is a logistically difficult and very costly endeavor, in which economic viability is an important means of preventing system collapse. But if these utilities are going to benefit from operating as state-protected monopolies serving a customer base whose demand for their services is inelastic, the least they can do is not impose austerity measures, which, by and large, punish low-income residents already experiencing economic hardship. It is time for the PUC to outlaw the use of late and reconnection fees for residential customers. People are already being squeezed from every direction; the least utilities can do is not actively make it worse.

b. *Alternative Payment Structures*

The status quo in how public utilities handle payment structures for low-income residents is, at best, underutilized and, at worst, inequitable. As discussed above, CCJ believes that the PUC should not cut off service to necessary utilities for residential customers. The PUC must ensure that utilities treat low-income residential customers differently from commercial or industrial customers by removing service cutoff as a standard response to non-payment. In addition, this rulemaking is a perfect opportunity to examine the expansion of existing alternative payment structures for low-income residents, as well as the creation of new programs to develop a more equitable yet economically viable replacement for utility cutoff.

The PUC's existing energy assistance program provides residents with lots of helpful direct and indirect support.[5] However, CCJ often hears about their under-utilization because people who could use the help don't know the programs exist. As such, these programs should shift to an opt-out system rather than the current opt-in system. This would shift the burden of enrolling in these programs from already overburdened, economically strained residents to the utility. If utility providers are prohibited from disconnecting low-income residential customers, it would be in their best interest to enroll them in assistance programs so the utility can get relief for non-payments.

[5] https://www.puc.pa.gov/media/1396/24_energy-assistance-programs.pdf

Services provided by public utilities are necessary for maintaining a healthy and safe life, and it's time for the utilities' billing and termination practices to match those stakes. There is a massive gap in the harm created between late payment for services provided and a family losing access to electricity. For too long, PUC regulations have allowed public utilities to function by and large as if they were any other private business providing essential services, and for too long, those policies have led to serious harm and deaths of low-income residents. The PUC should use this rulemaking as an opportunity to implement additional measures to defend against and help alleviate some of the economic hardship Pennsylvanians are feeling. The measures listed above are a perfect start.

Thank you for your consideration. If you have any questions, please contact me anytime.

Respectfully,

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