

**Duquesne Light Company
Distribution Rate Case
Docket No. R-2018-3000124**

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Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018

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STATEMENT OF REASONS
52 Pa. Code § 53.52(a)(1)

INTRODUCTION

Duquesne Light Company (“Duquesne Light” or the “Company”) is responsible for providing adequate, efficient, safe and reliable electric service to its customers and must have the ability to raise capital to meet such requirements. The Company is allowed to charge just and reasonable rates as established by the Pennsylvania Public Utility Commission (“Commission”) that provide the Company with a fair opportunity to recover its operating costs and earn a fair return on its investment. This is accomplished through a rate case process.

In this filing, Duquesne Light is requesting that the Commission approve an overall annual increase in distribution revenue of approximately \$133.8 million. Included in the requested increase is approximately \$52.2 million in revenue currently collected through three existing Commission approved surcharges, resulting in a net increase in distribution revenue of approximately \$81.6 million. If granted by the Commission as filed, this request would produce a system average increase in distribution rates of approximately 16.13 percent and an increase in total rates (distribution, transmission and generation charges) of approximately 8.82 percent for a typical residential using 600 kilowatt-hours per month and taking default power service from the Company. The percentage increase in rates differs for each individual rate class.

DUQUESNE LIGHT COMPANY’S COSTS

Duquesne Light has controlled its operation and maintenance expenses by implementing process improvements and deploying cost saving measures. Nevertheless, the cost of providing electric distribution service has increased since the last distribution rate increase in May 2014. Significant cost increases have occurred in many areas, including increased investment in facilities to maintain high levels of service and reliability, increased investment in information technology, increased operation and maintenance expenses to maintain safe and reliable service, including expenses associated with the Smart Meter Charge Rider and the Distribution System Improvement Charge Rider included in base rates and the expenses associated with the development of an electrical model. In addition, the Company’s net plant will have increased by approximately \$512 million as of the end of the fully projected future test year in the 2013 base rate case through December 31, 2019.

DUQUESNE LIGHT’S FINANCIAL CONDITION

Absent increases in rates, Duquesne Light’s financial condition would continue to decline in the fully projected future test year due to continued capital expenditures, increased operating expenses, and a significant decline in customer sales. On a pro forma basis for the fully projected future test year, Duquesne Light anticipates an overall return on rate base of only 5.27% absent rate relief. These financial results do not provide a return that will permit the Company to attract

new capital on reasonable terms. Revenues at present rates do not provide the Company the opportunity to earn a fair return and simply do not provide sufficient funds for Duquesne Light to adequately operate its business, abide by federal and state requirements, and provide reliable electric service to its customers.

RELIABLE ELECTRIC SERVICE

Duquesne Light has consistently provided its customers with service at reliability levels as measured by SAIDI and SAIFI that are at or near the top of the levels provided by all of the major Pennsylvania electric distribution companies. Duquesne Light has increased efficiency and reliability through the use of technology, such as automated meter reading systems and automated control systems that continuously monitor remote switches that can be operated to re-route power during storms and other outages to quickly restore service to large blocks of customers. The Company also implemented a Long Term Infrastructure Improvement plan to address its ageing infrastructure and improve its reliability

CUSTOMER SERVICE

Duquesne Light has consistently provided high levels of customer service. The Company has implemented a series of programs, supported by technology and process improvements, to enhance the customer experience, including a payment arrangement portal, CAP enrollment automation and a high bill advisory tool. In 2017, the Company received the prestigious J.D. Power Electric Utility Business Customer Satisfaction StudySM Award, finishing first in the East Mid-size segment, and second nationwide. Also in 2017, the Company finished first in PA for electric utilities with the shortest response times to customer complaints and requests for payment arrangements.

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule **B-1**
Witness: **Ankrum**
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Balance Sheet

[1]

Line No	Description/(Account No)	Forecast FTY
UTILITY PLANT		
1	Utility Plant (101-106, 108)	\$ 4,335,146
2	Other Utility Plant	-
3	Total Plant In Service	<u>4,335,146</u>
4	Construction Work In Progress (107)	191,846
5	Total Utility Plant	<u>4,526,992</u>
6	Accumulated Provision for Depreciation	(1,392,305)
7	Net Utility Plant	<u>3,134,687</u>
OTHER PROPERTY INVESTMENTS		
8	Non-utility Property (121)	4,509
9	Accumulated Depreciation on NUP (122)	(632)
10	Invest in Subsidiary Company (123.1)	-
11	Other Investments (124)	247
12	Other Special Funds (128)	541
13	Special Funds - Non Major Only (129)	-
14	Long Term Portion of Derivative Assets (175.1)	-
15	Total Other Property and Investments	<u>4,665</u>
CURRENT AND ACCRUED ASSETS		
16	Cash & Other Temporary Investments(131-136)	28,822
17	Customer Accounts Receivable (142)	150,881
18	Other Accounts Receivable (143)	10,256
19	Accum Provision for Uncollectible (144)	(24,048)
20	Accounts Receivable Assoc. Comp. (146)	274
21	Plant Materials & Supplies (154)	27,379
22	Stores Expense - Undistributed (163)	-
23	Prepayments (165)	9,543
24	Interest & Dividends Receivable (171)	9
25	Miscellaneous Current & Accrued Assets (174)	-
26	Derivative Instrument Assets (175)	-
27	(Less) Long Term Portion of Derivative Assets (175.1)	-
28	Total Current and Accrued Assets	<u>203,116</u>
DEFERRED DEBITS		
28	Unamortized Debt Expense (181)	6,516
29	Other Regulatory Assets (182.3)	219,233
30	Clearing Accounts (184)	-
31	Temporary Facilities(185)	-
32	Miscellaneous Deferred Debits (186)	1,147
33	Unamortized Loss on Reacquired Debt (189)	21,299
34	Accumulated Deferred Income Taxes (190)	237,827
35	Total Deferred Debits	<u>486,022</u>
36	TOTAL ASSETS AND OTHER DEBITS	<u><u>\$ 3,828,490</u></u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule B-1
Witness: Ankrum
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Balance Sheet

[1]

Line No	Description/(Account No)	Forecast FTY
PROPRIETARY CAPITAL		
1	Common Stock Issued (201)	\$ -
2	Preferred Stock Issued (204)	-
3	Premium on Capital Stock (207)	-
4	Other Paid-in-Capital (208-211)	988,427
5	Capital Stock Expense (214)	-
6	Retained Earnings (215, 215.2, 216, 261.1)	312,257
7	Accum Other Comprehensive Income (219)	414
8	Total Propriety Capital & Margins	<u>1,301,098</u>
LONG TERM DEBT		
9	Bonds (221)	1,195,000
10	Advances from Associated Companies (223)	-
11	Other Long-Term Debt (224)	-
12	Unamortized Premium on LTD (225)	-
13	Unamortized Discount on LTD (226)	-
14	Total Long-term Debt	<u>1,195,000</u>
OTHER NON-CURRENT LIABILITIES		
15	Obligations under Capital Leases (227)	-
16	Accum Prov for Injuries & Damages (228.2)	5,044
17	Accum. Prov for Pensions & Benefits (228.3)	28,000
18	Accum Miscellaneous Operating Prov (228.4)	2,611
19	Long-Term Portion of Derivative Instrument Liabilities	1,683
20	Total Long-term Debt	<u>37,338</u>
CURRENT & ACCRUED LIABILITIES		
21	Notes Payable (231)	46,000
22	Accounts Payable (232)	122,835
23	Notes Payable to Assoc. Companies (233)	-
24	Accounts Payable to Assoc. Cos (234)	-
25	Customer Deposits (235)	11,509
26	Taxes Accrued (236)	10,063
27	Interest Accrued (237)	18,233
28	Dividends Declared (238)	-
29	Tax Collections Payable (241)	5,175
30	Misc Current & Accrued Liabilities (242)	22,710
31	Derivative Instrument Liabilities (244)	-
32	Less: Long Term Portion of Derivative Inst Liab. Hedge	-
33	Total Current & Accrued Liabilities	<u>236,525</u>
OTHER DEFERRED CREDITS		
34	Customer Advances for Construction (252)	-
35	Other Deferred Credits (253)	121,633
36	Other Regulatory Liabilities (254)	167,161
37	Deferred Investment Tax Credit (255)	-
38	Unamortized Gain on Reacquired Debt (257)	-
39	Accumulated Deferred Income Taxes (282)	665,280
40	Accumulated Deferred Income Taxes (283)	104,455
41	Total Other Deferred Credits	<u>1,058,529</u>
42	TOTAL LIABILITIES & OTHER CREDITS	<u>\$ 3,828,490</u>

Exhibit 3 FTY As Filed 3-28-18

B_1_p2 (A66 J130)

Duquesne Light Company
 Before The Pennsylvania Public Utility Commission
 Future Test Year - 12 Months Ended December 31, 2018
 (\$ in Thousands)

Schedule
 Witness:
 Page

B-2
 Ankrum
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Statement of Net Utility Operating Income

Line No	Description	[1] Reference	[2] Forecast FTY
Total Operating Revenues			
1	Total Sales Revenues	B-3	\$ 816,643
2	Sales for Resale	B-3	1,400
3	Other Operating Revenues	B-3	100,369
4	Total Revenues	L 1 + L 2 + L 3	<u>918,412</u>
Total Operating Expenses			
5	Operation & Maintenance Expenses	B-4	466,408
6	Depreciation Expense	D-17	158,485
7	Other Amortization	D-17	7,965
8	Amortization of Regulatory Assets		-
9	Taxes Other Than Income Taxes	B-5	56,493
10	Total Operating Expenses	Sum L 5 to L 9	<u>689,351</u>
11	Operating Income Before Income Taxes (OIBIT)	L 4 - L 10	229,061
Income Taxes:			
12	State	B-5	11,310
13	Federal	B-5	32,463
14	Total Income Taxes	L 12 + L 13	<u>43,773</u>
15	Net Utility Operating Income	L 11 - L 14	<u>\$ 185,288</u>

Duquesne Light Company
 Before The Pennsylvania Public Utility Commission
 Future Test Year - 12 Months Ended December 31, 2018
 (\$ in Thousands)

Schedule B-3
 Witness: Ankrum
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Statement of Operating Revenues

[1]

Line No	Description	Reference	Forecast FTY
Electric Operating Revenues			
Sales of Electricity:			
1	Total Distribution		\$ 529,807
2	Total Generation		234,127
3	Transmission Revenue		<u>52,709</u>
4	Total Sales to Ultimate Customers		816,643
5	Sales for Resale (Off System)		<u>1,400</u>
6	Total Sales Revenue		<u>818,043</u>
Other Operating Revenues			
Forfeited Discounts/Account 450:			
7	Late Payment Charges		3,523
8	Returned Check Charges		180
9	Reconnect Fees		<u>706</u>
10	Total Account 450		4,409
11	Miscellaneous Service		322
12	DL Transmission Dispatch		696
Rent from Electric Property/Account 454:			
13	Rent - Electric Property		7,799
14	Customer Work - Reimburse & O&M		1,200
15	Pole Attachment		<u>1,023</u>
16	Total Account 454		10,022
Other Electric Revenues/Account 456:			
17	Other Electric Revenues (456 01)		60
18	AES BV Partners - Transmission		-
19	Dominion Marketing Revenue		376
20	PHM DLCO Firm		-
21	Transmission - EGS		80,864
22	Transmission - Wholesale		2,479
23	Transmission - Tax Norm		<u>1,141</u>
24	Total Account 456		<u>84,920</u>
25	Total Other Revenue		<u>100,369</u>
26	Total Other Operating Revenues		<u>100,369</u>
27	Total Operating Revenues		<u>\$ 918,412</u>

Duquesne Light Company
 Before The Pennsylvania Public Utility Commission
 Future Test Year - 12 Months Ended December 31, 2018
 (\$ in Thousands)

Schedule B-4
 Witness: Ankrum
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Operation and Maintenance Expenses

[1]

Line No	Description	Account No	Forecast FTY
Purchased Power Expenses:			
1	Purchased power	555	\$ 221,714
2	Other Power Supply Expense	556	-
3	Total Purchased Power Expenses		<u>221,714</u>
Transmission Expense:			
4	Operation Supervision & Engineering	560	723
5	Load Dispatching	561	888
6	Station Expenses	562	102
7	Overhead Line Expenses	563	437
8	Underground Line Expenses	564	83
9	Transmission of Electricity by Others	565	-
10	Miscellaneous Transmission Expenses	566	4,812
11	Rents	567	-
12	Maintenance Supervision & Engineering	568	486
13	Maintenance of Structures	569	923
14	Maintenance of Station Equipment	570	1,659
15	Overhead Lines	571	442
16	Underground Lines	572	107
17	Miscellaneous Maintenance & Repair	573	264
18	Total Transmission Expenses		<u>10,929</u>
Distribution Expense:			
19	Operation Supervision & Engineering	580	5,352
20	Load Dispatching	581	1,128
21	Station Expenses	582	386
22	Overhead Line Expense	583	880
23	Underground Line Expense	584	455
24	Street Lighting & Signal Systems	585	-
25	Meter Expenses	586	1,110
26	Customer Installations Expense	587	-
27	Miscellaneous Expenses	588	7,314
28	Rents	589	-
29	Total Distribution Operation Expenses		<u>16,624</u>
30	Maintenance Supervision & Engineering	590	368
31	Maintenance of Structures	591	148
32	Maintenance of Station Equipment	592	2,461
33	Maintenance of OH lines	593	22,638
34	Maintenance of Underground lines	594	1,035
35	Maintenance of Line Transformers	595	23
36	Maintenance of Street Lighting & Signals	596	479
37	Maintenance of Meters	597	391
38	Maintenance of Miscellaneous Plant	598	62
39	Total Distribution Maintenance Expenses		<u>27,606</u>
40	Total Distribution Expenses		<u>44,230</u>

Duquesne Light Company
 Before The Pennsylvania Public Utility Commission
 Future Test Year - 12 Months Ended December 31, 2018
 (\$ in Thousands)

Schedule B-4
 Witness: Ankrum
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Operation and Maintenance Expenses

[1]

Line No	Description	Account No	Forecast FTY
Customer Accounting Expense:			
41	Supervision	901	4,024
42	Customer Assistance	902	3,429
43	Records & Collections	903	10,624
44	Uncollectible Accounts	904	8,431
45	Miscellaneous Expenses	905	-
46	Total Customer Accounts Expense		26,508
Customer Services Expense:			
47	Customer Service-Supervision	907	-
48	Customer Service-Customer Assistance	908	33,839
49	Customer Service-Information and Instruction	909	-
50	Customer Service-Miscellaneous Service & Info	910	-
51	Total Customer Service & Informational Expenses		33,839
Sales Expense:			
52	Supervision	911	-
53	Demonstration and Selling Expenses	912	-
54	Advertising Expenses	913	-
55	Miscellaneous Sales Expenses	916	-
56	Total Sales Expense		-
Administrative & General Expenses:			
57	Administrative and General Salaries	920	49,601
58	Office Supplies and Expenses	921	9,582
59	Administrative Expenses Transferred - Credit	922	-
60	Outside Services Employed	923	25,821
61	Property Insurance	924	5,837
62	Injuries and Damages	925	400
63	Employee Pensions and Benefits	926	13,688
64	Regulatory Commission Expenses	928	47
65	General Advertising Expenses	930.1	-
66	Miscellaneous General Expenses	930.2	8,978
67	Rents	931	3,352
68	Total Operation		117,305
69	Maintenance of General Plant	935	11,884
70	Total Administrative and General Expenses		129,188
71	Total Operation & Maintenance Expenses-		\$ 466,408

Duquesne Light Company
 Before The Pennsylvania Public Utility Commission
 Future Test Year - 12 Months Ended December 31, 2018
 (\$ in Thousands)

Schedule B-5
 Witness: Simpson
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Detail of Taxes

[1]

Line No	Description	Reference	Forecast FTY
Taxes Other Than Income Taxes			
Non-revenue related:			
1	PA Real Estate Tax		\$ 706
2	Pennsylvania - PURTA		911
3	Capital Stock		0
4	Insurance Premiums		-
5	Miscellaneous Taxes		0
6	Subtotal	Sum L 1 to L 5	1,617
Payroll Taxes			
7	FICA		5,556
8	SUTA		324
9	FUTA		48
10	City of Pittsburgh		397
11	Subtotal	Sum L 7 to L 10	6,325
Revenue Related:			
State Gross Receipts:			
12	Pennsylvania		48,551
13	Total Taxes Other Than Income Taxes	L 6 + L 11 + L 12	\$ 56,493
Income Taxes			
14	State		\$ 11,310
15	Federal		32,463
16	Total Income Taxes	L 14 + L 15	\$ 43,773

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule **B-6**
Witness: **Milligan/Moul**
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Rate of Return
Fully Projected Future Test Year - 12 Months Ended December 31, 2019

		[1]	[2]	[3]	[4]	[5]
Line No	Description	Capitalization	Capitalization Ratio	Embedded Cost	Statement Reference	Return - Percent
1	Long-Term Debt	\$ 1,175,739	45.49%	4.60%	B-8	2.09%
2	Preferred Stock	-	0.00%	0.00%	B-9	0.00%
3	Common Equity	<u>1,409,057</u>	<u>54.51%</u>	10.95%		<u>5.97%</u>
4	Total	<u>\$ 2,584,796</u>	<u>100.00%</u>			<u>8.06%</u>

Duquesne Light Company
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Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule B-7
Witness: Milligan/Moul
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Capital Structure - Year End 12-31-18 and 12-31-19

Line No	Description	[1] December 31, 2018	[2] December 31, 2019
Capitalization			
1	Long-Term Debt	\$ 1,173,701	\$ 1,175,739
2	Preferred Stock	-	-
3	Common Equity	1,314,247	1,409,057
4	Total	<u>\$ 2,487,948</u>	<u>\$ 2,584,796</u>
Capitalization Ratios			
5	Long-Term Debt	47.18%	45.49%
6	Preferred Stock	0.00%	0.00%
7	Common Equity	52.82%	54.51%
8	Total	<u>100.00%</u>	<u>100.00%</u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule **B-8**
Witness: **Milligan/Moul**
Page 1 of 1

Composite Cost of Long-Term Debt at 12-31-19

Line No	Description	[1] Amount Outstanding [a]	[2] Percent to Total	[3] Effective Interest Rate	[4] Average Weighted Cost Rate
First Mortgage Bonds					
1	4 76% Series S Due 2/3/2042	\$ 200,000	16.74%	4.81%	0.81%
2	4 97% Series T Due 11/14/2043	160,000	13.39%	5.01%	0.67%
3	5 02% Series U Due 2/4/2044	45,000	3.77%	5.06%	0.19%
4	5 12% Series V Due 2/4/2054	85,000	7.11%	5.16%	0.37%
5	3 78% Series W Due 3/2/2045	100,000	8.37%	3.81%	0.32%
6	3 93% Series X Due 3/2/2055	200,000	16.74%	3.95%	0.66%
7	3.93% Series Y Due 7/15/2045	160,000	13.39%	3.96%	0.53%
8	3 82% Series Z Due 10/3/2047	60,000	5.02%	3.87%	0.19%
9	3.89% Series AA Due 2/1/2048	60,000	5.02%	3.91%	0.20%
10	4 04% Series AB Due 2/1/2058	125,000	10.46%	4.06%	0.42%
	0	-			
11	0	-	0.00%	0.00%	0.00%
12	Total Long Term Debt	1,195,000	100.00%		4.36%
13	Unamortized Call Premium	<u>(19,261)</u>			
14	Long-Term Debt	<u>\$ 1,175,739</u>			
15	Annualized Cost	\$ 52,088			
16	Amortization of Loss on Recquired debt	<u>2,038</u>			
17	Total Cost	<u>\$ 54,126</u>			<u>4.60%</u>

[a] Current Portion of Long-Term Debt

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule C-1
Witness: O'Brien/Gorman
Page of 1

Measures of Value and Rate of Return

Line No	Description	[1]	[2]	[3]
		<u>FTY Ended 12-31-18</u>		Reference
		<u>Total Electric Utility</u>	<u>Total PA Jurisdiction</u>	
1	Total Measure of Value/Rate Base - Net	<u>\$ 2,459,575</u>	<u>\$ 1,839,516</u>	D-1, page 3
	Pro Forma Return at Present rates			
2	Amount	<u>\$ 188,888</u>	<u>\$ 128,302</u>	D-1, Page 2
3	Percent	<u>7.680%</u>	<u>6.975%</u>	L 2 / L 1
	Pro Forma Return at Proposed Rates			
4	Amount		<u>\$ 148,259</u>	D-1, Page 1
5	Percent		<u>8.06%</u>	L 4 / L 1

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule C-2
Witness: Ankrum/O'Brien
Page 1 0

Pro Forma Plant by FERC Account

Line #	Description	[1] Schedule	[2] FTY Ended 12/31/18 Forecast	[3] Adjustments	[4] Pro Forma FTY Ended 12/31/18
1	Electric Plant in Service	Sch. C-2, Page 3	\$ 299,089	\$ 5,177	\$ 304,266
2	Transmission Plant:	Sch. C-2, Page 3	930,394	-	930,394
3	Distribution Plant:	Sch. C-2, Page 3	2,743,150	-	2,743,150
4	General Plant:	Sch. C-2, Page 3	362,513	-	362,513
5	Sub Total Plant in Service	Sum (L 1 to L 4)	4,335,146	5,177	4,340,323
6	Completed Plant Not Classified	G/L a/c # 106	-	-	-
7	Plant In Service	L 5 + L 6	<u>\$ 4,335,146</u>	<u>\$ 5,177</u>	<u>\$ 4,340,323</u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)
Pro Forma Plant Summary

Schedule
Witness:
Page 2 C-2
Ankrum/O'Brien 0

Line No	Description	Reference Or Factor	[1] Account #	[2] Pro Forma FTY Ended 12/31/18
Electric Plant in Service				
Intangible Plant				
1	Organizations		301	\$ 100
2	Franchises & Consents		302	7
3	Software		303	298,982
4	Total Intangible Plant	Sum L 1 to L 3		<u>299,089</u>
Transmission Plant:				
5	Land and Land Rights		350	-
6	Structures and Improvements		352	14,000
7	Station Equipment		353	30,111
8	Towers and Fixtures		354	407,904
9	Poles and Fixtures		355	66,904
10	Overhead Conductors & Devices		356	52,930
11	Underground Conduit		357	115,217
12	Underground Conduit & Devices		358	81,773
13	Roads and Trails		359	146,906
14	Other Transmission Plant			14,649
15	Total Transmission Plant	Sum L 5 to L 15		<u>930,394</u>
Distribution Plant:				
16	Land and Land Rights		360	13,579
17	Structures and Improvements		361	70,558
18	Station Equipment		362	463,278
19	Poles, Towers and Fixtures		364	470,559
20	Overhead Conductors and Devices		365	496,086
21	Underground Conduit		366	158,523
22	Underground Conductors and Devices		367	394,628
23	Line Transformers		368	409,862
24	OH & UND Services		369	100,649
25	Meters & Appurtencies		370	123,806
26	Meter Communication Equipment		370.1	-
27	Street Lighting		373	41,622
28	Other Distribution Plant			-
29	Total Distribution Plant	Sum L 16 to L 28		<u>2,743,150</u>
General Plant:				
30	Land and Land Rights		389	6,145
31	Structures and Improvements		390	140,403
32	Office Equipment & Equipment		391	28,136
33	Transportation Equipment		392	61,957
34	Stores Equipment		393	1,910
35	Tools, Shop and Garage Equipment		394	22,317
36	Laboratory Equipment		395	2,407
37	Power Operated Equipment		396	3,845
38	Communication Equipment		397	95,023
39	Miscellaneous Equipment		398	370
40	Total General Plant	Sum L 30 to L 39		<u>362,513</u>
41	Total Electric Plant in Service - Accounts 101 & 106		L 4 + L 15 + L 29 + L 40	\$ <u>4,335,146</u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

SCHEDULE C-2
Witness: Ankrum/O'Brien
Page 3 0

SUMMARY PLANT IN SERVICE
1/1/18 to 12/31/18

	[1]	[2]	[3]	[4]	[5]	[6]	
Line #	Description	Account Number	Balance 12/31/17	Plant Additions	Plant Retirements	Reclass & Adjustments	Balance 12/31/18
INTANGIBLE PLANT							
1	Organization	301	\$ 100	\$ -	\$ -	\$ -	\$ 100
2	Franchise & Consent	302	7	-	-	-	7
3	Miscellaneous Intangible Plant	303	262,898	31,281	(3,267)	8,070	298,982
4	TOTAL INTANGIBLE	Sum L 1 to L 3	263,005	31,281	(3,267)	8,070	299,089
TRANSMISSION PLANT							
5	Land & Land Rights	350	14,000	-	-	-	14,000
6	Structures & Improvements	352	29,526	595	(10)	-	30,111
7	Station Equipment	353	396,213	14,504	(2,813)	-	407,904
8	Towers and Fixtures	354	65,195	2,096	(387)	-	66,904
9	Poles and Fixtures	355	51,420	1,539	(29)	-	52,930
10	Overhead Conductors & Devices	356	105,014	10,652	(449)	-	115,217
11	Underground Conduit	357	81,773	-	-	-	81,773
12	Underground Conductors & Devices	358	146,906	-	-	-	146,906
13	Road and Trails	359	9,215	-	-	-	9,215
14	Regional Trans - Computer Hardware	382	-	1,917	-	-	1,917
15	Regional Trans - Computer Software	383	-	3,517	-	-	3,517
16	Meter Communications Equipment	370 1	-	-	-	-	-
	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	899,262	34,820	(3,688)	-	930,394
DISTRIBUTION PLANT							
17	Land & Land Rights	360	13,298	281	-	-	13,579
18	Structures & Improvements	361	66,949	4,039	(430)	-	70,558
19	Station Equipment	362	454,902	10,820	(2,444)	-	463,278
20	Storage Battery Equipment	363	-	-	-	-	-
21	Poles, Towers and Fixtures	364	440,584	35,058	(5,083)	-	470,559
22	Overhead Conductors and Devices	365	470,559	32,137	(6,610)	-	496,086
23	Underground Conduit	366	147,123	12,057	(657)	-	158,523
24	Underground Conductors and Devices	367	383,050	13,963	(2,385)	-	394,628
25	Line Transformers	368	385,605	31,010	(6,753)	-	409,862
26	Services	369	96,663	5,751	(1,765)	-	100,649
27	Meters	370	121,682	7,826	(21,338)	15,636	123,806
28	Meter Communications Equipment	370 1	-	-	-	-	-
29	Leased Property On Customers Premises	372	-	-	-	-	-
30	Street Lighting and Signaling Systems	373	41,296	606	(280)	-	41,622
31	Asset Retirement Cost for Dist Plant	374	-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L 31	2,621,711	153,548	(47,745)	15,636	2,743,150
GENERAL PLANT							
33	Land & Land Rights	389	6,145	-	-	-	6,145
34	Structures & Improvements	390	117,846	10,817	-	-	128,663
35	Leasehold Improvements	0	11,740	-	-	-	11,740
36	Office furniture	391 1	22,567	5,856	(266)	(21)	28,136
37	Office equipment	391 2	-	-	-	-	-
38	Transportation equipment	392	58,848	7,000	(3,891)	-	61,957
39	Store equipment	393	2,182	-	(272)	-	1,910
40	Tools, shop and garage equipment	394	20,964	1,858	(131)	(374)	22,317
41	Laboratory equipment	395	2,407	-	(170)	170	2,407
42	Power operated equipment	396	3,845	-	-	-	3,845
43	Electric communications equipment	397	81,504	12,880	(2,172)	2,811	95,023
44	Miscellaneous equipment	398	370	-	-	-	370
45	Asset Retirement Cost for General Plant	399	-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L 45	328,418	38,411	(6,902)	2,586	362,513
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)		4,112,396	258,060	(61,602)	26,292	4,335,146
48	AMI - 303		-	8,070	-	(8,070)	-
49	AMI - 370		-	15,636	-	(15,636)	-
50	AMI - 397		-	1,513	-	(1,513)	-
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 4,112,396	\$ 283,279	\$ (61,602)	\$ 1,073	\$ 4,335,146

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

SCHEDULE C-2
Witness: O'Brien
Page 4 0

ADDITIONS TO PLANT
1/1/18 to 12/31/18

Line #	Description	Account Number	[1]	[2]	[3] PRO FORMA ADJUSTMENTS TO PLANT			[4]	[5]
			Cloud Adjustment					TOTAL	
A	Total Amount of Adjustment		\$ 5,177	\$ -	\$ -				
INTANGIBLE PLANT									
1	Organization	301	\$ -	\$ -	\$ -			\$ -	
2	Franchise & Consent	302	-	-	-			-	
3	Miscellaneous Intangible Plant	303	5,177	-	-			5,177	
4	TOTAL INTANGIBLE	Sum L 1 to L 3	5,177	-	-			5,177	
TRANSMISSION PLANT									
5	Land & Land Rights	350	-	-	-			-	
6	Structures & Improvements	352	-	-	-			-	
7	Station Equipment	353	-	-	-			-	
8	Towers and Fixtures	354	-	-	-			-	
9	Poles and Fixtures	355	-	-	-			-	
10	Overhead Conductors & Devices	356	-	-	-			-	
11	Underground Conduit	357	-	-	-			-	
12	Underground Conductors & Devices	358	-	-	-			-	
13	Road and Trails	359	-	-	-			-	
14	Regional Trans - Computer Hardware	382	-	-	-			-	
15	Regional Trans - Computer Software	383	-	-	-			-	
	Meter Communications Equipment	370 1	-	-	-			-	
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	-	-	-			-	
DISTRIBUTION PLANT									
17	Land & Land Rights	360	-	-	-			-	
18	Structures & Improvements	361	-	-	-			-	
19	Station Equipment	362	-	-	-			-	
20	Storage Battery Equipment	363	-	-	-			-	
21	Poles, Towers and Fixtures	364	-	-	-			-	
22	Overhead Conductors and Devices	365	-	-	-			-	
23	Underground Conduit	366	-	-	-			-	
24	Underground Conductors and Devices	367	-	-	-			-	
25	Line Transformers	368	-	-	-			-	
26	Services	369	-	-	-			-	
27	Meters	370	-	-	-			-	
28	Meter Communications Equipment	370 1	-	-	-			-	
29	Leased Property On Customers Premises	372	-	-	-			-	
30	Street Lighting and Signaling Systems	373	-	-	-			-	
31	Asset Retirement Cost for Dist Plant	374	-	-	-			-	
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L31	-	-	-			-	
GENERAL PLANT									
33	Land & Land Rights	389	-	-	-			-	
34	Structures & Improvements	390	-	-	-			-	
35	Leasehold Improvements	0	-	-	-			-	
36	Office furniture	391 1	-	-	-			-	
37	Office equipment	391 2	-	-	-			-	
38	Transportation equipment	392	-	-	-			-	
39	Store equipment	393	-	-	-			-	
40	Tools, shop and garage equipment	394	-	-	-			-	
41	Laboratory equipment	395	-	-	-			-	
42	Power operated equipment	396	-	-	-			-	
43	Electric communications equipment	397	-	-	-			-	
44	Miscellaneous equipment	398	-	-	-			-	
45	Asset Retirement Cost for General Plant	399	-	-	-			-	
46	TOTAL GENERAL	Sum L 33 to L45	-	-	-			-	
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)		5,177	-	-			5,177	
48	AMI - 303		-	-	-			-	
49	AMI - 370		-	-	-			-	
50	AMI - 397		-	-	-			-	
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 5,177	\$ -	\$ -			\$ 5,177	

Duquesne Light Company
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(\$ in Thousands)

Schedule **C-3**
Witness: Ankrum/O'Brien
Page 1 of 4

Summary of Accumulated Depreciation

Line #	Description	[1] Account Number	[2] [3] [4] FTY Ended December 31, 2018		
			Forecast 12/31/18	Pro Forma Adjustments	Pro Forma 12/31/18
1	Total Intangible Plant		\$ 119,782	\$ 1,325	\$ 121,107
2	Land and Land Rights		263,356	-	263,356
3	Station Equipment		864,932	-	864,932
4	Poles and Fixtures		144,235	-	144,235
5	ACCUMULATED DEPRECIATION	Sum L 1 to L 4	1,392,305	1,325	1,393,630
6	ACCUMULATED AMORTIZATION				
7	TOTAL ACC DEPR & AMORTIZATION	L 5 + L 6	<u>\$ 1,392,305</u>	<u>\$ 1,325</u>	<u>\$ 1,393,630</u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule C-3
Witness: Ankrum/O'Brien
Page 2 of 4

Accumulated Provision for Depreciation

Line No	Description	Reference Or Factor	[1] Account No	[2] Forecast 12/31/18
Intangible Plant				
1	Organizations		301	\$ -
2	Franchises & Consents		302	-
3	Software		303	119,782
4	Total Intangible Plant	Sum L 1 to L 3		<u>119,782</u>
Transmission Plant:				
5	Land and Land Rights		350	-
6	Structures and Improvements		352	8,465
7	Station Equipment		353	118,891
8	Towers and Fixtures		354	33,541
9	Poles and Fixtures		355	12,666
10	Overhead Conductors & Devices		356	32,693
11	Underground Conduit		357	29,497
12	Underground Conduit & Devices		358	26,327
13	Roads and Trails		359	891
14	Other Transmission Plant			385
15	Total Transmission Plant	Sum L 5 to L 14		<u>263,356</u>
Distribution Plant:				
16	Land and Land Rights		360	-
17	Structures and Improvements		361	38,260
18	Station Equipment		362	158,854
19	Poles, Towers and Fixtures		364	166,052
20	Overhead Conductors and Devices		365	154,358
21	Underground Conduit		366	48,009
22	Underground Conductors and Devices		367	111,978
23	Line Transformers		368	117,493
24	OH & UND Services		369	33,760
25	Meters & Appurtencies		370	10,225
26	Meter Communication Equipment		370.1	-
27	Street Lighting		373	25,943
28	Other Distribution Plant			-
29	Total Distribution Plant	Sum L 16 to L 28		<u>864,932</u>
General Plant:				
30	Land and Land Rights		389	-
31	Structures and Improvements		390	47,152
32	Office Equipment & Equipment		391	11,409
33	Transportation Equipment		392	33,847
34	Stores Equipment		393	883
35	Tools, Shop and Garage Equipment		394	7,322
36	Laboratory Equipment		395	1,203
37	Power Operated Equipment		396	1,735
38	Communication Equipment		397	40,392
39	Miscellaneous Equipment		398	292
40	Total General Plant	Sum L 30 to L 39		<u>144,235</u>
41	Total Accumulated Depreciation - Accounts 101 & 106	L 4 + L 15 + L 29 + L 40		<u>\$ 1,392,305</u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

SCHEDULE C-3
 Witness: Ankrum/O'Brien
 Page 3 of 4

DETAIL ACCUMULATED DEPRECIATION
12/31/17 to 12/31/18

Line #	Description	Account Number	[1] Balance 12/31/17	[2]	[3] Depreciation Accrual	[4] Plant Retirements	[5] Cost of Removal	[6] Salvage Proceeds	[7] Salvage Amortization	[8] Gain (Loss)	[9] Reclass	[10] Adjustments	[14] 0 1/0/00
INTANGIBLE PLANT													
1	Organization	301	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-		-	-	-	-	-	-	-	-	-
3	Miscellaneous Intangible Plant	303	84,515		38,534	(3,267)	-	-	-	-	-	-	119,782
4	TOTAL INTANGIBLE	Sum L 1 to L 3	84,515		38,534	(3,267)	-	-	-	-	-	-	119,782
TRANSMISSION PLANT													
5	Land & Land Rights	350	-		-	-	-	-	-	-	-	-	-
6	Structures & Improvements	352	7,566		914	(10)	(5)	-	-	-	-	-	8,465
7	Station Equipment	353	109,412		12,986	(2,813)	(722)	-	28	-	-	-	118,891
8	Towers and Fixtures	354	33,041		872	(387)	(1,074)	-	1,089	-	-	-	33,541
9	Poles and Fixtures	355	11,337		1,132	(29)	(44)	-	270	-	-	-	12,686
10	Overhead Conductors & Devices	356	32,653		1,927	(449)	(1,458)	-	20	-	-	-	32,893
11	Underground Conduit	357	27,624		1,464	-	-	-	409	-	-	-	29,497
12	Underground Conductors & Devices	358	23,451		2,850	-	-	-	26	-	-	-	26,327
13	Road and Trails	359	846		162	-	-	-	(117)	-	-	-	891
14	Regional Trans - Computer Hardware	362	-		32	-	-	-	-	-	-	-	32
15	Regional Trans - Computer Software	363	1		352	-	-	-	-	-	-	-	353
	Meter Communications Equipment	370 1	-		-	-	-	-	-	-	-	-	-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	245,931		22,691	(3,688)	(3,303)	-	1,725	-	-	-	283,356
DISTRIBUTION PLANT													
17	Land & Land Rights	360	-		-	-	-	-	-	-	-	-	-
18	Structures & Improvements	361	37,091		1,746	(430)	(191)	-	44	-	-	-	38,260
19	Station Equipment	362	150,897		10,518	(2,444)	(814)	-	697	-	-	-	158,854
20	Storage Battery Equipment	363	-		-	-	-	-	-	-	-	-	-
21	Poles, Towers and Fixtures	364	165,127		9,795	(5,083)	(6,327)	-	2,540	-	-	-	166,052
22	Overhead Conductors and Devices	365	150,710		12,615	(6,810)	(2,688)	-	331	-	-	-	154,358
23	Underground Conduit	366	46,627		2,140	(657)	(139)	-	38	-	-	-	48,009
24	Underground Conductors and Devices	367	105,229		9,838	(2,385)	(717)	-	13	-	-	-	111,978
25	Line Transformers	368	113,495		12,529	(6,753)	(2,220)	-	442	-	-	-	117,493
26	Services	369	36,901		1,825	(1,765)	(5,346)	-	2,145	-	-	-	33,760
27	Meters	370	16,149		15,392	(21,338)	(26)	-	48	-	-	-	10,225
28	Meter Communications Equipment	370 1	-		-	-	-	-	-	-	-	-	-
29	Leased Property On Customers Premises	372	-		-	-	-	-	-	-	-	-	-
30	Street Lighting and Signaling Systems	373	25,216		995	(280)	(69)	-	81	-	-	-	25,943
31	Asset Retirement Cost for Dist Plant	374	-		-	-	-	-	-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L 31	847,442		77,393	(47,745)	(18,537)	-	6,379	-	-	-	864,932
GENERAL PLANT													
33	Land & Land Rights	389	-		-	-	-	-	-	-	-	-	-
34	Structures & Improvements	390	35,162		4,000	-	(395)	-	-	-	-	-	38,767
35	Leasehold Improvements	0	7,743		463	-	-	-	179	-	-	-	8,385
36	Office furniture	391 1	7,439		4,236	(268)	-	-	-	-	-	-	11,409
37	Office equipment	391 2	-		-	-	-	-	-	-	-	-	-
38	Transportation equipment	392	33,570		4,168	(3,891)	-	-	-	-	-	-	33,847
39	Store equipment	393	1,404		69	(272)	-	-	(318)	-	-	-	883
40	Tools, shop and garage equipment	394	6,587		866	(131)	-	-	-	-	-	-	7,322
41	Laboratory equipment	395	1,263		110	(170)	-	-	-	-	-	-	1,203
42	Power operated equipment	396	1,597		138	-	-	-	-	-	-	-	1,735
43	Electric communications equipment	397	36,765		5,799	(2,172)	-	-	-	-	-	-	40,392
44	Miscellaneous equipment	398	274		18	-	-	-	-	-	-	-	292
45	Asset Retirement Cost for General Plant	399	-		-	-	-	-	-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L 45	131,804		19,667	(6,902)	(385)	-	(139)	-	-	-	144,235
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)	0	1,309,692		158,485	(61,602)	(22,235)	-	7,965	-	-	-	1,392,305
48	AMI - 303	0	-		-	-	-	-	-	-	-	-	-
49	AMI - 370	0	-		-	-	-	-	-	-	-	-	-
50	AMI - 397	0	-		-	-	-	-	-	-	-	-	-
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 1,309,692		\$ 158,485	\$ (61,602)	\$ (22,235)	\$ -	\$ 7,965	\$ -	\$ -	\$ -	\$ 1,392,305

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Line #	Description	Account Number	[1]	[2]	[3]	[4]	[5]
			0				
A	Total Amount of Adjustment		\$ -	\$ -	\$ -		
INTANGIBLE PLANT							
1	Organization	301	\$ -	\$ -	\$ -	\$ -	
2	Franchise & Consent	302	-	-	-	-	
3	Miscellaneous Intangible Plant	303	1,325	-	-	-	1,325
4	TOTAL INTANGIBLE	Sum L 1 to L 3	1,325	-	-	-	1,325
TRANSMISSION PLANT							
5	Land & Land Rights	350	-	-	-	-	-
6	Structures & Improvements	352	-	-	-	-	-
7	Station Equipment	353	-	-	-	-	-
8	Towers and Fixtures	354	-	-	-	-	-
9	Poles and Fixtures	355	-	-	-	-	-
10	Overhead Conductors & Devices	356	-	-	-	-	-
11	Underground Conduit	357	-	-	-	-	-
12	Underground Conductors & Devices	358	-	-	-	-	-
13	Road and Trails	359	-	-	-	-	-
14	Regional Trans - Computer Hardware	382	-	-	-	-	-
15	Regional Trans - Computer Software	383	-	-	-	-	-
16	TOTAL TRANSMISSION PLANT	Sum L 5 to L 15	-	-	-	-	-
DISTRIBUTION PLANT							
17	Land & Land Rights	360	-	-	-	-	-
18	Structures & Improvements	361	-	-	-	-	-
19	Station Equipment	362	-	-	-	-	-
20	Storage Battery Equipment	363	-	-	-	-	-
21	Poles, Towers and Fixtures	364	-	-	-	-	-
22	Overhead Conductors and Devices	365	-	-	-	-	-
23	Underground Conduit	366	-	-	-	-	-
24	Underground Conductors and Devices	367	-	-	-	-	-
25	Line Transformers	368	-	-	-	-	-
26	Services	369	-	-	-	-	-
27	Meters	370	-	-	-	-	-
28	Meter Communications Equipment	370 1	-	-	-	-	-
29	Leased Property On Customers Premises	372	-	-	-	-	-
30	Street Lighting and Signaling Systems	373	-	-	-	-	-
31	Asset Retirement Cost for Dist Plant	374	-	-	-	-	-
32	TOTAL DISTRIBUTION PLANT	Sum L 17 to L 31	-	-	-	-	-
GENERAL PLANT							
33	Land & Land Rights	389	-	-	-	-	-
34	Structures & Improvements	390	-	-	-	-	-
35	Leasehold Improvements	0	-	-	-	-	-
36	Office furniture	391 1	-	-	-	-	-
37	Office equipment	391 2	-	-	-	-	-
38	Transportation equipment	392	-	-	-	-	-
39	Store equipment	393	-	-	-	-	-
40	Tools, shop and garage equipment	394	-	-	-	-	-
41	Laboratory equipment	395	-	-	-	-	-
42	Power operated equipment	396	-	-	-	-	-
43	Electric communications equipment	397	-	-	-	-	-
44	Miscellaneous equipment	398	-	-	-	-	-
45	Asset Retirement Cost for General Plant	399	-	-	-	-	-
46	TOTAL GENERAL	Sum L 33 to L 45	-	-	-	-	-
47	SUB-TOTAL (L 4 + L 16 + L 32 L 46)		1,325	-	-	-	1,325
48	AMI - 303		-	-	-	-	-
49	AMI - 370		-	-	-	-	-
50	AMI - 397		-	-	-	-	-
51	TOTAL PLANT IN SERVICE	L 47 to L 50	\$ 1,325	\$ -	\$ -	\$ -	\$ 1,325

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Working Capital

<u>Line No</u>	<u>Description</u>	[1] <u>Reference</u>	[2] FTY <u>Ended 12/31/18</u>
1	Operation & Maintenance Expenses	C-4, P 2, L 11	\$ 18,759
2	Tax Expense	C-4, P 7, L 12	25,409
3	Interest Payments	C-4, P 8, L 9	(4,428)
4	Supply	C-4, P 2 Ls 16-18	15,914
5	Average Prepayments	C-4, P 11, L 24	8,978
6	Total Cash Working Capital Requirements	Sum Ls 1 to 5	<u>\$ 64,633</u>

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Summary of Working Capital

Line #	Description	Reference	FTY Expenses	Factor	Number of (Lead) / Lag Days [2] * [3]	Totals
WORKING CAPITAL REQUIREMENT						
1	REVENUE LAG DAYS	Sch C-4, P 3				59.85
2	EXPENSE LAG DAYS					
3	Payroll	Sec D, Sch 7	\$ 75,044	12.67	\$ 951,025	
4	Pension Expense	Sec D, Sch 9	7,167	(124.00)	(888,646)	
5	Power Purchased for Resale	Sec D, Sch 2	-	33.88	-	
6	Other Expenses	L 23 - L 3 to L 5	109,286	41.69	4,556,133	
7	Total	Sum (L 3 to L 6)	<u>\$ 191,497</u>		<u>\$ 4,618,512</u>	
8	O & M Expense Lag Days	L 7, [4] / [2]				<u>24.12</u>
9	Net (Lead) Lag Days	L 1 - L 8				35.73
10	Operating Expenses Per Day	L 7, [2] / 365				<u>\$ 525</u>
11	Working Capital for O & M Expense	L 9 * L 10				<u>\$ 18,759</u>
12	Average Prepayments	Sch C-4, Pg 11				8,978
13	Tax Expense	Sch C-4, Pg 7				25,409
14	Interest Payments	Sch C-4, Pg 8				(4,428)
15	Total Working Capital Requirement	Sum (L 11 to L 14)				<u>\$ 48,719</u>
WORKING CAPITAL FOR POWER PURCHASED						
			Expense	Lead (Lag) Days	Exp Per Day	
16	Power Purchased for Resale		<u>\$ 220,695</u>			
17	Lead (Lag) Days	60.20 - 33.88		<u>26.32</u>	<u>\$ 604.64</u>	
18	WC for Power Purchased	[3] * [4]				<u>15,914</u>
19	Total Working Capital Requirement	Sum (L 11 to L 15)				<u>\$ 64,633</u>
20	Pro Forma O & M Expense		\$ 423,219			
21	Less.					
	Power Purchased for Resale		220,695			
22	Uncollectible Expense - Present Rates		10,851			
23	Uncollectible Expense-on Rev Increase		177			
24	Other					
25	Sub-Total	Sum (L 18 to L 21)	<u>231,723</u>			
26	Pro Forma Cash O&M Expense	L 17 - L22	<u>\$ 191,497</u>			

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Revenue Lag

Line No	Description	[1] Reference Or Factor	[2] Accounts Receivable Balance End of Month	[3] Total Monthly Sales Sch C-4, Pg 4	[4] A/R Turnover [3] / [2]	[5] Days Lag 365 / [4]
1	Annual Number of Days					<u>365</u>
2	December, 2016		\$ 104,452			
3	January		109,755	69,752		
4	February		108,745	62,598		
5	March		98,451	64,640		
6	April		97,179	52,360		
7	May		85,314	60,682		
8	June		89,574	70,238		
9	July		101,443	89,442		
10	August		96,748	77,238		
11	September		95,808	66,596		
12	October		87,446	65,446		
13	November		80,884	66,175		
14	December, 2017		89,504	74,771		
15	Total	Sum L 2 to L 14	<u>\$1,245,303</u>			
16	Average A/R Balance	<u>13</u>				
17	Factor		<u>\$95,793</u>	<u>\$ 819,938</u>	<u>8.56</u>	<u>42.64</u>
18	Collection Days Lag (L 17 [5])					42.64
19	Billing Calculation and mailing days lag					2.00
20	Billing Lag (Mid-Point of Service Period)		365	/	12	*
					0.5	=
21	Total Revenue Lag Days	Sum L 18 to L 20				<u>59.85</u>

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Revenue By Class of Service

Line #	Description	[1]	[2]	[3]	[4]	[5]
		Revenue By Class of Service				
		Residential	Commercial	Industrial	Lighting	Sum [1] to [4]
1	January, 2015	48,537	22,072	3,746	999	75,354
2	February	46,100	21,413	3,715	1,253	72,481
3	March	42,741	22,232	4,201	1,147	70,321
4	April	32,334	22,029	3,309	1,130	58,802
5	May	41,026	23,039	3,850	1,138	69,053
6	June	45,100	21,849	3,313	1,126	71,388
7	July	54,233	22,008	3,207	1,130	80,578
8	August	49,658	21,743	3,394	1,003	75,798
9	September	44,787	22,006	3,838	1,070	71,701
10	October	35,261	20,706	3,918	1,046	60,931
11	November	34,588	19,297	3,293	998	58,176
12	December, 2015	40,532	21,349	3,931	1,084	66,896
13	TOTAL	<u>\$ 514,897</u>	<u>\$ 259,743</u>	<u>\$ 43,715</u>	<u>\$ 13,124</u>	<u>\$ 831,479</u>
14	January, 2016	45,878	21,612	3,806	979	72,275
15	February	40,554	22,382	3,723	1,026	67,685
16	March	36,496	19,630	3,683	1,090	60,899
17	April	35,044	18,421	2,770	1,143	57,378
18	May	34,228	21,252	3,987	952	60,419
19	June	44,136	20,573	3,521	1,027	69,257
20	July	61,857	18,557	3,211	1,084	84,709
21	August	65,275	22,724	4,166	1,040	93,205
22	September	45,596	19,383	3,530	1,048	69,557
23	October	35,758	19,202	3,965	1,047	59,972
24	November	38,277	18,796	3,218	1,048	61,339
25	December, 2016	47,011	19,591	3,499	978	71,079
26	TOTAL	<u>\$ 530,110</u>	<u>\$ 242,123</u>	<u>\$ 43,079</u>	<u>\$ 12,462</u>	<u>\$ 827,774</u>
27	January, 2017	44,758	20,515	3,458	1,021	69,752
28	February	38,933	18,927	3,630	1,108	62,598
29	March	41,041	19,231	3,343	1,025	64,640
30	April	32,376	16,641	2,309	1,034	52,360
31	May	36,756	19,381	3,465	1,080	60,682
32	June	46,264	20,148	2,822	1,004	70,238
33	July	58,514	25,973	3,882	1,073	89,442
34	August	49,473	22,712	4,032	1,021	77,238
35	September	41,076	21,155	3,319	1,046	66,596
36	October	38,169	22,262	3,951	1,064	65,446
37	November	41,106	20,481	3,533	1,055	66,175
38	December, 2017	49,981	19,938	3,761	1,091	74,771
39	TOTAL	<u>\$ 518,447</u>	<u>\$ 247,364</u>	<u>\$ 41,505</u>	<u>\$ 12,622</u>	<u>\$ 819,938</u>

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Summary of Expense Lag Calculations

Line No.	Description	[1] Reference Or Factor	[2] Amount	[3] (Lead) / Lag Days	[4] Weighted Dollar Value [2] * [3]	[5] (Lead) / Lag Days [4] / [2]
<u>PAYROLL</u>						
1	Union		\$ 40,499	17.00	\$ 688,483	
2	Paid Bi-Weekly with one week lag (14 days / 2 + 7 days)					
3	Non-Union		34,545	7.60	262,542	
4	Paid Twice Monthly (365 days / 24 / 2)					
5	Payroll Lag	Sum L 1 to L 4	<u>\$ 75,044</u>		<u>\$ 951,025</u>	<u>12.67</u>
<u>PENSION EXPENSE</u>						
6	Payment # 1	27-Feb	23,000	(124.00)	\$ (2,852,000)	
7	Mid-point of Service Period	1-Jul				
8	Totals & (Lead) Lag Days	L 6 + L 7	<u>23,000</u>		<u>(2,852,000)</u>	<u>(124.0)</u>
<u>PURCHASED ELECTRICITY</u>						
9	Contract Payment Lag		<u>\$ 220,695</u>	<u>33.88</u>	<u>\$ 7,477,147</u>	<u>33.88</u>
<u>OTHER O & M EXPENSES</u>						
10	FEBRUARY, 2017	Sch C-4, Pg 6	\$ 6,458,997		\$ 274,125,007	
11	MAY, 2017	Sch C-4, Pg 6	7,759,753		323,052,027	
12	AUGUST, 2017	Sch C-4, Pg 6	6,798,995		258,426,949	
13	NOVEMBER, 2017	Sch C-4, Pg 6	7,260,856		323,297,456	
14	TOTAL	Sum L 10 to L 13	<u>28,278,601</u>		<u>1,178,901,439</u>	<u>41.69</u>

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General Disbursements Lag

Line #	Description	[1] Number of CDs	[2] Cash Disbursements	[3] Dollar-Days	[4] Expense Lag-Days [3] / [2]
<u>FEBRUARY, 2017</u>					
1	Total Monthly Disbursements	2598	\$ 100,549,234	\$ 1,536,073,073	15.28
2	Total Excl Non-Expense & Under \$1,000	469	\$ 32,467,864	\$ 441,903,554	13.61
3	Total O & M Only L 1 + L 2	449	\$ 6,458,997	\$ 274,125,007	42.44
<u>MAY, 2017</u>					
4	Total Monthly Disbursements	2409	\$ 94,042,998	\$ 1,210,651,560	12.87
5	Total Excl Non-Expense & Under \$1,000	424	\$ 30,527,176	\$ 490,654,663	16.07
6	Total O & M Only L 4 + L 5	404	\$ 7,759,753	\$ 323,052,027	41.63
<u>AUGUST, 2017</u>					
7	Total Monthly Disbursements	2494	\$ 137,589,029	\$ 1,435,918,990	10.44
8	Total Excl Non-Expense & Under \$1,000	435	\$ 40,472,740	\$ 693,007,842	17.12
9	Total O & M Only L 7 + L 8	399	\$ 6,798,995	\$ 258,426,949	38.01
<u>NOVEMBER, 2017</u>					
10	Total Monthly Disbursements	2267	\$ 142,169,010	\$ 1,893,356,509	13.32
11	Total Excl Non-Expense & Under \$1,000	410	\$ 34,117,050	\$ 575,696,842	16.87
12	Total O & M Only L 10 + L 11	384	\$ 7,260,856	\$ 323,297,456	44.53
<u>TOTAL FOUR TEST MONTHS</u>					
13	Total Monthly Disbursements L 1 + L 4 + L 7 + L 10	9768	\$ 474,350,271	\$ 6,076,000,132	12.81
14	Total Excl Non-Expense & Under \$1,000 L 2 + L 5 + L 8 + L 11	1738	\$ 137,584,829	\$ 2,201,262,902	16.00
15	Total O & M Only L 3 + L 6 + L 9 + L 12	2243	\$ 28,278,601	\$ 1,178,901,439	41.69

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Tax Expense Lag Days

Line No.	Description	Reference Or Factor	[1] Pro Forma Proposed Rate Amount	[2] (Lead) Lag Days C-4, P 10	[3] Weighted Dollar Days [2] * [3]
1	FEDERAL INCOME TAX		\$ 35,904	22.35	\$ 802,448
2	STATE INCOME TAX		13,128	30.10	395,165
3	PURTA		911	1,946.85	1,773,580
4	PA PROPERTY TAX		706	60.35	42,607
5	CITY OF PITTSBURGH		411	136.85	56,245
6	GROSS RECEIPTS TAX		46,398	131.35	6,094,333
7	GRT - REVENUE INCREASE		836	131.35	109,809
8	Total	Sum L 1 to L 7			<u>\$ 9,274,186</u>
9	Days in Year				<u>365</u>
10	Average Daily Amount for Working Capital	L 8 / L 9			<u>\$ 25,409</u>

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Interest Payments

Line No.	Description	[1] Reference Or Factor	[2] # of Days	[3] # of Days	[4] Total
1	Measures of Value at December 31, 2018				\$ 2,459,575
2	Long-term Debt Ratio				45.49%
3	Embedded Cost of Long-term Debt				4.60%
4	Pro forma Interest Expense	L 1 * L 2 * L 3			<u>\$ 51,468</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 141
6	Days to mid-point of interest payments			91.25	
7	Less: Revenue Lag Days			59.85	
8	Interest Payment lag days	L 7 - L 6			(31.40)
9	Total Interest for Working Capital	L 5 * L 8			<u>\$ (4,428)</u>

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TAX EXPENSE LAG DAYS

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
		Payment Dates	Mid-Point of Service Period	Lead (Lag) Payment Days	Payment Amount	Weighted Lead (Lag) Dollars	Payment Lead (Lag) Days	Revenue (Lag) Days	Net Payment Lead (Lag) Days
				[1] - [2]		[3] * [4]	[5] / [4]	C-4, Pg3	[6] - [7]
1	FEDERAL INCOME TAX	<u>25%</u>			<u>\$ 35,904</u>				
2	First Payment	04/15/17	07/01/17	77 00	\$ 8,976	691,146			
3	Second Payment	06/15/17	07/01/17	16 00	8,976	143,615			
4	Third Payment	09/15/17	07/01/17	(76.00)	8,976	(682,170)			
5	Fourth Payment	12/15/17	07/01/17	(167 00)	8,976	(1,498,979)			
6	Total				<u>\$ 35,904</u>	<u>\$ (1,346,389)</u>	<u>(37.50)</u>	<u>59 85</u>	<u>22 35</u>
7	STATE INCOME TAX	<u>25%</u>			<u>\$ 13,128</u>				
8	First Payment	03/15/17	07/01/17	108 00	\$ 3,282	354,467			
9	Second Payment	06/15/17	07/01/17	16 00	3,282	52,514			
10	Third Payment	09/15/17	07/01/17	(76 00)	3,282	(249,439)			
11	Fourth Payment	12/15/17	07/01/17	(167 00)	3,282	(548,110)			
12	Total				<u>\$ 13,128</u>	<u>(390,570)</u>	<u>(29 75)</u>	<u>59 85</u>	<u>30 10</u>
13	PURTA				<u>\$ 911</u>				
14	Payment	05/01/12	07/01/17	1,887 00	\$ 911	1,719,057	1,887 00	59 85	1,946 85
15	PA CAPITAL STOCK TAX				<u>\$ 0</u>				
16	First Payment			-	\$ -	-			
17	Second Payment			-	-	-			
18	Third Payment			-	-	-			
19	Fourth Payment			-	-	-			
20	Total				<u>\$ -</u>	<u>-</u>			
21	PA LOCAL & USE TAX				<u>\$ 0</u>				
22	Payment			-	\$ 0	-	0.00	0 00	0 00
23	PA PROPERTY TAX	<u>50%</u>			<u>\$ 706</u>				
24	First Payment	03/31/17	07/01/17	92 00	\$ 353	32,476			
25	Second Payment	09/30/17	07/01/17	(91 00)	353	(32,123)			
26	Total				<u>\$ 706</u>	<u>353</u>	<u>0 50</u>	<u>59 85</u>	<u>60 35</u>
27	CITY OF PITTSBURGH				<u>\$ 411</u>				
28	Payment	04/15/17	07/01/17	77 00	\$ 411	31,647	77 00	59 85	136 85
29	GROSS RECEIPTS TAX	<u>90%</u>			<u>\$ 46,398</u>				
30	90% of Estimated GRT	03/15/17	07/01/17	108 00	\$ 41,758	4,509,852			
31									
32	Balance Based on Estimate	03/15/18	07/01/17	(257 00)	4,640	(1,192,420)			
33									
34	Total				<u>\$ 46,398</u>	<u>3,317,433</u>	<u>71.50</u>	<u>59 85</u>	<u>131 35</u>

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PREPAID EXPENSES

	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]
Line #	Description	Total For Separation	TOTAL	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	
1	Garage Liability	\$ 2,574	2,574	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198	\$ 198
2	Property - All Risk Ins	\$ 62,734	62,734	\$ 2,657	\$ 4,672	\$ 4,672	\$ 4,672	\$ 4,672	\$ 4,672	\$ 4,672	\$ 4,672	\$ 5,106	\$ 5,107	\$ 5,093	\$ 5,599	\$ 5,599	\$ 5,609
3	Liability - Misc Ins	5,491	5,491	163	384	384	384	416	416	441	474	474	474	474	500	507	
4	Director & Officer Ins	60,336	60,336	4,454	4,587	4,587	4,587	4,641	4,641	4,641	4,696	4,696	4,696	4,696	4,695	4,719	
5	Auto Ins	527	527	-	36	36	36	36	36	45	45	45	45	45	59	63	
6	Pollution Ins	797	797	-	66	66	66	66	67	67	66	67	66	67	66	67	
7	Insurance Exp	15,616	15,616	900	1,123	1,203	1,203	1,203	1,203	1,203	1,243	1,243	1,243	1,283	1,283	1,283	
8	Fiduciary	17,831	17,831	1,282	1,346	1,346	1,346	1,372	1,372	1,372	1,397	1,397	1,397	1,397	1,397	1,410	
9	Workers' Compensation	8,841	8,841	613	671	670	671	670	670	690	690	690	690	690	711	715	
10	Excess General Liab Ins	114,618	114,618	3,954	7,815	7,815	7,815	8,904	8,904	8,904	9,992	9,992	9,992	9,992	9,992	10,547	
11	Workers' Comp T&D	4,622	4,622	-	279	279	279	361	361	361	443	443	443	443	443	487	
12	Amortization Offset - Ins	(290,092)	(290,092)	(14,221)	(20,440)	(20,906)	(21,372)	(21,839)	(22,307)	(22,766)	(23,224)	(23,683)	(24,142)	(24,599)	(25,058)	(25,535)	
13	Penna PUC Assessment	18,846	18,846	1,474	1,229	983	737	491	246	2,300	2,108	1,917	2,208	1,963	1,718	1,472	
14	Prepaid Expense	3,891	3,891	432	457	417	376	336	296	256	221	185	150	115	161	489	
15	Penna Gross Receipts Tax	-	160,582	-	-	-	47,334	28,197	24,711	20,771	15,927	11,458	7,665	3,984	535	-	
16	System Upgrade Ins	56	56	-	3	2	1	-	9	8	8	7	6	5	4	3	
17	IT Hardware Maintenance	13,499	13,499	844	685	763	618	513	1,018	1,441	1,340	1,261	1,175	1,390	1,287	1,164	
18	IT Software Maintenance	3,744	3,744	516	390	354	348	334	285	249	206	188	196	238	195	245	
19	Communication Maint Agree	7,538	7,538	591	713	692	610	512	427	336	443	624	631	731	629	599	
20	Smart Meter Exp	11,030	11,030	872	901	775	649	674	610	1,300	1,167	1,013	968	834	700	567	
21	Prepaid IT Software	28,435	28,435	641	746	2,507	2,542	2,507	2,598	2,503	2,395	2,318	2,336	2,436	2,516	2,390	
22	IT / CIO / Network Svcs /Support	23,676	23,676	1,504	1,421	1,615	1,515	1,362	1,146	1,665	2,390	2,284	2,247	2,191	2,094	2,242	
23	SCADA	316	316	60	54	47	41	35	29	22	16	9	3	-	-	-	
24	CLOUD	1,787	1,787	-	-	-	46	46	53	245	235	253	209	239	257	204	
25	Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	TOTAL	\$ 116,713	\$ 277,295	\$ 6,934	\$ 7,336	\$ 8,505	\$ 54,702	\$ 35,707	\$ 31,661	\$ 30,856	\$ 27,582	\$ 22,186	\$ 17,989	\$ 14,411	\$ 9,981	\$ 9,445	
27	Number of Months	<u>13</u>															
28	Monthly Average	L 26 / L 27	<u>\$ 8,978</u>														
29	Rate Case Amount		<u>\$ 8,978</u>														

Duquesne Light Company
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 Future Test Year - 12 Months Ended December 31, 2018
 (\$ in Thousands)

Schedule C-5
 Witness: Ankrum/O'Brien
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Plant Materials and Operating Supplies

Line No	Description	[1]	[2]	FTY Ended 12-31-18	
		Materials & Supplies	Fuel	Stores Expenses	
1	December, 2016	\$ 22,823	\$ -	\$ -	
2	January, 2017	23,013	-	-	
3	February	23,583	-	-	
4	March	24,353	-	-	
5	April	24,160	-	-	
6	May	24,097	-	-	
7	June	23,785	-	-	
8	July	23,215	-	-	
9	August	23,073	-	-	
10	September	23,118	-	-	
11	October	23,417	-	-	
12	November	23,748	-	-	
13	December, 2017	23,412	-	-	
14	Totals	<u>\$ 305,797</u>	<u>\$ -</u>	<u>\$ -</u>	
15	13-Month Average	<u>\$ 23,523</u>	<u>\$ -</u>	<u>\$ -</u>	
16	13-Month Net Average			<u>\$ 23,523</u>	
Amounts Assigned by Function:					
17	Transmission Plant	15 0%		\$ 3,529	
18	Distribution Plant	73.5%		17,289	
19	General Plant	11 5%		2,705	
20	Intangible Plant	0 0%		-	
21	Construction Category	0 0%		-	
22	Total	<u>100 00%</u>		<u>\$ 23,523</u>	

Duquesne Light Company
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(\$ in Thousands)

Schedule C-6
Witness: Simpson
Page 1 of 1

Accumulated Deferred Income Taxes

Line No	Description	[1] Reference	[2] FTY Ended 12-31-18
<u>ACCUMULATED DEFERRED INCOME TAXES</u>			
1	Transmission	A	\$ 142,305
2	Distribution	A	432,997
3	General - Transmission	A	6,422
4	General - Distribution	A	44,830
5	Smart Meter	B	41,896
6	Balance at December 31, 2018 - Utility	Sum L 1 to L 5	668,450
7	Non-Utility		(408)
8	TOTAL ADIT	L 6 + L 7	\$ 668,042

A ADIT amounts calculated in accordance with IRS Regulation # 1.167

B ADIT on Smart Meter Plant included with Distribution

Duquesne Light Company
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(\$ in Thousands)

Schedule C-7
Witness: Ankrum/O'Brien
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Customer Deposits and Interest

Line #	Description	Factor Or Reference	[1]	[2]
			Customer Deposits	Interest On Customer Deposits
1	December, 2016		\$ (9,951)	
2	January, 2017		(10,042)	\$ 19
3	February		(10,081)	19
4	March		(10,266)	23
5	April		(10,502)	20
6	May		(10,662)	20
7	June		(10,897)	24
8	July		(11,106)	20
9	August		(11,249)	26
10	September		(11,424)	26
11	October		(11,594)	26
12	November		(11,432)	26
13	December, 2017		(11,509)	41
14	Total	Sum L 1 to L 13	<u>\$ (140,715)</u>	<u>\$ 290</u>
15	Average Monthly Balance	L 14 / 13	<u>\$ (10,824)</u>	

Duquesne Light Company
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(\$ in Thousands)

Schedule C-8
Witness: Ankrum/O'Brien
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Capitalized Pension Adjustment

Line #	Description	Reference Or Factor	[1] Capitalized Pension Contribution	[2] SFAS - 87 Pension Capitalized	[3] Pension Contribution Capitalized Over (Under) SFAS - 87 Capitalized [1] - [2]
<u>Through December 31, 2012</u>					
1	Total Capitalized Contribution To 12-31-12		\$ 95,000		
2					
3	Amount Capitalized		<u>95,000</u>	\$ 44,385	\$ 50,615
<u>Year Ended 12-31-13</u>					
4	Total Contribution		\$ 55,000		
5	Percent Capitalized		<u>50.00%</u>		
6	Amount Capitalized		<u>27,500</u>	\$ 17,342	\$ 10,158
<u>Year Ended 12-31-14</u>					
7	Total Contribution		\$ 17,800		
8	Percent Capitalized		<u>50.00%</u>		
9	Amount Capitalized		<u>8,900</u>	\$ 9,980	\$ (1,080)
<u>Year Ended 12-31-15</u>					
10	Total Contribution		\$ -		
11	Percent Capitalized		<u>50.00%</u>		
12	Amount Capitalized		<u>-</u>	\$ 11,054	\$ (11,054)
<u>Year Ended 12-31-16</u>					
13	Total Contribution		\$ 40,000		
14	Percent Capitalized		<u>50.00%</u>		
15	Amount Capitalized		<u>20,000</u>	\$ 8,300	\$ 11,700
<u>HTY Ended 12-31-17</u>					
16	Total Contribution		\$ 105,000		
17	Percent Capitalized		<u>50.00%</u>		
18	Amount Capitalized		<u>52,500</u>	\$ 10,000	\$ 42,500
<u>FTY Ended 12-31-18</u>					
19	Total Contribution		\$ 23,000		
20	Percent Capitalized		<u>50.00%</u>		
21	Amount Capitalized		<u>11,500</u>	\$ 8,500	\$ 3,000
22					
23					
24					
25	Total		<u>\$ 215,400</u>	<u>\$ 109,561</u>	<u>\$ 105,839</u>

Duquesne Light Company
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(\$ in Thousands)

Schedule C-9
Witness: Ankrum/O'Brien
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Customer Advances for Construction

Line #	Description	Factor Or Reference	[1] Customer Advances For Construction	[2] Average	[3]
1	December, 2016		\$ (327)		
2	January, 2017		(527)		
3	February		(273)		
4	March		(77)		
5	April		(160)		
6	May		(3,076)		
7	June		(2,952)		
8	July		(3,129)		
9	August		(2,859)		
10	September		(2,876)		
11	October		(2,739)		
12	November		(2,605)		
13	December, 2017		(2,309)		
14	Total	Sum L 1 to L 13	<u>\$ (23,909)</u>		
15	Number of Months		<u>13</u>		
16	Average Monthly Balance	L 14 / L 15		<u>\$ (1,839)</u>	

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule D-1
Witness: O'Brien/Gorman
Page 1 of 3

Jurisdictional Rate Base, Net Operating Income and Revenue Increase

Table No 1
Earned Rate of Return with Additional Proposed Revenues - PA Jurisdiction

Line No	Description	Reference	(1) ROR Before Additional Revenues	(2) Proposed Additional Revenues	(3) ROR With Additional Revenues
1	Total Electric Rate Base	D-1, P 3	\$ 1,839,516	\$ -	\$ 1,839,516
	Total Operating Revenues				
2	Total Sales Revenues	D-2, P 2	\$ 500,269	\$ 30,252	\$ 530,521
3	Other Revenues - Off System Sales	D-2, P 2	-	-	-
4	Other Operating Revenues	D-2, P 2	11,666	-	11,666
5	Total Revenues	L 2 to L 4	511,935	30,252	542,187
	Total Operating Expenses:				
6	Operation & Maintenance Expenses	D-2, P 2	172,514	422	172,936
7	Depreciation & Amortization Expense	D-2, P 2	143,911	-	143,911
8	Taxes Other Than Income Taxes	D-2, P 2	36,387	1,763	38,150
9	Total Operating Expenses	L 6 to L 8	352,812	2,185	354,997
10	Utility Operating Income Before Taxes	L 5 - L 9	\$ 159,123	\$ 28,067	\$ 187,190
	Income Taxes				
11	Federal	D-18 Dist	23,577	5,305	28,882
12	State	D-18 Dist	7,244	2,804	10,048
13	Total Income Taxes	L 11 + L 12	30,821	8,109	38,930
14	Total Operating Expenses	L 9 + L 13	383,633	10,294	393,927
15	Total Operating Income	L 5 - L 14	\$ 128,302	\$ 19,958	\$ 148,260
16	Earned Rate of Return - %	L 15 / L 1	6.97%		8.06%

Duquesne Light Company
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Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule D-1
Witness: O'Brien/Gorman
Page 2 of 3

Jurisdictional Rate Base, Net Operating Income and Revenue Increase

Table No 2
Determination of Jurisdictional Revenue Deficiency

Line No	Description	Reference	(1) Total Company	(2) Total PA Jurisdiction	(3) PA JSS Reference
1	Total Electric Rate Base	Table No 1	<u>\$ 2,459,575</u>	<u>\$ 1,839,516</u>	Table No 1
	Total Operating Revenues				
2	Total Sales Revenues	D-3	868,762	500,269	Table No 5
3	Other Revenues - Off System Sales	D-3	1,400	-	Table No 5
4	Other Operating Revenues	D-3	<u>15,189</u>	<u>11,666</u>	Table No 5
5	Total Revenues	L 2 to L 4	885,351	511,935	
	Total Operating Expenses				
6	Operation & Maintenance Expenses	D-4	423,219	172,514	Table No 6
7	Depreciation & Amortization Expense	D-17	173,450	143,911	Table No 7
8	Taxes Other Than Income Taxes	D-16	<u>54,559</u>	<u>36,387</u>	Table No 8
9	Total Operating Expenses	L 6 to L 8	<u>651,228</u>	<u>352,812</u>	
10	Utility Operating Income Before Taxes	L 5 - L 9	<u>234,123</u>	<u>159,123</u>	
	Income Taxes:				
11	Federal	D-18	33,420	23,577	Table No 9
12	State	D-18	<u>11,815</u>	<u>7,244</u>	Table No 9
13	Total Operating Expenses	L 11 + L 12	<u>696,463</u>	<u>383,633</u>	
14	Total Operating Income	L 5 - L 13	<u>\$ 188,888</u>	<u>\$ 128,302</u>	
	Return Before Adjustments				
15	Earned Rate of Return - %	L 14 / L 1		6.9748%	
16	Required Rate of Return - %	B-9		8.0597%	
17	Return at Required Rate of Return	L 15 * L 16		\$ 148,259	
18	Income Deficiency - \$	L 17 - L 14		19,958	
19	Revenue Deficiency - Tax Multiplier	D-18, Page 3		1,515.79	
20	Revenue Deficiency-\$	L 18 * L 19		\$ 30,252	

Duquesne Light Company
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Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule D-1
Witness: O'Brien/Gorman
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Jurisdictional Rate Base, Net Operating Income and Revenue Increase

Table No 3
Electric Rate Base - Pennsylvania

Line No	Description	Reference	(1) Total Company	(2) Total PA Jurisdiction	(3) PA JSS Reference
1	Electric Plant in Service	C-2	\$ 4,340,323	\$ 3,323,054	Table No 1
2	Accumulated Provision for Depreciation	C-3	<u>(1,393,630)</u>	<u>(1,095,831)</u>	Table No 1
3	Net Electric Plant in Service	L 1 + L 2	2,946,693	2,227,223	
Other Rate Base Items - Additions.					
4	Cash Working Capital	C-4	64,633	41,499	Table No 12
5	Materials & Supplies	C-5	23,523	19,995	Table No 1
6	Excess Pension Capitalized	C-8	<u>105,839</u>	<u>81,033</u>	
7	Total Additions	L 4 to L 6	<u>193,995</u>	<u>142,527</u>	
8	Total Rate Base Before Deductions	L 3 + L 7	3,140,688	2,369,750	
Other Rate Base Items - Deductions:					
9	Customer Deposits	C-7	(10,824)	(10,824)	Table No 1
10	Customer Advances for Construction	C-9	(1,839)	(1,839)	
11	Accumulated Deferred Income Taxes	C-6	<u>(668,450)</u>	<u>(517,570)</u>	Table No 1
12	Total Deductions	L 9 + L 10 + L 11	(681,113)	(530,233)	
13	Total Electric Rate Base	L 8 + L 12	<u>\$ 2,459,575</u>	<u>\$ 1,839,516</u>	

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule
Witness:
Page

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Ankrum/O'Brien
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Adjusted Net Operating Income At Present Rates

Line #	Description	Reference	[1]	[2]	[3]
			FTY Ended 12/31/18 Budget	Adjustments D-3, Pgs 1 & 2 Increase (Decrease)	Pro Forma Adjusted FTY Ended 12/31/18 [1] + [2]
OPERATING REVENUES					
1	Distribution Tariff Charges		\$ 448,380	\$ (7,551)	440,829
2	Surcharge Revenue		81,427	(25,510)	55,917
3	Generation Charges		234,127	-	234,127
4	Transmission Charges		52,709	84,484	137,193
5	Sales for Resale (Off System)		1,400	-	1,400
6			-	-	-
7	Late Payment fees		3,523	-	3,523
8	Reconnect Fees		886	-	886
9	Miscellaneous Service		322	-	322
10	DL Transmission Dispatch		696	-	696
11	Rent From Electric Property		7,799	-	7,799
12	Customer Work		1,200	-	1,200
13	Pole Attachments		1,023	-	1,023
14	Other Electric Revenue		84,920	(84,484)	436
15	Rate Increase		-	-	-
16	Total operating revenues	Sum L 1 to L 15	<u>918,412</u>	<u>(33,061)</u>	<u>885,351</u>
OPERATING EXPENSES					
17	Power Production Expense		-	-	-
18	Cost of Purchased Power		221,714	(1,019)	220,695
19	Other Production Expenses		-	-	-
20	Transmission		10,929	168	11,096
21	Distribution		44,230	548	44,778
22	Customer accounts	1 2500%	26,508	(30,790)	(4,282)
23	Customer service and info		33,839	1	33,840
24	Sales		-	-	-
25	Administrative and general	0 1461%	129,188	(12,095)	117,093
26	Depreciation		158,485	7,000	165,485
27	Amortization Other		7,965	-	7,965
28	Amort of Regulatory Exp		-	-	-
29	Taxes other than income	5 9000%	56,493	(1,934)	54,559
30	Other		-	-	-
31	Total operating expenses	Sum L 17 to L 30	<u>689,351</u>	<u>(38,123)</u>	<u>651,228</u>
32	Net Operating Income - BIT	L 16 - L 31	<u>\$ 229,061</u>	<u>\$ 5,062</u>	234,123
INCOME TAX EXPENSE					
33	State Income Taxes				11,815
34	Federal Income Taxes				33,420
35	Total Income Taxes	L 33 + L 34			<u>45,235</u>
36	Net Operating Income	L32 - L 35			<u>\$ 188,888</u>

Duquesne Light Company
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(\$ in Thousands)

Schedule **D-3**
Witness: **O'Brien**
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Adjustments to Net Operating Income

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]
		As Forecast And Allocated	Surcharges	Revenue Loss	Revenue Annualization	Adjustments 0	Revenue Transfer	Supply Expense	Adjustments Salaries & Wages	Rate Case Normalization	Benefits &	Uncollectible	Sub-Total Proforma
OPERATING REVENUE													
1	Distribution Tariff Charges	\$ 448,380	\$ -	\$ (8,179)	\$ 628	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 440,829
2	Surcharge Revenue	81,427	(25,510)	-	-	-	-	-	-	-	-	-	55,917
3	Generation Charges	234,127	-	-	-	-	-	-	-	-	-	-	234,127
4	Transmission Charges	52,709	-	-	-	-	84,484	-	-	-	-	-	137,193
5	Sales for Resale (Off System)	1,400	-	-	-	-	-	-	-	-	-	-	1,400
6		-	-	-	-	-	-	-	-	-	-	-	-
7	Late Payment fees	3,523	-	-	-	-	-	-	-	-	-	-	3,523
8	Reconnect Fees	886	-	-	-	-	-	-	-	-	-	-	886
9	Miscellaneous Service	322	-	-	-	-	-	-	-	-	-	-	322
10	DL Transmission Dispatch	696	-	-	-	-	-	-	-	-	-	-	696
11	Rent From Electric Property	7,799	-	-	-	-	-	-	-	-	-	-	7,799
12	Customer Work	1,200	-	-	-	-	-	-	-	-	-	-	1,200
13	Pole Attachments	1,023	-	-	-	-	-	-	-	-	-	-	1,023
14	Other Electric Revenue	84,920	-	-	-	-	(84,484)	-	-	-	-	-	436
15	Total operating revenues	Sum L 1 to L 14	918,412	(25,510)	(8,179)	628	-	-	-	-	-	-	885,351
OPERATING EXPENSE													
16	Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	-
17	Cost of Purchased Power	221,714	-	-	-	-	-	(1,019)	-	-	-	-	220,695
18	Other Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-
19	Transmission	10,929	-	-	-	-	-	-	168	-	-	-	11,096
20	Distribution	44,230	-	-	-	-	-	-	548	-	-	-	44,778
21	Customer accounts	26,508	(33,804)	-	-	-	-	-	304	-	-	2,420	(4,572)
22	Customer service and info	33,839	-	-	-	-	-	-	1	-	-	-	33,840
23	Sales	-	-	-	-	-	-	-	-	-	-	-	-
24	Administrative and general	129,188	(276)	-	-	-	-	-	714	657	(11,434)	-	118,850
25	Depreciation	158,485	-	-	-	-	-	-	-	-	-	-	158,485
26	Amortization Other	7,965	-	-	-	-	-	-	-	-	-	-	7,965
27	Amort of Regulatory Exp	-	-	-	-	-	-	-	-	-	-	-	-
28	Taxes other than income	56,493	-	-	-	-	-	-	-	-	-	-	56,493
29	Total operating expenses	Sum L 16 to L 28	689,351	(34,080)	-	-	-	(1,019)	1,734	657	(11,434)	2,420	647,629
30	Net operating margins Before Income Tax	L 15 - L 29	\$ 229,061	\$ 8,570	\$ (8,179)	\$ 628	\$ -	\$ -	\$ 1,019	\$ (1,734)	\$ (657)	\$ 11,434	\$ (2,420) \$ 237,722

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule **D-3**
Witness: **O'Brien**
Page **2** of **2**

Adjustments to Net Operating Income

Line #	Description	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]	[23]	[24]
		From Page 1 Sub-total		Gross Receipts Tax Exp	FICA, FUI SUI Exp	Pro Forma Depre Adj		Interest on Cust Dep	Adjustments				Total Proforma
OPERATING REVENUE													\$ -
31	Distribution Tariff Charges	440,829											440,829
32	Surcharge Revenue	55,917											55,917
33	Generation Charges	234,127											234,127
34	Transmission Charges	137,193											137,193
35	Sales for Resale (Off System)	1,400											1,400
36		-											-
37	Late Payment fees	3,523											3,523
38	Reconnect Fees	886											886
39	Miscellaneous Service	322											322
40	DL Transmission Dispatch	696											696
41	Rent From Electric Property	7,799											7,799
42	Customer Work	1,200											1,200
43	Pole Attachments	1,023											1,023
44	Other Electric Revenue	436											436
45	Total operating revenues	Sum L 31 to L 44	885,351	-	-	-	-	-	-	-	-	-	885,351
OPERATING EXPENSE													
46	Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	-
47	Cost of Purchased Power	220,695	-	-	-	-	-	-	-	-	-	-	220,695
48	Other Production Expenses	-	-	-	-	-	-	-	-	-	-	-	-
49	Transmission	11,096	-	-	-	-	-	-	-	-	-	-	11,096
50	Distribution	44,778	-	-	-	-	-	-	-	-	-	-	44,778
51	Customer accounts	(4,572)	-	-	-	-	-	290	-	-	-	-	(4,282)
52	Customer service and info	33,840	-	-	-	-	-	-	-	-	-	-	33,840
53	Sales	-	-	-	-	-	-	-	-	-	-	-	-
54	Administrative and general	118,850	(1,757)	-	-	-	-	-	-	-	-	-	117,093
55	Depreciation	158,485	1,035	-	-	5,965	-	-	-	-	-	-	165,485
56	Amortization Other	7,965	-	-	-	-	-	-	-	-	-	-	7,965
57	Amort of Regulatory Exp	-	-	-	-	-	-	-	-	-	-	-	-
58	Taxes other than income	56,493	-	(2,153)	219	-	-	-	-	-	-	-	54,559
59	Total operating expenses	Sum L 46 to L 58	647,629	(722)	(2,153)	219	5,965	-	290	-	-	-	651,228
60	Net operating margins Before Income Tax	L 45 - L 59	\$ 237,722	\$ 722	\$ 2,153	\$ (219)	\$ (5,965)	\$ -	\$ (290)	\$ -	\$ -	\$ -	\$ 234,123

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule **D-5**
Witness: **O'Brien**
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Summary of Revenue Adjustments

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]
		Reference Or Account Number	FTY Ended 12/31/18 Budget	D-5A Remove Surcharges	D-5B Revenue Loss	D-5C Revenue Annualization	Other	D-5E Reclass	Total Proforma Adjustments [3 to 7]	Proforma Adjusted At Present Rates [2] + [8]
PRO FORMA ADJUSTMENTS										
1	Distribution Tariff Charges		\$ 448,380	\$ -	\$ (8,179)	\$ 628	\$ -	\$ -	\$ (7,551)	\$ 440,829
2	Surcharge Revenue		81,427	(25,510)	-	-	-	-	(25,510)	55,917
3	Generation Charges		234,127	-	-	-	-	-	-	234,127
4	Transmission Charges		52,709	-	-	-	-	84,484	84,484	137,193
5	Sum Sales to Customers	Sum L 1 to L 4	816,643	(25,510)	(8,179)	628	-	84,484	51,423	868,066
6	SP Distribution Revenue		-	-	-	-	-	-	-	-
7	Sub-Total	L 5 + L 6	816,643	(25,510)	(8,179)	628	-	84,484	51,423	868,066
8	Sales for Resale (Off System)		1,400	-	-	-	-	-	-	1,400
9	Total Sales of Electricity	L 7 + L 8	818,043	(25,510)	(8,179)	628	-	84,484	51,423	869,466
10	Late Payment fees		3,523	-	-	-	-	-	-	3,523
11	Returned Check Charges		180	-	-	-	-	-	-	180
12	Reconnect Fees		706	-	-	-	-	-	-	706
13	Miscellaneous Service		322	-	-	-	-	-	-	322
14	DL Transmission Dispatch		696	-	-	-	-	-	-	696
15	Rent From Electric Property		7,799	-	-	-	-	-	-	7,799
16	Customer Work		1,200	-	-	-	-	-	-	1,200
17	Pole Attachments		1,023	-	-	-	-	-	-	1,023
	Other Electric Revenue		-	-	-	-	-	-	-	-
18	Other Electric Revenues (456 01)		60	-	-	-	-	-	-	60
19	I.T. Service Charge (456 06)		-	-	-	-	-	-	-	-
20	AES BV Partners - Demand (456 10)		376	-	-	-	-	-	-	376
21	AES BV Partners - Transmission (456 11)		-	-	-	-	-	-	-	-
22	Dominion Marketing Revenue (456 12)		80,864	-	-	-	-	(80,864)	(80,864)	-
23	PJM DLCO Firm (456.32)		2,479	-	-	-	-	(2,479)	(2,479)	-
24	PJM DLC Pwr NFPP (456 53)		1,141	-	-	-	-	(1,141)	(1,141)	-
25	Total Present Rate Revenues	L 9 to L 24	918,412	(25,510)	(8,179)	628	-	-	(33,061)	885,351
26	Other Revenue		-	-	-	-	-	-	-	-
27	TOTAL REVENUES	L 25 + L 26	\$ 918,412	\$ (25,510)	\$ (8,179)	\$ 628	\$ -	\$ -	\$ (33,061)	\$ 885,351

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule **D-5A**
Witness: **O'Brien**
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Remove Surcharge Revenue

Line #	Description	Revenue From		[3] Sub-Total	[4] GRT	[5] Net
		[1] Surcharges "Rolled-in"	[2] Surcharges Retained			
					0 059	
	<u>EEC SURCHARGE</u>					
1	RESIDENTIAL		\$ 5,991		(353)	
2	COMMERCIAL - Small C&I		595		(35)	
3	COMMERCIAL - Medium C&I		3,088		(182)	
4	COMMERCIAL - Large C&I		8,243		(486)	
5	Sub-Total			\$ 17,917	(1,057)	16,860
	<u>UNIVERSIAL SERVICE</u>					
6	RESIDENTIAL		\$ 23,301		(1,375)	
7	Sub-Total			23,301	(1,375)	21,926
	<u>CAP REVENUE CREDIT</u>					
8	RESIDENTIAL		\$ (13,276)		783	
9	Sub-Total			(13,276)	783	(12,493)
	<u>SMART METER</u>					
10	RESIDENTIAL	\$ 29,261				
11	COMMERCIAL - Small C&I	3,139				
12	COMMERCIAL - Medium C&I	938				
13	COMMERCIAL - Large C&I	106				
14	Sub-Total		\$ 33,444			
	<u>DISC</u>					
15	RESIDENTIAL	11,565				
16	COMMERCIAL - Small C&I	1,318				
17	COMMERCIAL - Medium C&I	2,907				
18	COMMERCIAL - Large C&I	3,605				
19	STREET LIGHTING	452				
20	Sub-Total		19,847			
	<u>RETAIL MARKET ENHANCEMENT</u>					
21	RESIDENTIAL	665				
22	COMMERCIAL - Small C&I	83				
23	COMMERCIAL - Medium C&I	131				
24	STREET LIGHTING	2				
25	Sub-Total		881			
	<u>STAS</u>					
26	RESIDENTIAL	(404)				
27	COMMERCIAL - Small C&I	(46)				
28	COMMERCIAL - Medium C&I	(102)				
29	COMMERCIAL - Large C&I	(126)				
30	STREET LIGHTING	(16)				
31	Sub-Total		(694)			
32	Total Revenue - Roll Into Base Rates	L 10 to L 31	\$ 53,478			
33	Total Revenue - Adjustment to Revenue	L 1 to L 9		\$ 27,942		
34	Gross Receipts Tax				\$ (1,649)	
35	Net Revenue after GRT offset	L 33 + L 34				\$ 26,293
36	(Reflected on Taxes - Other Than Income Sch D-3, S-1)					
37	Equivalent from Expense Summary					(25,222)
38	Difference					\$ 1,071

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule D-5B
Witness: O'Brien
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Revenue Loss Adjustment

Line #	Description	Reference	[1]	[2]	[3]	[4]	[5]	[6]
			VARIABLE REVENUE				Pro Forma Adjustment	
			2019	2020	2021	2022		
<u>Total Pro Forma Variable Revenue</u>								
1	--Residential		\$ 180,244	\$ 177,449	\$ 174,702	\$ 172,376		
2	--Commercial		137,582	136,672	135,106	133,613		
3	--Industrial		31,178	31,208	30,848	30,511		
4	--Street Lighting & UMS		307	305	304	302		
5	Total	L 1 to L 6	<u>\$ 349,311</u>	<u>\$ 345,634</u>	<u>\$ 340,960</u>	<u>\$ 336,802</u>		
<u>Target Revenue Loss in 2020</u>								
6	--Residential			\$ (2,795)				
7	--Commercial			\$ (910)				
8	--Industrial			\$ 30				
9	--Street Lighting & UMS			\$ (2)				
10	Total	L 8 to L 13					\$ (3,677)	
<u>Target Revenue Loss in 2021</u>								
11	--Residential				\$ (5,542)			
12	--Commercial				\$ (2,476)			
13	--Industrial				\$ (330)			
14	--Street Lighting & UMS				\$ (3)			
15	Total	L 15 to L 20						(8,351)
<u>Target Revenue Loss in 2022</u>								
16	--Residential					\$ (7,868)		
17	--Commercial					\$ (3,969)		
18	--Industrial					\$ (667)		
19	--Street Lighting & UMS					\$ (5)		
20	Total	L 16 to L 19						(12,509)
21	Total Revenue Loss 2020 to 2022							<u>\$ (24,537)</u>
22	Average for Pro Forma Adjustment				<u>3</u>			<u>\$ (8,179)</u>

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule D-5C
Witness: O'Brien
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Revenue Annualization

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]
		Residential	Small C&I	Medium C&I	Large C&I	Street Lighting	Total
1	Test Year Distribution Revenue	\$ 505,450	\$ 62,812	\$ 129,072	\$ 110,776	\$ 13,351	\$ 821,461
2	Commodity Billings in Revenues	<u>160,506</u>	<u>21,253</u>	<u>41,198</u>	<u>10,181</u>	<u>984</u>	<u>234,122</u>
3	Revenues net of Commodity - Margin (L 1 - L 2)	<u>\$ 344,944</u>	<u>\$ 41,559</u>	<u>\$ 87,874</u>	<u>\$ 100,595</u>	<u>\$ 12,367</u>	<u>\$ 587,339</u>
4	Average Monthly Customers in TY	<u>534,285</u>	<u>43,356</u>	<u>10,964</u>	<u>849</u>	<u>5,526</u>	<u>594,980</u>
5	Average Annual Margin Per Customer (L 3 / L 4)	<u>\$ 0.646</u>	<u>\$ 0.959</u>	<u>\$ 8.015</u>	<u>\$ 118.486</u>	<u>\$ 2.238</u>	<u>\$ 0.987</u>
6	Number of Customers at End of Year	<u>535,468</u>	<u>43,274</u>	<u>10,956</u>	<u>849</u>	<u>5,529</u>	<u>596,076</u>
7	Increase in Customers during TY (L 6 - L 4)	<u>1,183</u>	<u>(82)</u>	<u>(8)</u>	<u>-</u>	<u>3</u>	<u>1,096</u>
8	Annualization of Revenue (L 5 * L 7)	<u>\$ 764</u>	<u>\$ (79)</u>	<u>\$ (64)</u>	<u>\$ -</u>	<u>\$ 7</u>	<u>\$ 628</u>

Duquesne Light Company
Future Test Year Revenue at Present Rates
12 Month Period Ending December 31, 2018 at Customer Shopping Levels

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Line	Rate Class	Average No Customers	Distribution Sales (KWh)	POLR Sales (KWh)	Base Distribution Present Rate Revenue	CAP Revenue Credit	Act 129 Energy Efficiency (EEC) Surcharge	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Retail Market Enhancement Surcharge Non-POR	Universal Service Charge	State Tax Adj Surcharge (STAS)	Distribution System Improvement Charge (DSIC)	Distribution (Sum Col F - N)	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Total Present Rate Revenue
1	RS	494,787	3,516,337,595	2,321,808,435	\$224,825,780	(\$11,120,868)	\$5,310,878	\$27,100,714	\$591,418	\$24,769	\$20,852,061	(\$369,104)	\$10,581,211	\$277,776,859	\$35,185,211	\$139,949,195	\$452,911,064
2	RH	34,486	376,315,425	303,918,623	\$18,935,297	(\$2,073,300)	\$593,545	\$1,881,639	\$41,223	\$1,719	\$2,068,774	(\$31,191)	\$892,483	\$22,340,189	\$2,518,562	\$18,252,855	\$43,111,904
3	RA	5,010	56,645,916	38,252,592	\$2,229,298	(\$81,610)	\$66,785	\$278,450	\$5,989	\$249	\$350,580	(\$3,901)	\$111,808	\$2,871,386	\$306,848	\$2,304,483	\$5,794,718
4	GS	23,037	96,600,175	67,492,153	\$8,238,661	\$0	\$91,493	\$1,402,785	\$42,895	\$1,151	\$0	(\$12,948)	\$370,487	\$10,134,524	\$771,984	\$4,065,580	\$14,972,088
5	GM<25	18,144	483,660,905	261,703,281	\$20,746,909	\$0	\$467,650	\$1,564,059	\$33,770	\$911	\$0	(\$30,213)	\$864,483	\$23,647,569	\$3,587,103	\$15,769,901	\$43,004,572
6	GM>25	9,927	2,280,468,741	610,871,859	\$66,267,068	\$0	\$2,832,754	\$855,941	\$117,848	\$497	\$0	(\$92,803)	\$2,655,375	\$72,636,681	\$7,383,901	\$36,808,193	\$116,828,775
7	GMH<25	2,184	36,776,594	23,581,693	\$1,982,633	\$0	\$36,056	\$172,612	\$4,066	\$110	\$0	(\$2,908)	\$83,195	\$2,275,765	\$261,182	\$1,419,946	\$3,956,894
8	GMH>25	1,037	228,974,695	72,892,296	\$6,299,607	\$0	\$255,184	\$81,992	\$12,317	\$52	\$0	(\$8,806)	\$251,962	\$8,892,308	\$762,556	\$4,389,680	\$12,044,544
9	GL	729	2,789,409,980	146,533,212	\$59,139,531	\$0	\$5,629,522	\$68,544	\$0	\$36	\$0	(\$96,159)	\$2,465,244	\$67,435,720	\$1,427,338	\$8,829,503	\$77,692,560
10	GLH	91	395,481,439	22,435,316	\$8,024,759	\$0	\$717,836	\$10,961	\$0	\$5	\$0	(\$11,563)	\$331,706	\$9,073,673	\$236,670	\$1,351,452	\$10,661,795
11	L	26	1,254,996,306	0	\$19,373,898	\$0	\$1,063,190	\$5,829	\$0	\$1	\$0	(\$27,074)	\$774,690	\$21,190,506	\$0	\$0	\$21,190,506
12	HVPS	3	1,150,640,608	0	\$391,571	\$0	\$633,056	\$376	\$0	\$0	\$0	(\$1,357)	\$38,841	\$1,062,487	\$0	\$0	\$1,062,487
13	AL	3	108,419	3,665	\$878	\$0	\$0	\$165	\$0	\$1	\$0	(\$1)	\$40	\$1,082	\$11	\$221	\$1,314
14	SE	1	24,530,984	0	\$1,350,746	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,789)	\$51,185	\$1,400,143	\$0	\$0	\$1,400,143
15	SM	174	26,301,414	12,330,229	\$9,086,731	\$0	\$0	\$0	\$0	\$44	\$0	(\$12,034)	\$344,333	\$9,419,073	\$34,943	\$645,734	\$10,099,750
16	SH	13	862,577	\$104,275	\$0	\$0	\$0	\$0	\$0	\$3	\$0	(\$138)	\$3,951	\$108,081	\$2,271	\$40,441	\$150,803
17	UMS	5,522	19,526,035	3,290,932	\$970,081	\$0	\$0	\$0	\$0	\$1,360	\$0	(\$1,287)	\$36,812	\$1,008,987	\$22,537	\$197,664	\$1,227,189
18	PAL	811	2,782,096	2,144,064	\$418,738	\$0	\$0	\$0	\$0	\$202	\$0	(\$555)	\$15,875	\$434,280	\$5,757	\$102,003	\$542,030
19	Total	595,989	12,750,429,905	3,887,510,826	\$448,380,402	(\$13,275,780)	\$17,916,748	\$33,444,067	\$849,527	\$31,130	\$23,301,415	(\$689,859)	\$19,853,452	\$529,807,102	\$52,708,874	\$234,128,850	\$816,642,825
20	Other Electric Revenue																
21	Sales for Resale (Acct 447)																
22	Late Payment/Returned Check Charges (Acct 450)																
23	Reconnect Fees-PJM Office (Acct 451)																
24	Rent Electric Property (Acct 454)																
25	Other Revenue (Acct 456)																
26	Utility Operations (Acct 417)																
27	Transmission - EGS (Acct 456)																
28	Transmission - Wholesale (Acct 456)																
29	Transmission - Tax Norm																
30	Subtotal Other Revenue																
31	Total Operating Revenue																

Duquesne Light Company
Adjusted Future Test Year Revenue at Present Rates
12 Month Period Ending December 31, 2018 at Customer Shopping Levels

A	B	C	D	E	F	G	H	I	J	K	L
Line	Rate Class	Distribution Present Rate Revenue	State Tax Adj Surcharge (STAS)	Distribution (Sum Col C - D)	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Distribution System Improvement Charge (DSIC)	Surcharge Adjusted Distribution (Sum Col E - H)	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Adjusted Present Rate Revenue
1	RS	\$224,825,780	(\$369,104)	\$224,456,676	\$27,100,714	\$591,418	\$10,561,211	\$262,710,019	\$35,185,211	\$139,949,195	\$437,844,425
2	RH	\$18,935,297	(\$31,191)	\$18,904,106	\$1,881,639	\$41,223	\$892,483	\$21,719,450	\$2,518,562	\$18,252,855	\$42,490,867
3	RA	\$2,223,238	(\$3,901)	\$2,219,337	\$278,450	\$5,989	\$111,608	\$2,615,383	\$508,848	\$2,304,483	\$5,428,715
4	GS	\$8,238,661	(\$12,948)	\$8,225,713	\$1,402,785	\$42,895	\$370,487	\$10,041,880	\$771,984	\$4,065,580	\$14,879,444
5	GM<25	\$20,746,909	(\$30,213)	\$20,716,696	\$1,564,059	\$33,770	\$864,483	\$23,179,009	\$3,587,103	\$15,769,901	\$42,536,012
6	GM>25	\$66,267,068	(\$92,803)	\$66,174,266	\$855,941	\$117,848	\$2,655,375	\$69,803,430	\$7,383,901	\$36,808,193	\$113,995,524
7	GMH<25	\$1,982,633	(\$2,908)	\$1,979,726	\$172,612	\$4,066	\$83,195	\$2,239,599	\$261,182	\$1,419,946	\$3,920,728
8	GMH>25	\$6,299,607	(\$8,806)	\$6,290,801	\$81,992	\$12,317	\$251,962	\$6,637,072	\$762,556	\$4,389,680	\$11,789,308
9	GL	\$59,139,531	(\$86,158)	\$59,053,373	\$88,544	\$0	\$2,465,244	\$61,607,161	\$1,427,338	\$8,829,503	\$71,864,002
10	GLH	\$8,024,759	(\$11,593)	\$8,013,166	\$10,961	\$0	\$331,706	\$8,355,833	\$236,670	\$1,351,452	\$9,943,954
11	L	\$19,373,898	(\$27,074)	\$19,346,825	\$5,829	\$0	\$774,660	\$20,127,314	\$0	\$0	\$20,127,314
12	HVPS	\$391,571	(\$1,357)	\$390,213	\$376	\$0	\$38,841	\$429,431	\$0	\$0	\$429,431
13	AL	\$878	(\$1)	\$877	\$165	\$0	\$40	\$1,081	\$11	\$221	\$1,313
14	SE	\$1,350,746	(\$1,789)	\$1,348,958	\$0	\$0	\$51,185	\$1,400,142	\$0	\$0	\$1,400,142
15	SM	\$9,086,731	(\$12,034)	\$9,074,697	\$0	\$0	\$344,333	\$9,419,029	\$34,943	\$645,734	\$10,099,706
16	SH	\$104,275	(\$138)	\$104,136	\$0	\$0	\$3,951	\$108,088	\$2,271	\$40,441	\$150,800
17	UMS	\$970,081	(\$1,287)	\$968,795	\$0	\$0	\$36,812	\$1,005,607	\$22,537	\$197,664	\$1,225,809
18	PAL	\$418,738	(\$555)	\$418,183	\$0	\$0	\$15,875	\$434,058	\$5,757	\$102,003	\$541,818
19	Total	\$448,380,402	(\$693,859)	\$447,686,543	\$33,444,067	\$849,527	\$19,853,452	\$501,833,589	\$52,708,874	\$234,126,850	\$788,669,312
20	<u>Other Electric Revenue</u>										
21	Sales for Resale (Acct 447)									\$1,400,000	\$1,400,000
22	Late Payment/Returned Check Charges (Acct 450)	\$3,702,850		\$3,702,850				\$3,702,850			\$3,702,850
23	Reconnect Fees/PJM Office (Acct 451)	\$945,730		\$945,730				\$945,730	\$696,000		\$1,641,730
24	Rent Electric Property (Acct 454)	\$10,021,797		\$10,021,797				\$10,021,797			\$10,021,797
25	Other Revenue (Acct 456)	\$376,459		\$376,459				\$376,459			\$376,459
26	Utility Operations (Acct 417)	\$142,236		\$142,236				\$142,236			\$142,236
27	Revenue Annualization	\$628,175		\$628,175				\$628,175			\$628,175
28	Revenue Loss Adjustment	(\$8,178,956)		(\$8,178,956)				(\$8,178,956)			(\$8,178,956)
29	Transmission - EGS (Acct 456)								\$80,864,161		\$80,864,161
30	Transmission - Wholesale (Acct 456)								\$2,478,801		\$2,478,801
31	Transmission - Tax Norm								\$1,141,000		\$1,141,000
32	Subtotal Other Revenue	\$7,638,292	\$0	\$7,638,292	\$0	\$0	\$0	\$7,638,292	\$85,179,962	\$1,400,000	\$94,218,254
33	Total Operating Revenue	\$456,018,694	(\$693,859)	\$455,324,835	\$33,444,067	\$849,527	\$19,853,452	\$509,471,881	\$137,888,836	\$235,526,850	\$882,887,586

Duquesne Light Company
Future Test Year at Proposed Distribution Rates
12 Month Period Ending December 31, 2018 at Customer Shopping Levels

A	B	C	D	E	F	G	H	I	J	
Line	Rate Class	Distribution Revenue at Proposed Rates	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Total Proposed Rate Revenue (Sum Col. C - E)	Total Revenue Change	Total Percent Change	Distribution Revenue Change	Distribution Percent Change	
1	RS	\$311,486,323	\$35,185,211	\$139,949,195	\$486,620,729	\$48,776,304	11.1%	\$48,776,304	18.6%	
2	RH	\$25,954,672	\$2,518,562	\$18,252,855	\$46,726,089	\$4,235,222	10.0%	\$4,235,222	19.5%	
3	RA	\$3,100,978	\$508,848	\$2,304,483	\$5,914,309	\$485,594	8.9%	\$485,594	18.6%	
4	GS	\$11,521,603	\$771,984	\$4,065,580	\$16,359,167	\$1,479,723	9.9%	\$1,479,723	14.7%	
5	GM<25	\$27,427,807	\$3,587,103	\$15,789,901	\$46,784,810	\$4,248,798	10.0%	\$4,248,798	18.3%	
6	GM>25	\$78,266,949	\$7,383,901	\$36,808,193	\$122,459,043	\$8,463,519	7.4%	\$8,463,519	12.1%	
7	GMH<25	\$2,607,331	\$261,182	\$1,419,946	\$4,288,460	\$367,732	9.4%	\$367,732	16.4%	
8	GMH>25	\$8,157,377	\$762,556	\$4,389,680	\$13,309,613	\$1,520,305	12.9%	\$1,520,305	22.9%	
9	GL	\$68,761,611	\$1,427,338	\$8,829,503	\$79,018,451	\$7,154,450	10.0%	\$7,154,450	11.6%	
10	GLH	\$9,789,174	\$236,670	\$1,351,452	\$11,377,295	\$1,433,341	14.4%	\$1,433,341	17.2%	
11	L	\$22,384,295	\$0	\$0	\$22,384,295	\$2,256,981	11.2%	\$2,256,981	11.2%	
12	HVPS	\$827,469	\$0	\$0	\$827,469	\$398,038	92.7%	\$398,038	92.7%	
13	AL	\$1,051	\$11	\$221	\$1,283	(\$30)	-2.3%	(\$30)	-2.8%	
14	SE	\$1,413,911	\$0	\$0	\$1,413,911	\$13,768	1.0%	\$13,768	1.0%	
15	SM	\$9,529,337	\$34,943	\$645,734	\$10,210,014	\$110,308	1.1%	\$110,308	1.2%	
16	SH	\$109,362	\$2,271	\$40,441	\$152,073	\$1,274	0.8%	\$1,274	1.2%	
17	UMS	\$913,026	\$22,537	\$197,664	\$1,133,228	(\$92,581)	-7.6%	(\$92,581)	-9.2%	
18	PAL	\$439,109	\$5,757	\$102,003	\$546,869	\$5,051	0.9%	\$5,051	1.2%	
19	Total	\$582,691,385	\$52,708,874	\$234,126,850	\$869,527,109	\$80,857,797	10.3%	\$80,857,797	16.1%	
20	<u>Other Electric Revenue</u>									
21	Sales for Resale (Acct 447)			\$1,400,000	\$1,400,000	\$0		\$0		
22	Late Payment/Returned Check Charges (Acct 450)	\$3,702,850			\$3,702,850	\$0		\$0		
23	Reconnect Fees/PJM Office (Acct 451)	\$945,730	\$696,000		\$1,641,730	\$0		\$0		
24	Rent Electric Property (Acct 454)	\$10,021,797			\$10,021,797	\$0		\$0		
25	Other Revenue (Acct 456)	\$376,459			\$376,459	\$0		\$0		
26	Utility Operations (Acct. 417)	\$142,236			\$142,236	\$0		\$0		
27	Revenue Annualization	\$628,175			\$628,175	\$0		\$0		
28	Revenue Loss Adjustment	(\$8,178,956)			(\$8,178,956)	\$0		\$0		
29	Transmission - EGS (Acct 456)		\$80,864,161		\$80,864,161	\$0		\$0		
30	Transmission - Wholesale (Acct 456)		\$2,478,801		\$2,478,801	\$0		\$0		
31	Transmission - Tax Norm		\$1,141,000		\$1,141,000	\$0		\$0		
32	Subtotal Other Revenue	\$7,638,292	\$85,179,962	\$1,400,000	\$94,218,254	\$0		\$0		
33	Total Operating Revenue	\$590,329,677	\$137,888,836	\$235,526,850	\$963,745,363	\$80,857,797	9.2%	\$80,857,797	15.9%	

Duquesne Light Company
 Future Test Year Revenue at Present Rates
 12 Month Period Ending December 31, 2018 Assuming No Customer Shopping (i.e. 100% Default Service Load)

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
Line	Rate Class	Average No Customers	Distribution Sales (kWh)	100% POLR Sales (kWh)	Base Distribution Present Rate Revenue	CAP Revenue Credit	Act 129 Energy Efficiency (EECDR) Surcharge	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Retail Market Enhancement Surcharge Non-POR	Universal Service Charge	State Tax Adj Surcharge (STAS)	Distribution System Improvement Charge (DSIC)	Distribution (Sum Col F - N)	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Total Present Rate Revenue
1	RS	494,787	3,516,337,595	3,516,337,595	\$224,825,780	(\$11,120,869)	\$5,310,678	\$27,100,714	\$591,418	\$24,769	\$20,852,061	(\$369,104)	\$10,561,211	\$277,776,659	\$53,288,481	\$211,950,568	\$543,015,707
2	RH	34,488	376,315,425	376,315,425	\$18,935,297	(\$2,073,300)	\$593,545	\$1,881,639	\$41,223	\$1,719	\$2,098,774	(\$31,191)	\$892,483	\$22,340,188	\$3,124,680	\$22,645,596	\$48,110,463
3	RA	5,010	56,645,916	56,645,916	\$2,223,238	(\$81,610)	\$86,785	\$278,450	\$5,989	\$249	\$350,580	(\$3,901)	\$111,608	\$2,971,386	\$753,522	\$3,412,567	\$7,137,476
4	GS	23,037	96,600,175	96,600,175	\$8,238,661	\$0	\$91,493	\$1,402,785	\$42,895	\$1,151	\$0	(\$12,948)	\$370,487	\$10,134,524	\$1,104,884	\$5,935,514	\$17,174,921
5	GM<25	18,144	483,660,905	483,660,905	\$20,746,909	\$0	\$467,650	\$1,564,059	\$33,770	\$911	\$0	(\$30,213)	\$864,483	\$23,647,569	\$6,626,532	\$27,067,746	\$57,341,847
6	GM>25	9,927	2,280,468,741	2,280,468,741	\$66,267,068	\$0	\$2,832,754	\$655,941	\$117,848	\$497	\$0	(\$92,803)	\$2,655,375	\$72,636,681	\$27,553,516	\$136,588,641	\$236,778,838
7	GMM<25	2,184	36,776,594	36,776,594	\$1,982,633	\$0	\$36,056	\$172,612	\$4,066	\$110	\$0	(\$2,908)	\$83,195	\$2,275,765	\$407,392	\$2,214,466	\$4,897,624
8	GMM>25	1,037	228,974,695	228,974,695	\$6,299,607	\$0	\$255,184	\$81,992	\$12,317	\$52	\$0	(\$8,806)	\$251,962	\$6,892,308	\$2,397,872	\$13,717,383	\$23,007,563
9	GL	729	2,799,409,980	2,799,409,980	\$59,139,531	\$0	\$5,828,522	\$88,544	\$0	\$36	\$0	(\$86,158)	\$2,465,244	\$67,435,720	\$26,703,522	\$167,513,581	\$261,652,824
10	GLH	91	395,481,439	395,481,439	\$8,024,759	\$0	\$717,836	\$10,961	\$0	\$5	\$0	(\$11,593)	\$331,706	\$9,073,673	\$4,174,072	\$23,665,170	\$36,912,915
11	L	26	1,254,996,306	1,254,996,306	\$19,373,898	\$0	\$1,063,190	\$5,829	\$0	\$1	\$0	(\$27,074)	\$774,680	\$21,190,506	\$9,181,647	\$75,097,584	\$105,469,736
12	HVPS	3	1,150,640,608	1,150,640,608	\$391,571	\$0	\$633,056	\$376	\$0	\$0	\$0	(\$1,357)	\$38,841	\$1,062,487	\$6,809,886	\$68,853,055	\$76,725,428
13	AL	3	108,419	108,419	\$878	\$0	\$0	\$165	\$0	\$1	\$0	(\$1)	\$333	\$1,082	\$333	\$6,531	\$7,946
14	SE	1	24,530,984	24,530,984	\$1,350,746	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,789)	\$51,185	\$1,400,143	\$18,847	\$1,477,885	\$2,896,875
15	SM	174	26,301,414	26,301,414	\$9,086,731	\$0	\$0	\$0	\$0	\$44	\$0	(\$12,034)	\$344,333	\$9,419,073	\$74,536	\$1,377,406	\$10,871,014
16	SH	13	862,577	862,577	\$104,275	\$0	\$0	\$0	\$0	\$3	\$0	(\$138)	\$3,951	\$108,091	\$2,271	\$40,441	\$150,803
17	UMS	5,522	19,526,035	19,526,035	\$970,081	\$0	\$0	\$0	\$0	\$1,380	\$0	(\$1,287)	\$36,812	\$1,006,987	\$134,126	\$482,836	\$1,623,951
18	PAL	811	2,792,096	2,792,096	\$418,738	\$0	\$0	\$0	\$0	\$202	\$0	(\$555)	\$15,875	\$434,260	\$7,497	\$132,832	\$574,590
19	Total	595,969	12,750,429,905	12,750,429,905	\$448,380,402	(\$13,275,780)	\$17,916,748	\$33,444,067	\$849,527	\$31,130	\$23,301,415	(\$693,859)	\$19,853,452	\$529,807,102	\$142,363,619	\$762,179,803	\$1,434,350,524
20	Other Electric Revenue																
21	Sales for Resale (Acct 447)																
22	Late Payment/Returned Check Charges (Acct 450)																
23	Reconnect Fees/PJM Office (Acct 451)																
24	Rent Electric Property (Acct 454)																
25	Other Revenue (Acct 456)																
26	Utility Operations (Acct 417)																
27	Transmission - EGS (Acct 456)																
28	Transmission - Wholesale (Acct 456)																
29	Transmission - Tax Norm																
30	Subtotal Other Revenue																
31	Total Operating Revenue																

Duquesne Light Company
Adjusted Future Test Year Revenue at Present Rates
12 Month Period Ending December 31, 2018 Assuming No Customer Shopping (i.e. 100% Default Service Load)

A	B	C	D	E	F	G	H	I	J	K	L
Line	Rate Class	Distribution Present Rate Revenue	State Tax Adj Surcharge (STAS)	Distribution (Sum Col C - D)	Act 129 Smart Meter Surcharge	Retail Market Enhancement Surcharge POR	Distribution System Improvement Charge (DSIC)	Surcharge Adjusted Distribution (Sum Col E - H)	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Adjusted Present Rate Revenue
1	RS	\$224,825,780	(\$369,104)	\$224,456,676	\$27,100,714	\$591,418	\$10,561,211	\$262,710,019	\$53,288,481	\$211,950,568	\$527,949,068
2	RH	\$18,935,297	(\$31,191)	\$18,904,106	\$1,881,639	\$41,223	\$892,483	\$21,719,450	\$3,124,680	\$22,645,596	\$47,489,726
3	RA	\$2,223,238	(\$3,901)	\$2,219,337	\$278,450	\$5,989	\$111,608	\$2,615,383	\$753,522	\$3,412,567	\$6,781,473
4	GS	\$8,238,661	(\$12,948)	\$8,225,713	\$1,402,785	\$42,895	\$370,487	\$10,041,880	\$1,104,884	\$5,935,514	\$17,082,278
5	GM<25	\$20,746,909	(\$30,213)	\$20,716,696	\$1,564,059	\$33,770	\$864,483	\$23,179,009	\$6,626,532	\$27,067,746	\$56,873,287
6	GM>25	\$66,267,068	(\$92,803)	\$66,174,266	\$855,941	\$117,848	\$2,655,375	\$69,803,430	\$27,553,516	\$136,588,641	\$233,945,588
7	GMH<25	\$1,982,633	(\$2,908)	\$1,979,726	\$172,612	\$4,066	\$83,195	\$2,239,599	\$407,392	\$2,214,466	\$4,861,458
8	GMH>25	\$6,299,607	(\$8,806)	\$6,290,801	\$81,992	\$12,317	\$251,962	\$6,637,072	\$2,397,872	\$13,717,383	\$22,752,328
9	GL	\$59,139,531	(\$86,158)	\$59,053,373	\$88,544	\$0	\$2,465,244	\$61,607,161	\$26,703,522	\$167,513,581	\$255,824,265
10	GLH	\$8,024,759	(\$11,593)	\$8,013,166	\$10,961	\$0	\$331,706	\$8,355,833	\$4,174,072	\$23,665,170	\$36,195,075
11	L	\$19,373,898	(\$27,074)	\$19,346,825	\$5,829	\$0	\$774,660	\$20,127,314	\$9,181,647	\$75,097,584	\$104,406,545
12	HVPS	\$391,571	(\$1,357)	\$390,213	\$376	\$0	\$38,841	\$429,431	\$6,809,886	\$68,853,055	\$76,092,372
13	AL	\$878	(\$1)	\$877	\$165	\$0	\$40	\$1,081	\$333	\$6,531	\$7,945
14	SE	\$1,350,746	(\$1,789)	\$1,348,958	\$0	\$0	\$51,185	\$1,400,142	\$18,847	\$1,477,885	\$2,896,875
15	SM	\$9,086,731	(\$12,034)	\$9,074,697	\$0	\$0	\$344,333	\$9,419,029	\$74,536	\$1,377,406	\$10,870,971
16	SH	\$104,275	(\$138)	\$104,136	\$0	\$0	\$3,951	\$108,088	\$2,271	\$40,441	\$150,800
17	UMS	\$970,081	(\$1,287)	\$968,795	\$0	\$0	\$36,812	\$1,005,607	\$134,128	\$482,836	\$1,622,571
18	PAL	\$418,738	(\$555)	\$418,183	\$0	\$0	\$15,875	\$434,058	\$7,497	\$132,832	\$574,388
19	Total	\$448,380,402	(\$693,859)	\$447,686,543	\$33,444,067	\$849,527	\$19,853,452	\$501,833,589	\$142,363,619	\$762,179,803	\$1,406,377,011
20	Other Electric Revenue										
21	Sales for Resale (Acct 447)									\$1,400,000	\$1,400,000
22	Late Payment/Returned Check Charges (Acct 450)	\$3,702,850		\$3,702,850				\$3,702,850			\$3,702,850
23	Reconnect Fees/PJM Office (Acct 451)	\$945,730		\$945,730				\$945,730	\$696,000		\$1,641,730
23	Rent Electric Property (Acct 454)	\$10,021,797		\$10,021,797				\$10,021,797			\$10,021,797
24	Other Revenue (Acct 456)	\$376,459		\$376,459				\$376,459			\$376,459
25	Utility Operations (Acct 417)	\$142,236		\$142,236				\$142,236			\$142,236
26	Revenue Annualization	\$628,175		\$628,175				\$628,175			\$628,175
26	Revenue Loss Adjustment	(\$8,178,956)		(\$8,178,956)				(\$8,178,956)			(\$8,178,956)
27	Transmission - EGS (Acct 456)								\$0		\$0
28	Transmission - Wholesale (Acct 456)								\$2,478,801		\$2,478,801
29	Transmission - Tax Norm								\$1,141,000		\$1,141,000
29	Subtotal Other Revenue	\$7,638,292	\$0	\$7,638,292	\$0	\$0	\$0	\$7,638,292	\$4,315,801	\$1,400,000	\$13,354,093
30	Total Operating Revenue	\$456,018,694	(\$693,859)	\$455,324,835	\$33,444,067	\$849,527	\$19,853,452	\$509,471,881	\$146,679,420	\$763,579,803	\$1,419,731,104

Duquesne Light Company
Future Test Year at Proposed Distribution Rates
12 Month Period Ending December 31, 2018 Assuming No Customer Shopping (i.e. 100% Default Service Load)

A	B	C	D	E	F	G	H	I	J
Line	Rate Class	Distribution Revenue at Proposed Rates	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Total Proposed Rate Revenue (Sum Col C - E)	Total Revenue Change	Total Percent Change	Distribution Revenue Change	Distribution Percent Change
1	RS	\$311,486,323	\$53,288,481	\$211,950,568	\$576,725,372	\$48,776,304	9.2%	\$48,776,304	18.6%
2	RH	\$25,954,672	\$3,124,680	\$22,645,596	\$51,724,948	\$4,235,222	8.9%	\$4,235,222	19.5%
3	RA	\$3,100,978	\$753,522	\$3,412,567	\$7,267,067	\$485,594	7.2%	\$485,594	18.6%
4	GS	\$11,521,603	\$1,104,884	\$5,935,514	\$18,562,001	\$1,479,723	8.7%	\$1,479,723	14.7%
5	GM<25	\$27,427,807	\$6,626,532	\$27,067,746	\$61,122,085	\$4,248,798	7.5%	\$4,248,798	18.3%
6	GM>25	\$78,266,949	\$27,553,516	\$136,588,641	\$242,409,107	\$8,463,519	3.6%	\$8,463,519	12.1%
7	GMH<25	\$2,607,331	\$407,392	\$2,214,466	\$5,229,189	\$367,732	7.6%	\$367,732	16.4%
8	GMH>25	\$8,157,377	\$2,397,872	\$13,717,383	\$24,272,632	\$1,520,305	6.7%	\$1,520,305	22.9%
9	GL	\$68,761,611	\$26,703,522	\$167,513,581	\$262,978,715	\$7,154,450	2.8%	\$7,154,450	11.6%
10	GLH	\$9,789,174	\$4,174,072	\$23,665,170	\$37,628,416	\$1,433,341	4.0%	\$1,433,341	17.2%
11	L	\$22,384,295	\$9,181,647	\$75,097,584	\$106,663,526	\$2,256,981	2.2%	\$2,256,981	11.2%
12	HVPS	\$827,469	\$6,809,886	\$68,853,055	\$76,490,410	\$398,038	0.5%	\$398,038	92.7%
13	AL	\$1,051	\$333	\$6,531	\$7,915	(\$30)	-0.4%	(\$30)	-2.8%
14	SE	\$1,413,911	\$18,847	\$1,477,885	\$2,910,643	\$13,768	0.5%	\$13,768	1.0%
15	SM	\$9,529,337	\$74,536	\$1,377,406	\$10,981,279	\$110,308	1.0%	\$110,308	1.2%
16	SH	\$109,362	\$2,271	\$40,441	\$152,073	\$1,274	0.8%	\$1,274	1.2%
17	UMS	\$913,026	\$134,128	\$482,836	\$1,529,990	(\$92,581)	-5.7%	(\$92,581)	-9.2%
18	PAL	\$439,109	\$7,497	\$132,832	\$579,439	\$5,051	0.9%	\$5,051	1.2%
19	Total	\$582,691,385	\$142,363,619	\$762,179,803	\$1,487,234,807	\$80,857,797	5.7%	\$80,857,797	16.1%
20	Other Electric Revenue:								
21	Sales for Resale (Acct 447)			\$1,400,000	\$1,400,000	\$0		\$0	
22	Late Payment/Returned Check Charges (Acct 450)	\$3,702,850			\$3,702,850	\$0		\$0	
23	Reconnect Fees/PJM Office (Acct. 451)	\$945,730	\$696,000		\$1,641,730	\$0		\$0	
24	Rent Electric Property (Acct 454)	\$10,021,797			\$10,021,797	\$0		\$0	
25	Other Revenue (Acct 456)	\$376,459			\$376,459	\$0		\$0	
26	Utility Operations (Acct 417)	\$142,236			\$142,236	\$0		\$0	
27	Revenue Annualization	\$628,175			\$628,175	\$0		\$0	
28	Revenue Loss Adjustment	(\$8,178,956)			(\$8,178,956)	\$0		\$0	
29	Transmission - EGS (Acct 456)		\$0		\$0	\$0		\$0	
30	Transmission - Wholesale (Acct. 456)		\$2,478,801		\$2,478,801	\$0		\$0	
31	Transmission - Tax Norm		\$1,141,000		\$1,141,000	\$0		\$0	
32	Subtotal Other Revenue	\$7,638,292	\$3,174,801	\$1,400,000	\$12,213,093	\$0		\$0	
33	Total Operating Revenue	\$590,329,677	\$145,538,420	\$763,579,803	\$1,499,447,901	\$80,857,797	5.7%	\$80,857,797	15.9%

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)

Schedule D-6A
Witness: O'Brien
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Remove Surcharge Revenue Related Expenses

Line #	Description	[1] Reference Or Account Number	[2] Consumer Education	[3] Universal Service	[4] Smart Meter	[5] EECDR Surcharge	[6]	[7]	[8] Total Cost Element Update Adjustment Sum [2] to [7]
<u>COST ELEMENT</u>									
1	Straight-Time Labor	10	\$ -	\$ -	\$ -	\$ 426	\$ -		\$ 426
2	Building Rents	14	-	-	-	-	-		-
3	Incentive Compensation	15	-	-	-	15	-		15
4	Materials Purchased	23	-	9	-	14	-		23
5	Employee Expenses	51	-	-	-	8	-		8
6	Surcharge Revenue Offset	53	-	8,417	-	16,805	-		25,222
7	Hardware/Software Maintenance	58	-	-	-	-	-		-
8	Professional Services	59	-	4,601	-	14,217	-		18,818
9	Uncollectible Accounts	65	-	3,805	-	-	-		3,805
10	Business Meals	75 / 76	-	2	-	3	-		5
11	TOTAL	Sum L 1 to L 10	-	16,834	-	31,488	-		48,322
12	Deferred Costs	66	-	(8,417)	-	(14,683)	-		(23,100)
13	Difference	L 11 + L 12	\$ -	\$ 8,417	\$ -	\$ 16,805	\$ -		\$ 25,222
<u>FERC ACCOUNTS</u>									
14	Customer Records & Collection Expense	903							\$ 17,968
15	Customer Assistance	908							6,978
16	Administrative and General Salaries	920							19
17	Office Supplies and Expense	921							225
18	Outside Services Employed	923							22
19	Miscellaneous General Expense	930							10
20	TOTAL								\$ 25,222

Duquesne Light Company
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(\$ in Thousands)

Schedule D-6A
Witness: O'Brien
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Update Purchased Energy Expenses

Line #	Description	[1] Rate	[2] Amount	[3] Business Plan	[4] Revenue Update	[5] Adjustment
1	Generation Revenue			\$ 234,127	\$ 234,127	
2	Gross Receipts Tax	5.90%		13,813	13,813	
3	Revenue To Generation Expense	L 1 - L 2		220,314	220,314	
4	CWC Allowance		\$ 9,616			
5	Pre Tax ROR		<u>0.106</u>			
6	CWC Revenue Allowance	L 4 * L 5			<u>1,019</u>	
7	Base Generation Expense	L 3 - L 6		220,314	219,295	
8	Sales For Resale			1,400	1,400	
9	Generation Expense	L 7 + L 8		<u>\$ 221,714</u>	<u>\$ 220,695</u>	
10	Adjustment for Generation Revenue	[4] - [3]				<u>\$ (1,019)</u>

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SCHEDULE D-7
Witness: O'Brien
PAGE 1 of 2

ADJUSTMENT—SALARY & WAGES
Adjustment # 7

Line #	Description	[1] Account Number	[2] Budgeted Year 3/31/14	[3] Redistribute General Categories	[4] Payroll As Distributed	[5] Total Pro Forma Payroll	[6] Adjustment
OPERATIONS							
1	Production	500-509	\$ -		\$ -	\$ -	\$ -
2	Generation	546-550	-		-	-	-
3	Transmission	560-567	4,793		4,793	113	4,906
4	Distribution	580-589	11,309		11,309	267	11,577
5	Customer Accounts	901-905	12,847		12,847	304	13,151
6	Customer service and information	907-910	35		35	1	36
7	Sales	911-916	-		-	-	-
8	Administration and general	920-931	26,590		26,590	629	27,219
9	Total Operations	Sum L 1 to L 8	<u>55,574</u>	<u>-</u>	<u>55,574</u>	<u>1,314</u>	<u>56,888</u>
MAINTENANCE							
10	Production	510-514	-		-	-	-
11	Generation	551-557	-		-	-	-
12	Transmission	568-573	2,289		2,289	54	2,343
13	Distribution	590-598	11,843		11,843	280	12,124
14	Administration and general	935	3,604		3,604	85	3,689
15	Total Maintenance	Sum L 10 to L 14	<u>17,736</u>	<u>-</u>	<u>17,736</u>	<u>420</u>	<u>18,156</u>
16	Total Direct Payroll	L 9 + L 15	73,310	-	73,310	\$ 1,734	\$ 75,044
17	Percent Increase	L 16, C 5 / C 4					<u>2 365%</u>
OTHER							
18	Construction	107	-		-	-	-
19	Plant removal	108	-		-	-	-
20	Stores Accounts	163	-		-	-	-
21	Accrued Utility Revenue	173	-		-	-	-
22	Misc. Current & Accrued Assets	174	-		-	-	-
23	Deferred Debits	186	-		-	-	-
24	Misc Current & Accrued Liabilities	242	-		-	-	-
25	Donations	426	-		-	-	-
26	Total To "Cleanng"		-		-	-	-
27	TOTAL PAYROLL	Sum L 16 to L 26	<u>\$ 73,310</u>	<u>\$ -</u>	<u>\$ 73,310</u>	<u>2 365%</u>	<u>\$ 75,044</u>

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SCHEDULE D-7
Witness: O'Brien
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ADJUSTMENT---SALARY & WAGES								
Adjustment # 7								
Line #	Description	[1] Reference Or Function	[2] Union	[3] Non-Union	[4] Annualized Amounts	[5] Amount	[6] Amount	[7] Pro Forma Total Payroll
1	Budget O&M Base PR Expense for FTY	52 / 48	\$ 35,360	\$ 32,640	\$ 68,000			
2	Budget O&M Overtime PR Expense for FTY	80 / 20	4,248	1,062	5,310			
3	Total O&M Budget PR Expense	L 1 + L 2	39,608	33,702	73,310			
4	Pro Forma Rate Increase 10/1/18		3 00%					
5	Pro Forma Rate Increase 1/1/19			2 50%				
6	Number of Months for Annualization		9	12				
7	Pro Forma Dunning FTY	L3*(L4 or 5)*L6/12	\$ 891	\$ 843	1,734			
8	Pro Forma Rate Increase 10/1/19		0 00%					
9	Number of Months		0					
10	Annualization Adjustment	(L3+L7)*L8*L12/12	\$ -		-			
11	Total Pro Forma - Existing Employees	[4] L 3 + L 8					\$ 75,044	
<u>Pro Forma For New Employees</u>								
12	Changes to Employee Numbers		-	-				
13	Changes to Employee Numbers							
14	Total New Employees - On Company List	L 10 + L 11				\$ -		
15	Increase for Overtime	L 2 / L 1 * L 10	-	-		-		
16	Sub-Total -- Total Pay at Present Rates	Sum L 10 to L 13	-	-		-		
17	Increase for Pay Rates	L 4 or L 5 * L 14	-	-		-		
18	Pro Forma Increase for Change in Employees	L 14 + L 15	-	-		-		
19	Total Pro Forma Payroll	L 7 + L 16	\$ 891	\$ 843			\$ 75,044	
20	Total O&M Budget PR Expense	[3] L 3					73,310	
21	Payroll Increase	[6] L 17 - L 18						\$ 1,734
22	Percent Increase	L 19 / L 18						2 365%

Duquesne Light Company
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SCHEDULE D-8
Witness: O'Brien
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ADJUSTMENT--RATE CASE EXPENSE
Adjustment # 8

Line #	Description	[1] Reference	[2] Amount	[3] Amount	[4] Sub-Total	[5] Total
<u>RATE CASE FOR NORMALIZATION</u>						
<u>EXPENDITURES TO 12-31-17</u>						
1	Expended Recorded in 2017		\$ 182			
2	Estimated Worked by not billed at 12-31-17		100			
3	Total Through 12-31-17	L 1 + L 2		282		
<u>EXPENDITURES DURING FTY Ended 12-31-18</u>						
4	Estimated Expenditures		1,690			
5	Sub-Total	Line 4		1,690		
<u>TOTAL EXPENDITURES FOR RATE FILING</u>						
6	Total Rate Case	L 3 + L 5			<u>\$ 1,972</u>	
7	Normalization Period [A]	Years	<u>3</u>			
8	Normalization Expense per Year	L 6 / L 7				\$ 657
9	Expense included in FTY Expense					-
10	Normalization Adjustment	L 8 - L 9				<u>\$ 657</u>

[A] Time between rate cases - Next Case planned for April 2021 with rates effective 1-1-22

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SCHEDULE D-9
Witness: O'Brien
PAGE 1 of 2

ADJUSTMENT---EMPLOYEE BENEFITS AND PENSION
Adjustment # 9

Line #	Description	[1] Reference	[2] Pension Contribution Payments To Capital	[3] Pension Contribution Payments To Expense	[4] Amount	[5] Total
<u>PENSION COSTS</u>						
1	Contribution - Year Ended 12/31/18		\$ 23,000			
2	Contribution - Year Ended 12/31/19		10,000			
3	Contribution - Year Ended 12/31/20		10,000			
4	Total	L 1 to L 3	<u>\$ 43,000</u>			
5	Number of Years for FTY Average	<u>3</u>				
6	Average for FTY		<u>\$ 14,333</u>			
7	Pension Capitalization / Expense Factor			<u>50.0%</u>	<u>50.0%</u>	
8	Pension Payment To Be Capitalized	L 1 * L 7		\$ 11,500		
9	Pension Payment To Be Expensed	L 6 * L 7			\$ 7,167	
10	FAS 87 Pension in FTY Capital Additions			8,500		
11	FAS 87 Pension Expense in FTY				<u>18,600</u>	
12	Pension Adjustment to Rate Base	L 8 - L 10		<u>\$ 3,000</u>		
13	Pro Forma Pension Adjustment	L 9 - L 11				<u>\$ (11,434)</u>

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SCHEDULE D-10
Witness: O'Brien
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ADJUSTMENT---UNCOLLECTIBLE ACCOUNTS

Adjustment # 10

Line #	Description	[1] Reference	[2] Non-CAP Net Write-Offs	[3] Tariff Revenue	[4] Percent [2] / [3]	[5] Total [2] / [3]
1	2013		\$ 7,854	\$ 690,361	1.14%	
2	2014		\$ 8,324	\$ 745,150	1.12%	
3	2015		\$ 11,683	\$ 829,479	1.41%	
4	2016		\$ 8,242	\$ 827,774	1.00%	
5	2017		\$ 12,903	\$ 819,958	1.57%	
6	Five Year Average Sum (L 1 to L 5) / 5	5	\$ 9,801	\$ 782,544		1.250%
Pro Forma Adjustment			Pro Forma Revenue	Percent Net Write-Offs		
7	Pro Forma Revenue		\$ 868,066			
8	Pro Forma Rate			1.250%		
9	Pro Forma Net Write-Off Expense	L 7 * L 8				10,851
10	Budget Uncollectible Expense For FTY					8,431
11	Pro Forma Adjustment	L 9 - L 10				\$ 2,420

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SCHEDULE D-11
Witness: Ogden
 PAGE 1 of 1

Capitalized Cloud Expenditures
 Adjustment # 11

		[1]	[2]	[3]	[4]	[5]
		Plant In Service			Depreciation	
Line #	Year	Expenditures	Closed to Plant	Total Plant	Depreciation Expense	Accumulated Depreciation
1	2014	\$ -	\$ -			
2	2015	-	-			
3	2016	723	-			
4	2017	1,656	884	\$ 884	\$ 88	\$ 88
5	2018	1,757	2,271	3,155	404	492
6	2019	1,041	2,022	5,177	833	1,325
7	Total	\$ 5,177	\$ 5,177			\$ 1,325
Annualized Depreciation Expense						
8	Plant Balance		\$ 5,177			
9	Depreciable Life			5		
10	Annual Depreciation Expense	L 8 / L 9			\$ 1,035	

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Schedule D-16
Witness: Simpson/O'Brien
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Taxes Other Than Income Taxes

Line #	Description	[1] Account Number	[2] Recorded 2017	[3] Forecast Amounts FTY	[4] Pro Forma Adjustments	[5] Pro Forma Tax Expense FTY
1	PURTA Taxes	408 1	\$ 912	\$ 911	\$ -	\$ 911
2	Capital Stock		-	0		0
3	Miscellaneous		(533)	0		0
4	Social Security	408 3	5,339	5,556	192	5,748
5	FUTA	408 2	33	48	2	50
6	SUTA	408 4	260	324	11	335
7	Gross Receipts		46,526	48,551	(2,153)	46,398
8	Real Estate Taxes		527	706		706
9	City of Pittsburgh Payroll Tax		329	397	14	411
10						
11	Total	L 1 ro L 9	<u>\$ 53,393</u>	<u>\$ 56,493</u>	<u>\$ (1,934)</u>	<u>\$ 54,559</u>

GROSS RECEIPT TAX PRO FORMA AT PRESENT RATES

12	Revenue From Sales to Customers			\$ 822,774	
13	Uncollectibles			(8,431)	
14	Surcharge Related			(27,942)	
15		0		-	
16	Net Taxable	L 11 to L 14		786,401	
17	Tax Rate			5.90%	
18	Gross Receipts Taxes at Present Rates	L 15 * L 16		46,398	
19	Budget Amount			48,551	
20	Adjustment	L 17 - L 18		<u>\$ (2,153)</u>	

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Schedule D-16
Witness: O'Brien
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Taxes Other Than Income Taxes

Line #	Description	[1] Account Number	[2]	[3] FTY	[4] S&W Adjustment	[5] Increase in Payroll Taxes
1	Total Payroll Charged to Expense			<u>\$ 50,200</u>	<u>\$ 1,734</u>	
2	FICA Expense			<u>\$ 5,556</u>		
3	FICA Expense - Percent	L 2 / L 1		<u>11.07%</u>	<u>11.07%</u>	
4	Pro Forma FICA Expense on Pro Forma	[4] L 1 * L 3				\$ 192
5	FUTA Expense			<u>\$ 48</u>		
6	FUTA Expense - Percent	L 5 / L 1		<u>0.10%</u>	<u>0.10%</u>	
7	Pro Forma FUTA Expense on Pro Form	[4] L 1 * L 6				2
8	SUTA Expense			<u>\$ 324</u>		
9	SUTA Expense - Percent	L 8 / L 1		<u>0.65%</u>	<u>0.65%</u>	
10	Pro Forma SUTA Expense on Pro Form:	[4] L 1 * L 9				11
11	City of Pittsburgh Payroll Tax Expense			<u>\$ 397</u>		
12	SUI Expense - Percent	L 11 / L 1		<u>0.79%</u>	<u>0.79%</u>	
13	Pro Forma SUI Expense on Pro Forma	[4] L 1 * L 12				14
14	Pro Forma Adjustment	L 4 to L 13				<u>\$ 219</u>

Duquesne Light Company
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Schedule D-17
Witness: O'Brien
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Depreciation and Annualization Expense Adjustment

Line #	Description	[1] Account Number	[2] Current Depreciation Rate	[3] [4] [5]			[6] [7]	
				Plant Balance At			Depreciation Expense	
				12/31/17	12/31/18	Other	Year	Annualized
1	Organization	301		\$ 100	\$ 100		\$ -	\$ -
2	Franchise & Consent	302		7	7		-	-
3	Miscellaneous Intangible Plant	303		262,898	298,982		38,534	41,009
4	TOTAL INTANGIBLE	0		263,005	299,089	-	38,534	41,009
TRANSMISSION PLANT								
5	Land & Land Rights	350		14,000	14,000		-	-
6	Structures & Improvements	352		29,526	30,111		914	923
7	Station Equipment	353		396,213	407,904		12,986	13,175
8	Towers and Fixtures	354		65,195	66,904		872	883
9	Poles and Fixtures	355		51,420	52,930		1,132	1,149
10	Overhead Conductors & Devices	356		105,014	115,217		1,927	2,016
11	Underground Conduit	357		81,773	81,773		1,464	1,464
12	Underground Conductors & Devices	358		146,906	146,906		2,850	2,850
13	Road and Trails	359		9,215	9,215		162	162
14	Regional Trans - Computer Hardware	382		-	1,917		32	65
15	Regional Trans - Computer Software	383		-	3,517		352	703
16	TOTAL TRANSMISSION PLANT	372		899,262	930,394	-	22,691	23,390
DISTRIBUTION PLANT								
17	Land & Land Rights	360		13,298	13,579		-	-
18	Structures & Improvements	361		66,949	70,558		1,746	1,792
19	Station Equipment	362		454,902	463,278		10,518	10,614
20	Storage Battery Equipment	363		-	-		-	-
21	Poles, Towers and Fixtures	364		440,584	470,559		9,795	10,117
22	Overhead Conductors and Devices	365		470,559	496,086		12,615	12,948
23	Underground Conduit	366		147,123	158,523		2,140	2,219
24	Underground Conductors and Devices	367		383,050	394,628		9,838	9,984
25	Line Transformers	368		385,605	409,862		12,529	12,911
26	Services	369		96,663	100,649		1,825	1,862
27	Meters	370		121,682	123,806		15,392	15,525
28	Meter Communications Equipment	370 1		-	-		-	-
29	Leased Property On Customers Premises	372		-	-		-	-
30	Street Lighting and Signaling Systems	373		41,296	41,622		995	999
31	Asset Retirement Cost for Dist Plant	374		-	-		-	-
32	TOTAL DISTRIBUTION PLANT	399		2,621,711	2,743,150	-	77,393	78,971
GENERAL PLANT								
33	Land & Land Rights	389		6,145	6,145		-	-
34	Structures & Improvements	390		117,846	128,663		4,000	4,175
35	Leasehold Improvements	0		11,740	11,740		463	463
36	Office furniture	391 1		22,567	28,136		4,236	4,701
37	Office equipment	391 2		-	-		-	-
38	Transportation equipment	392		58,848	61,957		4,168	4,275
39	Store equipment	393		2,182	1,910		69	64
40	Tools, shop and garage equipment	394		20,964	22,317		866	893
41	Laboratory equipment	395		2,407	2,407		110	110
42	Power operated equipment	396		3,845	3,845		138	138
43	Electric communications equipment	397		81,504	95,023		5,799	6,243
44	Miscellaneous equipment	398		370	370		18	18
45	Asset Retirement Cost for General Plant	399		-	-		-	-
46	TOTAL GENERAL	ZATION OF NET SALVAGE		328,418	362,513	-	19,867	21,080
47	SUB-TOTAL			4,112,396	4,335,146	-	158,485	164,450
	(L 4 + L 16 + L 32 L 46)							
48	AMI - 303	0		-	-		-	-
49	AMI - 370	0		-	-		-	-
50	AMI - 397	0		-	-		-	-
51	TOTAL PLANT IN SERVICE	Account		\$ 4,112,396	\$ 4,335,146	\$ -	\$ 158,485	\$ 164,450

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Schedule **D-17**
Witness: O'Brien
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Depreciation and Annualization Expense Adjustment

Line #	Description	[1] Account Number	[2] Current Depreciation Rate	[3] [4] [5] Plant Balance At			[6] [7] Depreciation Expense	
				12/31/17	12/31/18	Other	Year	Annualized
1	Organization	301		\$ -	\$ -		\$ -	\$ -
2	Franchise & Consent	302		-	-		-	-
3	Miscellaneous Intangible Plant	303		-	-		-	-
4	TOTAL INTANGIBLE	0		-	-	-	-	-
TRANSMISSION PLANT								
5	Land & Land Rights	350		-	-		-	-
6	Structures & Improvements	352		-	-		28	28
7	Station Equipment	353		-	-		1,089	1,089
8	Towers and Fixtures	354		-	-		270	270
9	Poles and Fixtures	355		-	-		20	20
10	Overhead Conductors & Devices	356		-	-		409	409
11	Underground Conduit	357		-	-		26	26
12	Underground Conductors & Devices	358		-	-		(117)	(117)
13	Road and Trails	359		-	-		-	-
14	Regional Trans - Computer Hardware	382		-	-		-	-
15	Regional Trans - Computer Software	383		-	-		-	-
16	TOTAL TRANSMISSION PLANT	372		-	-	-	1,725	1,725
DISTRIBUTION PLANT								
17	Land & Land Rights	360		-	-		-	-
18	Structures & Improvements	361		-	-		44	44
19	Station Equipment	362		-	-		697	697
20	Storage Battery Equipment	363		-	-		-	-
21	Poles, Towers and Fixtures	364		-	-		2,540	2,540
22	Overhead Conductors and Devices	365		-	-		331	331
23	Underground Conduit	366		-	-		38	38
24	Underground Conductors and Devices	367		-	-		13	13
25	Line Transformers	368		-	-		442	442
26	Services	369		-	-		2,145	2,145
27	Meters	370		-	-		48	48
28	Meter Communications Equipment	370 1		-	-		-	-
29	Leased Property On Customers Premises	372		-	-		-	-
30	Street Lighting and Signaling Systems	373		-	-		81	81
31	Asset Retirement Cost for Dist Plant	374		-	-		-	-
32	TOTAL DISTRIBUTION PLANT	399		-	-	-	6,379	6,379
GENERAL PLANT								
33	Land & Land Rights	389		-	-		-	-
34	Structures & Improvements	390		-	-		179	179
35	Leasehold Improvements	0		-	-		-	-
36	Office furniture	391 1		-	-		-	-
37	Office equipment	391 2		-	-		-	-
38	Transportation equipment	392		-	-		(318)	(318)
39	Store equipment	393		-	-		-	-
40	Tools, shop and garage equipment	394		-	-		-	-
41	Laboratory equipment	395		-	-		-	-
42	Power operated equipment	396		-	-		-	-
43	Electric communications equipment	397		-	-		-	-
44	Miscellaneous equipment	398		-	-		-	-
45	Asset Retirement Cost for General Plant	399		-	-		-	-
46	TOTAL GENERAL	ZATION OF NET SALVAGE		-	-	-	(139)	(139)
47	SUB-TOTAL			-	-	-	7,965	7,965
	(L 4 + L 16 + L 32 L 46)							
48	AMI - 303	0		-	-		-	-
49	AMI - 370			-	-		-	-
50	AMI - 397	Account		-	-		-	-
51	TOTAL PLANT IN SERVICE			\$ -	\$ -	\$ -	\$ 7,965	\$ 7,965

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Depreciation and Annualization Expense Adjustment

Line #	Description	[1] Account Number	[2] Current Depreciation Rate	[3]			[4]	[5]	[6]	[7]	
				Plant Balance At			Dec-17	Dec-18	Other	Year	Annualized
				Dec-17	Dec-18	Other					
1	Organization	301		\$ 100	\$ 100	\$ -	\$ -	\$ -	\$ -		
2	Franchise & Consent	302		7	7	-	-	-	-		
3	Miscellaneous Intangible Plant	303		262,898	298,982	-	38,534	41,009			
4	TOTAL INTANGIBLE	0		263,005	299,089	-	38,534	41,009			
TRANSMISSION PLANT											
5	Land & Land Rights	350		14,000	14,000	-	-	-	-		
6	Structures & Improvements	352		29,526	30,111	-	942	951			
7	Station Equipment	353		396,213	407,904	-	14,075	14,264			
8	Towers and Fixtures	354		65,195	66,904	-	1,142	1,153			
9	Poles and Fixtures	355		51,420	52,930	-	1,152	1,169			
10	Overhead Conductors & Devices	356		105,014	115,217	-	2,336	2,425			
11	Underground Conduit	357		81,773	81,773	-	1,490	1,490			
12	Underground Conductors & Devices	358		146,906	146,906	-	2,733	2,733			
13	Road and Trails	359		9,215	9,215	-	162	162			
14	Regional Trans - Computer Hardware	382		-	1,917	-	32	65			
15	Regional Trans - Computer Software	383		-	3,517	-	352	703			
16	TOTAL TRANSMISSION PLANT	372		899,262	930,394	-	24,416	25,115			
DISTRIBUTION PLANT											
17	Land & Land Rights	360		13,298	13,579	-	-	-	-		
18	Structures & Improvements	361		66,949	70,558	-	1,790	1,836			
19	Station Equipment	362		454,902	463,278	-	11,215	11,311			
20	Storage Battery Equipment	363		-	-	-	-	-	-		
21	Poles, Towers and Fixtures	364		440,584	470,559	-	12,335	12,657			
22	Overhead Conductors and Devices	365		470,559	496,086	-	12,946	13,279			
23	Underground Conduit	366		147,123	158,523	-	2,178	2,257			
24	Underground Conductors and Devices	367		383,050	394,628	-	9,851	9,997			
25	Line Transformers	368		385,605	409,862	-	12,971	13,353			
26	Services	369		96,663	100,649	-	3,970	4,007			
27	Meters	370		121,682	123,806	-	15,440	15,573			
28	Meter Communications Equipment	370 1		-	-	-	-	-	-		
29	Leased Property On Customers Premises	372		-	-	-	-	-	-		
30	Street Lighting and Signaling Systems	373		41,296	41,622	-	1,076	1,080			
31	Asset Retirement Cost for Dist Plant	374		-	-	-	-	-	-		
32	TOTAL DISTRIBUTION PLANT	399		2,621,711	2,743,150	-	83,772	85,350			
GENERAL PLANT											
33	Land & Land Rights	389		6,145	6,145	-	-	-	-		
34	Structures & Improvements	390		117,846	128,663	-	4,179	4,354			
35	Leasehold Improvements	0		11,740	11,740	-	463	463			
36	Office furniture	391 1		22,567	28,136	-	4,236	4,701			
37	Office equipment	391 2		-	-	-	-	-	-		
38	Transportation equipment	392		58,848	61,957	-	3,850	3,957			
39	Store equipment	393		2,182	1,910	-	69	64			
40	Tools, shop and garage equipment	394		20,964	22,317	-	866	893			
41	Laboratory equipment	395		2,407	2,407	-	110	110			
42	Power operated equipment	396		3,845	3,845	-	138	138			
43	Electnc communications equipment	397		81,504	95,023	-	5,799	6,243			
44	Miscellaneous equipment	398		370	370	-	18	18			
45	Asset Retirement Cost for General Plant	399		-	-	-	-	-	-		
46	TOTAL GENERAL	ZATION OF NET SALVAGE		328,418	362,513	-	19,728	20,941			
47	SUB-TOTAL			4,112,396	4,335,146	-	166,450	172,415			
48	AMI - 303	0		-	-	-	-	-			
49	AMI - 370			-	-	-	-	-			
50	AMI - 397			-	-	-	-	-			
51	TOTAL PLANT IN SERVICE	Account		\$ 4,112,396	\$ 4,335,146	\$ -	\$ 166,450	\$ 172,415			

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018

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Witness: Simpson/O'Brien/Gorman
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(\$ in Thousands)
Income Tax Expense

Line #	Description	[1] Factor Or Reference	[2] Rate or Amount	[3] [4] [5] Total Company At Present Rates			[6] Amounts	[7] [8] [9] PA Jursndictional for FTY		
				Forecast Amounts	Pro Forma Adjustments	Pro Forma FTY		Pro Forma Present rates	Proposed Rate Adjustments	Pro Forma Proposed Rates
				[3] + [4]			[7] + [8]			
1	Revenue			\$ 918,412	\$ (33,061)	\$ 885,351		\$ 511,935	\$ 30,252	\$ 542,187
2	Operating Expenses			(889,351)	38,123	(851,228)		(352,812)	(2,185)	(354,997)
3	OIBIT	L 1 + L 2		229,061	5,062	234,123		159,123	28,067	187,190
Interest Expense										
4	Rate Base		\$ 2,459,575				1,839,516			
5	Weighted Cost of Debt		0.02090				0.02090			
6	Synchronized Interest Expense	L 4 * L 5		(51,405)	-	(51,405)		(38,446)	-	(38,446)
7	Base Taxable Income	L 3 + L 6		177,656	5,062	182,718		120,677	28,067	148,744
State Property Basis Adjustments										
8	Tax Basis Repairs Net of Losses			\$ (53,424)		(53,424)		(51,137)		(51,137)
9	Sec 263A Deductions			(17,069)		(17,069)		(11,436)		(11,436)
10	Open			-		-		-		-
11	Cost of Removal and Salvage			(4,726)		(4,726)		(3,461)		(3,461)
12	Cost of Removal and Salvage -Amort			8,758		8,758		6,441		6,441
13	Total State Property Basis Adj	Sum L 8 to L 12		(66,461)	-	(66,461)		(59,593)	-	(59,593)
14	Pro Forma Book Depreciation		\$ 165,485				\$ 137,671			
15	State Tax Depreciation		163,470				126,244			
16	State Tax Depre (Over) Under Book	L 14 - L 15		2,015	-	2,015		11,427	-	11,427
17	State Taxable Income	L 7 + L 13 + L 16		\$ 113,210	\$ 5,062	\$ 118,272		\$ 72,511	\$ 28,067	\$ 100,578
18	State Income Tax	-L 17 * Rate [2]	9.99%	\$ (11,310)	\$ (506)	\$ (11,815)	9.99%	\$ (7,244)	\$ (2,804)	\$ (10,048)
Federal Property Basis Adjustments										
19	Tax Basis Repairs Net of Losses			\$ (53,424)		(53,424)		(51,137)		(51,137)
20	Sec 263A Deductions			(17,069)		(17,069)		(11,436)		(11,436)
21	Open			-		-		-		-
22	Cost of Removal and Salvage			(4,726)		(4,726)		(3,461)		(3,461)
23	Cost of Removal and Salvage -Amort			8,758		8,758		6,441		6,441
24	Total Federal Property Basis Adj	Sum L 19 to L 23		(66,461)	-	(66,461)		(59,593)	-	(59,593)
25	Pro Forma Book Depreciation		\$ 165,485				\$ 137,671			
26	Federal Tax Depre		136,306				103,844			
27	Federal Tax Depre (Over) Under Book	L 25 - L 26		29,179	-	29,179		33,827	-	33,827
28	Federal Taxable Income	L 17 + L 18 + L 24 + L 27		129,064	4,556	133,621		87,667	25,263	112,930
29	Current Federal Income Tax Expense	-L 28 * Rate [2]	21.00%	(27,104)	(957)	(28,060)	21.00%	(18,410)	(5,305)	(23,715)
30	Tax Expense before Deferred Taxes	L 18 + L 29		(38,414)	(1,463)	(39,876)		(25,654)	(8,109)	(33,763)
Deferred Federal Income Taxes										
31	Normalized Basis Adjustments			(7,759)		(7,759)		(5,866)		(5,866)
32	Method Life Differences			2,400		2,400		699		699
33	Deferred Federal Income Tax	L 31 + L 32		(5,359)	-	(5,359)		(5,167)	-	(5,167)
34	Total Federal Income Tax Expense	L 29 + L 33		(32,463)	(957)	(33,419)		(23,577)	(5,305)	(28,882)
35	Combined Income Tax Expense	Sum L 18 to L 34	-24.64%	\$ (43,773)	\$ (1,463)	\$ (45,235)		\$ (30,821)	\$ (8,109)	\$ (38,930)
36	State Income Tax Expense	L 18		\$ 11,310	\$ 506	\$ 11,815		\$ 7,244	\$ 2,804	\$ 10,048
37	Federal Income Tax Expense	L 34		32,463	957	33,420		23,577	5,305	28,882
38	Total Income Tax Expense	L 36 + L 37		\$ 43,773	\$ 1,463	\$ 45,235		\$ 30,821	\$ 8,109	\$ 38,930

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Future Test Year - 12 Months Ended December 31, 2018
(\$ in Thousands)
TAX DEPRECIATION

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Witness: **Simpson/O'Brien**
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Line #	Description	[1] Factor or Reference	[2] Amount	[3] Total FTY 12/31/18	[5] Distribution Only
<u>FEDERAL & STATE - Tax Basis Repairs Net of Losses</u>					
1	---Transmission Plant		\$ (2,287)		
2	---Distribution Plant		(51,137)		\$ (51,137)
3	---General		-	\$ (53,424)	
<u>FEDERAL & STATE - Sec 263A Deduction</u>					
4	---Transmission Plant		\$ (5,633)		
5	---Distribution Plant		(11,436)		(11,436)
6	---General		-	\$ (17,069)	
<u>FEDERAL & STATE - Cost of Removal & Salvage</u>					
7	---Transmission Plant		\$ (1,329)		
8	---Distribution Plant		(3,808)		\$ (3,808)
9	---General		411	\$ (4,726)	347
<u>FEDERAL & STATE - Cost of Removal & Salvage Amortization</u>					
10	---Transmission Plant		\$ 2,225		\$ (3,461)
11	---Distribution Plant		5,940		\$ 5,940
12	---General		593	\$ 8,758	501
<u>STATE - Total Tax Depreciation</u>					
13	---Transmission Plant		\$ 37,125		\$ 6,441
14	---Distribution Plant		90,768		\$ 90,768
15	---General		-		
16	---Smart Meter		35,476		35,476
17	---Non-Utility		101	\$ 163,470	\$ 126,244
<u>FEDERAL - Total Tax Depreciation</u>					
18	---Transmission Plant		\$ 32,361		
19	---Distribution Plant		79,020		\$ 79,020
20	---General		-		
21	---Smart Meter		24,824		24,824
22	---Non-Utility		101	\$ 136,306	\$ 103,844
<u>FEDERAL & STATE - Straight Line Book on Tax</u>					
23	---Transmission Plant		\$ 23,390		
24	---Distribution Plant		78,971		\$ 80,217
25	---General Plant		21,080	\$ 123,441	62,420
<u>FEDERAL for Deferral - Tax Basis Adjustment</u>					
26	---Transmission Plant		\$ (1,811)		
27	---Distribution Plant		(5,766)		\$ (5,766)
28	---General		(112)		(30)
29	---Smart Meter		(70)	\$ (7,759)	(70)
<u>FEDERAL for Deferral - Tax on Accelerated Tax Depreciation</u>					
30	---Transmission Plant		\$ 145		\$ (5,866)
31	---Distribution Plant		(2,268)		\$ (2,268)
32	---General		8,647		7,056
33	---Smart Meter		(4,089)		(4,089)
34	---Non-Utility		(35)	\$ 2,400	\$ 699
<u>Deferred Income Taxes -- Account # 282</u>					
		ADIT			
35	---Transmission Plant		\$ (142,305)		
36	---Distribution Plant		(432,997)		(432,997)
37	---General Plant - Transmission		(6,422)		
38	---General Plant - Distribution		(44,830)		(44,830)
39	---Smart Meter		(41,896)		(41,896)
40	---Non-Utility		408	\$ (668,042)	
					\$ (519,723)

Duquesne Light Company
Before The Pennsylvania Public Utility Commission
Fully Projected Future Test Year - 12 Months Ended December 31, 2019
(\$ in Thousands)

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Witness: Simpson/O'Brien
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GROSS REVENUE CONVERSION FACTOR

Line #	Description	Reference Or Factor	Tax Rate	Factor
		[1]	[2]	[3]
GROSS REVENUE CONVERSION FACTOR				
1	GROSS REVENUE FACTOR			1 000000
2	UNCOLLECTIBLE EXPENSES			<u>(0.012500)</u>
3	NET AFTER UNCOLLECTIBLE COMPONENT	L 1 + L 2		0.987500
4	GROSS RECEIPTS TAXES	[3] L 3 * Rate [2]	(0 059000)	(0 058263)
5	PUC / OCA & SBA Assessment as a % of Revenue			<u>(0.001461)</u>
6	NET REVENUES	Sum L 3 to L 5		0 927776
7	STATE INCOME TAXES	[3] L 6 * Rate [2]	0 099900	<u>(0.092685)</u>
8	FACTOR AFTER STATE TAXES	L 6 + L 7		0 835091
9	FEDERAL INCOME TAXES	[3] L 8 * Rate [2]	0 210000	<u>(0 175369)</u>
10	NET OPERATING INCOME FACTOR	L 8 + L 9		<u>0 659722</u>
11	GROSS REVENUE CONVERSION FACTOR	1 / L 10		<u>1 515790</u>
12	INCOME TAX FACTOR O FOR GROSS REVENUE	-L 7 - L 9		<u>26.805%</u>
GROSS REVENUE CONVERSION FACTOR				
13	GROSS REVENUE FACTOR			1 000000
14	STATE INCOME TAXES	[3] L 13 * Rate [2]	0.099900	<u>(0 099900)</u>
15	FACTOR AFTER STATE TAXES	L 13 + L 14		0 900100
16	FEDERAL INCOME TAXES	[3] L 15 * Rate [2]	0 210000	<u>(0 189021)</u>
17	NET OPERATING INCOME FACTOR	L 15 + L 16		0 711079
18	GROSS REVENUE CONVERSION FACTOR	1 / L 17		<u>1 406314</u>
19	Combined Income Tax Factor On Taxable Income	-L 14 - L 16		<u>28 892%</u>

1 077846