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September 14, 2018

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VIA ELECTRONIC FILING

**RE: Pennsylvania PUC v. Duquesne Light Company; Docket No. R-2018-3000124;
R-2018-3000829**


Dear Secretary Chiavetta:

Enclosed for filing please find the Reply Brief of the Duquesne Industrial Intervenors ("DII") in the above-referenced proceeding.

As evidenced by the attached Certificate of Service, all parties to the proceeding are being served with copies of this document. Thank you.

Sincerely,

McNEES WALLACE & NURICK LLC

By 
Matthew L. Garber

Counsel to Duquesne Industrial Intervenors

Enclosure

c: Administrative Law Judge Katrina L. Dunderdale (via E-Mail and First-Class Mail)
Stephen Jakob, Bureau of Technical Utility Service (via e-mail)
Certificate of Service

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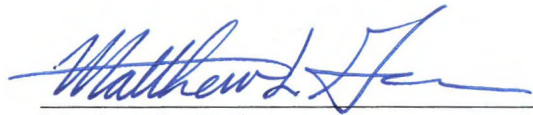
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Dated this 14th day of September, 2018, at Harrisburg, Pennsylvania

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket No. R-2018-3000124
	:	
Office of Consumer Advocate	:	C-2018-3001029
Jason Dolby	:	C-2018-3001074
Peoples Natural Gas Company LLC	:	C-2018-3001152
Office of Small Business Advocate	:	C-2018-3001566
Duquesne Industrial Intervenors	:	C-2018-3001713
Leonard Coyer	:	C-2018-3002424
NRG Energy Center Pittsburgh LLC	:	C-2018-3002755
	:	
v.	:	
	:	
Duquesne Light Company	:	
1308(d) Proceeding	:	
	:	
Tax Cuts and Jobs Act – Duquesne Light Company	:	Docket No. R-2018-3000829
	:	

**REPLY BRIEF OF THE
DUQUESNE INDUSTRIAL INTERVENORS**

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Dated: September 14, 2018

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I. INTRODUCTION

One contested issue remains in this proceeding – the proper rate, terms, and conditions for Rider No. 16 ("Rider 16"), which determines Back-up Service costs for customer-owned distributed generation systems in Duquesne Light Company's ("DLC" or "Company") service territory.

On September 6, 2018, DLC and the Duquesne Industrial Intervenors ("DII") filed initial briefs.¹ DII requests that the Pennsylvania Public Utility Commission ("Commission" or "PUC") order DLC to: (1) establish a Rider 16 Back-up rate based on a 5% load factor, at approximately \$0.352 cents per kW; (2) establish a distinct Maintenance Rate for planned outages at \$0.235 cents per kW; and (3) ensure that Rider 16 costs are determined based on an accurate analysis of distributed generation characteristics of non-coincidental outages in future rate proceedings. DLC requests that the Commission (1) approve the existing rate of \$2.50 per kW for Back-up service *and* not differentiate unplanned outages from planned outages requiring maintenance service and (2) maintain all terms and conditions in Rider 16's current language.

This Reply Brief is DII's response to DLC's factual and legal assertions in its Initial Brief. Herein, DII demonstrates that DLC's proposal is not based on the true cost to serve Rider 16 customers. The existing Rider 16 fails to account for the broad benefits to ratepayers of distributed generation and overstates the rate for Back-up Service. Additionally, DLC fails in its Initial Brief to address evidence supporting a distinct rate for Maintenance Service, one of the key components of DII's proposal.

¹ A procedural history summary is contained in Duquesne Industrial Intervenors' initial Brief.

II. SUMMARY OF ARGUMENT

While DLC attacks DII's proposal of a 5% "load factor" throughout its Initial Brief, it provides no evidence or legal arguments to demonstrate why a \$2.50 per kW Back-up rate should be approved. DLC has not established that its existing and proposed Rider 16 rates, terms, and conditions are just and reasonable. In fact, DLC continues to argue *against* the use of a load factor in setting back-up rates, while simultaneously asking the Commission to approve a rate that was designed based on a load factor.

This Reply Brief refutes DLC's core argument that self-generating customers should be charged for Back-up Service as if they are using the distribution system 100% of the hours of the year. Rather, DII demonstrates that Mr. Crist's 5% load factor calculation is well-established and supported by substantial record evidence.

DII also challenges DLC's unwillingness to study Back-up Service customers as a separate class. DLC's failure to apply its usual ratemaking principles to Rider 16 customers as a class is at the root of DLC's failure to develop cost-based rates. Rider 16 customers have a unique load profile and should be analyzed as a group.

This Reply Brief also counters DLC's rejection of PURPA's applicability and demonstrates that unbundling did not terminate PURPA's authority over distribution rates.

Finally, DLC's goal of delaying a Commission determination on back-up ratemaking is without merit. The Commission's Order issuing its Final Policy Statement on Combined Heat and Power ("CHP Policy Statement") recognizes the central role of standby or back-up rates and encourages parties to address related issues in rate cases.² The CHP Policy Statement was issued

² *Final Policy Statement on Combined Heat and Power*, Docket No. M-2016-2530484 (April 5, 2018) ("CHP Policy Statement Order"), p. 9.

early in this proceeding – long before the deadline for Rebuttal or Surrebuttal Testimony and long before Hearings in this proceeding. However, DLC failed to incorporate the Commission's CHP policy into its rate case. It should not now be rewarded for neglecting to engage with important Commission guidance.

Nearly as significant as DLC's express arguments are the arguments it failed to make. DLC did not substantively address (1) its rejection of a separate Maintenance Service rate, (2) how its proposed Rider 16 is consistent with the Commission's Final Policy Statement on Combined Heat and Power ("CHP"), or (3) why \$2.50 per kW is a just and reasonable Back-up Service rate.

This proceeding provides the Commission a unique opportunity to provide clear direction regarding the rates, terms, and conditions of service for distributed generation customers in DLC's territory and throughout the Commonwealth. Studies and customer testimony demonstrate that many opportunities exist in DLC's territory for distributed generation to play an important regional role by promoting reliability, resilience, efficiency, and environmental concerns. However, dramatic changes to Back-up rates (as initially proposed and still defended by DLC), unsubstantiated rates, and built-in disincentives for scheduled maintenance outages undermine the motivation and ability of customers to pursue distributed generation. A Commission determination in this proceeding would go a long way toward enabling customers to accurately analyze CHP options over the lifetime of a CHP investment.

DII respectfully requests that the Commission direct DLC to use a consistent and cost-based methodology for Rider 16 by adopting the rates and conditions for Rider 16 set forth in DII's initial Brief and Reply Brief and the language for Rider 16 provided in Exhibit No. JC-8.

III. ARGUMENT

A. DLC provided no evidence or legal arguments to demonstrate why a \$2.50 per kW Back-up rate should be approved.

In its Initial Brief, DLC argued for approval of its existing Rider 16 rate.³ However, the Company failed to demonstrate its rate proposal of \$2.50 per kW is just and reasonable. In fact, the Company failed to present any evidence or legal arguments supporting a rate of \$2.50 per kW.

1. DLC produced no record evidence to support \$2.50 per kW as the Rider 16 Back-up rate.

Much of DLC's Initial Brief is consumed by attacking Mr. Crist's testimony and explaining why DLC withdrew its proposal to triple Back-up rates. In contrast, very little ink is spilled actually defending the \$2.50 per kW rate. DLC does attempt to rely on Peoples witness James Daniel's recommendation to support its position. DLC states in its Initial Brief: "Mr. Daniel's recommendation, for all practical rate design purposes, amounted to maintaining the current Rider No. 16 rate." However, DLC neglects to mention that Mr. Daniel's testimony firmly embraced the use of a load factor. When submitting his Direct and Surrebuttal Testimony, Mr. Daniel was responding to DLC's proposed increase of the Rider 16 rate from \$2.50 per kW to \$8.00 per kW and stated that his "continued use of a 30% load factor can be viewed as a compromise."⁴ Again, during cross-examination, Mr. Daniel confirmed his use of a 30% load factor was a compromise.⁵ Based on his "compromise" load factor of 30%, Mr. Daniels then calculates a lower rate of \$2.41 per kW. When adjusted to reflect the revenue requirement settlement, the rate is \$2.11 per kW.⁶

³ DLC Initial Brief, pp. 13-19.

⁴ Peoples Statement No. 2-SR, p. 15:9-10 (Daniel).

⁵ Tr. at 663.

⁶ DII calculated this based on the information in DII Cross Exhibit 3, showing an adjusted DLC litigation position of \$7.04 per kW times 30%.

Mr. Daniel actually recommended a seasonally differentiated Back-up rate, coupled with a new Maintenance Power rate.⁷ DLC's attempt to "appropriate" Mr. Daniel's calculation does not provide support for DLC's \$2.50 rate; rather, it supports a load factor which DLC does not endorse whatsoever.⁸ DLC also states that the DSIC "roll-in" would have added to Mr. Daniel's figure;⁹ however, DSIC does not apply to Rider 16.¹⁰ Upon examination of the evidence presented regarding the actual load factor of the existing Rider 16 customer, Mr. Daniel supported Mr. Crist's proposed load factor of 5%.¹¹

DLC also attempts to rely on Neil Fisher's "comparability" analysis regarding other Pennsylvania utilities. However, this is not sufficient to carry the burden of proof regarding DLC's appropriate rates for Back-up Service, nor is it specific enough to enable the Commission to determine a just and reasonable rate. The Commission does not establish DLC's distribution rate for residential service by examining PPL Electric Utilities Corporation's residential rate or PECO's residential rate. Distribution rates are set for each individual utility based on that utility's costs. In addition, the CHP Policy Statement recognizes that back-up rates for *all* utilities may be obstacles to CHP development. Those obstacles will not be removed by setting comparable, but unnecessarily inflated, back-up rates. The rates must be determined based on each utility's costs, as Mr. Crist has done for DLC.

⁷ Peoples Statement No. 2, pp. 21-22, 24-25 (Daniel); Exhibit No. JWD-5.

⁸ See DLC Initial Brief, p. 6.

⁹ On page 6 of its Initial Brief, DLC states that the DISC "would have added 12.5 cents per kW to Mr. Daniel's figure." However, DSIC does not apply to Rider 16.

¹⁰ See DLC Tariff, Rider 16 (Peoples Cross-Examination Exhibit No. 1); see also DLC Tariff, Rider No. 22.

¹¹ Peoples Statement No. 2, p. 15:5-8 (Daniel).

2. No legal arguments were presented to support \$2.50 per kW as the Rider 16 Back-up rate.

DLC explained its reasons for withdrawing its proposal to more than triple its Back-up rates; however, it did not provide any legal defense of \$2.50 as the appropriate rate.¹² Astonishingly, DLC's Initial Brief does not even mention the phrase "burden of proof," let alone attempt to explain how it has been established for the \$2.50 per kW Back-up Service rate proposal. DLC has not explained why a 30% load factor is acceptable but 5% is not. DLC has presented no case law or overriding justification for a \$2.50 per kW rate or a 30% load factor. In fact, DLC remains conceptually committed to its position that no load factor should be included in the calculation of Back-up Service rates.¹³ As explained in DII's Brief, the burden of proof rests with DLC to justify its proposal.¹⁴ DII has presented credible and persuasive evidence that the existing rate of \$2.50 per kW is unjust, unreasonable, and excessive. DLC has presented no responsive evidence or legal argument to rebut DII's claims, except its misguided assertions that distributed generation customers should pay a rate based on a 100% load factor. DLC's positions must be rejected.

3. This is the appropriate time and context for the Commission to address back-up rates.

DLC cites to the upcoming CHP working group session as a reason for withdrawing its proposal for an \$8.00 per kW Back-up Service rate.¹⁵ However, the Commission has suggested that issues connected to back-up rates be addressed in base rate cases.¹⁶ The working group should

¹² DLC mentioned Act 58 and the CHP workgroup as reasons for withdrawing its proposal to change Back-up Service rates to \$8.00 per kW. DLC Initial Brief, pp. 10-11.

¹³ *See, e.g.*, DLC Initial Brief, p. 21.

¹⁴ DII Brief, pp. 28-33.

¹⁵ DLC Initial Brief, pp. 10-11.

¹⁶ CHP Policy Statement Order, p. 9.

not be used as a reason for delaying a decision on back-up rate design when its primary function is informational.¹⁷

The instant proceeding is an ideal opportunity for the Commission to address critical questions raised during the Commission's recent CHP proceeding. Real CHP projects may hang in the balance, not to mention general guidance for other utilities across Pennsylvania.¹⁸

In contrast, delaying adjudication wastes Commission and party resources. A complete record has already been created in this proceeding. The CHP Policy Statement is in effect. Nowhere did the Commission indicate that utilities should wait until the conclusion of the working group before proposing rates or implementing procedures consistent with the CHP Policy Statement. Nor did it indicate that other interested parties would be forced to wait for adjudication of these issues. DII respectfully requests that the Commission evaluate the voluminous evidence in this proceeding and render a decision accordingly.

4. DII members and others contemplating distributed generation projects will be adversely impacted by maintaining the “status quo.”

In the Proposed Findings of Fact in its Initial Brief, DLC implies that the University of Pittsburgh ("Pitt") and the Allegheny County Airport Authority ("ACAA") are not concerned by DLC's present Back-up rates.¹⁹ However, this is not the case. As indicated by DII witness Richard Heller's testimony, Pitt has never, in Mr. Heller's experience, undertaken a project with a payback period as long as is projected under current DLC rates.²⁰ It is very possible, if not likely, that Pitt

¹⁷ CHP Policy Statement Order, pp. 9-10 (authorizing the CHP working group).

¹⁸ See DII Statement No. 2-S, p. 6 (Heller).

¹⁹ DLC Initial Brief, Appendix A, p. 6.

²⁰ DII Statement No. 2-S, p. 6 (Heller).

will not proceed with its CHP project under current rates. Since 2013, when DLC decreased the Rider 16 rate, there has been no new CHP project development at the \$2.50 per kW rate.²¹ The Commission's Policy Statement goal of CHP development will not be achieved if the status quo is maintained. DII's proposed Rider 16 rate absolutely will create a more conducive economic climate for CHP development.

To further throw cold water on CHP prospects, entities like Pitt, ACAA, Robert Morris University, and others are now aware that DLC may attempt to triple its Back-up rates in a future proceeding.²² This seems particularly likely in light of DLC's continuing defense of its litigation position in this proceeding.²³ Why would a customer make a significant investment into CHP when it is clear that DLC will try again to dramatically increase Back-up rates in the next rate case?

Finally, DLC materially misstates the terms of its Memorandum of Understanding ("MOU") with Duquesne University, the only existing Rider 16 customer. DLC gives the misleading impression in its Initial Brief that Duquesne University is no longer supporting lower rates.²⁴ However, the MOU explicitly acknowledges that Duquesne University will continue litigation as a member of DII and will be able to benefit if the litigation result is a rate below \$2.50 per kW.²⁵

²¹ Tr. at 664:1-11 (Daniel).

²² Public Input Hearing Transcript (June 14, 2018), p. 103:12-17.

²³ *See, e.g.*, DLC Initial Brief, p. 21.

²⁴ DLC Initial Brief, pp. 11-12 (stating that "the MOU is now congruent with the position of the Company and all other parties, except certain DII members, regarding Rider No. 16," and "the one customer electing to receive service under Rider No. 16 [Duquesne University] ... support[s] the current rate").

²⁵ DLC Statement No. 1-R, Exhibit CJD-1-R (Memorandum of Understanding) (Davis).

Without a definitive decision by the Commission in this proceeding, investment in DLC's territory will almost certainly be chilled, as potential Rider 16 customers are aware that they could face severe rate hikes in the future. The Commission must forcefully reject DLC's assertions that Back-up rates should reflect a 100% load factor and adopt DII's properly calculated Back-up rate.

B. Self-generating customers should not be charged for Back-up Service as if they are using the distribution system 100% of the hours of the year.

In its Initial Brief, DLC states that "[t]he costs of providing distribution service, including Back-Up distribution service, do not vary with a customer's frequency of use of the distribution system."²⁶ DLC argues that "the customer's use of on-site generation to meet a portion of its load does not reduce the utility's cost to furnish distribution service to that customer, as long as the utility has the obligation to serve the customer's peak demand at any time it may occur."²⁷

These assertions are misleading and not reflective of the reality of how peak loads are calculated by DLC and almost all electric distribution utilities. As Mr. Gorman admitted, developing rates based on non-coincident peaks is almost universal in utility ratemaking.²⁸ However, DLC repeatedly frames its evaluation of costs for Rider 16 on an individual customer basis, as if an individual customer's peak is the appropriate basis of calculating rates. The problems with DLC's flawed approach are addressed below.

1. DLC is proposing a very distinct cost allocation and rate methodology for one particular customer type, and this is unduly discriminatory.

Mr. Gorman stated that "peak demand, and therefore the capacity of the equipment installed, drives costs; the frequency with which the system is used has almost nothing to do with costs for

²⁶ DLC Initial Brief, p. 19.

²⁷ DLC Initial Brief, pp. 15, 20 (quoting DLC Statement No. 16-R, pp. 17-18 (Fisher)).

²⁸ Tr. at 333:2-5.

those customers."²⁹ However, this treatment is not consistent with how most costs are allocated in the cost of service study. As Mr. Gorman explained, virtually all ratemakers, including Pennsylvania ratemakers, allocate distribution costs using non-coincident peaks ("NCP").³⁰ *This inherently involves evaluation of information beyond the mere total of every customer's peak, instead looking at the class peak.* This ensures that each class gets the benefits of load diversity, which Mr. Gorman described as follows:

Within a class, not all customers will have the same peak. So if we add up the peaks for all the customers in the class, then that would be X. But if we looked at the instant where the class as a whole was drawing the greatest demand on the system, that would be less than X, because while some customers might be hitting their peak at that time and probably a good portion of them are, *not all of them will.* *So the NCP will always be less than the sum of the class peaks.*³¹

In contrast, Mr. Gorman identified a Sum of the Class Peaks ("SCP") methodology used in New York, which sums the individual customer peaks and does not account for diversity in the class.³² This is essentially what DLC is supporting in its brief when advocating for the 100% model. The NCP methodology, not SCP, is standard in Pennsylvania.³³

DLC's argument that distribution costs are "fixed" applies to all customers in all classes—not just to those with distributed generation. Yet, the Company is proposing a very distinct cost allocation and rate methodology for just this particular customer class. For those without distributed generation, DLC calculates charges based on each customer's actual monthly peak.³⁴

²⁹ DLC Statement No. 14-R, p. 27:6-8 (Gorman).

³⁰ Tr. at 333:2-5.

³¹ Tr. at 342:4-11 (emphasis added).

³² Tr. at 333-34.

³³ Tr. at 333-34.

³⁴ Tr. at 332:15-19 (Gorman).

For Rider 16 customers, however, DLC seeks to calculate costs on their highest *possible* peak for the year.³⁵ This approach is unduly discriminatory, in violation of Section 1304 of the Public Utility Code.³⁶

The Pennsylvania Code provides clear language directing the cost allocation for back-up rates and mandates that such back-up rate customers not be charged as though they used back-up power consistently throughout the month; instead, it directs that the "fixed costs shall be prorated over the actual days in a billing period during which back-up power is consumed by the qualifying facility."³⁷ Mr. Crist does exactly this when applying the load factor of 5% to the amount determined in Mr. Gorman's allocated cost of service study.

DLC's proposal is flawed because it assumes that distributed generation facilities use service at their maximum possible demand daily and throughout the month. Self-generators do NOT use all the distribution system daily and can share the distribution system among a group of self-generators. Even though any one self-generator "could" go down at any time, all self-generators will not go down at the same time—rates should not be designed and calculated as if they would. The costs should be allocated accordingly using the 5% load factor proposed by Mr. Crist.

³⁵ See DLC Tariff, Rider 16 (Peoples Cross-Examination Exhibit No. 1); see also DLC Statement No. 14-R, pp. 27-30 (Gorman).

³⁶ 66 Pa. C.S. § 1304.

³⁷ 52 Pa. Code § 57.35(c).

2. Although Mr. Crist accepted Mr. Gorman's exhibit as the starting point for the development of his proposal, he has clearly maintained the need for a load factor or diversity adjustment to reflect the cost to serve distributed generation customers.

In its Initial Brief, DLC repeatedly references Mr. Crist's use of Mr. Gorman's cost of service study as demonstrating an agreement that the \$8.00 per kW rate is the true cost of service.³⁸ This argument is ludicrous. Mr. Crist explains he accepted the study and exhibit as a "starting point,"³⁹ but then incorporated an appropriate load factor adjustment based on the actual performance of Rider 16 customers. Mr. Crist clearly stated on cross-examination that Mr. Gorman's "classes don't properly allocate the costs to cogenerators or CHP customers."⁴⁰ The record is clear regarding DII's position on the "true" and accurate cost of service for Back-up rates.

3. Mr. Crist has maintained a consistent position on customer-generator availability.

On brief, DLC claims that Mr. Crist has changed positions, first arguing that customer-generators have high availability, then that they were not so reliable after all.⁴¹ This is not-so-clever wordsmithing—DLC cannot point to a real contradiction. Mr. Crist has steadfastly maintained the availability analysis presented in written testimony and supported at hearing. Mr. Crist's statement referring to the Peoples Gas case as "absolutely not a realistic case" was referring to the zero-outage projection during peak hours – *not* to the 95% overall availability,

³⁸ DLC Initial Brief, pp. 17, 25-27; DLC Findings of Fact, ¶ 8.

³⁹ Tr. at 595.

⁴⁰ Tr. at 607.

⁴¹ DLC Initial Brief, pp. 17, 26-27; DLC Findings of Fact, ¶ 83; *see also* DLC Initial Brief, p. 28 (stating that "Mr. Crist abandoned his earlier theory" regarding reliability).

which he has consistently defended.⁴² The so-called zero-outage assumption is unrealistic because unexpected outages can occur at any time, by definition. Mr. Crist's testimony is consistent.

As previously discussed, there is no contradiction between a distributed generation system being reliable, yet needing to rely on the distribution system on occasion and at unpredictable times. DLC can attempt to debate whether a Rider 16 customer who uses the distribution system 2.5% of the time should pay the same as a customer that uses the distribution system 100% of the time. However, DLC should not portray its own misguided position as demonstrating a contradiction in Mr. Crist's testimony.

4. DLC's reliance on Mr. Gorman's rebuttal table does not support its misplaced belief that the existing Rider 16 customer experienced annual and monthly peaks equivalent to the loss of its entire back-up generation services of 5 MW that were coincident with the Rate GL class.⁴³

DLC attempts to use the table on page 29 of Mr. Gorman's Rebuttal Testimony to support its proposal. This table, which is confidential, lists the NCP for the GL customer class for each month in 2016. It also lists the usage and time of the Rider 16 customer peak for each month, and the Rate GL load coincident with the Rider 16 peak. DLC claims this shows the existing Rider 16 customer has used Back-up Service "near" the Class GL peaks.⁴⁴

Initially, as explained by Mr. Crist, the entire analysis is invalid because the table makes no distinction between unplanned back-up and planned maintenance. As a result, it is unknown why the generator may have been unavailable.⁴⁵ If DLC's Rider 16 differentiated between Back-up

⁴² DLC Initial Brief, p. 21 (citing Tr. at 619:8-9).

⁴³ See DLC Initial Brief, p. 22.

⁴⁴ DLC Statement No. 14-R, pp. 29:4 – 30:20 (Gorman).

⁴⁵ DII Statement No. 1-S, pp. 12-13 ("Since the existing Rider 16 does not differentiate between the need for back-up service in situations where there is a self-generation system failure and

Service and Maintenance Service – as it should – a customer like Duquesne University would negotiate its downtimes for maintenance to ensure they were not during anticipated peaks.

DLC argues that the Rider 16 customer must pay a monthly reservation charge for the system to be available at all times because the customer may use Rider 16 backup service near the time that the rate schedule peaks. However, cost allocations look at the class coincident peak, not "close to" the coincident peak.⁴⁶ To apply a "close to" approach to one customer is unduly discriminatory when the remainder of the customers are evaluated based on their monthly peak usage, regardless of whether it occurs coincident with the class peak. As shown on the table, the current Rider 16 customer is far below its annual peak in most months when the Rate GL class peaks. There was only one month where the Rider 16 customer peak occurred coincident with the Rate GL peak, and *eleven* months where it did not. There are simply too many flaws and inconsistencies in the table for it to form persuasive evidence supporting the \$2.50 per kW rate. DLC should not evaluate Rider 16 costs in a different or discriminatory manner from other customers.

5. Even the terms of Rider 16 prevent the customer's reliance on the distribution system 100% of the time.

Setting aside the availability history of DLC's Rider 16 customer, *Rider 16 itself* is built with a 15% back-up limitation that prevents Rider 16 rates from applying more than 15% hours of the year.⁴⁷ DLC repeatedly says the Rider 16 customers must pay to reserve the system 100% of the

maintenance service, which can be scheduled at the Company's convenience in off-peak periods, there was no reason for the customer to be concerned about the availability or non-availability of their generation system. This is a problem with the current and proposed Rider 16 . . . and can be remedied by clearly defining back-up service and maintenance service, and by establishing different rates for each.").

⁴⁶ Tr. at 332:15-19 (Gorman).

⁴⁷ Tr. at 433:7 – 444:23 (Fisher).

hours in the year. It is inappropriate, given this restriction, to charge Rider 16 customers for 100% of system use.

6. DLC is the party that inserted the “load factor” term to define the adjustment in the 2013 case.

DLC's Initial Brief attempts to confuse the Commission regarding the description of Mr. Crist's adjustment as a "load factor."⁴⁸ Mr. Crist explained repeatedly during cross-examination that "[w]hen we talk about these load factors or capacity factors or allocation factors of how we're going to look at the \$8.00 per kW and determine what's appropriate for a cogenerator, I'm using load factor because that's the percentage of the time that they're actually on the system."⁴⁹

In fact, DLC's witness in 2013 introduced the term "load factor."⁵⁰ DLC endorsed the concept it is now attempting to reject – namely, that partial use customers, who only use the distribution system a small fraction of the time, should not pay as if they relied on the distribution system 100% of the time.⁵¹ Mr. Crist has been crystal clear in his explanations of this topic. DLC's attempt to deflect attention from its woefully inadequate evidentiary presentation to support its original proposal, or its revised \$2.50 per kW, should be rejected.

C. Mr. Crist's calculation of the Back-up rate is well-established and supported by substantial record evidence.

DLC attempts to manufacture internal inconsistencies in Mr. Crist's testimony; however, Mr. Crist's testimony has been consistent. DLC makes the remarkable claim that there is "no valid

⁴⁸ DLC Initial Brief, p. 7.

⁴⁹ Tr. at 598:10-14; *see also* Tr. at 597:19-20 ("Load factor would be the kilowatt-hours divided by the kilowatt peak times the hours in the month.").

⁵⁰ Tr. at 597:6-7 ("[applying the concept of a load factor to a generator] is the same concept Bill Frommer (ph.) applied in 2013") (Crist); *see also* Exhibit No. JC-6 (Pfrommer 2013 Testimony), p. 19:30 – 20:2.

⁵¹ DII Exhibit No. JC-6 (Pfrommer 2013 Testimony).

basis" for Mr. Crist's proposed Back-up Service rate, when, in fact, voluminous evidence has been presented in this proceeding to justify that rate.⁵²

1. Billing Rider 16 customers for Back-up Service on an as-used basis is appropriate and consistent with current practice.

There is no double benefit or double mistake of Mr. Crist's position by both rejecting a contract demand and applying a load factor in the rate calculation, as DLC claims.⁵³ The current Rider 16 customer was billed based on "as used" back-up rate, rather than as a monthly reservation charge.⁵⁴ DLC's non-Rider 16 customers with a demand charge are also charged on an as-used basis each month, subject to certain minimum bill provisions.⁵⁵ As-used charges encourage Rider 16 customers to maintain their generation to avoid needing back-up during each month.⁵⁶ Viewed as a group, self-generating customers will have a completely different need for, and use of, the distribution system than comparable customers that do not self-generate. As-used rates that also account for the class's actual use of the system (load factor) are entirely appropriate.

2. The factors used by Mr. Crist to develop a 5% load factor are reasonable and sound.

DLC has expressed that it is "difficult to discern what Mr. Crist's 5% factor actually represents."⁵⁷ This is an odd statement from an entity charged with developing rates. Perhaps

⁵² DLC Initial Brief, p. 25.

⁵³ DLC Initial Brief, p. 8 (stating that Mr. Crist "compounded his error by adjusting for the frequency of use *twice*").

⁵⁴ DII Brief, p. 48 (stating "DII has conclusively established that the charge for Back-up Service should apply to "as used" service rather than as a monthly reservation charge").

⁵⁵ Rate HVPS customers are charged a fixed monthly rate because of the unique service configuration which includes only a meter and a service drop, with no use of the primary or secondary distribution facilities.

⁵⁶ DII Brief, p. 49.

⁵⁷ DLC Initial Brief, p. 25.

DLC is confused because its witnesses believe that the 30% load factor used by the Company in the last rate case was just adopted to produce an end resulting rate.⁵⁸

Mr. Crist utilizes substantial amounts of data to develop the 5% load factor. Primarily, he relies on (1) historic availability of the Rider 16 customer (Duquesne University), (2) projections of availability of a potential future Rider 16 customer (Pitt),⁵⁹ and (3) industry norms.⁶⁰

Proceedings in other states support Mr. Crist's approach as reasonable. As highlighted on brief by DII, the use of a load factor is common in other states.⁶¹ In these cases, the apparent question was not *if* a load factor should be applied, but *what* the load factor should be. Historical availability and other factors were relied on by the state utility commissions in these proceedings.

DLC criticizes Mr. Crist's analysis as confusing but offers no alternative. In contrast, Mr. Crist's approach is reasonable, consistent, and thorough.

⁵⁸ Tr. at 411:25 – 412:2 (Ogden).

⁵⁹ DII Exhibit No. RH-1S. The generator manufacturer for Peoples' planned CHP system has similar availability projections. *See* Tr. at 634:12-13 (Nehr).

⁶⁰ *See e.g.*, Peoples Statement No. 4, Exhibit JRK-1 (Appendix B: 5 Lakes Energy Standby Rate Analysis) (Kefer).

⁶¹ Order No. 21097, *Re Narragansett Electric Company dba National Grid*, Docket No. 4232 (Jul. 12, 2013), available at http://www.ripuc.org/eventsactions/docket/4232-NGrid-Ord21097_7-12-13.pdf; Order, *In the Matter of the Application of DTE Electric Company For Authority to Increase Its Rates*, Michigan Public Service Commission Docket No. U-18255, 2018 Mich. PSC LEXIS 122 (Order dated April 18, 2018); Order, *In the Matter of the Application of Consumers Energy Company For Authority to Increase its Rates*, Michigan Public Service Commission Docket No. U-18322, 2018 Mich. PSC LEXIS 70 (Order dated March 29, 2018); Order Approving Solar PV Demand Credit Rider With Modifications and Standby Service Rider, *In the Matter of a Commission Inquiry Into Standby Service Tariffs*, Docket No. E-999/CI-15-115, 2018 Minn. PUC LEXIS 139 (Minnesota PUC April 20, 2018); Reply Comments of Midwest Cogeneration Association and Fresh Energy, *In the Matter of a Commission Inquiry Into Standby Service Tariffs*, Minnesota PUC Docket No. E-999/CI-15-115 (Dec. 21, 2017).

3. Mr. Crist's proposal is not a "discount;" rather, it is a proper cost-based rate.

On brief, DLC refers to Mr. Crist's proposal as a "discount."⁶² This is an improper characterization. DLC argues that Rider 16 customers should not pay less for "essentially the same level of distribution service the Company furnishes full-requirements distribution service customers."⁶³ This statement exposes DLC's fundamental error. DLC takes a myopic view by looking at one customer at a time and assigns an *individual* peak to Rider 16 customers, rather than viewing their *actual* contribution to the system peak and usage of the distribution system.⁶⁴ As addressed above, this is not how distribution rates are established for all other customers.

As clearly established by Mr. Gorman, rates are not developed by adding every user's individual peak, but by evaluating the non-coincident peak of a class.⁶⁵ It is self-evident that a class of CHP systems, averaging 5% downtime each, will have a dramatically lower class peak than if that same load relied on the distribution system 100% of the time. Mr. Crist's calculation is a proper cost-based rate for Back-up Service. DLC's protestation to the contrary are misguided and should be summarily dismissed.

D. Back-up Service has unique characteristics that warrant evaluation as a separate class.

DLC argues that Back-up Service does not constitute a separate rate class and should not be treated as such for cost-allocation purposes.⁶⁶ However, DLC fails to justify its claim.

⁶² DLC Initial Brief, pp. 17, 25.

⁶³ DLC Initial Brief, p. 17.

⁶⁴ DLC Initial Brief, pp. 20-21, 23.

⁶⁵ Tr. at 332:15-19; 370:24-25.

⁶⁶ DLC Initial Brief, p. 34.

1. The practice of other utilities does not support DLC's refusal to study Rider 16 customers as a class.

The fact that back-up rates can be a barrier to the development of distributed generation was recognized in the CHP Policy Statement Order.⁶⁷ This implies there is something wrong with many existing back-up rates or rate structures in Pennsylvania. In light of the expansion of distributed generation, utilities and consumers must revisit Back-up rate provisions to ensure cost-of-service principles are upheld. DII's analysis will establish appropriate, just, and reasonable Back-up rates for DLC. After this proceeding, other utilities can be required to revise their calculation methodologies to be consistent with this result.

2. "Total peak demand" is not the sole factor determining customer classifications.

On brief, DLC wrote, "Customers are placed into appropriate general service customer classes based on their 'total peak demand.'"⁶⁸ Presumably, DLC means that customers are placed into general service customer classes based on individual peak demand, because a class peak cannot be totaled until the class is first categorized or defined.

Regardless, DLC's statement is incomplete. Mr. Gorman indicated he could create a separate class for Rider 16 customers, if requested.⁶⁹ In lieu of this, Mr. Crist's methodology should apply to Back-up Service rates.

⁶⁷ CHP Policy Statement Order, p. 3.

⁶⁸ DLC Initial Brief, p. 34.

⁶⁹ Tr. at 356.

3. DII agrees with DLC's stated goal of reaching cost of service – which is exactly why DII recommends that Rider 16 customers be studied as a class.

On brief, DLC stated that "dividing the customer base into separate classes based on whether a customer does, or does not, receive Back-up Service would produce anomalous results because it ignores the most fundamental element of sound cost-allocation, namely, cost-causation."⁷⁰

DLC's use of this quote is ironic. DII is requesting a *cost of service study* treating Rider 16 participants as a class precisely for the purpose of determining cost-causation. As Mr. Crist explained:

Q. You were in the room when Mr. Fisher talked about subsidization and how Rider 16 would tend to lead to subsidization. If a proper allocated cost of service study was conducted, would you classify that as subsidization?

A. Then there won't be any subsidization. If you do the right cost of service study, so we're looking at what are the costs that get allocated among cogenerators or distributed generators, and assign the appropriate amount of cost to that group, and then allocate it out to that group, you're not going to have cross-class subsidies. Right now, we've got the distributed generation customers under the Rider 16 that's proposed, if they pay that amount, they're going to be subsidizing all the GL or Rate L customers, because those costs are much more of a system allocation than that distributed generation customer group actually should be allocated.⁷¹

As stated above, utilities place customers in classes based on different types, needs, and usage profiles. DII is simply proposing that, as a critical mass of Rider 16 customers develops, they should be studied as a class. They should bear the appropriate costs of the distribution system based on the results of such a study that appropriately reflects the non-coincident nature of the individual customers' reliance on Back-up Service.

⁷⁰ DLC Initial Brief, p. 35 (referencing DLC Statement No. 14).

⁷¹ Tr. at 613:6-21.

E. Unbundling has not eliminated PURPA's authority over distribution rates.

On brief, DLC contends that the rate design criteria in PURPA regulations, cited by Mr. Crist, do not apply to electric distribution service.⁷² In essence, DLC argues that the "unbundling" process rendered PURPA meaningless in the design of back-up distribution rates.⁷³ However, DLC's arguments are inconsistent with its own tariff, with PURPA regulations, and with PUC regulations.

1. Rider 16 – a distribution service – expressly applies to PURPA Qualifying Facilities.

At the outset, it should be noted that Rider 16 language expressly states that Rider 16 is applicable to (but not limited to) Qualifying Facilities under PURPA. Rider 16 "applies to non-utility generating facilities including, but not limited to cogeneration and small power production facilities that are qualified in accord with Part 292 of Chapter I, Title 18, Code of Federal Regulations (qualifying facility)."⁷⁴

This connection to PURPA is instructive. Although unbundling occurred many years ago for Pennsylvania utilities, DLC and the Commission have never removed this explicit connection between Rider 16 and PURPA. If DLC was not required to provide PURPA-compliant distribution service to Qualifying Facilities, it would not need to retain this language.

⁷² DLC argues that Mr. Crist improperly relies on FERC regulations implementing PURPA. Mr. Crist has been clear in testimony that PURPA applies only to Qualified Facilities; however, he has suggested that the rate design criteria in PURPA are well-suited to non-Qualifying Facilities as well.

⁷³ DLC Initial Brief, p. 32, footnote 125.

⁷⁴ Peoples Cross-Examination Exhibit No. 1 (DLC Tariff, Rider 16). If DLC was concerned about differentiating between Qualifying Facilities and non-Qualifying Facilities, it could have proposed a version of Rider 16 for each. Contrary to DLC's statements, new projects by Pitt and ACAA may seek to qualify for Qualifying Facility status.

2. The term "capacity" is used for transmission and distribution service in PUC regulations, PURPA regulations, DLC's Rider 16, and even DLC's own brief.

The Pennsylvania regulation implementing PURPA, found at 52 Pa. Code § 57.35, associates "capacity" with "demand." Subsection (d) states: "A utility's rate for sales of firm maintenance power to qualifying facilities shall include energy costs and a *demand or capacity charge* required to recover the appropriate transmission plant and full distribution plant costs."⁷⁵ The "appropriate" plant costs are, of course, calculated based on the assumption that the maintenance will be prescheduled and occur at a non-peak time.⁷⁶

PURPA regulations use the term "capacity" to refer to both generation capacity and distribution capacity.⁷⁷ At the time PURPA was passed, rates were not unbundled, so "energy" meant the fuel cost (coal, nuke, natural gas) and any variable cost, and "capacity" was both the generation and delivery capacity. Now that generation has been separated from delivery, the same concepts of PURPA still apply to delivery rates.⁷⁸

In addition, DLC's Rider 16 defines "Contract Demand" as "the maximum electrical capacity in kilowatts that the Company shall be required by the contract to *deliver* to the customer for Back-Up Power."⁷⁹ Supplementary Power and Back-Up Power are defined as "energy and capacity." In other words, "energy and capacity" describe the distribution service.

⁷⁵ 52 Pa. Code § 57.35(d) (emphasis added).

⁷⁶ *Id.*

⁷⁷ *See, e.g.*, 18 CFR § 292.305.

⁷⁸ DII Statement No 1., pp. 16-22; *see also* Peoples Statement No. 2, p. 19 (Daniel).

⁷⁹ Peoples Cross-Examination, Exhibit No. 1 (DLC Tariff, Rider 16).

Finally, even in DLC's own brief, the term "capacity" is used to refer to distribution service.⁸⁰ In light of how the term "capacity" is used, the phrase "energy and capacity" incorporates distribution service. 18 CFR § 292.305 remains applicable to Rider 16.

3. Even if "interconnection costs" included ongoing distribution rates, those rates must be established on a nondiscriminatory basis.

DLC's argument that PURPA addresses distribution rates through "interconnection costs" is without basis. "Interconnection costs" includes system configuration changes to connect a generation facility to the distribution system. It does not include ongoing distribution rates.⁸¹

Even if "interconnection costs" did include ongoing distribution rates, those rates must be established on a "nondiscriminatory basis with respect to other customers with similar load characteristics."⁸² This discrimination is not limited to Qualifying Facilities versus non-Qualifying Facilities. Here, DLC's proposal is discriminatory because it makes Rider 16 customers pay to "reserve" capacity for 100% of the time, when similar customers without generation do not pay a fixed monthly reservation fee based on their possible maximum demand on the distribution system.

4. FERC's approach to Qualifying Facilities produces a just and reasonable rate for all distributed generation facilities.

DLC mischaracterizes DII's argument as saying that the "Commission should simply follow FERC's lead."⁸³ That is inaccurate. Rather, DII is saying that PURPA's approach is instructive

⁸⁰ See DLC Initial Brief, p. 20. DLC also attempts to muddy the waters regarding PURPA terminology, arguing that the term "Power" in PURPA does not include distribution service. However, even Rider 16, which is a distribution service, discusses Supplementary "Power" and Back-Up "Power" in the context of distribution service.

⁸¹ See definition in DLC's Rider 16; it does not involve ongoing distribution rates. Peoples Cross-Examination, Exhibit No. 1 (DLC Tariff, Rider 16).

⁸² See DLC Initial Brief, pp. 32-33 (quoting 18 CFR § 292.306(a)).

⁸³ DLC Initial Brief, p. 31.

and helpful as to non-Qualifying Facilities, and mandatory as to Qualifying Facilities. In short, PURPA's guidance produces a just and reasonable rate for all distributed generation. Recognizing that non-Qualifying Facilities are not governed by PURPA, DII is arguing that PURPA provides helpful guidance on how to best approach Back-up Service rates. Because DLC has not developed separate riders for non-Qualifying Facilities and Qualifying Facilities, DII expects that DLC will abide by PURPA's regulations for all Rider 16 customers.

F. DLC fails to address DII's proposal for Maintenance Service, distinct from DLC's Back-up Service.

Throughout this proceeding, DII has maintained the need for a Maintenance Service rate distinct from the Company's Back-up Service rate.⁸⁴

In testimony and on brief, DII explained the important function of planned maintenance rates. In short, Maintenance Service rates (a) provide a clear view of distributed generation system reliability, (b) encourage appropriate maintenance and therefore support reliability, and (c) generally do not affect distribution system peaks due to being planned for off-peak periods.⁸⁵

Under Pennsylvania regulations, Maintenance Service for Qualifying Facilities must be at an appropriate rate to cover costs.⁸⁶ The regulations clearly indicate Maintenance Service should be less than the standard rate for distribution service, while requiring "full charge" for Maintenance Service that gets scheduled during a utility's peak hours.⁸⁷ In other words, the regulations recognize the value and reduced cost of Maintenance Service.

⁸⁴ DII Statement No. 1, p. 26 (Crist); DII Brief, pp. 1, 50, 55.

⁸⁵ DII Statement No. 1-S, pp. 12-13 (Crist); DII Statement No. 1, p. 26 (Crist); 52 Pa. Code § 57.35(d).

⁸⁶ 52 Pa. Code § 57.35(d).

⁸⁷ 52 Pa. Code § 57.35(d) states:

DLC's Rider 16 failed to comply with both Federal regulation (18 CFR § 292.305) and the Pennsylvania Code (52 Pa. Code § 57.35). Both regulations have the same requirement that maintenance power be offered and that such rates take into account the extent to which scheduled outages can be usefully coordinated with the utility or its non-peak periods.⁸⁸

G. The CHP Policy Statement recognizes the central role of Back-up rates and encourages parties to address those issues in rate cases.

In the introduction to its Initial Brief, DLC explains its reasons for withdrawing its proposal for a 220% increase in Back-up rates in this proceeding.⁸⁹ Mainly, DLC cites to the emergence of the working group established by the Commission in conjunction with the CHP Policy Statement and the passage of Act 58 of 2018 on Alternative Ratemaking.⁹⁰

Unfortunately, DLC's reasons for withdrawal of its initial Rider 16 proposal ring hollow. The problem with DLC's argument is twofold. First, DLC ignored the existing guidance from the CHP Policy Statement throughout this case. The CHP Policy Statement was published early in this proceeding – long before the deadline for Rebuttal or Surrebuttal Testimony. Witnesses for DII and Peoples included extensive discussions of the CHP Policy Statement in prepared Direct Testimony, which was distributed in late June 2018.⁹¹ DLC had an opportunity to incorporate the CHP Policy Statement into its position in Rebuttal Testimony but did not.

A utility's rate for sales of firm maintenance power to qualifying facilities shall include energy costs and a demand or capacity charge required to recover the appropriate transmission plant and full distribution plant costs. When the scheduled outages of a qualifying facility cannot be scheduled during other than utility peak periods, the demand or capacity charge shall be the full charge stated in the utility's filed tariff under which the qualifying facility receives this service.

⁸⁸ 18 CFR § 292.305.

⁸⁹ DLC Initial Brief, pp. 10-13.

⁹⁰ DLC Initial Brief, pp. 10-11; *Id.*, Appendix A.

⁹¹ DII Statement No. 1, p. 24 (Crist); Peoples Statement No. 2, pp. 7, 15-17 (Daniel).

At the hearing, Mr. Ogden from DLC was asked if the Company considered the Policy Statement in developing its proposal.

Q. Were there any strategic discussions regarding how Duquesne Light should react to the policy statement with respect to the back-up rate?

A. Not that I was involved in.

Q. Were you aware of any?

A. I was not.

Q. Is it fair to say that in developing the back-up rate, you did not take the Commission's concern about standby rates into consideration?

A. No. For one, the policy statement, I believe, came out after we had filed our initial case.⁹²

Even though the Company filed its rate case before the CHP Policy Statement was published, the Company was aware of the Commission's concerns about back-up rates in advance of the release of the CHP Policy Statement⁹³ – DLC even filed comments in the same proceeding. However, DLC failed to meaningfully incorporate Commission's policy into its rate case at any juncture, even when given the opportunity. Its belated concern for the CHP Policy Statement should be viewed skeptically.

Second, neither the working group nor Act 58 are likely to change DLC's opinion that it must charge Rider 16 customers as if they use the capacity "reserved" for Back-up Service 100%

⁹² Tr. at 418:10-20.

⁹³ Mr. Ogden was not personally aware of the Tentative CHP Policy Statement. Tr. at 418:24 – 419:1. However, Mr. Davis was asked about the Company's awareness of the Commission's concerns about back-up rates:

Q. And the company was aware at the time that the Commission was in the process of issuing a policy statement and that as part of that policy-making process, that the Commission had expressed concerns about backup rates?

A. Yes, I am aware of that.

of the time. While high back-up rates have already been raised as a concern in the working group, the working group's initial designated role was to develop a transparent process and gather information as mandated by the Commission's new biennial reporting requirement for EDCs.⁹⁴ The working group has turned its attention to standby rates and will issue a report to the PUC; however, there is no definitive anticipation that the report will result in an order for EDCs to immediately comply. DLC's brief in this proceeding clearly demonstrates the Company's intention to revert to its litigation position, arguing for the imposition of higher back-up rates during the working group and in subsequent cases.

In the CHP Policy Statement and elsewhere, the Commission has recognized the central role of back-up rates.⁹⁵ The Commission encouraged parties to address issues related to back-up rates in rate cases.⁹⁶ This case is the opportune time for the Commission to rule on a substantial question of utility ratemaking – a question that is likely to impact numerous potential projects in the Pittsburgh region. These projects would help defend against rising threats to the grid, supporting DLC in its mandate to provide safe, reliable service.⁹⁷ They would support manufacturing in southwestern Pennsylvania, reduce environmental impact, and help maintain order and calm in a grid emergency.⁹⁸ Entities considering this kind of investment deserve to understand how the

⁹⁴ CHP Policy Statement Order, pp. 9-10; Meeting Summary (July 16, 2018), *CHP Working Group*, available at http://www.puc.state.pa.us/Electric/pdf/CHPWG/CHPWG_Meeting-Summary_071618.pdf (last visited Sept. 14, 2018).

⁹⁵ CHP Policy Statement Order, p. 3; Proposed Policy Statement Order, *Fixed Utility Distribution Rates Policy Statement*, Docket No. M-2015-2518893 (Order entered May 23, 2018), pp. 19, 27.

⁹⁶ CHP Policy Statement Order, p. 9.

⁹⁷ 52 Pa. Code § 69.3201(b); DII Brief, p. 1; CHP Policy Statement Order, p. 1.

⁹⁸ *Id.*

Commission views back-up rate design. DLC's goal of delaying a Commission determination on back-up ratemaking is without merit.

IV. CONCLUSION

In its Final Policy Statement on Combined Heat and Power, the Commission recognized excessive Back-up rates for distributed generation facilities can hamper the development of Combined Heat and Power ("CHP") facilities in Pennsylvania. DLC's Rider 16 presents this exact scenario. Back-up Service rates must be calculated using a load factor or diversity adjustment (as embraced by DLC in its last rate case). The correct load factor based on the record evidence is 5%, which reflects actual historic and projected use of DLC's distribution system.

DII Exhibit No. JC-8 incorporated all of the language changes necessary to bring Rider 16 into compliance with regulations by (1) defining a distinct Back-up Service rate for unplanned outages and a distinct Maintenance Service rate for scheduled outages; and (2) using the actual measured billing demand as the billing determinate for Supplementary, Back-up, and Maintenance Service charges. The DII-revised Rider 16 should be accepted as the replacement for DLC's current tariff.

For all the foregoing reasons, the Duquesne Industrial Intervenors respectfully request that Your Honor recommend that the Pennsylvania Public Utility Commission order Duquesne Light Company to: (1) establish a Rider 16 Back-up rate based on a 5% load factor, at \$0.352 cents per kW; (2) establish a distinct Maintenance Rate for planned outages at \$0.235 cents per kW; and (3) ensure that Rider 16 costs are determined based on an accurate analysis of distributed generation characteristics of non-coincidental outages in future rate proceedings.

Respectfully submitted,

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