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File #: 179671

September 3, 2021

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
Harrisburg, PA 17105-3265

Re: PA Public Utility Commission v. Duquesne Light Company
Docket No. R-2021-3024750

Dear Secretary Chiavetta:

Attached for filing please find the Joint Petition for Settlement and Statements in Support filed on behalf of Duquesne Light Company in the above-referenced proceeding. Copies will be provided per the Certificate of Service.

Respectfully submitted,

Michael W. Gang

MWG/kls
Attachment

cc: Honorable Joel H. Cheskis (*w/att.*)
Honorable John M. Coogan (*w/att.*)
Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

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DATE: September 3, 2021

Michael W. Gang

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	Docket No. R-2021-3024750
	:	
Office of Consumer Advocate	:	Docket No. C-2021-3025538
Office of Small Business Advocate	:	Docket No. C-2021-3025462
Nationwide Energy Partners	:	Docket No. C-2021-3026057
Sean Ferris	:	Docket No. C-2021-3026365
Jan Vroman	:	Docket No. C-2021-3026521
Diane Buzzard	:	Docket No. C-2021-3027067
	:	
v.	:	
	:	
Duquesne Light Company	:	

JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE JOEL H. CHESKIS AND ADMINISTRATIVE LAW JUDGE JOHN M. COOGAN:

Duquesne Light Company ("Duquesne Light" or the "Company"), the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission"), the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate ("OSBA"), Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA"), the Pennsylvania Weatherization Providers Task Force, Inc. ("PWPTF"), ChargePoint, Inc. ("ChargePoint"), and the Natural Resources Defense Council, Inc. ("NRDC"), hereinafter collectively the "Joint Petitioners," hereby join in this Joint Petition for Approval of Settlement ("Settlement") which resolves all issues except those related to Nationwide Energy Partners, LLC's ("NEP") complaint and proposal regarding master metering and submetering, as described in NEP Statement Nos. 1 and 2. Issues related to NEP's master metering and submetering proposal are reserved for litigation. The following parties in this proceeding, including United States Steel Corporation ("U.S. Steel"), Peoples Natural Gas Company LLC ("Peoples"), the International Brotherhood of Electrical Workers, AFL-CIO, Local Union 29 ("IBEW Local 29"), and NEP, have indicated that they do not oppose the Settlement. All parties in this proceeding either support or do not oppose the Settlement.

The Joint Petitioners respectfully request that Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan (collectively the "ALJs") recommend and that the Commission approve all terms and conditions of the Settlement without modification. The Settlement provides for increases in rates, as set forth in the form of tariff supplement attached as **Appendix A** and the proof of revenues attached as **Appendix B** to this Petition. These rates are designed to produce a net increase in annual base distribution operating revenues of $74.2 million, which includes $29.2 million of revenues currently recovered under surcharges, resulting in an increase in revenues of $45.00 million, based upon data for a Fully Projected Future Test Year ("FPFTY") ending December 31, 2022, as adjusted for ratemaking purposes, to become effective for service rendered on and after January 15, 2022.

The effect of the Settlement on residential Rate RS customer rates is set forth in Table 1 below and in **Appendix C**:

Table 1

Rate RS – Residential Service
Using 600 kWh

Base Distribution Increase		Total Bill Increase	
Present Base Distribution Bill	$50.86	Present Total Bill	$100.12
Proposed Base Distribution Bill	$58.59	Proposed Total Bill	$107.85
Proposed Percentage Base Distribution Increase	15.19%	Proposed Percentage Total Increase	7.72%
Settled Base Distribution Bill	$55.10	Settled Total Bill	$104.35
Settled Percentage Base Distribution Increase	8.33%	Settled Percentage Total Increase	4.23%

Additional detail for the effect of the change on Residential Heating Service customers – Rate RH, Small Commercial customers – Rate GS, Medium Commercial customers – Rate GM>25 and Industrial customers – Rate GL is provided in **Appendix C**.

In support of this Settlement, the Joint Petitioners state the following:

I. BACKGROUND

1. Duquesne Light provides electric distribution and transmission services to approximately 596,000 customers in Allegheny and Beaver Counties, Pennsylvania. Duquesne Light is a "public utility" and an "electric distribution company" as defined under the Public Utility Code, *see* 66 Pa. C.S. §§ 102 & 2803, serving customers within its certificated service territory and subject to the regulatory jurisdiction of this Commission. Duquesne Light also provides default service to customers that are not being served by an electric generation supplier ("EGS").

2. On April 16, 2021, Duquesne Light filed Supplement No. 25 to Tariff Electric – PA PUC No. 25 pursuant to 66 Pa. C.S. § 1308(d). Duquesne Light requested that the Commission approve an overall annual increase in distribution revenue of approximately $115.0 million. Included in the requested increase is approximately $29.2 million in revenue currently recovered under surcharges, resulting in a net increase in distribution revenue of approximately $85.8 million.

3. On April 23, 2021, I&E filed a Notice of Appearance.

4. On April 23, 2021, OSBA filed a Complaint and Public Statement. On April 30, 2021, Duquesne Light filed a letter indicating that the Company was not filing an Answer to OSBA's Complaint pursuant to 52 Pa. Code § 5.61(d).

5. On April 26, 2021, Duquesne Light filed a motion for a protective order pursuant to 52 Pa. Code § 5.365(a).

6. Also, on April 26, 2021, CAUSE-PA filed a Petition to Intervene and Answer. On April 30, 2021 Duquesne Light filed a letter indicating that the Company did not object to CAUSE-PA's Petition to Intervene.

7. On April 27, 2021, the OCA filed a Complaint and Public Statement. On April 30, 2021, Duquesne Light filed a letter indicating that the Company was not filing an Answer to OCA's Complaint pursuant to 52 Pa. Code § 5.61(d).

8. On May 4, 2021, the PWPTF filed a Petition to Intervene. On May 21, 2021, Duquesne Light filed a letter indicating that the Company did not object to the PWPTF's Petition to Intervene.

9. On May 14, 2021, the NRDC filed a Petition to Intervene and Answer. On May 17, 2021, Duquesne Light filed a letter indicating that the Company did not object to NRDC's Petition to Intervene.

10. On May 20, 2021, the Commission entered an Order suspending Supplement No. 25 to Tariff Electric Pa. P.U.C. No. 25 until January 15, 2022, unless otherwise directed by Order of the Commission, pursuant to 66 Pa.C.S. §1308(d). The matter was referred to the Office of the Administrative Law Judge ("OALJ"). The proceeding was assigned to the ALJs, and a Prehearing Conference was scheduled for May 27, 2021.

11. On May 24, 2021, United States Steel Corporation ("US Steel") filed a Petition to Intervene. On May 25, 2021, Duquesne Light filed a letter indicating that the Company did not object to US Steel's Petition to Intervene.

12. On May 25, 2021, Peoples Natural Gas filed a Petition to Intervene. Duquesne Light filed an Answer to the Petition to Intervene on June 4, 2021.

13. On May 25, 2021, NEP filed a Formal Complaint at Docket No. C-2021-3026057. NEP subsequently filed a Motion to Consolidate its Formal Complaint with Duquesne Light's proposed base rate increase at Docket No. R-2021-3024750 on June 2, 2021. Duquesne Light filed Preliminary Objections and an Answer to NEP's Formal Complaint on June 4, 2021. NEP filed an Answer to Duquesne Light's Preliminary Objections on June 9, 2021.

14. An initial Prehearing Conference was held as scheduled on May 27, 2021. Parties participating in the Prehearing Conference filed Prehearing Memoranda identifying potential issues and their expected witnesses. At the Prehearing Conference, the ALJs adopted a procedural schedule. In addition, the parties agreed to, and the ALJs approved, modified

discovery rules for the above-captioned proceeding, which included shorter response times than those provided for in the Commission's regulations at 52 Pa. Code §§ 5.321 et seq.

15. On May 28, 2021, the ALJs issued a Scheduling Order.

16. On June 2, 2021, ChargePoint filed a Petition to Intervene and Motion for Admission *Pro Hac Vice*. On June 5, 2021, Duquesne Light filed a letter indicating that the Company did not object to ChargePoint's Petition to Intervene.

17. Also, on June 2, 2021, the ALJs issued a Protective Order.

18. On June 8, 2021, Sean Ferris filed a Formal Complaint against the proposed rate increase at Docket No. C-2021-3026365. Duquesne Light filed an Answer to this complaint on June 18, 2021.

19. On June 14, 2021, Jan Vroman filed a Formal Complaint against the proposed rate increase at Docket No. C-2021-3026521. Duquesne Light filed an Answer to this complaint on June 21, 2021.

20. Also on June 14, 2021, IBEW Local 29 filed a Petition to Intervene. On June 15, 2021, Duquesne Light filed a letter indicating that the Company did not object to IBEW Local 29's Petition to Intervene.

21. On June 21, 2021, the ALJs issued an Order Denying Preliminary Objections Filed By Duquesne Light Company Against Nationwide Energy Partners, LLC And Granting Motion To Consolidate.

22. Two public input hearings were held on June 22, 2021, at 1:00 p.m. and 6:00 p.m.

23. Also on June 22, 2021, the petitions to intervene of Peoples Natural Gas, ChargePoint and IBEW Local 29 were granted.

24. On July 1, 2021, Diane Buzzard filed a Formal Complaint against the proposed rate increase at Docket No. C-2021-3027067. Duquesne Light was served with this complaint on July 6, 2021. Duquesne Light filed an Answer to this complaint on July 16, 2021.

25. On June 30, 22021, I&E, OCA, OSBA, CAUSE-PA, ChargePoint, PWPTF, and NRDC served their direct testimony and exhibits. NEP served its direct testimony and exhibits on July 2, 2021.

26. On July 26, 2021, Duquesne Light, I&E, OCA, OSBA, CAUSE-PA, NRDC, NEP and ChargePoint served rebuttal testimony and exhibits.

27. On August 10, 2021, Duquesne Light, I&E, OCA, OSBA, CAUSE-PA, and NRDC served their surrebuttal testimony and exhibits.

28. On August 13, 2021, Duquesne Light served its rejoinder testimony and exhibits.

29. The parties engaged in substantial formal and informal discovery in support of their respective positions, and Duquesne Light responded to approximately 814 discovery requests.

30. An evidentiary hearing was held before the ALJs on August 17, 2021. At the hearing, parties waived cross examination of witnesses, and pre-served testimony and exhibits were admitted in the record via stipulation. In addition, Diane Buzzard's complaint was consolidated with Duquesne Light's base rate proceeding.

31. During the evidentiary hearing, the parties advised the ALJs that they anticipated settling all issues, except for the issue regarding NEP's master metering and submetering proposal, as described in NEP Statement Nos. 1 and 2. As such, a discussion was held regarding the opportunity to submit briefs on the remaining disputed issue and when the formal settlement petition and statements in support would be due.

32. A Briefing Order was issued by the ALJs on August 17, 2021.

33. As explained above, all parties have entered into or do not oppose this Settlement which resolves all issues in the proceeding, except for the issue regarding NEP's master metering and submetering proposal, as described in NEP Statement Nos. 1 and 2. The terms and conditions of the Settlement are set forth below.

II. SETTLEMENT TERMS AND CONDITIONS

A. REVENUE REQUIREMENT AND ACCOUNTING

34. The distribution rates set in this proceeding will be designed to produce increased distribution operating revenues of $74.2 million based upon the pro forma level of operations for the twelve months ended December 31, 2022, inclusive of the $29.2 million of revenues currently recovered under surcharges, for a net increase in revenues of $45.00 million.

35. As of the effective date of rates in this proceeding, Duquesne Light will be eligible to include plant additions in the Distribution System Improvement Charge ("DSIC") once the total distribution account balances exceed $3,367,154,000, which are the levels projected by the Company in this proceeding at December 31, 2022 per DLC Exhibit 2, Book 5, Schedule C-2, page 2. The foregoing provision is included solely for purposes of calculating the DSIC, and is not determinative for future ratemaking purposes of the projected additions to be included in rate base in a Fully Projected Future Test Year ("FPFTY") filing.

36. For purposes of calculating its DSIC, Duquesne Light shall use the equity return rate for electric utilities contained in the Commission's most recent Quarterly Report on the Earnings of Jurisdictional Utilities and shall update the equity return rate each quarter consistent with any changes to the equity return rate for electric utilities contained in the most recent Quarterly Earnings Report, consistent with 66 Pa. C.S. § 1357(b)(3), until such time as the DSIC is reset pursuant to the provisions of 66 Pa. C.S. § 1358(b)(1).

37. Duquesne Light will continue to use normalization accounting with respect to the benefits of the tax repairs and Internal Revenue Code ("IRC") Section 263A deductions. Duquesne Light will reverse EDIT with regard to prior tax repairs and IRC Section 263A deductions pursuant to the Average Rate Assumption Method ("ARAM") used to reverse excess deferred income taxes ("EDIT") associated with accelerated depreciation deductions. The remaining unamortized EDIT balance will continue as a reduction to rate base in all future base rate proceedings until the full amount is returned to ratepayers.

38. This Settlement provides for recovery of deferred COVID-19 uncollectible accounts expense of $6.1 million incurred from March, 2020 through June 30, 2021, which is recovered through an amortization of such costs over 36 months commencing with the effective date of rates in this proceeding. No uncollectibles balance will be added to the regulatory asset after the effective date of new rates in this proceeding for deferred COVID-19 uncollectible accounts expense.

39. This Settlement resolves the Company's claim for COVID-19 costs and lost revenues other than uncollectible accounts expenses.

40. Duquesne Light will be permitted to create a regulatory asset for the incremental extraordinary, nonrecurring uncollectible accounts expense incurred commencing from July 1, 2021 through January 14, 2022, as a result of compliance with the Commission's March 13 Emergency Order, October 13, 2020 Order, March 18, 2021 Order, and July 15, 2021 Order at Docket Nos. M-2020-3019244 and M-2020-3019775.

41. Commencing with calendar year 2022, Duquesne Light will deposit into its pension trusts an amount equal to $10,000,000 per year; provided, however, that contribution(s) in any year in excess of the foregoing may be used on a cumulative basis to satisfy future

contribution obligations under this Settlement. The Settlement provides for recovery of the expense component of $5,000,000 (50% of the average cash contributions) of projected future pension contributions. Issues concerning the effects on rate base of capitalizing the difference between pension contributions and ASC 715 costs are resolved by the revenue requirement provisions of this Settlement. The depreciation expense for book and ratemaking purposes will be based on the ASC 715 capitalized amounts. If Duquesne Light concludes that a contribution less than $10,000,000 to the pension trust is appropriate, the Company may reduce the pension contribution and will record a regulatory liability on its books of account that is equal to 50% of the reduction to the pension contribution below the level of $10,000,000. Any regulatory liability recorded will be reduced to the extent of 50% of contributions in excess of $10,000,000 in subsequent years. If a regulatory liability remains at the time of the Company's next rate proceeding, the regulatory liability amount will be returned to ratepayers as directed in the next base rate proceeding. Duquesne Light shall provide a report and affidavit attesting to the actual contributions to pension trusts during each calendar year. The report and affidavit shall be publicly filed with the Commission, with copies provided to I&E, OCA and OSBA on or before January 31 of the following calendar year, with the first report and affidavit due on or before January 31, 2023.

42. The Company's distribution rate allowance for Other Post-Employment Benefits ("OPEBs") is based upon the estimated ASC 715 cost for the FPFTY of approximately $217,000 ($179,000 on a distribution basis), which reflects a two-year normalization of the Net Periodic Benefit Cost for historic and future test year distribution costs. The distribution expense component included in rates is approximately 50% of this estimated cost less the annual effect of the 3-year amortization of the regulatory liability of $2,012,000 ($1,663,000 on a distribution

basis) as explained in Duquesne Light St. No. 2, p. 37, for a net distribution credit of $372,000. The remaining 50% of actual ASC 715 cost will be the amount to be capitalized on the Company's books. The actual labor capitalization ratio will be used to determine the split between capitalized and expensed amounts. The Company accounts for and funds OPEBs through a Voluntary Employees Beneficiary Associated ("VEBA") trust, into which it will deposit the full amount of annual costs calculated by the Company's actuary pursuant to ASC 715. Retiree OPEBs and administrative costs of maintaining the trusts and/or accounts are paid from amounts deposited in the trust. The Company accounts for the difference between the net periodic postretirement benefit expense determined annually by the actuary in accordance with ASC 715 and the amount of ASC 715 postretirement benefit expense used to establish rates. That difference is recorded as a regulatory asset or liability and will be expensed or credited in future rate proceedings in determining OPEB expense included in rates.

43. Duquesne Light's jurisdictional separation study of distribution and transmission costs and assets shall be approved for purposes of this case only and shall hold no precedential value in a future base rate proceeding. All parties reserve the right to challenge the jurisdictional separation study in future matters.

44. Duquesne Light will file a Total Company Pennsylvania jurisdictional report showing capital expenditures, plant additions and retirements, by month, for the Future Test Year ("FTY") ending December 31, 2021, and the FPFTY ending December 31, 2022, by July 31 of each of the years following the test years. In Duquesne Light's next base rate proceeding, the Company will prepare a comparison of its actual expenses and rate base additions for the twelve months ending December 31, 2022, to its projections in this case. However, it is recognized by

the Parties that this is a black box settlement that is a compromise of the Parties' positions on various issues.

45. Consistent with the settlement in the Company's last base rate case, Docket No. R-2018-3000124, the Company shall be permitted to capitalize the development costs for cloud-based information systems. The Company has recorded the costs related to the development of cloud-based information systems as a regulatory asset at the time such costs are incurred and has begun amortization of the costs after the systems were placed in service. The Company has elected, as of January 1, 2022, pursuant to ASU 2018-15, to capitalize all future-cloud based information system development costs. Pursuant to this Settlement, the Company will be permitted to transfer any remaining unamortized cloud-based information system costs to the appropriate plant account as of December 31, 2021. Nothing in this provision shall preclude a challenge to the prudence or reasonableness of specific cloud-based expenditures in a future base rate proceeding.

46. The Company shall provide notice and explanation to the Commission when annual dividend payments in the preceding 12 months ended March 31st exceed 85% of annual net income of the prior calendar year.

B. DUQUESNE LIGHT PROGRAMS

1. SMALL AND MEDIUM COMMERICAL CUSTOMER PROPOSALS

47. Duquesne Light's proposed New Business Stimulus Rider, as described in DLC Statement No. 5 and memorialized as Rider No. 25 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

48. Duquesne Light's proposed Crisis Recovery Program, as described in DLC Statement No. 5 and memorialized as Rider No. 26 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

2. MASTER METERING

49. Duquesne Light's revisions to Retail Tariff Rules 41 and 41.1 regarding master metering, as initially proposed in DLC Statement No. 6 and later withdrawn in DLC Statement No. 6-SR, are withdrawn.

50. Nationwide Energy Partners' proposal regarding master metering and submetering, as described in NEP Statement Nos. 1 and 2, is reserved for litigation.

3. COVID-19 AND UNIVERSAL SERVICE PROGRAMS

51. Duquesne Light's proposed residential COVID-19 Relief Program, as described in DLC Statement No. 7, is withdrawn without prejudice.

52. Tariff Rule 5 will be modified to include the following:

> When the Company determines a deposit is required for new service or for reconnection of service as described in Rule No. 40, such deposit shall be payable within a reasonable time period after commencing or reconnecting electric service, not to be fewer than four (4) twenty-five percent (25%) installments with the first installment billed no less than 30 days after the reconnection of service in the event of a reconnection.

53. For the period January 1, 2022 through December 31, 2023, (i) the maximum household income eligibility criterion for Duquesne Light's Hardship Fund shall be increased from 200% to 300% of the Federal Poverty Level; and (ii) Duquesne Light shall contribute an additional $1 million per year to its Hardship Fund, which will be contributed by the Company's shareholders. All Hardship Funds, exclusive of the additional funds identified in this paragraph, will be directed to households with income at or below 200% of the Federal Poverty Level, unless unspent in the year in which they are so reserved. At least 75% of the additional funds

identified in this paragraph will be directed to households with income at or below 200% of the Federal Poverty Level. On July 1 of each year, unused Hardship Funds initially directed to households with incomes above 200% of the Federal Poverty Level shall be made available to all customers eligible for the Hardship Fund.

54. Duquesne Light will increase annual funding for its Low Income Usage Reduction Program ("LIURP") by $400,000 annually, which will be recovered through Rider No. 5 – Universal Services Charge, beginning January 1, 2022 and ending January 1, 2025.

55. Duquesne Light will continue to use a competitive procurement process to select a vendor to administer its LIURP program. Duquesne Light will invite member agencies of the PA Weatherization Providers Task Force and other CBOs to participate in the competitive procurement process to select a LIURP vendor upon the expiration of the existing contract.

56. The Company will increase its maximum CAP credit thresholds by a percentage equal to the annual average increase in residential rates approved through this Settlement.

a. Duquesne Light will waive the high usage threshold for participation in LIURP for households that exceed the maximum CAP credit limit prior to the end of the program year.

4. TRANSPORTATION ELECTRIFICATION PROGRAM AND LOAD MANAGEMENT

57. Duquesne Light's proposed Transportation Electrification ("TE") Program, as described in DLC Statement No. 8, is resolved as follows:

a. The Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot (Make-Ready Pilot) is approved with the following modifications:

i. Duquesne Light will equitably apportion the Make-Ready annual budget across its service territory.

ii. Duquesne Light will track the census tract and nine-digit zip code of Make-Ready infrastructure installed through this pilot project. This information will be reported annually to stakeholders through the collaborative described in subpart (c) of this paragraph. Duquesne Light will work with stakeholders to identify ways to ensure equitable delivery of these programs to unserved and underserved areas identified through this data tracking.

b. The Fleet and Transit Charging Pilot is approved with the following modifications:

i. Duquesne Light will equitably apportion the annual budget across its service territory.

ii. Duquesne Light will track the census tract and nine-digit zip code of Fleet and Transit Charging infrastructure installed through this pilot project. This information will be reported annually to stakeholders through the collaborative described in subpart (c) of this paragraph. Duquesne Light will work with stakeholders to identify ways to ensure equitable delivery of these programs to unserved and underserved areas identified through this data tracking.

iii. The Company's outreach for the Fleet and Transit Charging Pilot will include outreach specifically targeting low-income communities, providers who service low-income communities, and Title I schools as defined at 20 U.S.C. § 6301 et. seq.

iv. The Company's Fleet and Transit Charging Pilot investments will comprise (1) make-ready infrastructure, and (2) rebates to participating customers for the costs of electric vehicle charging stations. Each rebate provided to a participating customer will not exceed more than 50 percent (for customers participating in the Fleet program) or 100 percent (for customers participating in the Transit program) of the customer's contribution for the costs of electric vehicle charging stations.

v. For the Fleet programs of the Fleet and Transit Charging Pilot: Program participation will be capped at 10 new customers per year.

vi. All cost incurred by the Company through the rebates will be recorded in a regulatory asset. The Company may seek recovery of these costs in the Company's next base rate proceeding. All parties reserve their rights to challenge recovery of these costs in the next base rate proceeding.

c. Within 120 days of a final order in this proceeding, and at least once annually for the duration of Duquesne Light's approved EV programs, Duquesne Light will convene a collaborative working group, including the parties to this proceeding and other interested stakeholders, to discuss aspects of the TE Programs including but not limited to: the results of the Company's equitable apportionment; the provision of the TE Programs to low income communities and other historically disadvantaged communities; potential local impacts; and other related issues.

d. The Home Charging Pilot, including Rider No. 23 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

e. The Awareness, Education, and Engagement programs are approved. The budgets for these programs are included in the revenue requirement identified in Paragraph 34.

f. The Fleet Electrification Advisory Service is approved. The budgets for these programs are included in the revenue requirement identified in Paragraph 34.

g. The Registration Incentive is approved.

h. No later than July 1, 2022, Duquesne Light will provide a draft evaluation and assessment plan for its TE Programs for parties' review and comment.

i. No later than the earlier of (i) one year following the deployment of the Company's Outage Management System or (ii) the filing of its next base rates proceeding, Duquesne Light will provide a non-confidential report describing its (i) load management programs implemented to date; and (ii) plans for the development of additional load management programs. For the purposes of this subparagraph, "load management program" means offerings by the Company to support passive or active managed charging, including but not limited to Automated (or Active/Dynamic) Load Management ("ALM"), other technologies that enable automated load-side actions in response to market and/or operational signals, and rate designs and mechanisms. Approximately six months prior to the issuance of such report, the Company will convene a non-confidential collaborative meeting of stakeholders to discuss the Company's load management initiatives.

j. Duquesne Light will provide a report on its TE Programs in its next base rates proceeding that includes, at a minimum:

i. The total number of charging stations installed, broken down by year, type of charging station (e.g., Level 2 or DC Fast Charger), site host type (and public accessibility of station), kWh utilized, number of charging sessions, and nine-digit zip code and census tract location of the charging station.

ii. Total charging station and installation costs, broken down by year and by customer low-income status (as applicable).

iii. Revenues received from charging station hosts.

iv. A description of Awareness, Education, and Engagement efforts undertaken, including a breakdown of channels used to educate customers about EVs, charging stations, and the TE Programs, as well as the programs geared specifically toward low-income customers by year.

v. The total number of customers broken down by nine-digit zip code and census tract of the charging station and (for participants in the Transit Charging Pilot) the routes served, the customer class, and the type of entity (non-profit, government, education, or for-profit entity) that participated in the Fleet Electrification Advisory Service program per year.

vi. The number of customers that participated in the EV Registration Incentive per year, broken down by the following FPL ranges: 0-50% FPL; 51-100% FPL; 100-150% FPL; 151-200% FPL; 200-250% FPL, 251-300% FPL; over 300% FPL; and income not reported. Customers will be given the option to provide their household income during the EV Registration Incentive application process, but will not be required to provide household income as a condition of participation. Duquesne Light will also separately track the number of confirmed low-income customers and CAP customers, based on its existing customer data, who participate in the EV Registration Incentive.

vii. An evaluation, broken down by TE Program, of customer participation, feedback, and charging station usage, including an evaluation of low-income customer participation in TE Programs.

viii. Description of the procedures employed to procure products and services related to the TE Programs from third-party vendors.

ix. Aggregate EV charging load profile, including the size and timing of the peak, broken down by site type (i.e., public, workplace, multi-unit dwelling, and fleet).

58. Duquesne Light's proposals to refund or recover, respectively, unused EV Registration Incentive funds and Level 2 Charging Evaluation rebate expenses over a three-year

period, as described in DLC Statement No. 8, p. 65, is approved. Such refund/recoupment is included in the revenue requirement identified in Paragraph 34.

59. Duquesne Light's proposal to include $854,736 in rate base associated with the DC Fast Charging Evaluation, as described in DLC Statement No. 8, pp. 66-67, is approved.

5. OTHER RIDERS AND TARIFF MODIFICATIONS

60. Duquesne Light's proposed Rider No. 4, Federal Tax Adjustment Charge, as discussed in DLC Statement Nos. 9 and 16 and Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

61. Duquesne Light's revised Street Lighting options, as discussed in Duquesne Light Statement No. 16, are approved. See Duquesne Light Exhibit No. DBO-1.

62. Duquesne Light's proposed changes to Rider No. 16, as described in DLC Statement No. 17, are approved. See also Duquesne Light Exhibit No. DBO-1.

63. Duquesne Light's proposed Community Development Rider, as described in DLC Statement No. 17 and memorialized as Rider No. 19 in Duquesne Light Exhibit No. DBO-1, is approved with the following modifications:

a. The costs of this program will not be recovered from customers, and are not included in the revenue requirement identified in Paragraph 34.

b. In addition to the eligibility requirements identified in DLC Statement No. 17, customers may only be eligible for the Community Development Rider if they show either (i) that they have a competitive energy alternative to electricity delivered by the Company; or (ii) affirm that they will not be able to commence and/or sustain the business without participating in Rider No. 19.

64. Duquesne Light's proposed Residential Subscription Rate Pilot, as described in DLC Statement Nos. 9 and 17 and memorialized as Rider No. 7 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

65. The special rate contract identified as CONFIDENTIAL Exhibit CJD-2 is approved.

66. Except where noted otherwise herein, the Company's proposed Retail Tariff revisions, as discussed in DLC Statement No. 16, are approved. Such Retail Tariff revisions include the changes to the following Tariff rules as identified in Exhibit Nos. DBO-1 and DBO-2 and are reflected in Appendix A:

a. Rule No. 3.1 – Definitions

b. Rule No. 5 – Deposits and Advance Payments

c. Rule No. 6.1 – Service Point

d. Rule No. 7 – Supply Line Extensions

e. Rule No. 10 - One Service of a Kind

f. Rule No. 16.1 – Interconnection, Safety and Reliability Requirements

g. Rule No. 22.1 – Vegetation Management and Right-of-Way

h. Rule No. 40 - Reconnection Charge

C. REVENUE ALLOCATION AND RATE DESIGN

67. The revenue allocation to each class at the net settlement increase of $45 million is reflected in **Appendix B**. This revenue allocation is a "black box" agreement representing a compromise among the parties' filed revenue allocation proposals and it does not reflect any agreement among the Settling Parties regarding the appropriate cost allocation methodology.

68. Universal service costs will continue to be recovered only from residential rate classes. The parties retain all rights to challenge, refute, or propose modifications to the allocation of universal service costs to all customer classes in future proceedings.

69. The Company's residential RS rate, RH rate, and RA rate customer charges will be maintained at $12.50. The customer charges of the non-residential classes were reduced to reflect the lower than proposed increases to those classes and other factors as agreed to by the Parties and are shown in Appendix A.

70. The Company agrees to undertake an evaluation of the GMH and GLH rate classes as described in DLC Statement No. 16-R at page 18. The Company will provide the detailed results of its evaluation and any resulting rate design proposals with its filing in its next base rate proceeding.

71. The OSBA withdraws its recommendations as discussed in OSBA Statement No. 1-R to modify the treatment of certain government customers in Rider No. 3, without prejudice to its ability to raise the issue in future rate proceedings.

III. <u>THIS SETTLEMENT IS IN THE PUBLIC INTEREST</u>

72. This Settlement was achieved by the Joint Petitioners after an extensive investigation of Duquesne Light's filing, including extensive informal and formal discovery and the filing of direct, rebuttal, surrebuttal and rejoinder testimony by a number of the Joint Petitioners.

73. The Settlement rates will allocate the agreed upon revenue increase to each customer class in a manner that is reasonable given the rate structure and cost of service positions advanced in the testimony and exhibits of the various parties.

74. Proposed Findings of Fact, Conclusions of Law and Ordering Paragraphs are attached as **Appendix D**.

75. Statements in Support of the Settlement setting forth the basis upon which the Joint Petitioners consider the Settlement to be in the public interest are attached as **Appendices E through L**. In addition, letters of non-opposition from Peoples Natural Gas, NEP, and U.S. Steel are provided as **Appendices M, N and O.**

IV. ADDITIONAL TERMS AND CONDITIONS

76. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission modifies the Settlement, then any Joint Petitioner may elect to withdraw from this Settlement and may proceed with litigation and, in such event, this entire Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all parties within five (5) business days after the entry of an Order modifying the Settlement.

77. This Settlement is proposed by the Joint Petitioners to settle all issues among them in the instant proceeding, except issues related to NEP's proposal regarding master metering and submetering, as described in NEP Statement Nos. 1 and 2. If the Settlement is not approved, the Joint Petitioners reserve their respective rights to conduct further hearings, including further cross-examination, and briefing. The Settlement is made without any admission against, or prejudice to, any position which any Joint Petitioner may adopt in the event of any subsequent litigation of this proceeding or in any other proceeding.

78. The Joint Petitioners acknowledge and agree that this Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding resulting in the establishment of rates that are Commission-made, just and reasonable.

79. The Joint Petitioners acknowledge that this Settlement reflects a compromise and does not necessarily reflect any Party's position with respect to any issues raised in this

proceeding. The Joint Petitioners agree that this Settlement shall not constitute or be cited as precedent in any other proceeding, except to the extent required to implement this Settlement.

80. This Settlement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner which is fair and reasonable. The Settlement is presented without prejudice to any position which any of the parties may have advanced and without prejudice to the position any of the parties may advance in the future on the merits of the issues in future proceedings except to the extent necessary to effectuate the terms and conditions of the Settlement. This Settlement does not preclude the parties from taking other positions in proceedings of other public utilities under Section 1308 of the Public Utility Code, 66 Pa.C.S. § 1308, or any other proceeding.

81. A copy of the Settlement is being served upon the customer complainants.

82. If the ALJs adopt this Settlement without modification in the Recommended Decision, the Joint Petitioners waive their rights to file exceptions as to the issues addressed by the Settlement. This does not preclude the Joint Petitioners from filing Exceptions in response to issues reserved for litigation.

V. CONCLUSION

WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request:

1. That Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan recommend and that the Pennsylvania Public Utility Commission approve this Settlement, including all the terms and modifications thereof, without modification;

2. That the Commission issue an order resolving master metering and submetering proposals raised by Nationwide Energy Partners, LLC, which were reserved for litigation;

3. That the investigation into this matter be terminated and the matter marked closed; and

4. That the Commission issue an Order terminating the proceeding, and authorizing Duquesne Light to file pro forma the tariff supplement attached as **Appendix A** hereto to become effective for service on and after January 15, 2022.

Respectfully Submitted,

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APPENDIX A

SUPPLEMENT NO. XX
TO ELECTRIC – PA. P.U.C. NO. 25

SCHEDULE OF RATES

For Electric Service in Allegheny and Beaver Counties

(For List of Communities Served, see Pages No. 4 and 5)

Issued By

DUQUESNE LIGHT COMPANY
411 Seventh Avenue
Pittsburgh, PA 15219

Kevin E. Walker
President and Chief Executive Officer

ISSUED: XXXXXXX XX, XXXX EFFECTIVE: XXXXXXX XX, XXXX

Filed at Docket No. R-2021-3024750

NOTICE

THIS TARIFF SUPPLEMENT ADDS PAGES AND A NEW RIDER, MAKES CHANGES TO THE TABLE OF CONTENTS, RULES AND REGULATIONS, RATE SCHEDULES, RIDER MATRIX, RIDERS AND APPENDIX A AND MAKES INCREASES AND DECREASES TO THE RATES CONTAINED IN THE RATE SCHEDULES AND RIDERS.

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

List of Modifications Made by this Tariff — **First Revised Pages No. 2A through Original Page No. 2G**
Cancelling Original Pages No. 2A – 2G

Original Pages No. 2H – 2J

Original Page No. 2H through Original Page No. 2J have been added to Tariff No. 25 to accommodate the List of Modifications.

Original Page No. 3A has been added to the Table of Contents and therefore to Tariff No. 25.

Original Page No. 26A has been added to the rules section and therefore to Tariff No. 25.

Original Page No. 87A has been added to the Rider Matrix section and therefore to Tariff No. 25.

Original Page No. 124A has been added to the rider section and therefore to Tariff No. 25.

Original Page No. 128A has been added to the rider section and therefore to Tariff No. 25.

Table of Contents — **Fourth Revised Page No. 3**
Cancelling Third Revised Page No. 3

Original Page No. 2H through Original Page No. 2J have been added to Tariff No. 25 to accommodate the List of Modifications.

Original Page No. 3A has been added to Tariff No. 25 to accommodate the Table of Contents.

Original Page No. 87A has been added to the Table of Contents to reflect the additional page added to the Rider Matrix (Pages No. 87-87A).

Table of Contents — **Fourth Revised Page No. 3**
Cancelling Third Revised Page No. 3

Table of Contents information previously found on Third Revised Page No. 3, Cancelling Second Revised Page No. 3 has been moved to Original Page No. 3A to accommodate the additional Riders added to Tariff No. 25.

Table of Contents — **Original Page No. 3A**

Table of Contents information previously found on Third Revised Page No. 3, Cancelling Second Revised Page No. 3 has been moved to Original Page No. 3A to accommodate the additional Rider added to Tariff No. 25.

Original Page No. 124A has been added to the Table of Contents to reflect the additional page added to Rider No. 16 – Service to Non-Utility Generating Facilities (Pages No. 123-124A).

Rider No. 19 – Community Development for New Load has been added to Tariff No. 25 and to the Table of Contents.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Table of Contents **Original Page No. 3A**

Administerial update to the page numbering on the Table of Contents page. Rider No. 21 - Net Metering Service now reflects the addition of Page No. 136A which was added and approved in the Company's DSP IX proceeding at Docket No. P-2020-3019522, Order entered January 14, 2021.

Rules and Regulations **First Revised Page No. 7**
The Electric Service Tariff **Cancelling Original Page No. 7**
3.1 Definitions
(2) Applicant

Language has been added to clarify that the definition of "Applicant" includes non-residential applicants.

Rules and Regulations **First Revised Page No. 11**
Contracts, Deposits and Advance Payments **Cancelling Original Page No. 11**
Rule No. 5 - Deposits and Advance Payments

Language has been modified to reflect that residential customers/applicants are permitted to pay their deposit in four (4) twenty-five percent (25%) installments.

Language has been modified to clarify security deposits for non-residential customers/applicants.

Rules and Regulations **First Revised Page No. 13**
Installation of Service **Cancelling Original Page No. 13**
Rule No. 6.1 - Service Point

Language has been revised to accommodate the Company's proposed transportation electrification programs.

Rules and Regulations **First Revised Page No. 14**
Installation of Service **Cancelling Original Page No. 14**
Rule No. 7 - Supply Line Extensions

First Revised Page No. 15
Cancelling Original Page No. 15

First Revised Page No. 16
Cancelling Original Page No. 16

Language has been modified to clarify that both customers and applicants for service are subject to tariff cost commitment requirements.

Language has been modified to allow applicants (e.g., developers) to pay Contribution in Aid of Construction ("CIAC") on behalf of the ultimate customer.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rules and Regulations **First Revised Page No. 19**
Installation of Service **Cancelling Original Page No. 19**
Rule No 10 - One Service of A Kind

Language has been modified to remove obsolete cross-reference.

Rules and Regulations **Second Revised Page No. 26**
Measurement and Use of Service **Cancelling First Revised Page No. 26**
Rule No. 16.1 - Interconnection, Safety and Reliability Requirements

New Rule No. 16.1 Interconnection, Safety and Reliability Requirements has been added to the tariff to clarify and memorialize the Company's existing process for customer generation interconnection (including facilities not eligible for net metering).

Rule No. 18.1 – Electric Vehicle Charging and Rule No. 19 – Continuity and Safety, previously found on First Revised Page No. 26, Cancelling Original Page No. 26 have been moved to Original Page No. 26A to accommodate the addition of Rule No. 16.1 – Interconnection, Safety and Reliability Requirements on Second Revised Page No. 26, Cancelling First Revised Page No. 26.

Rules and Regulations **Original Page No. 26A**
Measurement and Use of Service

Rule No. 18.1 – Electric Vehicle Charging and Rule No. 19 – Continuity and Safety, previously found on First Revised Page No. 26, Cancelling Original Page No. 26 have been moved to Original Page No. 26A to accommodate the addition of Rule No. 16.1 – Interconnection, Safety and Reliability Requirements.

Rules and Regulations **First Revised Page No. 29**
Company Property on Customer's Premises **Cancelling Original Page No. 29**
Rule No. 22.1 - Vegetation Management and Right-of-Way

Language has been added to clarify a customer's responsibility to manage vegetation around the Company's service facilities.

Rules and Regulations **First Revised Page No. 33**
Discontinuance, Curtailment or Interruption of Electric Service **Cancelling Original Page No. 33**
Rule No. 40 - Reconnection Charge

Language has been added to expand reconnection charge applicability to customers who apply for reconnection at the same premises more than thirty (30) days following disconnection (i.e., when then former customer now constitutes an "applicant").

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rules and Regulations	**Second Revised Page No. 34**
Discontinuance, Curtailment or Interruption of Electric Service	**Cancelling Original Page No. 34A and**
Rule No. 41 - Prohibition of Residential Master Metering	**First Revised and Original Pages No. 34**

Rate RS – Residential Service — **First Revised Page No. 38**, **Cancelling Original Page No. 38**

Administerial revision to add the word “cents” back to the Energy Charge line to indicate “cents per kilowatt hour.”

Rate GS/GM – General Service Small and Medium — **First Revised Page No. 46**, **Cancelling Original Page No. 46**

Language has been added to clarify eligibility.

Rate GS/GM – General Service Small and Medium — **First Revised Page No. 48**, **Cancelling Original Page No. 48**

Language has been modified to reflect current business practice.

Rate GL – General Service Large — **First Revised Page No. 53**, **Cancelling Original Page No. 53**

Language has been added to clarify eligibility.

Rate GLH – General Service Large Heating — **First Revised Page No. 56**, **Cancelling Original Page No. 56**

Language has been reorganized on the Rate Schedule to clarify that the Customer Distribution Charge is only applicable to the billing months of October through May.

Rate L –Large Power Service — **First Revised Page No. 60**, **Cancelling Original Page No. 60**

Language has been modified to reflect current business practice.

Rate HVPS –High Voltage Power Service — **First Revised Page No. 62**, **Cancelling Original Page No. 62**

Language has been added to clarify eligibility.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rate HVPS –High Voltage Power Service — **First Revised Page No. 63**
Cancelling Original Page No. 63

Language has been modified to reflect current business practice.

Rate AL – Architectural Lighting Service — **First Revised Page No. 66**
Cancelling Original Page No. 66

Language has been added to reflect that beginning January 15, 2022, Rate AL will no longer be available to new customers or applicants, or to new installations for existing customers.

Rate SE – Street Lighting Energy — **First Revised Page No. 71**
Special Provisions – No. 5 — **Cancelling Original Page No. 71**

Language has been modified to replace the word “men” with “workers.”

Rate SM – Street Lighting Municipal — **First Revised Page No. 72**
Cancelling Original Page No. 72

Language has been added to reflect that beginning January 15, 2022, only LED lighting options will be installed for customers being served under Rate SM.

Language has been added to reflect that beginning January 15, 2022, the Company may replace existing high pressure sodium lights with LED lights or that a customer may request to exchange functioning high pressure sodium lights with LEDs with advance payment to cover the costs of the Company’s estimated removal costs of such replacement. Both will be at the Company’s discretion.

Rate SM – Street Lighting Municipal — **First Revised Page No. 73**
Cancelling Original Page No. 73

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures.

Rate SM – Street Lighting Municipal — **First Revised Page No. 74**
Cancelling Original Page No. 74

Language has been modified to replace the word “his” with “its.”

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rate SH – Street Lighting Highway **First Revised Page No. 76**
Cancelling Original Page No. 76

Language has been added to reflect that beginning January 15, 2022, Rate SH will no longer be available to new customers or applicants, or to new installations for existing customers.

Language has been added to reflect that beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options.

Language has been added to reflect that due to the limited availability of high pressure sodium lighting, the Company will replace existing high pressure sodium lights with LED lights or a customer may request to exchange functioning high pressure sodium lights with LEDs with advance payment to cover the costs of the Company's estimated removal costs of such replacement. Both will be at the Company's discretion.

Rate SH – Street Lighting Highway **First Revised Page No. 76**
Cancelling Original Page No. 76

New LED lamp wattages have been inserted under Cobra Head fixtures.

Rate PAL – Private Area Lighting **First Revised Page No. 82**
Cancelling Original Page No. 82

Language has been added to reflect that beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options.

Language has been added to reflect that due to the limited availability of high pressure sodium lighting, the Company will replace existing high pressure sodium lights with LED lights or a customer may request to exchange functioning high pressure sodium lights with LEDs with advance payment to cover the costs of the Company's estimated removal costs of such replacement. Both will be at the Company's discretion.

Rate PAL – Private Area Lighting **First Revised Page No. 82**
Cancelling Original Page No. 82

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures.

Rate PAL – Private Area Lighting **First Revised Page No. 84**
Cancelling Original Page No. 84

Language has been modified to replace the word "his" with "its."

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Standard Contract Riders **Second Revised Page No. 87**
Rider Matrix **Cancelling First Revised Page No. 87**

The Rider Matrix has been updated to reflect the addition of the following Rider:

Rider No. 19 – Community Development for New Load

Standard Contract Riders **Second Revised Page No. 87**
Rider Matrix **Cancelling First Revised Page No. 87**

Riders No. 20 through Appendix A, previously found in the Rider Matrix on First Revised Page No. 87, Cancelling Original Page No. 87, have been moved to Original Page No. 87A to accommodate the additional Riders placed into the Tariff.

"Continued on Original Page No. 87A" has been added to the bottom of Second Revised Page No. 87, Cancelling First Revised Page No. 87, to indicate that the Rider Matrix continues onto the next page.

Standard Contract Riders **Original Page No. 87A**
Rider Matrix

A Rider Matrix for Riders No. 20 through Appendix A, previously found on First Revised Page No. 87, Cancelling Original Page No. 87, has been created and is now found on Original Page No. 87A to accommodate the additional Riders placed into the Tariff.

Standard Contract Riders **Second Revised Page No. 92**
Rider No. 4 **Cancelling Original Pages No. 92A and 92B and**
First Revised and Original Pages No. 92

Standard Contract Riders **First Revised Page No. 94**
Rider No. 5 – Universal Service Charge **Cancelling Original Page No. 94**

The CAP participation level has been reset as per the provisions of Rider No. 5.

Standard Contract Riders **Second Revised Page No. 97**
Rider No. 7 **Cancelling First Revised and Original Pages No. 97**

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Standard Contract Riders — **Second Revised Page No. 100**
Rider No. 8 – Default Service Supply — **Cancelling First Revised Page No. 100**

Fourth Revised Page No. 101
Cancelling First Revised Page No. 101

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures and the rate has been reflected as "$X.XX" in the applicable Fixture Charge - $ per Month sections.

Standard Contract Riders — **Second Revised Page No. 103**
Rider No. 8 – Default Service Supply — **Cancelling First Revised Page No. 103**

In the "Calculation of Rates" section, the Docket No. has been updated in DSSa.

Standard Contract Riders — **Third Revised Page No. 108**
Rider No. 9 – Day-Ahead Hourly Price Service — **Cancelling Second Revised Page No. 108**

Under the "Fixed Retail Administrative Charge" section, the Docket No. has been updated in FRA.

Standard Contract Riders — **Third Revised Page No. 112**
Rider No. 10 – State Tax Adjustment — **Cancelling Second Revised Page No. 112**

Rider No. 10 – State Tax Adjustment has been modified to reflect that Part 1 of the STAS has been set to zero.

Standard Contract Riders — **First Revised Page No. 123**
Rider No. 16 – Service to Non-Utility Generating Facilities — **Cancelling Original Page No. 123**

First Revised Page No. 124
Cancelling Original Page No. 124

Rider No. 16 – Service to Non-Utility Generating Facilities has been modified to reflect changes in applicable terms, rules, and rates.

Standard Contract Riders — **First Revised Page No. 128**
Rider No. 19 – Community Development — **Cancelling Original Page No. 128**

Original Page No. 128A

Rider No. 19 – Community Development for New Load is being added to Tariff No. 25 to provide incentives to eligible customers to move and/or expand their operations within the Company's service territory.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Standard Contract Riders
Rider No. 21 – Net Metering Service

First Revised Page No. 133
Cancelling Original Page No. 133

First Revised Page No. 134
Cancelling Original Page No. 134

Second Revised Page No. 135
Cancelling First Revised Page No. 135

Second Revised Page No. 136
Cancelling First Revised Page No. 136

First Revised Page No. 136A
Cancelling Original Page No. 136A

Rider No. 21 – Net Metering Service has been revised to include Rate Schedule GLH and Rate Schedule L.

Standard Contract Riders
Rider No. 21 – Net Metering Service

First Revised Page No. 134
Cancelling Original Page No. 134

Language has been modified to reflect current business practice.

Standard Contract Riders
Rider No. 22 – Distribution System Improvement Charge

Seventh Revised Page No. 137
Cancelling Sixth Revised Page No. 137

Rider No. 22 – Distribution System Improvement Charge ("DSIC") has been modified to reflect that it has been set to zero.

Appendix A – Transmission Service Charges

Third Revised Page No. 143
Cancelling Original Pages No. 141A – 141G and Second and First Revised Pages No. 143

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures and the rate has been reflected as "$X.XX" in the applicable Monthly Charge per Fixture sections.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

INCREASES

Rate RS – Residential Service	First Revised Page No. 38 Cancelling Original Page No. 38
Rate RH – Residential Service Heating	First Revised Page No. 40 Cancelling Original Page No. 40
Rate RA – Residential Service Add-On Heat Pump	First Revised Page No. 43 Cancelling Original Page No. 43
Rate GS/GM – General Service Small and Medium	First Revised Page No. 46 Cancelling Original Page No. 46
Rate GMH – General Service Medium Heating	First Revised Page No. 50 Cancelling Original Page No. 50
	First Revised Page No. 51 Cancelling Original Page No. 51
Rate GL – General Service Large	First Revised Page No. 53 Cancelling Original Page No. 53
Rate GLH – General Service Large Heating	First Revised Page No. 56 Cancelling Original Page No. 56
	First Revised Page No. 57 Cancelling Original Page No. 57
Rate L – Large Power Service	First Revised Page No. 59 Cancelling Original Page No. 59
Rate HVPS – High Voltage Power Service	First Revised Page No. 62 Cancelling Original Page No. 62
Rate AL – Architectural Lighting Service	First Revised Page No. 66 Cancelling Original Page No. 66
Rate SE – Street Lighting Energy	First Revised Page No. 69 Cancelling Original Page No. 69
Rate SM – Street Lighting Municipal	First Revised Page No. 72 Cancelling Original Page No. 72
	First Revised Page No. 73 Cancelling Original Page No. 73
	First Revised Page No. 74 Cancelling Original Page No. 74

LIST OF MODIFICATIONS MADE BY THIS TARIFF

INCREASES – (Continued)

Rate SH – Street Lighting Highway — **First Revised Page No. 76**
Cancelling Original Page No. 76

Rate UMS – Unmetered Service — **First Revised Page No. 80**
Cancelling Original Page No. 80

Rate PAL – Private Area Lighting — **First Revised Page No. 82**
Cancelling Original Page No. 82

First Revised Page No. 84
Cancelling Original Page No. 84

Unit pricing has changed resulting in increases.

Rider No. 10 – State Tax Adjustment — **Third Revised Page No. 112**
Cancelling Second Revised Page No. 112

Rider No. 10 – State Tax Adjustment has been modified to reflect that Part 1 of the STAS has been set to zero.

DECREASES

Rate SM – Street Lighting Municipal — **First Revised Page No. 73**
Cancelling Original Page No. 73

Rate SH – Street Lighting Highway — **First Revised Page No. 76**
Cancelling Original Page No. 76

Rate PAL – Private Area Lighting — **First Revised Page No. 82**
Cancelling Original Page No. 82

Unit pricing has changed resulting in decreases.

Rider No. 22 – Distribution System Improvement Charge — **Seventh Revised Page No. 137**
Cancelling Sixth Revised Page No. 137

Rider No. 22 – Distribution System Improvement Charge has been modified to reflect that it has been set to zero.

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STANDARD CONTRACT RIDERS: – (Continued) (C)

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RULES AND REGULATIONS – (Continued)

THE ELECTRIC SERVICE TARIFF – (Continued)

3. APPLICATION – (Continued

The supply of electricity may be provided by the Company or by an alternative Electric Generation Supplier ("EGS"). Rates for the supply of electricity shall apply per applicable tariffs of the Company or the EGS.

3.1 DEFINITIONS

(1) Aggregator or Market Aggregator – An entity, licensed by the Commission, which purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.

(2) Applicant – An entity that applies for service provided by the Company. With respect to **(C)**
residential applicants, "applicant" means a natural person not currently receiving service who **(C)**
applies for residential service provided by a public utility or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential utility service is requested. The term does not include a person who, within thirty (30) days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the Company.

(3) Basic Services – The services necessary for the physical delivery of electricity service such as supply, including default service, transmission and distribution. Unless directed otherwise, "electric service" or "service" used throughout this tariff have the same meaning.

(4) Bill Ready – A form of consolidated billing where Duquesne Light provides a customer's usage to its electric generation supplier ("EGS") and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill.

(5) Broker or Marketer – An entity, licensed by the Commission, which acts as an agent or intermediary in the sale and purchase of electric energy but does not take title to electric energy.

(6) Commission – The Pennsylvania Public Utility Commission.

(7) Company - Duquesne Light Company.

(8) Customer –Any person, partnership, association, corporation or other legal entity lawfully receiving service from the Company. Unless indicated otherwise, "retail customer" and "customer" used throughout this tariff shall have the same meaning. A residential customer is a natural person in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or any adult occupant whose name appears on the mortgage, deed or lease of the property of which the residential utility service is requested. The term includes a person who, within thirty (30) days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the public utility.

(9) Default Service – The Company will provide electricity to the customer in the event that a customer: 1) elects not to obtain electricity from an EGS; 2) elects to have the Company supply electricity after having previously purchased electricity from an EGS; 3) contracts with an EGS who fails to supply electricity, or 4) has been returned to Default Service by the EGS under circumstances as described in Rule No. 45.2 of this tariff.

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RULES AND REGULATIONS - (Continued)

<u>CONTRACTS, DEPOSITS AND ADVANCE PAYMENTS</u> - (Continued)

5. DEPOSITS AND ADVANCE PAYMENTS - (Continued)

The Company may also use an applicant or customer credit score from a third party credit agency as a means to establish creditworthiness. The credit score in the report will be based in part on previous utility billing history and will use a commercially recognized credit scoring methodology that is within the range of generally accepted industry practices to determine whether security or advance payments are required to establish service. The Company may request a government issued photo ID of any applicant to verify the application.

Where the Company requires a deposit from a residential customer or applicant, the amount of the deposit will **(C)**
be based on Company charges in an amount that is equal to one-sixth of the applicant's estimated annual bill or
one-sixth of the actual average annual bill for existing customers at the premises. The minimum deposit amount **(C)**
for non-residential customers and applicants shall be $250.00. When the Company determines a deposit is **(C)**
required for new service or for reconnection of service as described in Rule No. 40, such deposit shall be payable **(C)**
within a reasonable time period after commencing or reconnecting electric service, not to be fewer than four (4) **(C)**
twenty-five percent (25%) installments with the first installment billed no less than thirty (30) days after the **(C)**
reconnection of service in the event of a reconnection. Failure to pay a required deposit may result in termination **(C)**
of service consistent with Commission regulations. An applicant or existing customer may furnish a third-party guarantor in lieu of a cash deposit, with the provision of a written guaranty setting forth the terms therein. The guarantor will be responsible for all missed payments of the applicant or customer.

The Company will pay interest on residential cash deposits computed at the simple annual interest rate determined by the Commonwealth of Pennsylvania's Secretary of Revenue. The interest rate in effect when the deposit is required to be paid shall remain in effect until the later of the date the deposit is refunded or credited or December 31. On January 1 of each year, the new interest rate for that year will apply to the deposit. For all other cash deposits, the Company will pay interest at the lower of the average of 1-year Treasury Bills for September, October and November of the previous year beginning May 1, 1995 and January 1, 1996 and each year thereafter, or six percent per annum without deduction for any taxes thereon, provided that interest accrued prior to April 14, 1995 shall be calculated at 6%. On deposits held for more than one year, accrued interest will be paid at the end of each anniversary year. Upon the return of a deposit, any unpaid interest accrued thereon will be paid.

Deposits secured from a residential applicant or customer shall be returned to the depositor when a timely payment history has been established. A timely payment history is established when a customer has paid undisputed bills in full and on time for twelve (12) consecutive months. Should a customer become delinquent prior to establishing a timely payment history, the Company may deduct the outstanding balance from the deposit. Deposits secured from other than residential customers shall be returned to the depositor upon annual review provided such depositor shall have paid undisputed bills during those consecutive twelve (12) months without having service terminated and without having paid the bill subsequent to the due date so long as the customer is not currently delinquent. Payment of any disputed bill, where the payment is withheld beyond the due date set forth on the face of the bill at issue and the dispute over which is terminated substantially in favor of the customer, shall be made by the customer within fifteen (15) days following the termination of that dispute in order to be deemed timely. Where service is discontinued, the deposit and unpaid interest accrued thereon to the date of discontinuance of service, less the amount of all bills due the Company, will promptly be paid to the customer.

For purposes of all of the provisions of this Rule No. 5, when a customer resides at a place of business or commercial establishment, legitimately served pursuant to a commercial or industrial rate schedule, that is not a residential dwelling unit attached thereto, the customer is not thereby entitled to any of the protections in the Pennsylvania Public Utility Code or the Commission's regulations implementing the Pennsylvania Public Utility Code, or to any of the provisions of these rules or this Tariff, that apply exclusively to deposits for residential customers.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

6.1 SERVICE POINT The Service Point for the customer's service installation shall depend on the customer's type of service. The Service Point shall generally be designated as follows:

Type of Service	Service Point
Service voltage greater than 600V	Metering terminals, or for transformed service, secondary transformer terminals
Overhead service at voltage less than 600V	Service drop
Underground service at voltage less than 600V	For underground service from overhead secondary lines: the service lateral connection to Company pole. For underground service from underground spot networks: the network protector spade(s). For underground service from street secondary underground networks: the collector bus. For three-phase transformed underground service: the secondary transformer terminal. In Underground Residential Developments covered by Rule No. 13.2: the meter base. For other underground service from underground secondary lines: the terminal box.
Any service via lines supported by a customer-owned pole or structure	Point of service line connection to the first customer-owned pole or structure to which Company facilities connect

The Company reserves the right to designate an alternative Service Point, at its sole discretion, for customers with atypical or specialized service configurations, or customers participating in the Company's electric vehicle (C)
pilot program(s) for electric vehicle charging stations. (C)

The Company shall not be required to install or maintain any conductors, meter base, equipment or apparatus beyond the Service Point except meter and meter accessories, as applicable; and electric vehicle charging stations (C)
and/or make-ready infrastructure, as applicable, for customers participating in the Company's applicable electric (C)
vehicle pilot program(s). (C)

7. SUPPLY LINE EXTENSIONS

A. Definitions

For the purposes of this rule, the following definitions are applicable:

(1) Contractor cost - The amount paid to a contractor for work performed on a line extension.

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

7. SUPPLY LINE EXTENSIONS – (Continued)

A. Definitions – (Continued)

(2) **Direct labor cost -** The pay and expenses of public utility employees directly attributable to work performed on line extensions, but does not include construction overheads or payroll taxes, workers' compensation expenses, or similar expenses.

(3) **Direct material cost -** The purchase price of materials used for a line extension, but does not include the related stores expenses. In computing direct material costs, proper allowance should be made for unused materials recovered from temporary structures, and discounts allowed and realized in the purchase of materials.

(4) **Total construction cost -** The contractor cost, direct labor cost, direct material cost, stores expense, construction overheads, payroll taxes, workers' compensation expenses, or similar expenses.

(5) **Current Year -** For purposes of calculating a revenue guarantee, current year shall be each consecutive period of twelve (12) calendar months following the date permanent electric delivery service was first provided to a customer or applicant. **(C)**

(6) **Income Tax -** Federal and State tax relating to the tax liability of contributions in aid-of-construction (“CIAC”).

B. Overhead Areas

(1) In areas where the existing supply lines are overhead, the Company will construct and maintain extensions of all single-phase overhead supply lines operating at 23,000 volts or less to approximately 100 feet within the customer's or applicant’s property line without a **(C)** guarantee of revenue.

(2) In areas where the existing supply lines are overhead, the Company will construct and maintain extensions of all three-phase overhead supply lines, operating at 23,000 volts or less, which are usable as a part of its general supply system without a guarantee of revenue. When the three-phase supply line extension is to supply service exclusively to a single customer or applicant, such a supply line will be extended to the customer's or **(C)** applicant’s property line only if a guarantee of revenue is provided by the customer or **(C)** applicant over a period of five years which is sufficient to recover the actual total construction cost of the three-phase overhead line extension, less the estimated total construction cost for an equivalent single-phase overhead line extension. In the event that a revenue guarantee is not sufficient to recover the estimated total cost of the construction, or if the Company determines that the extension is speculative, or the customer or **(C)** applicant represents a credit risk, the Company may require an up-front contribution in aid of construction (CIAC) from the customer or applicant to recover the total cost of **(C)** construction. A customer or applicant may choose the option to make a CIAC rather than utilize a revenue guarantee. The Company will consider financing alternatives, such as a letter of credit or other payment arrangements, in lieu of a CIAC when appropriate. Any additional CIAC payment required will include the related income tax.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

7. SUPPLY LINE EXTENSIONS - (Continued)

C. Underground Areas

(1) In areas where the existing supply lines are underground outside the limits of a residential development covered by Tariff Rule 13.2, the Company will construct and maintain extensions of all single-phase underground supply lines operating at 23,000 volts or less which are usable as part of its general supply system without a guarantee of revenue. When the single-phase supply line extension is to supply electricity exclusively to a single customer or applicant, such a supply line will be extended to the customer's or applicant's **(C)**
property line only if a guarantee of revenue is provided by the customer or applicant, over **(C)**
a period of five years which is sufficient to recover the actual total contractor cost, direct labor cost and direct material cost for the full length of the single-phase underground line extension, less the estimated total contractor cost, direct labor cost, and direct material cost for an equivalent single-phase overhead line extension. In the event that a revenue guarantee is not sufficient to recover the estimated total cost of the construction, or if the Company determines that the extension is speculative, or the customer or applicant **(C)**
represents a credit risk, the Company may require an up-front contribution in aid of **(C)**
construction (CIAC) from the customer or applicant to recover the total cost of construction. **(C)**
A customer or applicant may choose the option to make a CIAC rather than utilize a revenue guarantee. The Company will consider financing alternatives, such as a letter of credit or other payment arrangements, in lieu of a CIAC when appropriate. Any additional CIAC payment required will include the related income tax.

(2) In areas where the existing supply lines are underground outside of the limits of a residential development covered by Tariff Rule 13.2, the Company will construct and maintain extensions of all three-phase underground supply lines operating at 23,000 volts or less which are usable as part of its general supply system without a guarantee of revenue. When the three-phase supply line extension is to supply service exclusively to a single customer or applicant, such a supply line will be extended to the customer's or **(C)**
applicant's property line only if a guarantee of revenue is provided by the customer or **(C)**
applicant over a period of five years which is sufficient to recover the actual total construction cost of the three-phase underground line extension, less the estimated total construction cost for an equivalent single-phase overhead line extension. In the event that a revenue guarantee is not sufficient to recover the estimated total cost of the construction, or if the Company determines that the extension is speculative, or the customer or **(C)**
applicant represents a credit risk, the Company may require an up-front contribution in aid **(C)**
of construction (CIAC) from the customer or applicant to recover the total cost of **(C)**
construction. A customer or applicant may choose the option to make a CIAC rather than utilize a revenue guarantee. The Company will consider financing alternatives, such as a letter of credit or other payment arrangements, in lieu of a CIAC when appropriate. Any additional CIAC payment required will include the related income tax.

D. Rights-of-Way

Before construction of a line extension, satisfactory rights of way and other necessary permits must be granted to the Company for the construction of the supply line extension along the route selected by the Company. The customer or applicant agrees to pay the Company any **(C)**
initial and recurring rights-of-way or license fees in excess of an amount normally incurred by the Company in constructing and maintaining the supply line extension.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

7. SUPPLY LINE EXTENSIONS - (Continued)

E. Revenue Guarantees

The revenue guarantee amount shall be the estimated combined cost of (i) the line extension and (ii) other new Company facilities necessary to serve the customer or applicant. The annual revenue guarantee amount shall be the revenue guarantee amount, divided by the number of years in the guarantee period. The annual revenue guarantee amount will be reviewed yearly and will be adjusted to the minimum charges as provided in the applicable rate schedule on the following basis: **(C)**

(1) When the total of the monthly Company delivery charges at the end of the current year is less than the annual revenue guarantee amount, a payment equal to the difference plus the related income tax where applicable shall be immediately due and payable.

(2) When the total of the monthly Company delivery charges within the number of years in the guarantee period equals or exceeds the revenue guarantee amount, no further payments toward the revenue guarantee amount are required. Any prior payments in excess of the revenue guarantee amount, except for otherwise-applicable charges for electric service, will be refunded with accrued interest.

(3) If an additional customer is served from the line extension, the revenue guarantee amount will be reduced to the cost of the line extension which is used exclusively to serve the single customer. If the cost of the line extension to serve the new customer would increase the revenue guarantee amount for an existing customer, the extension shall be considered as a new line extension.

(4) In the event the customer discontinues or cancels service before the end of the guarantee period, the balance of the revenue guarantee amount plus the related income tax where applicable shall be immediately due and payable.

F. Contributions in Aid of Construction

The Contribution in Aid of Construction (CIAC) will be refunded to the customer over the five-year revenue guarantee period to the extent that the revenue from the customer satisfies the revenue guarantee.

(1) When the total of the monthly Company delivery charges at the end of the current year is greater than or equal to one-fifth of the CIAC, a refund of one-fifth of the CIAC will be made to the customer.

(2) When the total of the monthly Company delivery charges at the end of the current year is less than one-fifth of the CIAC, a refund of one-fifth of the CIAC less the revenue shortfall will be made to the customer.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

9. RELOCATIONS OF FACILITIES – (Continued)

C. Other Company Facilities for all Customers

When requested or required by the action of a customer or a third party, relocation of Company facilities, except those covered under Section A of this Rule, will be performed by the Company upon receipt, in advance, of the Company's estimated total direct and indirect costs including the related income tax of such relocations from the customer or such third party. The Company may waive charges under this rule if, in the Company's judgment, the location of the Company's existing supply line and/or service line on the customer's property restricts the growth of the customer's operations and the potential increase in the Company's revenues.

10. ONE SERVICE OF A KIND Only one service of each type as to voltage and phase will be provided to a customer under one contract; provided, however, that when, in the judgment of the Company, standard electric **(C)**
service may be most economically effected by establishing a separate service connection for a portion of the **(C)**
customer's load, such separate service connection may, at the option of the customer, be combined, notwithstanding similarity as to voltage and phase, with other service connections under a single contract for the customer's entire electric delivery service requirements at the affected location. Electric service at different premises, regardless of voltage or phase, shall never be combined for billing under one account for the purpose of reducing Company charges.

11. METER SUPPORTS The customer shall provide on the premises, at a location satisfactory to the Company, proper space, supports, and enclosures for metering equipment.

12. TRANSFORMERS AND CONTROL EQUIPMENT Where, in the judgement of the Company, it is necessary to install transformers and other control or protective equipment on the customer's premises, the customer shall provide a suitable place, foundation and housing for such installation, in accordance with the Company's "Electric Service Installation Rules."

13. CUSTOMER'S FACILITIES The installation and maintenance of the customer's wiring and equipment shall be in accordance with the Company's "Electric Service Installation Rules" and shall be subject to the approval of the proper authorities. The Company is not required to provide electric service thereto unless so approved, but does not assume any responsibility for securing such approval. The Company shall not be liable for damages or injuries resulting from any defects in the customer's wiring or equipment.

13.1 UNDERGROUND DISTRIBUTION

A. When the Company is required by governmental order or enters into agreements with redevelopment authorities, a private real estate developer or a group of customers to change its distribution supply lines from overhead to underground, customers receiving or to receive electric service at voltages of 600 volts or less from these supply lines shall provide at their own expense the necessary facilities for receiving such underground service.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

MEASUREMENT AND USE OF SERVICE - (Continued)

16.1 INTERCONNECTION, SAFETY AND RELIABILITY REQUIREMENTS In order to assure the integrity and safe operation of the Company's system and to permit the continuation of reliable service to other customers, the following requirements and standards apply to all types of Generating Facilities, including customer owned generation and customer owned energy storage systems, desiring to interconnect with the Company's system. **(C)**

All generation operations shall be performed in a safe, reasonable and competent manner in accordance with prudent electric practices in order to, among other things, preserve and protect the Company's electric system.

All Generating Facilities shall submit a written application to the Company for acceptance of interconnected operation of their facilities with the Company's system prior to engaging in such interconnected operations. The Company may require, among other things, the following as part of any application submitted by an Applicant/Customer for service under this Rule No. 16.1.

1. Plans, specifications and location of the proposed installation.
2. Single line diagrams and details, including relay settings, of the proposed protection schemes.
3. Instruction manuals for all protective components.
4. Component specifications and internal wiring diagrams of protective components, if not provided in instruction manuals.
5. Generator data required to analyze fault contributions and load current flows including, but not limited to, equivalent impedances, time constants and harmonic distortions.
6. The rating of all protective equipment if not provided in instruction manuals.
7. All such other information that may be required by the Company.

Paralleling customer generation with the Company's system, including closed transition of customer back-up generation, shall be permitted only upon the written consent of the Company.

17. FLUCTUATIONS AND UNBALANCES The customer's use of electric service shall not cause fluctuating loads or unbalanced loads of sufficient magnitude to impair the service to other customers or to interfere with the proper operation of the Company's facilities. The Company may require the customer to make such changes in his equipment or use thereof, or to install such corrective equipment, as may be necessary to eliminate fluctuating or unbalanced loads; or, where the disturbances caused thereby may be eliminated more economically by changes in or additions to the Company's facilities, the Company will, at the request of the customer, provide the necessary corrective facilities at a reasonable charge. Payment will be made in full in advance for supplying special equipment installed under this Rule.

18. REDISTRIBUTION All electric energy shall be consumed by the customer to whom the Company supplies and delivers such energy, except that (1) the customer owning and operating a separate office building, and (2) any other customer who, upon showing that special circumstances exist, obtains the written consent of the Company may redistribute electric energy to tenants of such customer, but only if such tenants are not required to make a specific payment for such energy.

This Rule shall not affect any practice undertaken prior to June 1, 1965. See Rule No. 41 for special requirements for residential dwelling units in a building.

RULES AND REGULATIONS - (Continued) **(C)**

MEASUREMENT AND USE OF SERVICE - (Continued)

18.1 ELECTRIC VEHICLE CHARGING Electricity sales by a person, corporation or other entity, not a public utility, owning and operating an electric vehicle charging facility for the sole purpose of recharging an electric vehicle battery for compensation are not construed to be sales to residential consumers and therefore do not fall under the pricing requirements of 66 Pa.C.S. § 1313. Further, for purposes of third party-owned electric vehicle charging stations, charging the electric vehicle shall not be considered redistribution as defined in Rule No. 18 - Redistribution. For the purposes of this Rule No. 18.1, electric vehicles are defined as any vehicle licensed to operate on public roadways that are propelled in whole or in part by electrical energy stored on-board for the purpose of propulsion. Types of electric vehicles include, but are not limited to, plug-in hybrid electric vehicles and battery electric vehicles. Electric vehicle charging stations shall be made in accordance with the Company's "Electric Service Installation Rules," a copy of which may be found at www.duquesnelight.com. The station must be designed to protect for back flow of electricity to the Company's electrical distribution circuit as required by Company rules. The Company shall not be liable for any damages associated with operation of the charging station. For stations dedicated solely for the purpose of charging electric vehicles wherein a third party owns the charger and allows an electric vehicle owner to use their facility to charge an electric vehicle, the owner of the charging facility shall notify the Company at least one hundred twenty (120) days in advance of the planned installation date and may be required to install metering for the station as determined by the Company. The third party owner of the station shall be responsible for all applicable Tariff rates, fees and charges. For such installations, the electric vehicle owner shall be responsible for all fees imposed by the owner of the station for charging the electric vehicle.

19. CONTINUITY AND SAFETY The Company will use all reasonable care to provide safe and continuous delivery of electricity but shall not be liable for any damages arising through interruption of the delivery of electricity or for injury to persons or property resulting from the use of the electricity delivered.

RULES AND REGULATIONS - (Continued)

COMPANY PROPERTY ON CUSTOMER'S PREMISES – (Continued)

22.1. VEGETATION MANAGEMENT AND RIGHT-OF-WAY The customer, applicant, or property owner shall provide, without charge to the Company, right-of-way and access across property owned or controlled by customer/applicant/property owner, and locations and housings which are suitable, in the opinion of Company, for the construction, reconstruction, maintenance or operation of Company facilities that serve the customer/applicant/property owner. Suitable right-of-way includes, but is not limited to, the right of ingress and egress to and from the electric facilities for any of the purposes aforesaid; and also the right to prune, cut or remove trees, underbrush and other obstructions which, in the judgment of Company, may at any time interfere with the construction, reconstruction, maintenance or operation of the electric facilities, and in connection therewith, the right to treat with herbicides approved for the removal and control of trees, brush and undergrowth. The Company shall also have all of the aforesaid rights related to its provision of underground service to a customer/applicant/property owner, even if the Company does not require the customer/applicant/property owner to execute a formal right-of-way document. Notwithstanding the foregoing, the customer/applicant/property **(C)**
owner shall be responsible for vegetation management on the customer/applicant/property owner's property, as **(C)**
necessary, to prevent vegetation from interfering with the service line(s) on the premises. Any vegetation **(C)**
management within ten (10) feet of an energized electric utility line must be performed by qualified line clearance **(C)**
personnel.

23. CUSTOMER'S RESPONSIBILITY The customer shall protect the property of the Company on the premises and shall not permit access thereto except by authorized representatives of the Company.

24. TAMPERING Where evidence is found that the service wires, meters, switch box or other appurtenances on the customer's premises have been tampered with, the customer shall be required to bear all costs incurred by the Company for investigations and inspections, and for such protective equipment as, in the judgment of the Company, may be necessary (including the relocation of inside metering equipment to an accessible outside location); and in addition, where the tampering has resulted in improper measurement of the electricity delivered, the customer shall be required to pay for such electric delivery service, and any Company supplied electricity, including interest at the Late Payment Charge rate, as the Company may estimate, from available information to have been used but not registered by the Company's meters.

DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE

25. REPAIRS OR LOSSES The customer shall pay the Company for any repairs to or any loss of the Company's property on the premises when such repairs are necessitated, or loss occasioned, by negligence on the part of the customer or failure to comply with the rules and regulations under which service is furnished.

26. ARREARS The Company upon reasonable notice may terminate electric service and remove its equipment from the premises for nonpayment of undisputed Company service charges, Company charges as the default service charges or EGS receivables purchased by the Company up to the amount that the customer would have paid under Default Service rates during the non-payment period, pursuant to Duquesne's Electric Generation Supplier Coordination Tariff Rule No. 12.1.7. When a residential customer or a residence is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service" and 66 Pa.C.S. § 1406, "Termination of Utility Service."

26.1 COLLECTION REVIEW The Company shall review accounts for collection purposes as reasonable and appropriate. The Company may pursue all lawful means of collection of accounts as permitted by applicable law.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE - (Continued)

39.2 EMERGENCY ENERGY CONSERVATION - (Continued)

When a state of emergency is declared by the Governor, or other appropriate governmental authority, and during the period of that emergency, upon notification of the customer by the Company, the customer shall take the actions required by the procedures for emergency energy conservation. During the period of that emergency the appropriate customers will be billed under the provisions of Rider No. 17 - Emergency Energy Conservation.

The Company may revise such procedures from time to time, and shall revise them if so required by the Pennsylvania Public Utility Commission. A copy of such procedures or of the revision thereof currently in effect shall be kept available for public inspection at each office at which the Company maintains a copy of its tariff for public inspection, and another such copy shall be kept on file with the Commission's Bureau of Conservation, Economics and Energy Planning.

40. RECONNECTION CHARGE Where service has been discontinued under the terms of Rules No. 26 through 36, inclusive, the Company reserves the right as a condition precedent to the reconnection of service to require the payment of all arrearages for Company charges and payment of a deposit as described in Rule No. 5, and to require the payment of the following appropriate reconnection charge:

A. $50.00 for resumption of electric service to the same customer or applicant within a year of the service disconnection or termination where service has been disconnected at the meter. **(C)**

B. $250.00 for resumption of electric service to the same customer or applicant within a year of the service disconnection or termination where service has been disconnected at the pole. **(C)**

C. $250.00 for resumption of electric service to the same customer or applicant within a year of the service disconnection or termination when the connection is an aerial tap. **(C)**

D. $89.00 for reconnection of a transformer to the same General Service customer or applicant within a year of the service disconnection or termination. **(C)**

E. $20.00 for resumption of electric service where a remote capable meter has been installed and in which resumption of service is to the same customer or applicant within a year of the service disconnection or termination where service has been disconnected at the meter. **(C)**

When a residential customer or residence or residential applicant is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service" and 66 Pa.C.S. § 1406, "Termination of Utility Service." **(C)**

Where electric service has been discontinued upon the request of the customer or applicant and where the **(C)**
customer or applicant requests that service be reconnected at the same location within a period of one year from **(C)**
the date that electric service was discontinued, the Company reserves the right as a condition precedent to the reconnection of service to require the payment of all arrearages for Company charges which will consist of the minimum charge applicable to such customer's or applicant's service during the period of discontinuance. **(C)**

Where electric service to a non-residential customer or applicant has been terminated under the terms of Rules No. 30 and/or 34, and such condition was the direct result of tampering, the Company reserves the right as a condition precedent to the reconnection of service to require payment of all costs incurred by the Company for investigations and inspections, and for such protective equipment deemed necessary by the Company. **(C)**

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE - (Continued)

41. PROHIBITION OF RESIDENTIAL MASTER METERING Each residential dwelling unit in a building must be individually metered by the Company for buildings connected after January 1, 1981. For the purposes of the Rule, a dwelling unit is defined as:

> One or more rooms for the use of one or more persons as a housekeeping unit with space for eating, living, and sleeping, and permanent provisions for cooking and sanitation.

This Rule does not preclude the use of a single meter for the common areas and common facilities of a multi-tenant building.

This Rule shall not affect any practice undertaken prior to January 1, 1981.

GENERAL PROVISIONS

42. METER TESTING The Company will inspect or test the accuracy of a meter at the request of the customer or an EGS for whom the meter registers service, but reserves the right to require payment of the fees set forth in 52 Pa. Code § 57.22 for such test.

43. OTHER SERVICES The Company may, where possible, provide and charge a reasonable fee for services including, but not limited to, energy audits, equipment inspections, technical reports and other similar services, at the request of the customer. Where possible, the Company will give an advanced, written estimate of the cost to provide the service.

44. THIS RULE INTENTIALLY LEFT BLANK

45. SUPPLIER SWITCHING The Company will accommodate requests by customers to switch EGSs in accordance with 52 Pa. Code, Chapter 57, Subchapter M "Standards for Changing a Customers Electricity Generation Supplier."

Customers who elect to return to the Company from an EGS will return at the charges of the applicable rate.

In compliance with the Commission's Order at Docket No. L-2014-2409383, the Company shall preserve all records relating to unauthorized change of EGS or change to Default Service disputes for three (3) years from the date the customer filed the dispute. These records shall be made available to the Commission or its staff upon request.

Switching by customers shall occur in accordance with the direct access procedures and in accordance with the provisions contained in this Tariff and the Company's EGS Coordination Tariff.

RATE RS - RESIDENTIAL SERVICE

AVAILABILITY

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, and general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge..$12.50

Energy Charge ....7.0993 cents per kilowatt hour **(I)(C)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(I) – Indicates Increase **(C) – Indicates Change**

RATE RH - RESIDENTIAL SERVICE HEATING

AVAILABILITY

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and as the sole primary method of space heating except that the space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge...$12.50

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ....6.0206 cents per kilowatt hour **(I)**

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ....7.0993 cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

(I) – Indicates Increase

RATE RA - RESIDENTIAL SERVICE ADD-ON HEAT PUMP

AVAILABILITY

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and an add-on heat pump for space heating. Other energy sources may be used to supplement the add-on heat pump provided that the supplemental energy source is thermostatically controlled to operate only when the outdoor temperature falls to at least 40^{O} F and the add-on heat pump cannot provide the total heating requirements.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge..$12.50

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ....2.4580 cents per kilowatt hour **(I)**

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ....7.0993 cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

(I) – Indicates Increase

RATE GS/GM - GENERAL SERVICE SMALL AND MEDIUM

AVAILABILITY

Available for all the standard electric service taken on a small or medium general service customer's premises for which a residential rate is not available and where the demand is less than 300 kW. (C)

MONTHLY RATE FOR NON-DEMAND CUSTOMERS

DISTRIBUTION CHARGES — RATE GS

Customer Charge....................$15.00 (I)

Energy Charge — All kWh....................7.9416 cents per kilowatt-hour (I)

MONTHLY RATE FOR DEMAND CUSTOMERS

DISTRIBUTION CHARGES — RATE GM < 25 kW

Customer Charge....................$60.00 (I)

Energy Charge — All kWh....................1.5900 cents per kilowatt-hour (I)

Demand Charge — First five (5) kilowatts or less....................No Charge

— Additional kilowatts of Demand....................$7.26 per kilowatt (I)

DISTRIBUTION CHARGES — RATE GM ≥ 25 kW

Customer Charge....................$72.00 (I)

Energy Charge — All kWh....................1.2516 cents per kilowatt-hour (I)

Demand Charge — First five (5) kilowatts or less....................No Charge

— Additional kilowatts of Demand....................$7.26 per kilowatt (I)

MONTHLY RATE FOR NON-DEMAND AND DEMAND CUSTOMERS

DISTRIBUTION RATE ASSIGNMENT

A new customer or a customer with limited or no historical data shall be eligible for and assigned to the applicable rate based on Duquesne Light's estimate of the customer's monthly usage and/or peak monthly demand for the next twelve (12) month period. In no instance shall a customer be eligible for more than one of Rate GS, Rate GM < 25 kW or Rate GM ≥ 25 kW at a time.

(C) – Indicates Change (I) – Indicates Increase

RATE GS/GM - GENERAL SERVICE SMALL AND MEDIUM - (Continued)

MONTHLY RATE FOR NON-DEMAND AND DEMAND CUSTOMERS - (Continued)

ELECTRIC CHARGES

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity at the above Distribution and Supply Charges and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

MINIMUM CHARGE

The Minimum Charge shall be the sum of the Customer Distribution Charge plus a Demand Charge based on 30% **(C)**
of the highest Billing Demand during the preceding eleven months plus the current billing period charges for **(C)**
Company supplied transmission and supply service, if any. The Demand Charge shall be determined using the Distribution Charge only, but shall not be less than the Customer Distribution Charge.

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(C) – Indicates Change

RATE GMH - GENERAL SERVICE MEDIUM HEATING

AVAILABILITY

Available for all the standard electric service taken on a customer's premises for which a residential rate is not available, where the Company's service is the sole method of space heating, and where the heat loss of the customer's premises is calculated in accordance with the ASHRAE* Handbook of Fundamentals, and where such calculated heat loss converted into kilowatt-hour consumption during the heating season is determined by the Company to be at least 25% of the customer's entire electric energy requirements during the heating season. The space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

*American Society of Heating, Refrigerating and Air Conditioning Engineers

MONTHLY RATE

WINTER MONTHLY RATE — FOR THE BILLING MONTHS OF OCTOBER THROUGH MAY

DISTRIBUTION CHARGES

Customer Charge..$60.00 **(I)**

Energy Charge — All kWh..3.5598 cents per kilowatt-hour **(I)**

SUMMER MONTHLY RATE — FOR THE BILLING MONTHS OF JUNE THROUGH SEPTEMBER

DISTRIBUTION CHARGES

Customer Charge..$60.00 **(I)**

Energy Charge — All kWh..1.5900 cents per kilowatt-hour **(I)**

Demand Charge — First five (5) kilowatts or less..............................No Charge

— Additional kilowatts of Demand ....$7.26 per kilowatt **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply or Rider No. 9 – Day-Ahead Hourly Price Service, as applicable, and will be billed in accordance with the terms contained therein.

Rider No. 8 – Default Service Supply – Applicable to customers with monthly demand less than 25 kW and customers with monthly demand greater than or equal to 25 kW but less than 200 kW, on average, who elect to purchase their electric supply requirements from the Company. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Supply Charges will be updated through competitive requests for proposal and will be effective for the periods as defined and described in Rider No. 8.

(I) – Indicates Increase

RATE GMH - GENERAL SERVICE MEDIUM HEATING - (Continued)

MONTHLY RATE - (Continued)

SUPPLY CHARGES – (Continued)

Rider No. 9 – Day-Ahead Hourly Price Service – Customers with monthly demand of 200 kW, on average, or greater and elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 9 and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

For purposes of determining the monthly rate for demand customers, Duquesne Light shall evaluate the customer's twelve (12) most recent months of monthly billing demand for that customer available in October of the preceding year. If the customer's average monthly billing demand is less than 25 kW in the twelve (12) months, then that customer shall be charged the monthly rate for demand customers less than 25 kW for the next calendar year and automatically assigned to that rate effective with their January billing. If the customer's average monthly demand is 25 kW or greater in the twelve (12) month period, then that customer shall be charged the monthly rate for demand customers equal to or greater than 25 kW for the next calendar year and automatically assigned to that rate as their default service rate effective with their January billing. In no instance shall a customer be eligible for more than one default service offering at a time. A new customer or a customer with limited or no historical data shall be eligible for and assigned to the applicable rate based on Duquesne Light's estimate of the customer's average monthly billing demand for the next twelve (12) month period.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity at the above Distribution and Supply Charges and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

MINIMUM CHARGE

For the months of October through May, the Minimum Charge shall be the Customer Distribution Charge for the first kilowatt, plus a Distribution Charge of $7.26 per kW, plus the current billing period charges for Company (I)
supplied transmission and supply service, if any. The Minimum Charge shall not be less than the Customer Distribution Charge. For the months of June through September, the Minimum Charge shall be calculated in accordance with the Minimum Charge provisions in Rate GS/GM.

(I) – Indicates Increase

RATE GL - GENERAL SERVICE LARGE

AVAILABILITY

Available for all the standard electric service taken on a customer's premises where the demand is greater than or equal to 300 kilowatts (≥ 300 kW) and less than 5,000 kilowatts (< 5,000 kW). **(C)** **(C)**

MONTHLY RATE

SUPPLY

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

DISTRIBUTION

DEMAND CHARGES

First 300 kilowatts or less of Demand	$3,500.00	**(I)**
Additional kilowatts of Demand	$9.80 per kW	**(I)**

ELECTRIC CHARGES

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(C) – Indicates Change **(I) – Indicates Increase**

RATE GLH - GENERAL SERVICE LARGE HEATING

AVAILABILITY

Available for all the standard electric service taken on a customer's premises for which a residential rate is not available, where the Company's service is the sole method of space heating, and where the heat loss of the customer's premises is calculated in accordance with the ASHRAE* Handbook of Fundamentals, and where such calculated heat loss converted into kilowatt-hour consumption during the heating season is determined by the Company to be at least 25% of the customer's entire electric energy requirements during the heating season. The space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

*American Society of Heating, Refrigerating and Air Conditioning Engineers

MONTHLY RATE

DISTRIBUTION **(C)**

For the Billing Months of October through May:

CUSTOMER CHARGE

Customer Distribution Charge .... $73.50 **(I)**

ENERGY CHARGES

All kilowatt-hours 2.7660 cents per kWh **(I)**

DISTRIBUTION **(C)**

For the Billing Months of June through September:

Rate GL shall apply. **(I)**

SUPPLY **(C)**

Customers who elect to purchase their electric supply requirements from the Company may do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

RATE GLH - GENERAL SERVICE LARGE HEATING - (Continued)

MONTHLY RATE - (Continued)

ELECTRIC CHARGES

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

MINIMUM CHARGE

For the months of October through May, the Minimum Charge shall be the Customer Distribution Charge for the first kilowatt plus a Distribution Charge of $9.80 per kW and the charges for Company supplied transmission and **(I)** supply, if any. For Company supplied transmission and supply, the transmission charges shall be calculated as set forth in Appendix A and the supply charges shall be calculated as set forth under Rider No. 9. The Minimum Charge shall not be less than the Customer Distribution Charge. For the months of June through September, the Minimum Charge shall be calculated in accordance with the Minimum Charge provisions contained in Rate GL.

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(I) – Indicates Increase

RATE L - LARGE POWER SERVICE

AVAILABILITY

Available for all the standard electric service taken on a customer's premises where the Contract Demand is not less than 5,000 kilowatts.

MONTHLY RATE

SUPPLY

Customers who elect to purchase their electric supply requirements from the Company may do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

DISTRIBUTION

DEMAND CHARGES

Service Voltage Less than 138 kV:

First 5,000 kilowatts or less of Demand	$39,174.00	**(I)**
Additional kilowatts of Demand	$15.68 per kW	**(I)**

ELECTRIC CHARGES

The Company will provide and charge for Transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(I) – Indicates Increase

RATE L - LARGE POWER SERVICE - (Continued)

MONTHLY RATE - (Continued)

UNTRANSFORMED SERVICE CREDIT

Where the customer furnishes all necessary equipment to take untransformed service at 11,500 volts or higher, in strict accordance with the Company's standards and specifications, a credit of $0.75 per kW based upon the individual demand of the untransformed circuit shall be applied to the customer's account.

MINIMUM CHARGE

The Minimum Charge shall be the sum of a Demand Charge based on 70% of the Contract On-Peak Demand for (C)
distribution plus the charges for Company supplied transmission and supply, if any. The Demand Charge shall (C)
be determined using the Distribution Charge, and, in total, shall not be less than the demand charges associated (C)
with the first 5,000 kWs or less of demand. For Company supplied transmission and supply, the transmission (C)
charges shall be calculated as set forth in Appendix A – Transmission Service Charges and the supply charges (C)
shall be calculated as set forth under Rider No. 9 – Day-Ahead Hourly Price Service. (C)

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

DETERMINATION OF DEMAND FOR DISTRIBUTION

Individual demand, except in unusual cases, will be determined by measurement of the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the billing period. Individual demands which exceed 30 kilowatts will be adjusted for power factor by multiplying by

$$\left\{0.8 + \left[0.6 \; \frac{\text{Reactive Kilovolt - ampere hours}}{\text{Kilowatt - hours}}\right]\right\},$$

where such multiplier will be not less than 1.00 nor more than 2.00. The Billing Demand will be the sum of the individual demands of each metered service adjusted for power factor as defined above, but not less than 70% of the Contract On-Peak Demand nor less than 5,000 kilowatts, whichever is the greater.

STANDARD CONTRACT RIDERS

For modifications of the above rate under special conditions, see "Standard Contract Riders".

(C) – Indicates Change

RATE HVPS - HIGH VOLTAGE POWER SERVICE

AVAILABILITY

Available to customers with Contract On-Peak Demands greater than or equal to 5,000 kilowatts (≥ 5,000 kW) where service is supplied at 69,000 volts or higher. **(C)**

MONTHLY RATE

SUPPLY

Customers who elect to purchase their electric supply requirements from the Company may do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

DISTRIBUTION

FIXED MONTHLY CHARGE

Up to and Including 50,000 kW Billing Demand	$2,503.20	**(I)**
50,001 kW to 100,000 kW Billing Demand	$3,910.16	**(I)**
Greater than 100,000 kW Billing Demand	$5,545.23	**(I)**

ELECTRIC CHARGES

The Company will provide and charge for Transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(C) – Indicates Change **(I) – Indicates Increase**

RATE HVPS - HIGH VOLTAGE POWER SERVICE - (Continued)

MONTHLY RATE - (Continued)

MINIMUM CHARGE

The Minimum Charge shall be the customer's Fixed Distribution Monthly Charge. For Company supplied transmission and supply, the transmission charges shall be calculated as set forth in Appendix A – Transmission Service Charges and the supply charges shall be calculated as set forth under Rider No. 9 – Day-Ahead Hourly Price Service. **(C)**

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

DETERMINATION OF DEMAND FOR DISTRIBUTION

Individual demand, except in unusual cases, will be determined by measurement of the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the billing period. Individual demands will be adjusted for power factor by multiplying by

$$\left\{0.8 + \left[0.6\ \frac{\text{Reactive Kilovolt - ampere hours}}{\text{Kilowatt - hours}}\right]\right\},$$

where such multiplier will be not less than 1.00 nor more than 2.00. The Billing Demand will be the sum of the individual demands of each metered service adjusted for power factor as defined above, but not less than 70% of the Contract On-Peak Demand, nor less than 33 1/3% of the Contract Off-Peak Demand nor less than 5,000 kilowatts, whichever is the greater.

ON-PEAK AND OFF-PEAK CONTRACT DEMAND

The Contract On-Peak Demand is the maximum electrical capacity in kilowatts that the Company shall be required by the contract to deliver during the On-Peak hours to the customer.

(C) – Indicates Change

RATE AL - ARCHITECTURAL LIGHTING SERVICE

AVAILABILITY

Beginning January 15, 2022, Rate AL will no longer be available to new customers or applicants, or to new installations for existing customers. **(C)**

Available for separately metered circuitry connected solely to outdoor architectural lighting equipment, with demand of 5 kilowatts or greater, to be operated during non-peak periods.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge $8.00

Demand Charge .... $1.77 per kilowatt **(I)**

Energy Charge .... 0.2319 cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate AL – Architectural Lighting Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate AL customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(C) – Indicates Change **(I) – Indicates Increase**

RATE SE - STREET LIGHTING ENERGY

AVAILABILITY

Available for the entire electric energy requirements of municipal street lighting systems where the municipality has not less than 15,000 street lamp installations and provides for the ownership, operation, and maintenance of its own street lamp installations and takes its entire energy requirements for street lighting under this rate.

MONTHLY RATE

DISTRIBUTION CHARGE

Monthly charge per lamp .... $3.15 **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate SE – Street Lighting Energy customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SE customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(I) – Indicates Increase

RATE SE - STREET LIGHTING ENERGY - (Continued)

MONTHLY RATE - (Continued)

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

SPECIAL PROVISIONS

1. Ballasts for multiple mercury vapor street lights, when installed by the customer, shall be power factor corrected, having a power factor of not less than 90 percent. For ballasts not so corrected, the wattage of each lamp plus ballasts shall be increased by the following ratio: 90% divided by the actual power factor, expressed in percent, of the lamp plus the ballast.

2. Series street lighting circuits will be energized and de-energized in accordance with an agreed upon schedule of burning hours, except where such circuits are controlled by photo electric cells. During other hours, circuits will not be energized except upon sufficient notice to the customer.

3. On all poles, except ornamental poles used exclusively for street lighting purposes, the Company will terminate its facilities at the bracket to which the lighting fixture is attached. On ornamental poles, used exclusively for street lighting purposes, the Company will terminate its facilities at the top of the pole if served from overhead circuits or at the bottom of the pole if served from the underground system.

4. The Company, to protect continuity of service, the general public, and the safety of workers engaged in work on poles, reserves the right to install insulating transformers between the Company's circuit and the wiring of the customer's installation. Where insulating transformers are installed, charges will be made therefore as herein before specified. (C)

5. The customer upon request shall supply the Company periodically, but not more often than at six month intervals, with certified tests made by the Electrical Testing Laboratories, Inc. of New York, or a similar accredited organization, showing the mean life input in watts for each size and type of lamp, and the wattage and power factor for each size and type of mercury vapor ballast used by the customer in street lamp installations served under this rate.

6. Energy will normally be supplied under this rate by overhead circuits, but if the Company is required to supply or the customer requests delivery service from underground facilities, the specified unit charges for underground facilities will apply.

7. All installations, on and after July 1, 1969, of standard junction boxes used for street lighting service and of conduit and multiple service cable used exclusively for street lighting service will be installed, owned and maintained by the customer.

TERM OF CONTRACT

Contracts under this rate shall be for a term of not less than ten years.

(C) – Indicates Change

RATE SM - STREET LIGHTING MUNICIPAL

AVAILABILITY

Available for mercury vapor, high pressure sodium and light-emitting diode (LED) lighting of public streets, highways, bridges, parks and similar public places, for normal dusk to dawn operation of approximately 4,200 hours per year.

Beginning January 15, 2022, only LED lighting options will be installed. Replacement of mercury vapor or high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. (C)

Beginning January 15, 2022, the Company may replace existing high pressure sodium lights with LED lights, and place the customer on the corresponding rate schedule, at the Company's discretion. The Company may exchange functioning high pressure sodium lights with LEDs upon customer request and upon receipt, in advance, of the Company's estimated removal costs of such replacement. Such elective replacements shall be at the Company's discretion. (C)

(C)

MONTHLY RATE

DISTRIBUTION CHARGE — Monthly Rate Per Unit

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
Mercury Vapor				
100	44	$13.85	$2.96	(I)(I)
175	74	$14.13	$2.96	(I)(I)
250	102	$14.41	$2.96	(I)(I)
400	161	$14.99	$2.96	(I)(I)
1,000	386	$17.23	$2.96	(I)(I)
Sodium Vapor				
70	29	$14.31	$2.96	(I)(I)
100	50	$14.42	$2.96	(I)(I)
150	71	$14.63	$2.96	(I)(I)
250	110	$15.01	$2.96	(I)(I)
400	170	$15.61	$2.96	(I)(I)
1,000	387	$17.94	$2.96	(I)(I)

(C) – Indicates Change (I) – Indicates Increase

RATE SM - STREET LIGHTING MUNICIPAL - (Continued)

MONTHLY RATE – (Continued)

DISTRIBUTION CHARGE — Monthly Rate Per Unit - (Continued)

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
Light-Emitting Diode (LED) — Cobra Head				
30	11	$12.60	$2.96	(C)
45	16	$12.60	$2.96	(D)(I)
60	21	$13.01	$2.96	(D)(I)
95	34	$14.35	$2.96	(I)(I)
139	49	$15.00	$2.96	(D)(I)
219	77	$15.27	$2.96	(D)(I)
				(C)
Light-Emitting Diode (LED) — Colonial				
20	7	$16.48	$2.96	(C)
45	16	$16.82	$2.96	(C)
Light-Emitting Diode (LED) — Contemporary				
40	14	$15.22	$2.96	(C)
55	20	$15.22	$2.96	(C)

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate SM – Street Lighting Municipal customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SM customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

(C) – Indicates Change **(D) – Indicates Decrease** **(I) – Indicates Increase**

RATE SM - STREET LIGHTING MUNICIPAL - (Continued)

MONTHLY RATE – (Continued)

ELECTRIC CHARGES – (Continued)

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

POLES

No charge is made for wood poles used jointly for street lighting and the support of the Company's general distribution system or for tubular steel poles, trolley type, used jointly for street lighting and the support of trolley span wires.

Where the installation of one (1) or more wood poles is required to serve the customer, the customer has the option to install the pole(s) at its own expense in accordance with SPECIAL TERM AND CONDITION NO. 2 or the **(C)**
Company will install, own and maintain the pole(s) and bill the customer at the monthly rate of $11.26 for each **(I)**
pole required.

CUSTOMER OWNED AND MAINTAINED EQUIPMENT CHARGE

A per unit monthly charge whenever the customer or an agent of the customer owns the entire street lighting system, including, but not limited to, the fixture, pole, circuit, controls, and all other related equipment on the load side of the Company's service point or when such facility is provided by a public agency and the customer and/or agent is obligated to operate and maintain such facility.

The street lighting system equipment must be approved by and installed in a manner acceptable to the Company and must be equipped with photocells or other such equipment that permit only dusk-to-dawn operation.

(C) – Indicates Change **(I) – Indicates Increase**

RATE SH - STREET LIGHTING HIGHWAY

AVAILABILITY

Beginning January 15, 2022, Rate SH will no longer be available to new customers or applicants, or to new installations for existing customers. **(C)**

Available for high intensity discharge lighting of state highways for normal dusk to dawn operation of approximately 4,200 hours per year where the highway lighting system acceptable to Duquesne Light Company is installed by the State and ownership of the entire highway lighting system has been transferred to the Company for a nominal consideration.

Beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options listed below. **(C)**

Due to the limited availability of high pressure sodium lighting, the Company will be replacing existing high pressure sodium lights with LED lights at its discretion. The Company may exchange functioning high pressure sodium lights with LEDs upon customer request and upon receipt, in advance, of the Company's estimated removal costs of such replacement. Such elective replacements shall be at the Company's discretion. **(C)**

MONTHLY RATE

DISTRIBUTION CHARGE — Monthly Rate Per Unit

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
Sodium Vapor				
100	50	$13.69	$2.96	**(I)(I)**
150	71	$13.87	$2.96	**(I)(I)**
200	95	$14.07	$2.96	**(I)(I)**
400	170	$15.61	$2.96	**(I)(I)**
Light-Emitting Diode (LED) — Cobra Head				
30	11	$12.60	$2.96	**(C)**
45	16	$12.60	$2.96	**(C)**
60	21	$13.01	$2.96	**(D)(I)**
95	34	$14.35	$2.96	**(I)(I)**
139	49	$15.00	$2.96	**(D)(I)**
219	77	$15.27	$2.96	**(D)(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

RATE UMS – UNMETERED SERVICE

AVAILABILITY

Available to customers using unmetered standard service at each point of connection for customer-owned and maintained equipment such as traffic signals, communication devices and billboard lighting.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge..$11.00 **(I)**

Energy Charge ....2.3582 cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate UMS – Unmetered Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate UMS customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(I) – Indicates Increase

RATE PAL - PRIVATE AREA LIGHTING

AVAILABILITY

Available for high pressure sodium lighting and flood lighting of residential, commercial and industrial private property installations including parking lots, for normal dusk to dawn operation of approximately 4,200 hours per year.

Beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options listed below. (C)

Due to the limited availability of high pressure sodium lighting, the Company will be replacing existing high pressure sodium lights with LED lights at its discretion. The Company may exchange functioning high pressure sodium lights with LEDs upon customer request and upon receipt, in advance, of the Company's estimated removal costs of such replacement. Such elective replacements shall be at the Company's discretion. (C)

MONTHLY RATE

DISTRIBUTION CHARGE - Monthly Rate Per Unit

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
High Pressure Sodium				
70	29	$14.31	$2.96	(I)(I)
100	50	$14.42	$2.96	(I)(I)
150	71	$14.63	$2.96	(I)(I)
250	110	$15.01	$2.96	(I)(I)
400	170	$15.61	$2.96	(I)(I)
Flood Lighting				
100	46	$14.31	$2.96	(I)(I)
250	100	$14.98	$2.96	(I)(I)
400	155	$15.65	$2.96	(I)(I)
Light-Emitting Diode (LED) — Cobra Head				
30	11	$12.60	$2.96	(C)
45	16	$12.60	$2.96	(D)(I)
60	21	$13.01	$2.96	(D)(I)
95	34	$14.35	$2.96	(I)(I)
139	49	$15.00	$2.96	(D)(I)
219	77	$15.27	$2.96	(D)(I)
				(C)
Light-Emitting Diode (LED) — Colonial				
20	7	$16.48	$2.96	(C)
45	16	$16.82	$2.96	(C)
Light-Emitting Diode (LED) — Contemporary				
40	14	$15.22	$2.96	(C)
55	20	$15.22	$2.96	(C)

RATE PAL - PRIVATE AREA LIGHTING - (Continued)

MONTHLY RATE - (Continued)

POLES – (Continued)

Where the installation of one (1) or more wood poles is required to serve the customer, the customer has the option to install the pole(s) at its own expense in accordance with SPECIAL TERM AND CONDITION NO. 2 or the **(C)** Company will install, own and maintain the pole(s) and bill the customer at the monthly rate of $11.26 for each **(I)** pole required.

CUSTOMER OWNED AND MAINTAINED EQUIPMENT CHARGE

A per unit monthly charge whenever the customer or an agent of the customer owns the entire street lighting system, including, but not limited to, the fixture, pole, circuit, controls, and all other related equipment on the load side of the Company's service point or when such facility is provided by a public agency and the customer and/or agent is obligated to operate and maintain such facility.

The street lighting system equipment must be approved by and installed in a manner acceptable to the Company and must be equipped with photocells or other such equipment that permit only dusk-to-dawn operation.

The customer/agent must provide the Company with a written inventory of all street lighting fixtures. This inventory shall include the location, type and wattage rating for each fixture. The customer/agent will update its inventory of lighting fixtures by informing the Company in writing of changes in type, rating, location, and quantity of lighting fixtures as such changes occur and billings will be adjusted accordingly.

The Company reserves the right to inspect the equipment at each location and make prospective adjustments in billing as indicated by such inspections. The Company shall be under no obligation to conduct such inspections for the purpose of determining accuracy of billing or otherwise. The Company's decision not to conduct such inspections shall not release the customer/agent from the obligation to provide to the Company, and to update, an accurate inventory of the types, ratings, and quantities of lighting equipment upon which billing is based.

As this service is a per unit monthly charge, the customer/agent agrees to pay amounts billed in accordance with the current inventory, regardless of whether any of the equipment was electrically operable during the period in question and regardless of the cause of any such equipment's failure to operate.

The contract period is as covered by any existing contract now in effect with the customer/agent. All new contracts shall be for a period of one year.

SPECIAL TERMS AND CONDITIONS

1. The above charges include installation of standard Company facilities including lamps, fixtures or luminaries, brackets and ballasts, all when installed on the overhead distribution system. The above charges include normal operation and maintenance. Normal operation and maintenance does not include periodic tree trimming around the fixture or luminaire.

2. Where it is necessary to install wood, metal, or ornamental poles, or other special facilities or services not in conformance with the Company's standard overhead practice, the additional cost shall be borne by the customer. Title to all facilities, except as noted below, shall vest in the Company.

(C) – Indicates Change **(I) – Indicates Increase**

STANDARD CONTRACT RIDERS – (Continued)

RIDER MATRIX

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 1	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 2				X	X	X	X								
Rider No. 3				X	X	X	X	X							
Rider No. 4															
Rider No. 5	X	X	X												
Rider No. 6				X											
Rider No. 7															
Rider No. 8	X	X	X	X	X					X	X	X	X	X	X
Rider No. 9				X	X	X	X	X	X						
Rider No. 10	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 11				X		X									
Rider No. 12				X	X										
Rider No. 13				X											
Rider No. 14	X														
Rider No. 15															
Rider No. 15A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 16				X	X	X	X	X							
Rider No. 17						X	X	X	X						
Rider No. 18	X	X	X	X	X	X	X								
Rider No. 19				X		X		X							

(C)

Rider Titles:

Rider No. 1 — Retail Market Enhancement Surcharge
Rider No. 2 — Untransformed Service
Rider No. 3 — School and Government Service Discount Period
Rider No. 4 — Intentionally Left Blank
Rider No. 5 — Universal Service Charge
Rider No. 6 — Temporary Service
Rider No. 7 — Intentionally Left Blank
Rider No. 8 — Default Service Supply
Rider No. 9 — Day-Ahead Hourly Price Service
Rider No. 10 — State Tax Adjustment
Rider No. 11 — Street Railway Service
Rider No. 12 — Billing Option – Volunteer Fire Companies and Nonprofit Senior Citizen Centers
Rider No. 13 — General Service Separately Metered Electric Space Heating Service
Rider No. 14 — Residential Service Separately Metered Electric Space and Water Heating
Rider No. 15 — Intentionally Left Blank
Rider No. 15A — Phase IV Energy Efficiency and Conservation Surcharge
Rider No. 16 — Service to Non-Utility Generating Facilities
Rider No. 17 — Emergency Energy Conservation
Rider No. 18 — Rates for Purchase of Electric Energy from Customer-Owned Renewable Resources Generating Facilities
Rider No. 19 — Community Development for New Load (C)

Continued on Original Page No. 87A (C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS – (Continued) (C)

RIDER MATRIX – (Continued) (C)

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 20	X	X	X	X	X	X	X	X	X	X					
Rider No. 21	X	X	X	X	X	X									
Rider No. 22	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Appendix A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

Rider Titles:

Rider No. 20 — Smart Meter Charge
Rider No. 21 — Net Metering Service
Rider No. 22 — Distribution System Improvement Charge (“DSIC”)
Appendix A — Transmission Service Charges

STANDARD CONTRACT RIDERS - (Continued)

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STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 5 – UNIVERSAL SERVICE CHARGE - (Continued)

(Applicable to Rate Schedules RS, RH and RA)

CALCULATION OF CHARGE – (Continued)

- Customer Assistance Program ("CAP"): CAP costs will be calculated to include the projected CAP discount and CAP program costs for the Computational Year. The total CAP discount will be based on the annual average discount from the previous year, the Reconciliation Year, multiplied by the projected average number of CAP program participants during the Computational Year. The projected customer additions to the CAP program during the Computational Year will be based on the number of CAP customers receiving a discount at the end of the Reconciliation Year plus a projection of the average monthly number of CAP customers during the Computational Year. The projected number of CAP customers will include net additions to the program (additions minus exits), and a projection of customers enrolled through expected changes in policy (e.g. changes in the definition of poverty, changes in regulatory mandates). The projected CAP program costs will include the estimated costs for new applications, maintenance and annual recertification, and the projected CAP pre-program arrearages to be forgiven and written off during the USC Computational Year.

- Smart Comfort Program [Low Income Usage Reduction Program ("LIURP")]: LIURP costs will be calculated based on the projected number of homes that participate in the usage reduction program and the average cost per visit.

- Customer Assistance and Referral Evaluation Services ("CARES"): CARES costs will be calculated based on the projected annual Community Based Organization ("CBO") program costs and CBO costs for administering the program.

- Hardship Fund: Hardship Fund costs will be calculated based on the projected annual program costs and CBO costs for administering the program.

- Any other replacement or Commission-mandated Universal Service Program or low income program that is implemented during the Reconciliation or Computational Year.

Cr = A credit to reduce CAP customer discounts included in the USC to the extent that the monthly CAP enrollment level exceeds 35,853 customers. Specifically, the recoverable CAP discounts **(C)** will be reduced by the number of CAP participants in excess of 35,853 times the average CAP **(C)** credit and arrearage forgiveness costs times 10.43%. The participation level above which the offset shall be applied will be reset in each distribution rate case.

E = The over- or under- collection of actual Universal Service Program costs and revenue that result from the billing of the USC during the USC Reconciliation Year (an over-collection is denoted by a positive E and an under-collection by a negative E), including applicable interest. Interest shall be computed monthly at the statutory legal rate of interest, from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

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STANDARD CONTRACT RIDERS - (Continued) **(C)**

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

		Application Period						
Wattage	Nominal kWh Energy Usage per Unit per Month	06/01/2021 through 11/30/2021	12/01/2021 through 05/31/2022	06/01/2022 through 11/30/2022	12/01/2022 through 05/31/2023	06/01/2023 through 11/30/2023	12/01/2023 through 05/31/2023	
Supply Charge ¢ per kWh		3.0953	X.XXXX	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		Fixture Charge — $ per Month						
Mercury Vapor								
100	44	1.36	X.XX	X.XX	X.XX	X.XX	X.XX	
175	74	2.29	X.XX	X.XX	X.XX	X.XX	X.XX	
250	102	3.16	X.XX	X.XX	X.XX	X.XX	X.XX	
400	161	4.98	X.XX	X.XX	X.XX	X.XX	X.XX	
1000	386	11.95	X.XX	X.XX	X.XX	X.XX	X.XX	
High Pressure Sodium								
70	29	0.90	X.XX	X.XX	X.XX	X.XX	X.XX	
100	50	1.55	X.XX	X.XX	X.XX	X.XX	X.XX	
150	71	2.20	X.XX	X.XX	X.XX	X.XX	X.XX	
200	95	2.94	X.XX	X.XX	X.XX	X.XX	X.XX	
250	110	3.40	X.XX	X.XX	X.XX	X.XX	X.XX	
400	170	5.26	X.XX	X.XX	X.XX	X.XX	X.XX	
1000	387	11.98	X.XX	X.XX	X.XX	X.XX	X.XX	
Flood Lighting - Unmetered								
70	29	0.90	X.XX	X.XX	X.XX	X.XX	X.XX	
100	46	1.42	X.XX	X.XX	X.XX	X.XX	X.XX	
150	67	2.07	X.XX	X.XX	X.XX	X.XX	X.XX	
250	100	3.10	X.XX	X.XX	X.XX	X.XX	X.XX	
400	155	4.80	X.XX	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Cobra Head								
30	11	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
45	16	0.50	X.XX	X.XX	X.XX	X.XX	X.XX	
60	21	0.65	X.XX	X.XX	X.XX	X.XX	X.XX	
95	34	1.05	X.XX	X.XX	X.XX	X.XX	X.XX	
139	49	1.52	X.XX	X.XX	X.XX	X.XX	X.XX	
219	77	2.38	X.XX	X.XX	X.XX	X.XX	X.XX	
								(C)
Light-Emitting Diode (LED) — Colonial								
20	7	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
45	16	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
Light-Emitting Diode (LED) — Contemporary								
40	14	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
55	20	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting — (Continued)

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

		Application Period				
Wattage	**Nominal kWh Energy Usage per Unit per Month**	**06/01/2023 through 11/30/2023**	**12/01/2023 through 05/31/2024**	**06/01/2024 through 11/30/2024**	**12/01/2024 through 05/31/2025**	
Supply Charge ¢ per kWh		X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		Fixture Charge — $ per Month				
Mercury Vapor						
100	44	X.XX	X.XX	X.XX	X.XX	
175	74	X.XX	X.XX	X.XX	X.XX	
250	102	X.XX	X.XX	X.XX	X.XX	
400	161	X.XX	X.XX	X.XX	X.XX	
1000	386	X.XX	X.XX	X.XX	X.XX	
High Pressure Sodium						
70	29	X.XX	X.XX	X.XX	X.XX	
100	50	X.XX	X.XX	X.XX	X.XX	
150	71	X.XX	X.XX	X.XX	X.XX	
200	95	X.XX	X.XX	X.XX	X.XX	
250	110	X.XX	X.XX	X.XX	X.XX	
400	170	X.XX	X.XX	X.XX	X.XX	
1000	387	X.XX	X.XX	X.XX	X.XX	
Flood Lighting - Unmetered						
70	29	X.XX	X.XX	X.XX	X.XX	
100	46	X.XX	X.XX	X.XX	X.XX	
150	67	X.XX	X.XX	X.XX	X.XX	
250	100	X.XX	X.XX	X.XX	X.XX	
400	155	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Cobra Head						
30	11	X.XX	X.XX	X.XX	X.XX	(C)
45	16	X.XX	X.XX	X.XX	X.XX	
60	21	X.XX	X.XX	X.XX	X.XX	
95	34	X.XX	X.XX	X.XX	X.XX	
139	49	X.XX	X.XX	X.XX	X.XX	
219	77	X.XX	X.XX	X.XX	X.XX	
						(C)
Light-Emitting Diode (LED) — Colonial						
20	7	X.XX	X.XX	X.XX	X.XX	(C)
45	16	X.XX	X.XX	X.XX	X.XX	(C)
Light-Emitting Diode (LED) — Contemporary						
40	14	X.XX	X.XX	X.XX	X.XX	(C)
55	20	X.XX	X.XX	X.XX	X.XX	(C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CONTINGENCY PLAN

In the event Duquesne receives bids for less than all Tranches or the Commission does not approve all or some of the submitted bids or in the event of supplier default, then Duquesne will provide the balance of the default supply for commercial and industrial customers through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. Duquesne will submit to the Commission within fifteen (15) days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

CALCULATION OF RATE

DSS rates shall be determined based on the formula described in this section. The DSS shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period as defined under the Default Service Supply Rate section of this Rider. Rates are reconciled on a semi-annual basis in accordance with the Default Service Supply Rate section of this Rider. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The DSS shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour in accordance with the formula set forth below and shall be applied to all kilowatt-hours billed for default service provided during the billing month:

$$DSS = [(CA + SLR + (DSS_a + E)/S) * F + (DSS_b/S)] * [1/(1 - T)]$$

Where:

DSS = Default Service Supply rate, converted to cents per kilowatt-hour, to be applied to each kilowatt-hour supplied to customers taking default service from the Company under this Rider.

CA = The weighted average of the winning bids received in a competitive auction for each customer class identified above and described in the "Default Service Supply Rate" section and adjusted for customer class transmission and distribution line losses. The competitive auction shall be conducted as described in "Procurement Process."

DSS_a = The total estimated direct and indirect costs incurred by the Company to acquire DSS from any source on behalf of customers described above in the "Procurement Process." The Application Period shall be for each period over which the DSS, as computed, will apply. Projections of the Company's costs to acquire default supply for the Application Period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated default service supply-related procurement and administration costs. Default service supply-related costs shall include the cost of preparing the company's default service plan filing and working capital costs associated with default service supply. The Company will recover these costs over the default service plan period as defined in the Commission's order at Docket No. R-2021-3024750. (C)

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 9 – DAY-AHEAD HOURLY PRICE SERVICE – (Continued)

(Applicable to Rates GS/GM, GMH, GL, GLH, L and HVPS and Generating Station Service)

MONTHLY CHARGES – (Continued)

PJM Ancillary Service Charges and Other PJM Charges – (Continued)

PJM_S= PJM Surcharge is a pass-through of the charges incurred by the Company for grid management and administrative costs associated with membership and operation in PJM. These are the charges incurred by the Company under PJM Schedules 9 and 10 to provide hourly price service.

R_D = Reactive supply service charge in $/MW-day to serve the customer's load as calculated under the PJM Tariff Schedule 2.

B_D = Blackstart service charge in $/MW-day to serve the customer's load as calculated under the PJM Tariff Schedule 6A.

Fixed Retail Administrative Charge

FRA = The Fixed Retail Administrative Charge in $ per MWH. The Fixed Retail Administrative Charge consists of the sum of administrative charges for the suppliers providing hourly price service (as determined by a competitive solicitation process) and for the Company to obtain supply and administer this service. Default service supply-related costs shall include the cost of preparing the company's default service plan filing and working capital costs associated with default service supply. The Company will recover these costs over the default service plan period as defined in the Commission's order at Docket No. R-2021-3024750. (C) (C)

The supplier charges shall be based on the winning bids in the Company's most recent solicitation for supply of hourly price default service.

The Company's administrative charges shall be based on an amortization of the costs incurred by the Company to acquire generation supply from any source for the Medium (≥ 200 kW) Customer Class and Large C&I Customer Class during the most recent twelve-month (12-month) period ended May 31st (as determined by amortizing such costs over a 12-month period) plus the amortization of the cost of administering the hourly price service over the duration of the default service plan, including any unbundled costs of preparing the Company's default service plan filing and working capital costs associated with default service supply.

This charge shall also include the Company's costs associated with any Commission approved solar contracts and its administration, if applicable, in $ per MWh. The proceeds of any solar energy, capacity, ancillary services and solar AECs that are acquired and in excess of those allocated to default service suppliers, and sold into the market, will be netted against solar contract costs.

Application Period	FRA $/MWH
June 1, 2021 through May 31, 2022	$3.60
June 1, 2022 through May 31, 2023	$X.XX
June 1, 2023 through May 31, 2024	$X.XX
June 1, 2024 through May 31, 2025	$X.XX

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 10 - STATE TAX ADJUSTMENT

(Applicable to All Rates)

In addition to the charges provided in this Tariff, a two-part surcharge will apply to all bills rendered by the Company, pursuant to the Pennsylvania Public Utility Commission authorization of March 10, 1970, to compensate the Company for new and increased taxes imposed by the General Assembly.

Part 1 of the surcharge, at a rate of 0.0000% will include Capital Stock Tax, Corporate Net Income Tax, and Public Utility Realty Tax, which will be applied to the distribution charges of customer bills. **(I)**

Part 2 of the surcharge, at a rate of 0.0000% will include Gross Receipts Tax and will be applied to all portions of customer bills.

The Company will recompute the surcharge using the elements prescribed by the Commission's March 10, 1970, authorization:

1. Whenever any of the tax rates used in computing the surcharge is changed, in which case the recomputation shall take into account the changed tax rate.

2. Whenever the Company makes effective increased or decreased rates (other than net energy clause), in which case the recomputation shall take into account the adjustments prescribed by the Commission's March 10, 1970, authorization.

3. On December 22, and each year thereafter.

Every recomputation made pursuant to the above paragraph shall be submitted to the Commission within ten (10) days after the occurrence of the event or date which occasions such recomputation: and if the recomputed surcharge is less than the one then in effect the Company will, and if the recomputed surcharge is more than the one then in effect the Company may, accompany such recomputation with a Tariff or supplement to reflect such recomputed surcharge, the effective date of which, shall be ten (10) days after filing.

(I) – Indicates Increase

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L) **(C)**

The following 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). Electric energy will be delivered to a non-utility generating facility in accord with the following:

A. DEFINITIONS

Contract is the signed agreement between the customer and the Company that is executed upon the customer's request to select Rider No. 16 service. Among other things, the Contract specifies the contractual demand levels for Back-Up Service and Supplementary Service that are defined below. **(C)**

Supplementary Service is distribution service provided by the Company, inclusive of distribution services included in the applicable monthly customer charge, to a non-utility generating facility and regularly used in addition to that electric energy which the non-utility generating facility generates itself. The Company's regular and appropriate General Service Rates will be utilized for billing for Supplementary Service. **(C)** **(C)** **(C)**

Back-Up Service is distribution services provided by the Company to a non-utility generating facility during any outage of the non-utility generating facility's electric generating equipment or otherwise, to replace electric energy ordinarily generated by the non-utility generating facility's generating equipment. **(C)** **(C)**

Base Period is the twelve consecutive monthly billing periods applicable to the customer ending one month prior to the installation of new on-site generation or increase in capacity to existing on-site supply.

Supplementary Contract Demand may be established and represents the threshold demand for Supplementary Service to the customer's facility. **(C)**

Maintenance Contract Demand is the maximum electrical capacity in kilowatts that the Company shall be required by the contract to deliver to the customer for Back-Up Service and is in addition to Supplementary Contract Demand. **(C)** **(C)**

Peak Period is the period between 12pm and 10pm EST on all days in the months of June through September. **(C)**

Supplementary Service Billing Determinants is the kW specified in the Contract with the customer for Supplementary Service. **(C)** **(C)**

Maintenance Demand Service Billing Determinants is the kW specified in the Contract as Maintenance Contract Demand with the customer for Back-Up Service. This Billing Determinant applied every billing period regardless of whether the customer calls upon Back-Up Service during the billing period. **(C)** **(C)** **(C)**

As-Used Demand Billing Determinant is the kW specified in the Contract as Maintenance Contract Demand that applies if the customer calls upon Back-Up Services during the Peak Period. As-Used Demand Billing Determinant will be set to the Maintenance Contact Demand level if the customer's maximum demand during the Peak Period of the billing period exceeds the Supplementary Contract Demand specified in the Contract. **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES - (Continued)

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L) **(C)**

A. DEFINITIONS – (Continued)

Distribution Base Period Billing Determinants are the billing demand (kW) for the month in the Base Period corresponding to the current billing month under which the on-site generation is operable. For new customers, the Company will use existing procedures to estimate Base Period Billing Determinants. **(C)** **(C)**

Supply Billing Determinants for customers not being served by an Electric Generation Supplier ("EGS"). Rate GL, GLH, and L shall be the billing determinates for the current billing month then in effect under Rider No. 9 – Day-Ahead Hourly Price Service. Supply Billing Determinants for customers for customers on Rate GS/GM and GMH shall be the billing determinants for the current billing month then in effect under Rider No. 8 – Default Service Supply or Rider No. 9 – Day-Ahead Hourly Price Service, as applicable. **(C)** **(C)** **(C)**

B. BACK-UP SERVICE **(C)**

The Company will supply Back-Up Service at the following rates: **(C)**

DISTRIBUTION

A distribution charge of $3.09 per kW shall be applied to the Back-Up Service Maintenance Demand Billing Determinants. **(C)** **(C)**

The Maintenance Contract Demand distribution charges will be applied in each month based on the customer's Maintenance Contract Demand without regard to actual usage. **(C)** **(C)**

An additional distribution charge of $6.79 per kW shall be applied to the Back-Up Service As-Used Contract Demand Billing Determinants. The As-Used Contract Demand distribution charge will be applied in each month based on the customer's As-Used Contract Demand if the customer calls upon Back-Up service during the Peak Period. **(C)**

Overage charges will also apply if the customer exceeds Maintenance Demand by 10% or more. The Maintenance Overage Charge of $9.88 per kW shall be applied to the difference in actual maximum kW during the billing period and the customer's Maintenance Contact Demand. No additional charges will apply to the As-Used Contract Demand Charge. **(C)**

If actual usage of Back-Up Service exceeds zero for more than 15% of the hours in any Base Period, then those hours above the 15% threshold will be counted toward the billing on the customer's applicable general service rates, including all ratchets applicable. **(C)** **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued) **(C)**

<u>RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES</u> - (Continued)

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L)

B. BACK-UP SERVICE – (Continued)

If a customer's Back-Up Service requirement at any time exceeds the customer's Maintenance Contract Demand by 5% or more, the actual Back-Up Service requirement provided, measured in kW demand will become the customer's new Maintenance Contract Demand for the remaining term of the back-up contract. If a customer's actual Back-Up Service requirement provided at any time exceeds the customer's Maintenance Contract Demand by 10% or more, the customer will be assessed a fee equal to the difference between the actual Back-Up Service provided at the time during the billing period and the Maintenance Contract Demand multiplied by the Overage Charge ($9.88). **(C)**

C. INTERCONNECTION

Each non-utility generating facility will be required to install at its expense or pay in advance to have the Company install interconnection equipment and facilities which are over and above that equipment and facilities required to provide electric service to the non-utility generating facility according to the Company's General Service Rates, except as noted below. Any such equipment to be installed by the non-utility generating facility must be reviewed and approved in writing by the Company prior to installation. Nothing in this Rider shall exempt a new customer from the application of Rule No. 7 and Rule No. 9 regarding Supply Line Extensions and Relocation of Facilities.

However, customers may elect to pay the cost of existing or newly required transformation equipment that is over and above that equipment necessary for the Company to supply the customer with its contracted Supplemental Power via a monthly charge rather than in total at the onset of the contract. The monthly charge for transformation equipment for customers with contract demand under this rider of 5,000 kW or more will be determined by the Company on a case-by-case basis. **(C)**

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 19 – COMMUNITY DEVELOPMENT FOR NEW LOAD (C)

(Applicable to Rate Schedules GS/GM, GL, and L)

AVAILABILITY

This Rider is available to customers taking distribution service under Rate GM $<$ 25, GM $\geq$ 25, GL, or L. For new services, the customer or applicant must have a projected load of at least 10 kW and must apply for the Rider prior to the service being energized. For existing services, the customer must reasonably project a peak load increase of at least 10 kW and apply for the Rider before the load growth occurs. Additionally, the customer or applicant must (i) show that they have a competitive energy alternative to electricity delivered by the Company or (ii) affirm that they will not be able to commence and/or sustain their business without participating in this Rider. The Rider will apply no sooner than thirty (30) days after the customer provides to the Company written notice of its desire to be placed on the Rider. The Company reserves the right to decline to enroll any customer or applicant in this Rider, at the Company's sole discretion. Customers taking service under this Rider are not eligible for any other distribution rate discount.

DEFINITIONS

Service Location. A single or contiguous premises that has or will have one or more delivery points for distribution service billed by the Company under a single account.

Brownfield Site. A Service Location where the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Requires documentation either by providing a copy of the pertinent sections of the ASTM E1903-97 Phase II Site Assessment documenting the site contamination or by providing a letter from a local, state or federal regulatory agency confirming the site is classified as a Brownfield by that agency.

Site Expansion. A Service Location where the Company has not previously provided service, or where the service previously provided by the Company was not used for substantially the same type of operation or was terminated at least twelve (12) months before the customer's contractually specified effective date for service under this rider. This condition is waived for existing Service Locations where an entity has assumed operation of a Service Location from a customer which has ceased operations as a result of dissolution, so long as the formation of the entity did not occur as a result of merger, joint venture, acquisition and/or any other variation of combined business structures with the former customer at the service location. In any event, the completed application for the rider must be made within six (6) months from the later of the date: (1) the customer first received service from the Company; or (2) the date the customer received its sales tax exemption certificate from the Commonwealth of Pennsylvania.

Manufacturing Sales Tax Exemption Certificate. Pennsylvania Sales Tax Blanket Exemption Certificate filed by the customer with the Company showing the address of the Service Location and certifying that more than fifty (50) percent (on an annual basis) of the service purchased by the customer for the Service Location is exempt from sales tax because it is used in manufacturing operations, shipbuilding operations, or ship cleaning operations.

Employment Report. The "Employer's Report for Unemployment Compensation" (PA Form UC-2) as filed by the customer with the Office of Employment Security, Department of Labor and Industry, Commonwealth of Pennsylvania and as defined by 43 P.S. 753 [d].

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 19 – COMMUNITY DEVELOPMENT FOR NEW LOAD – (Continued)

(Applicable to Rate Schedules GS/GM, GL, and L)

MONTHLY RATE

DISTRIBUTION CHARGES

Rider No. 19 provides a percent discount to monthly demand charges for base distribution services included in Rates GM < 25, GM ≥ 25, GL, and L during the months of January through May and October through December. The percent discount declines ratably over five years as follows.

2022 Percent Discount 25%
2023 Percent Discount 20%
2024 Percent Discount 15%
2025 Percent Discount 10%
2026 Percent Discount 5%

This Rider applies only to base distribution services. All other applicable charges and Riders will be charged as designed.

QUALIFICATIONS

Customers and applicants requesting service under this Rider shall file with the Company, before the effective date of the Rider for the Service Location, a Manufacturing Sales Tax Exemption Certificate, as defined above, for the Service Location. Customer also files with the Company copies of the Employment Reports, as defined above, for the Service Location at the time of application, along with any other documentation the Company may reasonably require to demonstrate the customer/applicant’s eligibility for the Rider (see “AVAILABILITY” above).

TRANSFER OF OWNERSHIP

The Company will only apply the Rider to the customer's base distribution charges for the term of contract. If, during the term of contract, the ownership of the Service Location changes, the Company may continue to apply the Rider to the new owner's bills for the Service Location. If the Company continues to apply the Rider in such circumstances, the Company shall apply the Rider to the new owner's bills for the Service Location as if the new owner had been on the Rider for the Service Location for the same period of time as was the previous owner.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

PURPOSE

This Rider sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying renewable customer-owned generation using a net metering system.

APPLICABILITY

This Rider applies to renewable customer-generators served under Rate Schedules RS, RH, RA, GS/GM, GMH, GL, GLH and L who install a device or devices which are, in the Company's judgment, subject to Commission review, a bona fide technology for use in generating electricity from qualifying Tier I or Tier II alternative energy sources pursuant to Alternative Energy Portfolio Standards Act No. 2004-213 (Act 213) or Commission regulations and which will be operated in parallel with the Company's system. This Rider is available to installations where any portion of the electricity generated by the renewable energy generating system offsets part or all of the customer-generator's requirements for electricity. A renewable customer-generator is a non-utility owner or operator of a net metered generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service (Rate RS, RH or RA) or not larger than 3,000 kilowatts at other customer service locations (Rate GS/GM, GMH, GL, GLH and L), except for Customers whose systems are above three megawatts and up to five megawatts who make their systems available to operate in parallel with the Company during grid emergencies as defined by the regional transmission organization or where a micro grid is in place for the primary or secondary purpose of maintaining critical infrastructure such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities provided that technical rules for operating generators interconnected with facilities of the Company have been promulgated by the Institute of Electrical and Electronic Engineers ("IEEE") and the Commission. **(C)** **(C)**

Qualifying renewable energy installations are limited to Tier I and Tier II alternative energy sources as defined by Act 213 and Commission Regulations. The Customer's equipment must conform to the Commission's Interconnection Standards and Regulations pursuant to Act 213. This Rider is not applicable when the source of supply is service purchased from a neighboring electric utility under Borderline Service.

Service under this Rider is available upon request to renewable customer-generators on a first come, first served basis so long as the total rated generating capacity installed by renewable customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system.

METERING PROVISIONS

A Customer may select one of the following metering options in conjunction with service under applicable Rate Schedule RS, RH, RA, GS/GM, GMH, GL, GLH and L. **(C)**

1. A customer-generator facility used for net metering shall be equipped with a single bi-directional meter that can measure and record the flow of electricity in both directions at the same rate. A dual meter arrangement may be substituted for a single bi-directional meter at the Company's expense.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

METERING PROVISIONS - (Continued)

2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense. Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis.

BILLING PROVISIONS

The following billing provisions apply to customer-generators in conjunction with service under applicable Rate Schedule RS, RH, RA, GS/GM, GMH, GL, GLH and L: **(C)**

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by the Company to the customer-generator during the preceding year at the Company's Price To Compare consistent with Commission regulations. For customer-generators on Rider No. 9 – Day-Ahead Hourly Price Service, the Price To Compare shall be determined as an average for the twelve (12) month period in accordance with Rider No. 9 and Appendix A – Transmission Service Charges. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

BILLING PROVISIONS - (Continued)

2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

BILLING PROVISIONS FOR
ELECTRIC VEHICLE TIME-OF-USE PILOT PROGRAM ("EV-TOU") CUSTOMER GENERATORS

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

The following billing provisions apply to customer-generators that take service on Rider No 8 – Default Service Supply and are on EV-TOU rates.

1. The EV-TOU customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If an EV-TOU customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the Company will maintain an active record of the excess kilowatt hours produced at the customer-generators premise in a "bank". If an EV-TOU customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the EV-TOU customer generator's usage in a subsequent billing period at the full retail rate. If, in a subsequent billing period, a customer consumes more electricity than produced, kilowatt-hours will be pulled from the customer's bank on a first in first out basis. Any excess kilowatt hours shall continue to accumulate and credit against usage for the 12 month period ending May 31st. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours remaining in the bank on May 31st, at the applicable Price To Compare at the time the excess kilowatt-hours were banked. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) (C)

BILLING PROVISIONS FOR ELECTRIC VEHICLE TIME-OF-USE PILOT PROGRAM ("EV-TOU") CUSTOMER GENERATORS

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

- (Continued)

1. If the Company supplies more kilowatt-hours of electricity than the customer-generator supplies during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If an eligible customer-generator wishes to no longer be enrolled in the EV-TOU Pilot Program and switches to the standard default service supply product, any excess kilowatt hours banked and remaining from the EV-TOU period will be used, as applicable, for the remaining portion of the 12 month period ending May 31 and the Company shall compensate for any excess kilowatt hours that are banked at the Price To Compare in effect at the time.

NET METERING PROVISIONS FOR SHOPPING CUSTOMERS

1. Customer-generators may take net metering services from EGSs that offer such services.

2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by the customer-generator, up to the total amount of kilowatt-hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. Any excess kilowatt hours at the end of the 12 month period will not carry over to the next year for distribution charge purposes. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If the Company delivers more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt-hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

NET METERING PROVISIONS FOR SHOPPING CUSTOMERS – (Continued)

4. Pursuant to Commission regulations, the credit or compensation terms for excess electricity produced by customer-generators who are customers of EGSs shall be stated in the service agreement between the customer-generator and the EGS. The Company will provide the customer-generator with a statement of monthly kilowatt hour usage for the 12 month period ending May 31 for the purpose of the customer-generator seeking credit or compensation from the EGS.

5. If a customer-generator switches electricity suppliers, the Company shall treat the end of the service period as if it were the end of the year.

APPLICATION

Customer-generators seeking to receive service under the provisions of this Rider must submit a written application to the Company demonstrating compliance with the Net Metering Rider provisions and quantifying the total rated generating capacity of the customer-generator facility.

MINIMUM CHARGE

The Minimum Charges under Rate Schedule RS, RH, RA, GS/GM, GMH, GL, GLH and L apply for installations under this Rider. **(C)**

RIDERS

Bills rendered by the Company under this Rider shall be subject to charges stated in any other applicable Rider.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 22 – DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

(Applicable to All Rates)

In addition to the net charges provided for in this Tariff, a charge of 0.00 % will apply consistent with the Commission Order entered September 15, 2016, at Docket No. P-2016-2540046 approving the Distribution System Improvement Charge ("DSIC"). **(D)**

GENERAL DESCRIPTION

PURPOSE

To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

ELIGIBLE PROPERTY

The DSIC-eligible property will consist of the following:

— Poles and towers (account 364);

— Overhead conductors (account 365) and underground conduit and conductors (accounts 366 and 367);

— Line transformers (account 368) and substation equipment (account 362);

— Any fixture or device related to eligible property listed above including insulators, circuit breakers, fuses, reclosers, grounding wires, cross arms and brackets, relays, capacitors, converters and condensers;

— Unreimbursed costs related to highway relocation projects where an electric distribution company must relocate its facilities; and

— Other related capitalized costs.

EFFECTIVE DATE

The DSIC will become effective October 1, 2016.

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

MONTHLY RATES – (Continued)

Rate Class	Energy Charge $/kWh	Demand Charge $/kW	Monthly Charge Per Fixture	Monthly Charge Per Fixture	Monthly Charge Per Fixture	
			Rate Class			
By Wattage			**SH**	**PAL**	**SM**	
Flood Lighting - Unmetered						
70			—	$0.01	—	
100			—	$0.02	—	
150			—	$0.02	—	
250			—	$0.04	—	
400			—	$0.06	—	
Light-Emitting Diode (LED) — Cobra Head						
30			$X.XX	$X.XX	$X.XX	(C) (C) (C)
45			$X.XX	$0.01	$0.01	(C)
60			$0.02	$0.01	$0.01	
95			$0.03	$0.01	$0.01	
139			$0.04	$0.02	$0.02	
219			$0.06	$0.03	$0.03	
						(C)
Light-Emitting Diode (LED) — Colonial						
20			—	$X.XX	$X.XX	(C) (C)
45			—	$X.XX	$X.XX	(C) (C)
Light-Emitting Diode (LED) — Contemporary						
40			—	$X.XX	$X.XX	(C) (C)
55			—	$X.XX	$X.XX	(C) (C)

BILLING DEMAND

Billing Demand subject to Transmission Service Charges for customers taking service under Rate Schedules GS/GM and GMH shall be the same as that determined for distribution and supply charges under the applicable rate schedules.

Billing Demand subject to Transmission Service Charges for Customers taking service under Rate Schedules GL, GLH, L, HVPS and UMS shall be the customer's daily network service coincident peak load contribution in kW. This quantity is determined based on the customer's load coincident with the annual peak of the Duquesne Zone (single coincident peak) as defined in the PJM Tariff Section 34.1.

ANNUAL UPDATE

The Transmission Service Charges (TSC) defined herein will be updated effective June 1st of each calendar year or more often upon determination that the rates then in effect would result in a significant over or under collection. On or about May 1st, the Company will file revised TSC rates with the PA Public Utility Commission (Commission) defining rates in effect from June 1 to May 31 of the following year, the computation year. These rates shall be determined based on the projected revenue requirement for the computation year, the projected cost of PJM charges and the over or under collection of expenses based on actual TSC revenue and expense incurred up to March 1 of each filing year. The revenue

(C) – Indicates Change

~~Exhibit No. DBO-1~~

SUPPLEMENT NO. ~~25~~XX
TO ELECTRIC – PA. P.U.C. NO. 25

DUQUESNE LIGHT CO.

SCHEDULE OF RATES

For Electric Service in Allegheny and Beaver Counties

(For List of Communities Served, see Pages No. 4 and 5)

Issued By

DUQUESNE LIGHT COMPANY
411 Seventh Avenue
Pittsburgh, PA 15219

~~Mark E. Kaplan~~Kevin E. Walker
~~Interim~~ President and Chief Executive Officer

ISSUED: ~~April 16, 2021~~XXXXXXX X, XXXX EFFECTIVE: ~~June 15, 2021~~XXXXXXX XX, XXXX

Filed at Docket No. R-2021-3024750

NOTICE

THIS TARIFF SUPPLEMENT ADDS PAGES ~~-~~AND A NEW RIDER~~S~~, MAKES CHANGES TO THE TABLE OF CONTENTS, RULES AND REGULATIONS, RATE SCHEDULES, RIDER MATRIX, RIDERS AND APPENDIX A AND MAKES INCREASES AND DECREASES TO THE RATES CONTAINED IN THE RATE SCHEDULES AND RIDERS.

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

List of Modifications Made by this Tariff

First Revised Pages No. 2A through Original Page No. 2G
Cancelling Original Pages No. 2A – 2G

Original Pages No. 2H – 2L

Original Page No. 2H through Original Page No. 2L have been added to Tariff No. 25 to accommodate the List of Modifications.

Original Page No. 3A has been added to the Table of Contents and therefore to Tariff No. 25.

Original Page No. 26A has been added to the rules section and therefore to Tariff No. 25.

~~Original Page No. 34A has been added to the rules section and therefore to Tariff No. 25.~~

Original Page No. 87A has been added to the Rider Matrix section and therefore to Tariff No. 25.

~~Original Page No. 92A has been added to the rider section and therefore to Tariff No. 25.~~

~~Original Page No. 92B has been added to the rider section and therefore to Tariff No. 25.~~

~~Original Page No. 97A has been added to the rider section and therefore to Tariff No. 25.~~

Original Page No. 124A has been added to the rider section and therefore to Tariff No. 25.

Original Page No. 128A has been added to the rider section and therefore to Tariff No. 25.

~~Original Page No. 141A through Original Page No. 141G have been added to the rider section and therefore to Tariff No. 25.~~

Table of Contents

Fourth Revised Page No. 3
Cancelling Third Revised Page No. 3

Original Page No. 2H through Original Page No. 2L have been added to Tariff No. 25 to accommodate the List of Modifications.

~~Rider No. 4 – Federal Tax Adjustment Clause has been added to Tariff No. 25 and to the Table of Contents.~~

Original Page No. 87A has been added to the Table of Contents to reflect the additional page added to the Rider Matrix (Pages No. 87-87A).

~~Original Page No. 92B has been added to the Table of Contents to reflect the addition of Rider No. 4 – Federal Tax Adjustment Clause (Pages No. 92-92B).~~

~~Rider No. 7 – Residential Subscription Service Pilot has been added to Tariff No. 25 and to the Table of Contents.~~

~~Original Page No. 97A has been added to the Table of Contents to reflect the additional page added to Rider No. 7 – Residential Subscription Service Pilot (Pages No. 97-97A).~~

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Table of Contents — **Fourth Revised Page No. 3**
Cancelling Third Revised Page No. 3

Table of Contents information previously found on Third Revised Page No. 3, Cancelling Second Revised Page No. 3 has been moved to Original Page No. 3A to accommodate the additional Riders added to Tariff No. 25.

Table of Contents — **Original Page No. 3A**

Table of Contents information previously found on Third Revised Page No. 3, Cancelling Second Revised Page No. 3 has been moved to Original Page No. 3A to accommodate the additional Riders added to Tariff No. 25.

Original Page No. 124A has been added to the Table of Contents to reflect the additional page added to Rider No. 16 – Service to Non-Utility Generating Facilities (Pages No. 123-124A).

Rider No. 19 – Community Development for New Load has been added to Tariff No. 25 and to the Table of Contents.

Administerial update to the page numbering on the Table of Contents page. Rider No. 21 - Net Metering Service now reflects the addition of Page No. 136A which was added and approved in the Company's DSP IX proceeding at Docket No. P-2020-3019522, Order entered January 14, 2021.

~~Rider No. 23 - Home Charging Pilot Program has been added to Tariff No. 25 and to the Table of Contents.~~

~~Rider No. 24 – Fleet Charging Pilot Program has been added to Tariff No. 25 and to the Table of Contents.~~

~~Rider No. 25 – New Business Stimulus has been added to Tariff No. 25 and to the Table of Contents.~~

~~Rider No. 26 – Crisis Recovery Program has been added to Tariff No. 25 and to the Table of Contents.~~

Rules and Regulations — **First Revised Page No. 7**
The Electric Service Tariff — **Cancelling Original Page No. 7**
3.1 Definitions
(2) Applicant

Language has been added to clarify that the definition of "Applicant" includes non-residential applicants.

Rules and Regulations — **First Revised Page No. 11**
Contracts, Deposits and Advance Payments — **Cancelling Original Page No. 11**
Rule No. 5 - Deposits and Advance Payments

Language has been modified to reflect that residential customers/applicants are permitted to pay their deposit in four (4) twenty-five percent (25%) installments.

Language has been modified to clarify security deposits for non-residential customers/applicants.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rules and Regulations — **First Revised Page No. 13**
Installation of Service — **Cancelling Original Page No. 13**
Rule No. 6.1 - Service Point

Language has been revised to accommodate the Company's proposed transportation electrification programs.

Rules and Regulations — **First Revised Page No. 14**
Installation of Service — **Cancelling Original Page No. 14**
Rule No. 7 - Supply Line Extensions

First Revised Page No. 15
Cancelling Original Page No. 15

First Revised Page No. 16
Cancelling Original Page No. 16

Language has been modified to clarify that both customers and applicants for service are subject to tariff cost commitment requirements.

Language has been modified to allow applicants (e.g., developers) to pay Contribution in Aid of Construction ("CIAC") on behalf of the ultimate customer.

Rules and Regulations — **First Revised Page No. 19**
Installation of Service — **Cancelling Original Page No. 19**
Rule No 10 - One Service of A Kind

Language has been modified to remove obsolete cross-reference.

Rules and Regulations — **Second Revised Page No. 26**
Measurement and Use of Service — **Cancelling First Revised Page No. 26**
Rule No. 16.1 - Interconnection, Safety and Reliability Requirements

New Rule No. 16.1 Interconnection, Safety and Reliability Requirements has been added to the tariff to clarify and memorialize the Company's existing process for customer generation interconnection (including facilities not eligible for net metering).

Rule No. 18.1 – Electric Vehicle Charging and Rule No. 19 – Continuity and Safety, previously found on First Revised Page No. 26, Cancelling Original Page No. 26 have been moved to Original Page No. 26A to accommodate the addition of Rule No. 16.1 – Interconnection, Safety and Reliability Requirements on Second Revised Page No. 26, Cancelling First Revised Page No. 26.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rules and Regulations **Original Page No. 26A**
Measurement and Use of Service

Rule No. 18.1 – Electric Vehicle Charging and Rule No. 19 – Continuity and Safety, previously found on First Revised Page No. 26, Cancelling Original Page No. 26 have been moved to Original Page No. 26A to accommodate the addition of Rule No. 16.1 – Interconnection, Safety and Reliability Requirements.

Rules and Regulations **First Revised Page No. 29**
Company Property on Customer's Premises **Cancelling Original Page No. 29**
Rule No. 22.1 - Vegetation Management and Right-of-Way

Language has been added to clarify a customer's responsibility to manage vegetation around the Company's service facilities.

Rules and Regulations **First Revised Page No. 33**
Discontinuance, Curtailment or Interruption of Electric Service **Cancelling Original Page No. 33**
Rule No. 40 - Reconnection Charge

Language has been added to expand reconnection charge applicability to customers who apply for reconnection at the same premises more than thirty (30) days following disconnection (i.e., when then former customer now constitutes an "applicant").

Rules and Regulations **~~First~~ Second Revised Page No. 34**
Discontinuance, Curtailment or Interruption of Electric Service **Cancelling Original Page No. 34A and**
Rule No. 41 - Prohibition of Residential Master Metering **First Revised and Original Pages No. 34**

~~Language has been modified to allow residential master metering for certain low-income supportive housing pursuant to Rule No. 41.1.~~

~~**Rules and Regulations** **First Revised Page No. 34**~~
~~**Discontinuance, Curtailment or Interruption of Electric Service** **Cancelling Original Page No. 34**~~
~~**Rule No. 41.1 - Residential Master Metering for New Low-Income Supportive Housing**~~

~~New Rule No. 41.1 Residential Master Metering for New Low-Income Supportive Housing has been added to the tariff to establish eligibility and conditions for master metering of certain low-income supportive housing.~~

~~**Rules and Regulations** **First Revised Page No. 34**~~
~~**General Provisions** **Cancelling Original Page No. 34**~~

~~Rule No. 42 – Meter Testing, Rule No. 43 – Other Services, Rule No. 44 – This Rule Intentionally Left Blank and Rule No. 45 – Supplier Switching, previously found on Original Page No. 34, have been moved to Original Page No. 34A to accommodate the addition of Rule No. 41.1 – Residential Master Metering for New Low-Income Supportive Housing on First Revised Page No. 34, Cancelling Original Page No. 34.~~

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

~~**Rules and Regulations – General Provisions**~~ ~~**Original Page No. 34A**~~

~~Rule No. 42 – Meter Testing, Rule No. 43 – Other Services, Rule No. 44 – This Rule Intentionally Left Blank and Rule No. 45 – Supplier Switching, previously found on Original Page No. 34, have been moved to Original Page No. 34A to accommodate the addition of Rule No. 41.1 – Residential Master Metering for New Low Income Supportive Housing.~~

Rate RS – Residential Service — **First Revised Page No. 38**
Cancelling Original Page No. 38

Administerial revision to add the word "cents" back to the Energy Charge line to indicate "cents per kilowatt hour."

Rate GS/GM – General Service Small and Medium — **First Revised Page No. 46**
Cancelling Original Page No. 46

Language has been added to clarify eligibility.

Rate GS/GM – General Service Small and Medium — **First Revised Page No. 48**
Cancelling Original Page No. 48

Language has been modified to reflect current business practice.

Rate GL – General Service Large — **First Revised Page No. 53**
Cancelling Original Page No. 53

Language has been added to clarify eligibility.

Rate GLH – General Service Large Heating — **First Revised Page No. 56**
Cancelling Original Page No. 56

Language has been reorganized on the Rate Schedule to clarify that the Customer Distribution Charge is only applicable to the billing months of October through May.

Rate L –Large Power Service — **First Revised Page No. 60**
Cancelling Original Page No. 60

Language has been modified to reflect current business practice.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rate HVPS –High Voltage Power Service — **First Revised Page No. 62**
Cancelling Original Page No. 62

Language has been added to clarify eligibility.

Rate HVPS –High Voltage Power Service — **First Revised Page No. 63**
Cancelling Original Page No. 63

Language has been modified to reflect current business practice.

Rate AL – Architectural Lighting Service — **First Revised Page No. 66**
Cancelling Original Page No. 66

Language has been added to reflect that beginning January 15, 2022, Rate AL will no longer be available to new customers or applicants, or to new installations for existing customers.

Rate SE – Street Lighting Energy — **First Revised Page No. 71**
Special Provisions – No. 5 — **Cancelling Original Page No. 71**

Language has been modified to replace the word "men" with "workers."

Rate SM – Street Lighting Municipal — **First Revised Page No. 72**
Cancelling Original Page No. 72

Language has been added to reflect that beginning January 15, 2022, only LED lighting options will be installed for customers being served under Rate SM.

Language has been added to reflect that beginning January 15, 2022, the Company may replace existing high pressure sodium lights with LED lights or that a customer may request to exchange functioning high pressure sodium lights with LEDs with advance payment to cover the costs of the Company's estimated removal costs of such replacement. Both will be at the Company's discretion.

Rate SM – Street Lighting Municipal — **First Revised Page No. 73**
Cancelling Original Page No. 73

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures.

Rate SM – Street Lighting Municipal — **First Revised Page No. 74**
Cancelling Original Page No. 74

Language has been modified to replace the word "his" with "its."

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Rate SH – Street Lighting Highway **First Revised Page No. 76**
Cancelling Original Page No. 76

Language has been added to reflect that beginning January 15, 2022, Rate SH will no longer be available to new customers or applicants, or to new installations for existing customers.

Language has been added to reflect that beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options.

Language has been added to reflect that due to the limited availability of high pressure sodium lighting, the Company will replace existing high pressure sodium lights with LED lights or a customer may request to exchange functioning high pressure sodium lights with LEDs with advance payment to cover the costs of the Company's estimated removal costs of such replacement. Both will be at the Company's discretion.

Rate SH – Street Lighting Highway **First Revised Page No. 76**
Cancelling Original Page No. 76

New LED lamp wattages have been inserted under Cobra Head fixtures.

Rate PAL – Private Area Lighting **First Revised Page No. 82**
Cancelling Original Page No. 82

Language has been added to reflect that beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options.

Language has been added to reflect that due to the limited availability of high pressure sodium lighting, the Company will replace existing high pressure sodium lights with LED lights or a customer may request to exchange functioning high pressure sodium lights with LEDs with advance payment to cover the costs of the Company's estimated removal costs of such replacement. Both will be at the Company's discretion.

Rate PAL – Private Area Lighting **First Revised Page No. 82**
Cancelling Original Page No. 82

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures.

Rate PAL – Private Area Lighting **First Revised Page No. 84**
Cancelling Original Page No. 84

Language has been modified to replace the word "his" with "its."

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Standard Contract Riders — **Second Revised Page No. 87**
Rider Matrix — **Cancelling First Revised Page No. 87**

The Rider Matrix has been updated to reflect the addition of the following Rider~~s~~:

~~Rider No. 4 – Federal Tax Adjustment Clause~~
~~Rider No. 7 – Residential Subscription Service Pilot~~
Rider No. 19 – Community Development for New Load

Standard Contract Riders — **Second Revised Page No. 87**
Rider Matrix — **Cancelling First Revised Page No. 87**

Riders No. 20 through Appendix A, previously found in the Rider Matrix on First Revised Page No. 87, Cancelling Original Page No. 87, have been moved to Original Page No. 87A to accommodate the additional Riders placed into the Tariff.

"Continued on Original Page No. 87A" has been added to the bottom of Second Revised Page No. 87, Cancelling First Revised Page No. 87, to indicate that the Rider Matrix continues onto the next page.

Standard Contract Riders — **Original Page No. 87A**
Rider Matrix

A Rider Matrix for Riders No. 20 through Appendix A, previously found on First Revised Page No. 87, Cancelling Original Page No. 87, has been created and is now found on Original Page No. 87A to accommodate the additional Riders placed into the Tariff.

~~**Standard Contract Riders**~~ — ~~**Original Page No. 87A**~~
~~**Rider Matrix**~~

~~The Rider Matrix has been updated to reflect the addition of the following Riders:~~

~~Rider No. 23 – Home Charging Pilot Program~~
~~Rider No. 24 – Fleet Charging Pilot Program~~
~~Rider No. 25 – New Business Stimulus~~
~~Rider No. 26 – Crisis Recovery Program~~

Standard Contract Riders — **~~First~~ Second Revised Page No. 92**
Rider No. 4 ~~– Federal Tax Adjustment Clause~~ — **Cancelling Original Pages No. 92A and 92B and First Revised and Original Pages No. 92**

~~**Original Page No. 92A**~~

~~**Original Page No. 92B**~~

~~Rider No. 4 – Federal Tax Adjustment Clause ("FTAC") is being added to Tariff No. 25 to provide for adjustments to base distribution revenue to reflect the effects of future increases or decreases in the federal corporate income tax rate.~~

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Standard Contract Riders — **First Revised Page No. 94**
Rider No. 5 – Universal Service Charge — **Cancelling Original Page No. 94**

The CAP participation level has been reset as per the provisions of Rider No. 5.

Standard Contract Riders — **~~First~~ Second Revised Page No. 97**
Rider No. 7 ~~– Residential Subscription Service Pilot~~ — **Cancelling First Revised and Original Pages No. 97**

~~Rider No. 7 – Residential Subscription Service Pilot is being added to Tariff No. 25 to offer eligible customers the option to select a specified level of grid access for a set monthly charge.~~

Standard Contract Riders — **Second Revised Page No. 100**
Rider No. 8 – Default Service Supply — **Cancelling First Revised Page No. 100**

Fourth Revised Page No. 101
Cancelling First Revised Page No. 101

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures and the rate has been reflected as "$X.XX" in the applicable Fixture Charge - $ per Month sections.

Standard Contract Riders — **Second Revised Page No. 103**
Rider No. 8 – Default Service Supply — **Cancelling First Revised Page No. 103**

In the "Calculation of Rates" section, the Docket No. has been updated in DSSa.

Standard Contract Riders — **Third Revised Page No. 108**
Rider No. 9 – Day-Ahead Hourly Price Service — **Cancelling Second Revised Page No. 108**

Under the "Fixed Retail Administrative Charge" section, the Docket No. has been updated in FRA.

Standard Contract Riders — **Third Revised Page No. 112**
Rider No. 10 – State Tax Adjustment — **Cancelling Second Revised Page No. 112**

Rider No. 10 – State Tax Adjustment has been modified to reflect that Part 1 of the STAS has been set to zero.

Standard Contract Riders — **First Revised Page No. 123**
Rider No. 16 – Service to Non-Utility Generating Facilities — **Cancelling Original Page No. 123**

First Revised Page No. 124
Cancelling Original Page No. 124

Rider No. 16 – Service to Non-Utility Generating Facilities has been modified to reflect changes in applicable terms, rules, and rates.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

Standard Contract Riders — **First Revised Page No. 128**
Rider No. 19 – Community Development — **Cancelling Original Page No. 128**

Original Page No. 128A

Rider No. 19 – Community Development for New Load is being added to Tariff No. 25 to provide incentives to eligible customers to move and/or expand their operations within the Company's service territory.

Standard Contract Riders — **First Revised Page No. 133**
Rider No. 21 – Net Metering Service — **Cancelling Original Page No. 133**

First Revised Page No. 134
Cancelling Original Page No. 134

Second Revised Page No. 135
Cancelling First Revised Page No. 135

Second Revised Page No. 136
Cancelling First Revised Page No. 136

First Revised Page No. 136A
Cancelling Original Page No. 136A

Rider No. 21 – Net Metering Service has been revised to include Rate Schedule GLH and Rate Schedule L.

Standard Contract Riders — **First Revised Page No. 134**
Rider No. 21 – Net Metering Service — **Cancelling Original Page No. 134**

Language has been modified to reflect current business practice.

Standard Contract Riders — **Seventh Revised Page No. 137**
Rider No. 22 – Distribution System Improvement Charge — **Cancelling Sixth Revised Page No. 137**

Rider No. 22 – Distribution System Improvement Charge ("DSIC") has been modified to reflect that it has been set to zero.

~~**Standard Contract Riders**~~ — ~~**Original Page No. 141A-141B**~~
~~**Rider No. 23 – Home Charging Pilot Program**~~

~~Rider No. 23 – Home Charging Pilot Program is being added to Tariff No. 25 to set forth the eligibility, terms, and conditions applicable to residential customers participating in the Company's voluntary Home Charging Pilot.~~

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES – (Continued)

~~**Standard Contract Riders — Original Page No. 141C-141E**~~
~~**Rider No. 24 – Fleet Charging Pilot Program**~~

~~Rider No. 24 – Fleet Charging Pilot Program is being added to Tariff No. 25 to set forth the eligibility, terms, and conditions applicable to non-residential customers participating in the Company's voluntary Fleet Charging Pilot.~~

~~**Standard Contract Riders — Original Page No. 141F**~~
~~**Rider No. 25 – New Business Stimulus**~~

~~Rider No. 25 – New Business Stimulus is being added to Tariff No. 25 to incent eligible new small or medium businesses by providing them with a reduced distribution rate for two (2) years.~~

~~**Standard Contract Riders — Original Page No. 141G**~~
~~**Rider No. 26 – Crisis Recovery Program**~~

~~Rider No. 26 – Crisis Recovery Program is being added to Tariff No. 25 to provide a relief program for eligible existing small or medium business customers who have accumulated a delinquent balance because of COVID-19 business restrictions.~~

Appendix A – Transmission Service Charges — **~~Second~~ Third Revised Page No. 143**
Cancelling Original Pages No. 141A – 141G and Second and First Revised Pages No. 143

Current LED lamp wattages have been removed.

New LED lamp wattages have been inserted under Cobra Head, Colonial and Contemporary fixtures and the rate has been reflected as "$X.XX" in the applicable Monthly Charge per Fixture sections.

INCREASES

Rate RS – Residential Service	**First Revised Page No. 38** **Cancelling Original Page No. 38**
Rate RH – Residential Service Heating	**First Revised Page No. 40** **Cancelling Original Page No. 40**
Rate RA – Residential Service Add-On Heat Pump	**First Revised Page No. 43** **Cancelling Original Page No. 43**
Rate GS/GM – General Service Small and Medium	**First Revised Page No. 46** **Cancelling Original Page No. 46**

LIST OF MODIFICATIONS MADE BY THIS TARIFF

INCREASES – (Continued)

Rate GMH – General Service Medium Heating	**First Revised Page No. 50** **Cancelling Original Page No. 50**
	First Revised Page No. 51 **Cancelling Original Page No. 51**
Rate GL – General Service Large	**First Revised Page No. 53** **Cancelling Original Page No. 53**
Rate GLH – General Service Large Heating	**First Revised Page No. 56** **Cancelling Original Page No. 56**
	First Revised Page No. 57 **Cancelling Original Page No. 57**
Rate L – Large Power Service	**First Revised Page No. 59** **Cancelling Original Page No. 59**
Rate HVPS – High Voltage Power Service	**First Revised Page No. 62** **Cancelling Original Page No. 62**
Rate AL – Architectural Lighting Service	**First Revised Page No. 66** **Cancelling Original Page No. 66**
Rate SE – Street Lighting Energy	**First Revised Page No. 69** **Cancelling Original Page No. 69**
Rate SM – Street Lighting Municipal	**First Revised Page No. 72** **Cancelling Original Page No. 72**
	First Revised Page No. 73 **Cancelling Original Page No. 73**
	First Revised Page No. 74 **Cancelling Original Page No. 74**
Rate SH – Street Lighting Highway	**First Revised Page No. 76** **Cancelling Original Page No. 76**
Rate UMS – Unmetered Service	**First Revised Page No. 80** **Cancelling Original Page No. 80**
Rate PAL – Private Area Lighting	**First Revised Page No. 82** **Cancelling Original Page No. 82**
	First Revised Page No. 84 **Cancelling Original Page No. 84**

Unit pricing has changed resulting in increases.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

INCREASES – (Continued)

Rider No. 10 – State Tax Adjustment — **Third Revised Page No. 112**
Cancelling Second Revised Page No. 112

Rider No. 10 – State Tax Adjustment has been modified to reflect that Part 1 of the STAS has been set to zero.

DECREASES

Rate SM – Street Lighting Municipal — **First Revised Page No. 73**
Cancelling Original Page No. 73

Rate SH – Street Lighting Highway — **First Revised Page No. 76**
Cancelling Original Page No. 76

Rate PAL – Private Area Lighting — **First Revised Page No. 82**
Cancelling Original Page No. 82

Unit pricing has changed resulting in decreases.

Rider No. 22 – Distribution System Improvement Charge — **Seventh Revised Page No. 137**
Cancelling Sixth Revised Page No. 137

Rider No. 22 – Distribution System Improvement Charge has been modified to reflect that it has been set to zero.

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STANDARD CONTRACT RIDERS: – (Continued) (C)

APPENDIX A:

(C) – Indicates Change

RULES AND REGULATIONS – (Continued)

THE ELECTRIC SERVICE TARIFF – (Continued)

3. APPLICATION – (Continued

The supply of electricity may be provided by the Company or by an alternative Electric Generation Supplier ("EGS"). Rates for the supply of electricity shall apply per applicable tariffs of the Company or the EGS.

3.1 DEFINITIONS

(1) Aggregator or Market Aggregator – An entity, licensed by the Commission, which purchases electric energy and takes title to electric energy as an intermediary for sale to retail customers.

(2) Applicant – An entity that applies for service provided by the Company. With respect to residential applicants, "applicant" means a natural person not currently receiving service who applies for residential service provided by a public utility or any adult occupant whose name appears on the mortgage, deed or lease of the property for which the residential utility service is requested. The term does not include a person who, within thirty (30) days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the Company. **(C)** **(C)**

(3) Basic Services – The services necessary for the physical delivery of electricity service such as supply, including default service, transmission and distribution. Unless directed otherwise, "electric service" or "service" used throughout this tariff have the same meaning.

(4) Bill Ready – A form of consolidated billing where Duquesne Light provides a customer's usage to its electric generation supplier ("EGS") and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill.

(5) Broker or Marketer – An entity, licensed by the Commission, which acts as an agent or intermediary in the sale and purchase of electric energy but does not take title to electric energy.

(6) Commission – The Pennsylvania Public Utility Commission.

(7) Company - Duquesne Light Company.

(8) Customer –Any person, partnership, association, corporation or other legal entity lawfully receiving service from the Company. Unless indicated otherwise, "retail customer" and "customer" used throughout this tariff shall have the same meaning. A residential customer is a natural person in whose name a residential service account is listed and who is primarily responsible for payment of bills rendered for the service or any adult occupant whose name appears on the mortgage, deed or lease of the property of which the residential utility service is requested. The term includes a person who, within thirty (30) days after service termination or discontinuance of service, seeks to have service reconnected at the same location or transferred to another location within the service territory of the public utility.

(9) Default Service – The Company will provide electricity to the customer in the event that a customer: 1) elects not to obtain electricity from an EGS; 2) elects to have the Company supply electricity after having previously purchased electricity from an EGS; 3) contracts with an EGS who fails to supply electricity, or 4) has been returned to Default Service by the EGS under circumstances as described in Rule No. 45.2 of this tariff.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

CONTRACTS, DEPOSITS AND ADVANCE PAYMENTS - (Continued)

5. DEPOSITS AND ADVANCE PAYMENTS - (Continued)

The Company may also use an applicant or customer credit score from a third party credit agency as a means to establish creditworthiness. The credit score in the report will be based in part on previous utility billing history and will use a commercially recognized credit scoring methodology that is within the range of generally accepted industry practices to determine whether security or advance payments are required to establish service. The Company may request a government issued photo ID of any applicant to verify the application.

Where the Company requires a deposit from a residential customer or applicant, the amount of the deposit will **(C)**
be based on Company charges in an amount that is equal to one-sixth of the applicant's estimated annual bill or
one-sixth of the actual average annual bill for existing customers at the premises. The minimum deposit amount **(C)**
for non-residential customers and applicants shall be $250.00. When the Company determines a deposit is **(C)**
required for new service or for reconnection of service as described in Rule No. 40, such deposit shall be payable **(C)**
within a reasonable time period after commencing or reconnecting electric service, not to be fewer than four (4) **(C)**
twenty-five percent (25%) installments with the first installment billed no less than thirty (30) days after the **(C)**
reconnection of service in the event of a reconnection. Failure to pay a required deposit may result in termination **(C)**
of service consistent with Commission regulations. An applicant or existing customer may furnish a third-party guarantor in lieu of a cash deposit, with the provision of a written guaranty setting forth the terms therein. The guarantor will be responsible for all missed payments of the applicant or customer.

The Company will pay interest on residential cash deposits computed at the simple annual interest rate determined by the Commonwealth of Pennsylvania's Secretary of Revenue. The interest rate in effect when the deposit is required to be paid shall remain in effect until the later of the date the deposit is refunded or credited or December 31. On January 1 of each year, the new interest rate for that year will apply to the deposit. For all other cash deposits, the Company will pay interest at the lower of the average of 1-year Treasury Bills for September, October and November of the previous year beginning May 1, 1995 and January 1, 1996 and each year thereafter, or six percent per annum without deduction for any taxes thereon, provided that interest accrued prior to April 14, 1995 shall be calculated at 6%. On deposits held for more than one year, accrued interest will be paid at the end of each anniversary year. Upon the return of a deposit, any unpaid interest accrued thereon will be paid.

Deposits secured from a residential applicant or customer shall be returned to the depositor when a timely payment history has been established. A timely payment history is established when a customer has paid undisputed bills in full and on time for twelve (12) consecutive months. Should a customer become delinquent prior to establishing a timely payment history, the Company may deduct the outstanding balance from the deposit. Deposits secured from other than residential customers shall be returned to the depositor upon annual review provided such depositor shall have paid undisputed bills during those consecutive twelve (12) months without having service terminated and without having paid the bill subsequent to the due date so long as the customer is not currently delinquent. Payment of any disputed bill, where the payment is withheld beyond the due date set forth on the face of the bill at issue and the dispute over which is terminated substantially in favor of the customer, shall be made by the customer within fifteen (15) days following the termination of that dispute in order to be deemed timely. Where service is discontinued, the deposit and unpaid interest accrued thereon to the date of discontinuance of service, less the amount of all bills due the Company, will promptly be paid to the customer.

For purposes of all of the provisions of this Rule No. 5, when a customer resides at a place of business or commercial establishment, legitimately served pursuant to a commercial or industrial rate schedule, that is not a residential dwelling unit attached thereto, the customer is not thereby entitled to any of the protections in the Pennsylvania Public Utility Code or the Commission's regulations implementing the Pennsylvania Public Utility Code, or to any of the provisions of these rules or this Tariff, that apply exclusively to deposits for residential customers.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

6.1 SERVICE POINT The Service Point for the customer's service installation shall depend on the customer's type of service. The Service Point shall generally be designated as follows:

Type of Service	Service Point
Service voltage greater than 600V	Metering terminals, or for transformed service, secondary transformer terminals
Overhead service at voltage less than 600V	Service drop
Underground service at voltage less than 600V	For underground service from overhead secondary lines: the service lateral connection to Company pole. For underground service from underground spot networks: the network protector spade(s). For underground service from street secondary underground networks: the collector bus. For three-phase transformed underground service: the secondary transformer terminal. In Underground Residential Developments covered by Rule No. 13.2: the meter base. For other underground service from underground secondary lines: the terminal box.
Any service via lines supported by a customer-owned pole or structure	Point of service line connection to the first customer-owned pole or structure to which Company facilities connect

The Company reserves the right to designate an alternative Service Point, at its sole discretion, for customers with atypical or specialized service configurations, or customers participating in the Company's electric vehicle **(C)**
pilot program(s) for electric vehicle charging stations. **(C)**

The Company shall not be required to install or maintain any conductors, meter base, equipment or apparatus beyond the Service Point except meter and meter accessories, as applicable; and electric vehicle charging stations **(C)**
and/or make-ready infrastructure, as applicable, for customers participating in the Company's applicable electric **(C)**
vehicle pilot program(s). **(C)**

7. SUPPLY LINE EXTENSIONS

A. Definitions

For the purposes of this rule, the following definitions are applicable:

(1) Contractor cost - The amount paid to a contractor for work performed on a line extension.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

7. SUPPLY LINE EXTENSIONS – (Continued)

A. Definitions – (Continued)

(2) Direct labor cost - The pay and expenses of public utility employees directly attributable to work performed on line extensions, but does not include construction overheads or payroll taxes, workers' compensation expenses, or similar expenses.

(3) Direct material cost - The purchase price of materials used for a line extension, but does not include the related stores expenses. In computing direct material costs, proper allowance should be made for unused materials recovered from temporary structures, and discounts allowed and realized in the purchase of materials.

(4) Total construction cost - The contractor cost, direct labor cost, direct material cost, stores expense, construction overheads, payroll taxes, workers' compensation expenses, or similar expenses.

(5) Current Year - For purposes of calculating a revenue guarantee, current year shall be each consecutive period of twelve (12) calendar months following the date permanent electric delivery service was first provided to a customer or applicant. **(C)**

(6) Income Tax - Federal and State tax relating to the tax liability of contributions in aid-of-construction ("CIAC").

B. Overhead Areas

(1) In areas where the existing supply lines are overhead, the Company will construct and maintain extensions of all single-phase overhead supply lines operating at 23,000 volts or less to approximately 100 feet within the customer's or applicant's property line without a **(C)** guarantee of revenue.

(2) In areas where the existing supply lines are overhead, the Company will construct and maintain extensions of all three-phase overhead supply lines, operating at 23,000 volts or less, which are usable as a part of its general supply system without a guarantee of revenue. When the three-phase supply line extension is to supply service exclusively to a single customer or applicant, such a supply line will be extended to the customer's or **(C)** applicant's property line only if a guarantee of revenue is provided by the customer or **(C)** applicant over a period of five years which is sufficient to recover the actual total construction cost of the three-phase overhead line extension, less the estimated total construction cost for an equivalent single-phase overhead line extension. In the event that a revenue guarantee is not sufficient to recover the estimated total cost of the construction, or if the Company determines that the extension is speculative, or the customer or **(C)** applicant represents a credit risk, the Company may require an up-front contribution in aid of construction (CIAC) from the customer or applicant to recover the total cost of **(C)** construction. A customer or applicant may choose the option to make a CIAC rather than utilize a revenue guarantee. The Company will consider financing alternatives, such as a letter of credit or other payment arrangements, in lieu of a CIAC when appropriate. Any additional CIAC payment required will include the related income tax.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

7. SUPPLY LINE EXTENSIONS - (Continued)

C. Underground Areas

(1) In areas where the existing supply lines are underground outside the limits of a residential development covered by Tariff Rule 13.2, the Company will construct and maintain extensions of all single-phase underground supply lines operating at 23,000 volts or less which are usable as part of its general supply system without a guarantee of revenue. When the single-phase supply line extension is to supply electricity exclusively to a single customer or applicant, such a supply line will be extended to the customer's or applicant's **(C)** property line only if a guarantee of revenue is provided by the customer or applicant, over **(C)** a period of five years which is sufficient to recover the actual total contractor cost, direct labor cost and direct material cost for the full length of the single-phase underground line extension, less the estimated total contractor cost, direct labor cost, and direct material cost for an equivalent single-phase overhead line extension. In the event that a revenue guarantee is not sufficient to recover the estimated total cost of the construction, or if the Company determines that the extension is speculative, or the customer or applicant **(C)** represents a credit risk, the Company may require an up-front contribution in aid of **(C)** construction (CIAC) from the customer or applicant to recover the total cost of construction. **(C)** A customer or applicant may choose the option to make a CIAC rather than utilize a revenue guarantee. The Company will consider financing alternatives, such as a letter of credit or other payment arrangements, in lieu of a CIAC when appropriate. Any additional CIAC payment required will include the related income tax.

(2) In areas where the existing supply lines are underground outside of the limits of a residential development covered by Tariff Rule 13.2, the Company will construct and maintain extensions of all three-phase underground supply lines operating at 23,000 volts or less which are usable as part of its general supply system without a guarantee of revenue. When the three-phase supply line extension is to supply service exclusively to a single customer or applicant, such a supply line will be extended to the customer's or **(C)** applicant's property line only if a guarantee of revenue is provided by the customer or **(C)** applicant over a period of five years which is sufficient to recover the actual total construction cost of the three-phase underground line extension, less the estimated total construction cost for an equivalent single-phase overhead line extension. In the event that a revenue guarantee is not sufficient to recover the estimated total cost of the construction, or if the Company determines that the extension is speculative, or the customer or **(C)** applicant represents a credit risk, the Company may require an up-front contribution in aid **(C)** of construction (CIAC) from the customer or applicant to recover the total cost of **(C)** construction. A customer or applicant may choose the option to make a CIAC rather than utilize a revenue guarantee. The Company will consider financing alternatives, such as a letter of credit or other payment arrangements, in lieu of a CIAC when appropriate. Any additional CIAC payment required will include the related income tax.

D. Rights-of-Way

Before construction of a line extension, satisfactory rights of way and other necessary permits must be granted to the Company for the construction of the supply line extension along the route selected by the Company. The customer or applicant agrees to pay the Company any **(C)** initial and recurring rights-of-way or license fees in excess of an amount normally incurred by the Company in constructing and maintaining the supply line extension.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

7. SUPPLY LINE EXTENSIONS - (Continued)

E. Revenue Guarantees

The revenue guarantee amount shall be the estimated combined cost of (i) the line extension and (ii) other new Company facilities necessary to serve the customer or applicant. The annual revenue guarantee amount shall be the revenue guarantee amount, divided by the number of years in the guarantee period. The annual revenue guarantee amount will be reviewed yearly and will be adjusted to the minimum charges as provided in the applicable rate schedule on the following basis: **(C)**

(1) When the total of the monthly Company delivery charges at the end of the current year is less than the annual revenue guarantee amount, a payment equal to the difference plus the related income tax where applicable shall be immediately due and payable.

(2) When the total of the monthly Company delivery charges within the number of years in the guarantee period equals or exceeds the revenue guarantee amount, no further payments toward the revenue guarantee amount are required. Any prior payments in excess of the revenue guarantee amount, except for otherwise-applicable charges for electric service, will be refunded with accrued interest.

(3) If an additional customer is served from the line extension, the revenue guarantee amount will be reduced to the cost of the line extension which is used exclusively to serve the single customer. If the cost of the line extension to serve the new customer would increase the revenue guarantee amount for an existing customer, the extension shall be considered as a new line extension.

(4) In the event the customer discontinues or cancels service before the end of the guarantee period, the balance of the revenue guarantee amount plus the related income tax where applicable shall be immediately due and payable.

F. Contributions in Aid of Construction

The Contribution in Aid of Construction (CIAC) will be refunded to the customer over the five-year revenue guarantee period to the extent that the revenue from the customer satisfies the revenue guarantee.

(1) When the total of the monthly Company delivery charges at the end of the current year is greater than or equal to one-fifth of the CIAC, a refund of one-fifth of the CIAC will be made to the customer.

(2) When the total of the monthly Company delivery charges at the end of the current year is less than one-fifth of the CIAC, a refund of one-fifth of the CIAC less the revenue shortfall will be made to the customer.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

INSTALLATION OF SERVICE - (Continued)

9. RELOCATIONS OF FACILITIES – (Continued)

C. Other Company Facilities for all Customers

When requested or required by the action of a customer or a third party, relocation of Company facilities, except those covered under Section A of this Rule, will be performed by the Company upon receipt, in advance, of the Company's estimated total direct and indirect costs including the related income tax of such relocations from the customer or such third party. The Company may waive charges under this rule if, in the Company's judgment, the location of the Company's existing supply line and/or service line on the customer's property restricts the growth of the customer's operations and the potential increase in the Company's revenues.

10. ONE SERVICE OF A KIND Only one service of each type as to voltage and phase will be provided to a customer under one contract; provided, however, that when, in the judgment of the Company, standard electric **(C)** service may be most economically effected by establishing a separate service connection for a portion of the **(C)** customer's load, such separate service connection may, at the option of the customer, be combined, notwithstanding similarity as to voltage and phase, with other service connections under a single contract for the customer's entire electric delivery service requirements at the affected location. Electric service at different premises, regardless of voltage or phase, shall never be combined for billing under one account for the purpose of reducing Company charges.

11. METER SUPPORTS The customer shall provide on the premises, at a location satisfactory to the Company, proper space, supports, and enclosures for metering equipment.

12. TRANSFORMERS AND CONTROL EQUIPMENT Where, in the judgement of the Company, it is necessary to install transformers and other control or protective equipment on the customer's premises, the customer shall provide a suitable place, foundation and housing for such installation, in accordance with the Company's "Electric Service Installation Rules."

13. CUSTOMER'S FACILITIES The installation and maintenance of the customer's wiring and equipment shall be in accordance with the Company's "Electric Service Installation Rules" and shall be subject to the approval of the proper authorities. The Company is not required to provide electric service thereto unless so approved, but does not assume any responsibility for securing such approval. The Company shall not be liable for damages or injuries resulting from any defects in the customer's wiring or equipment.

13.1 UNDERGROUND DISTRIBUTION

A. When the Company is required by governmental order or enters into agreements with redevelopment authorities, a private real estate developer or a group of customers to change its distribution supply lines from overhead to underground, customers receiving or to receive electric service at voltages of 600 volts or less from these supply lines shall provide at their own expense the necessary facilities for receiving such underground service.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

MEASUREMENT AND USE OF SERVICE - (Continued)

16.1 INTERCONNECTION, SAFETY AND RELIABILITY REQUIREMENTS In order to assure the integrity and safe operation of the Company's system and to permit the continuation of reliable service to other customers, the following requirements and standards apply to all types of Generating Facilities, including customer owned generation and customer owned energy storage systems, desiring to interconnect with the Company's system. **(C)**

All generation operations shall be performed in a safe, reasonable and competent manner in accordance with prudent electric practices in order to, among other things, preserve and protect the Company's electric system.

All Generating Facilities shall submit a written application to the Company for acceptance of interconnected operation of their facilities with the Company's system prior to engaging in such interconnected operations. The Company may require, among other things, the following as part of any application submitted by an Applicant/Customer for service under this Rule No. 16.1.

1. Plans, specifications and location of the proposed installation.
2. Single line diagrams and details, including relay settings, of the proposed protection schemes.
3. Instruction manuals for all protective components.
4. Component specifications and internal wiring diagrams of protective components, if not provided in instruction manuals.
5. Generator data required to analyze fault contributions and load current flows including, but not limited to, equivalent impedances, time constants and harmonic distortions.
6. The rating of all protective equipment if not provided in instruction manuals.
7. All such other information that may be required by the Company.

Paralleling customer generation with the Company's system, including closed transition of customer back-up generation, shall be permitted only upon the written consent of the Company.

17. FLUCTUATIONS AND UNBALANCES The customer's use of electric service shall not cause fluctuating loads or unbalanced loads of sufficient magnitude to impair the service to other customers or to interfere with the proper operation of the Company's facilities. The Company may require the customer to make such changes in his equipment or use thereof, or to install such corrective equipment, as may be necessary to eliminate fluctuating or unbalanced loads; or, where the disturbances caused thereby may be eliminated more economically by changes in or additions to the Company's facilities, the Company will, at the request of the customer, provide the necessary corrective facilities at a reasonable charge. Payment will be made in full in advance for supplying special equipment installed under this Rule.

18. REDISTRIBUTION All electric energy shall be consumed by the customer to whom the Company supplies and delivers such energy, except that (1) the customer owning and operating a separate office building, and (2) any other customer who, upon showing that special circumstances exist, obtains the written consent of the Company may redistribute electric energy to tenants of such customer, but only if such tenants are not required to make a specific payment for such energy.

This Rule shall not affect any practice undertaken prior to June 1, 1965. See Rule No. 41 for special requirements for residential dwelling units in a building.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued) **(C)**

MEASUREMENT AND USE OF SERVICE - (Continued)

18.1 ELECTRIC VEHICLE CHARGING Electricity sales by a person, corporation or other entity, not a public utility, owning and operating an electric vehicle charging facility for the sole purpose of recharging an electric vehicle battery for compensation are not construed to be sales to residential consumers and therefore do not fall under the pricing requirements of 66 Pa.C.S. § 1313. Further, for purposes of third party-owned electric vehicle charging stations, charging the electric vehicle shall not be considered redistribution as defined in Rule No. 18 - Redistribution. For the purposes of this Rule No. 18.1, electric vehicles are defined as any vehicle licensed to operate on public roadways that are propelled in whole or in part by electrical energy stored on-board for the purpose of propulsion. Types of electric vehicles include, but are not limited to, plug-in hybrid electric vehicles and battery electric vehicles. Electric vehicle charging stations shall be made in accordance with the Company's "Electric Service Installation Rules," a copy of which may be found at www.duquesnelight.com. The station must be designed to protect for back flow of electricity to the Company's electrical distribution circuit as required by Company rules. The Company shall not be liable for any damages associated with operation of the charging station. For stations dedicated solely for the purpose of charging electric vehicles wherein a third party owns the charger and allows an electric vehicle owner to use their facility to charge an electric vehicle, the owner of the charging facility shall notify the Company at least one hundred twenty (120) days in advance of the planned installation date and may be required to install metering for the station as determined by the Company. The third party owner of the station shall be responsible for all applicable Tariff rates, fees and charges. For such installations, the electric vehicle owner shall be responsible for all fees imposed by the owner of the station for charging the electric vehicle.

19. CONTINUITY AND SAFETY The Company will use all reasonable care to provide safe and continuous delivery of electricity but shall not be liable for any damages arising through interruption of the delivery of electricity or for injury to persons or property resulting from the use of the electricity delivered.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

COMPANY PROPERTY ON CUSTOMER'S PREMISES – (Continued)

22.1. VEGETATION MANAGEMENT AND RIGHT-OF-WAY The customer, applicant, or property owner shall provide, without charge to the Company, right-of-way and access across property owned or controlled by customer/applicant/property owner, and locations and housings which are suitable, in the opinion of Company, for the construction, reconstruction, maintenance or operation of Company facilities that serve the customer/applicant/property owner. Suitable right-of-way includes, but is not limited to, the right of ingress and egress to and from the electric facilities for any of the purposes aforesaid; and also the right to prune, cut or remove trees, underbrush and other obstructions which, in the judgment of Company, may at any time interfere with the construction, reconstruction, maintenance or operation of the electric facilities, and in connection therewith, the right to treat with herbicides approved for the removal and control of trees, brush and undergrowth. The Company shall also have all of the aforesaid rights related to its provision of underground service to a customer/applicant/property owner, even if the Company does not require the customer/applicant/property owner to execute a formal right-of-way document. Notwithstanding the foregoing, the customer/applicant/property **(C)**
owner shall be responsible for vegetation management on the customer/applicant/property owner's property, as **(C)**
necessary, to prevent vegetation from interfering with the service line(s) on the premises. Any vegetation **(C)**
management within ten (10) feet of an energized electric utility line must be performed by qualified line clearance **(C)**
personnel.

23. CUSTOMER'S RESPONSIBILITY The customer shall protect the property of the Company on the premises and shall not permit access thereto except by authorized representatives of the Company.

24. TAMPERING Where evidence is found that the service wires, meters, switch box or other appurtenances on the customer's premises have been tampered with, the customer shall be required to bear all costs incurred by the Company for investigations and inspections, and for such protective equipment as, in the judgment of the Company, may be necessary (including the relocation of inside metering equipment to an accessible outside location); and in addition, where the tampering has resulted in improper measurement of the electricity delivered, the customer shall be required to pay for such electric delivery service, and any Company supplied electricity, including interest at the Late Payment Charge rate, as the Company may estimate, from available information to have been used but not registered by the Company's meters.

DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE

25. REPAIRS OR LOSSES The customer shall pay the Company for any repairs to or any loss of the Company's property on the premises when such repairs are necessitated, or loss occasioned, by negligence on the part of the customer or failure to comply with the rules and regulations under which service is furnished.

26. ARREARS The Company upon reasonable notice may terminate electric service and remove its equipment from the premises for nonpayment of undisputed Company service charges, Company charges as the default service charges or EGS receivables purchased by the Company up to the amount that the customer would have paid under Default Service rates during the non-payment period, pursuant to Duquesne's Electric Generation Supplier Coordination Tariff Rule No. 12.1.7. When a residential customer or a residence is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service" and 66 Pa.C.S. § 1406, "Termination of Utility Service."

26.1 COLLECTION REVIEW The Company shall review accounts for collection purposes as reasonable and appropriate. The Company may pursue all lawful means of collection of accounts as permitted by applicable law.

(C) – Indicates Change

DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE - (Continued)

39.2 EMERGENCY ENERGY CONSERVATION - (Continued)

When a state of emergency is declared by the Governor, or other appropriate governmental authority, and during the period of that emergency, upon notification of the customer by the Company, the customer shall take the actions required by the procedures for emergency energy conservation. During the period of that emergency the appropriate customers will be billed under the provisions of Rider No. 17 - Emergency Energy Conservation.

The Company may revise such procedures from time to time, and shall revise them if so required by the Pennsylvania Public Utility Commission. A copy of such procedures or of the revision thereof currently in effect shall be kept available for public inspection at each office at which the Company maintains a copy of its tariff for public inspection, and another such copy shall be kept on file with the Commission's Bureau of Conservation, Economics and Energy Planning.

40. RECONNECTION CHARGE Where service has been discontinued under the terms of Rules No. 26 through 36, inclusive, the Company reserves the right as a condition precedent to the reconnection of service to require the payment of all arrearages for Company charges and payment of a deposit as described in Rule No. 5, and to require the payment of the following appropriate reconnection charge:

A. $50.00 for resumption of electric service to the same customer or applicant within a year of the service disconnection or termination where service has been disconnected at the meter. **(C)**

B. $250.00 for resumption of electric service to the same customer or applicant within a year of the service disconnection or termination where service has been disconnected at the pole. **(C)**

C. $250.00 for resumption of electric service to the same customer or applicant within a year of the service disconnection or termination when the connection is an aerial tap. **(C)**

D. $89.00 for reconnection of a transformer to the same General Service customer or applicant within a year of the service disconnection or termination. **(C)**

E. $20.00 for resumption of electric service where a remote capable meter has been installed and in which resumption of service is to the same customer or applicant within a year of the service disconnection or termination where service has been disconnected at the meter. **(C)**

When a residential customer or residence or residential applicant is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service" and 66 Pa.C.S. § 1406, "Termination of Utility Service." **(C)**

Where electric service has been discontinued upon the request of the customer or applicant and where the customer or applicant requests that service be reconnected at the same location within a period of one year from the date that electric service was discontinued, the Company reserves the right as a condition precedent to the reconnection of service to require the payment of all arrearages for Company charges which will consist of the minimum charge applicable to such customer's or applicant's service during the period of discontinuance. **(C)** **(C)** **(C)**

Where electric service to a non-residential customer or applicant has been terminated under the terms of Rules No. 30 and/or 34, and such condition was the direct result of tampering, the Company reserves the right as a condition precedent to the reconnection of service to require payment of all costs incurred by the Company for investigations and inspections, and for such protective equipment deemed necessary by the Company. **(C)**

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE - (Continued)

41. PROHIBITION OF RESIDENTIAL MASTER METERING ~~Except as provided in Rule No. 41.1 herein, e~~Each residential dwelling unit in a building must be individually metered by the Company for buildings connected after January 1, 1981. For the purposes of the Rule, a dwelling unit is defined as: ~~(C)~~

> One or more rooms for the use of one or more persons as a housekeeping unit with space for eating, living, and sleeping, and permanent provisions for cooking and sanitation.

This Rule does not preclude the use of a single meter for the common areas and common facilities of a multi-tenant building.

This Rule shall not affect any practice undertaken prior to January 1, 1981.

~~**41.1 RESIDENTIAL MASTER METERING FOR NEW LOW-INCOME SUPPORTIVE HOUSING** Notwithstanding anything in Rule No. 41 to the contrary, a single meter may be used for certain multi-tenant premises ("master metering"), where the premises:~~ ~~(C)~~

~~1. Is a new service;~~

~~2. Is master-metered through entire premises (i.e., no individual tenant meters);~~

~~3. Has a minimum of four (4) dwelling units; and~~

~~4. Is low-income supportive housing (i.e., housing that is permanently available to low-income tenants where the housing provider is responsible for utility bills).~~

~~To be eligible to master-meter a given residential building, in addition to satisfying the other criteria herein, a provider of low-income housing must either:~~

~~1. Show that the building is a Public Housing Authority development, or~~

~~2. Certify that all tenants are (i) eligible for a Housing Choice Voucher (HCV), available to residents who make 50% or less of the median family income, or (ii) have household incomes equal to or less than 150% of federal poverty guidelines.~~

~~Customers permitted to use master metering under this Rule must also, on a continuing basis:~~

~~1. Annually certify their on-going conformance to the above criteria; and~~

~~2. Participate in each of the Company's applicable energy efficiency, conservation, and/or usage reduction programs.~~

~~The Company may retain the customer's security deposit, paid pursuant to Rule No. 5, for the entire duration of the master metering arrangement.~~

~~If a customer using master metering under this Rule fails to comply with any of the foregoing eligibility criteria or on-going requirements, the Company may require the customer to reconfigure the customer's electrical equipment, at customer expense, to allow the Company to separately meter each dwelling unit.~~

(C) – Indicates Change

GENERAL PROVISIONS

42. METER TESTING The Company will inspect or test the accuracy of a meter at the request of the customer or an EGS for whom the meter registers service, but reserves the right to require payment of the fees set forth in 52 Pa. Code § 57.22 for such test.

43. OTHER SERVICES The Company may, where possible, provide and charge a reasonable fee for services including, but not limited to, energy audits, equipment inspections, technical reports and other similar services, at the request of the customer. Where possible, the Company will give an advanced, written estimate of the cost to provide the service.

44. THIS RULE INTENTIALLY LEFT BLANK

45. SUPPLIER SWITCHING The Company will accommodate requests by customers to switch EGSs in accordance with 52 Pa. Code, Chapter 57, Subchapter M "Standards for Changing a Customers Electricity Generation Supplier."

Customers who elect to return to the Company from an EGS will return at the charges of the applicable rate.

In compliance with the Commission's Order at Docket No. L-2014-2409383, the Company shall preserve all records relating to unauthorized change of EGS or change to Default Service disputes for three (3) years from the date the customer filed the dispute. These records shall be made available to the Commission or its staff upon request.

Switching by customers shall occur in accordance with the direct access procedures and in accordance with the provisions contained in this Tariff and the Company's EGS Coordination Tariff.

RATE RS - RESIDENTIAL SERVICE

AVAILABILITY

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, and general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge..$12.50~~16.25~~ ~~(I)~~

Energy Charge .... 7.0993 ~~7.0564~~ cents per kilowatt hour **(I)(C)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(I) – Indicates Increase **(C) – Indicates Change**

RATE RH - RESIDENTIAL SERVICE HEATING

AVAILABILITY

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and as the sole primary method of space heating except that the space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge...$12.50~~16.25~~ **~~(I)~~**

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ....6.0206 ~~6.3410~~ cents per kilowatt hour **(I)**

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ....7.0993 ~~7.0564~~ cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

(I) – Indicates Increase

RATE RA - RESIDENTIAL SERVICE ADD-ON HEAT PUMP

AVAILABILITY

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and an add-on heat pump for space heating. Other energy sources may be used to supplement the add-on heat pump provided that the supplemental energy source is thermostatically controlled to operate only when the outdoor temperature falls to at least 40^{O} F and the add-on heat pump cannot provide the total heating requirements.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge...$12.50~~16.25~~ ~~(I)~~

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge .... 2.4580 ~~2.7631~~ cents per kilowatt hour **(I)**

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge .... 7.0993 ~~7.0564~~ cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

(I) – Indicates Increase

RATE GS/GM - GENERAL SERVICE SMALL AND MEDIUM

AVAILABILITY

Available for all the standard electric service taken on a small or medium general service customer's premises for which a residential rate is not available and where the demand is less than 300 kW. **(C)**

MONTHLY RATE FOR NON-DEMAND CUSTOMERS

DISTRIBUTION CHARGES — RATE GS

Customer Charge..$15.00~~16.25~~ **(I)**

Energy Charge — All kWh....................7.9416 ~~8.4241~~ cents per kilowatt-hour **(I)**

MONTHLY RATE FOR DEMAND CUSTOMERS

DISTRIBUTION CHARGES — RATE GM < 25 kW

Customer Charge..$60.00~~63.00~~ **(I)**

Energy Charge — All kWh....................1.5900 ~~1.8390~~ cents per kilowatt-hour **(I)**

Demand Charge — First five (5) kilowatts or less....................No Charge

— Additional kilowatts of Demand ....$7.26 ~~7.89~~ per kilowatt **(I)**

DISTRIBUTION CHARGES — RATE GM ≥ 25 kW

Customer Charge..$72.00~~76.00~~ **(I)**

Energy Charge — All kWh....................1.2516 ~~1.2661~~ cents per kilowatt-hour **(I)**

Demand Charge — First five (5) kilowatts or less....................No Charge

— Additional kilowatts of Demand ....$7.26 ~~7.89~~ per kilowatt **(I)**

MONTHLY RATE FOR NON-DEMAND AND DEMAND CUSTOMERS

DISTRIBUTION RATE ASSIGNMENT

A new customer or a customer with limited or no historical data shall be eligible for and assigned to the applicable rate based on Duquesne Light's estimate of the customer's monthly usage and/or peak monthly demand for the next twelve (12) month period. In no instance shall a customer be eligible for more than one of Rate GS, Rate GM < 25 kW or Rate GM ≥ 25 kW at a time.

(C) – Indicates Change **(I) – Indicates Increase**

RATE GS/GM - GENERAL SERVICE SMALL AND MEDIUM - (Continued)

MONTHLY RATE FOR NON-DEMAND AND DEMAND CUSTOMERS - (Continued)

ELECTRIC CHARGES

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity at the above Distribution and Supply Charges and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

MINIMUM CHARGE

The Minimum Charge shall be the sum of the Customer Distribution Charge plus a Demand Charge based on 30% **(C)**
of the highest Billing Demand during the preceding eleven months plus the current billing period charges for **(C)**
Company supplied transmission and supply service, if any. The Demand Charge shall be determined using the Distribution Charge only, but shall not be less than the Customer Distribution Charge.

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(C) – Indicates Change

RATE GMH - GENERAL SERVICE MEDIUM HEATING

AVAILABILITY

Available for all the standard electric service taken on a customer's premises for which a residential rate is not available, where the Company's service is the sole method of space heating, and where the heat loss of the customer's premises is calculated in accordance with the ASHRAE* Handbook of Fundamentals, and where such calculated heat loss converted into kilowatt-hour consumption during the heating season is determined by the Company to be at least 25% of the customer's entire electric energy requirements during the heating season. The space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

*American Society of Heating, Refrigerating and Air Conditioning Engineers

MONTHLY RATE

WINTER MONTHLY RATE — FOR THE BILLING MONTHS OF OCTOBER THROUGH MAY

DISTRIBUTION CHARGES

Customer Charge..$60.00~~63.00~~ **(I)**

Energy Charge — All kWh..3.5598 ~~3.8382~~ cents per kilowatt-hour **(I)**

SUMMER MONTHLY RATE — FOR THE BILLING MONTHS OF JUNE THROUGH SEPTEMBER

DISTRIBUTION CHARGES

Customer Charge..$60.00~~63.00~~ **(I)**

Energy Charge — All kWh..1.5900 ~~1.8390~~ cents per kilowatt-hour **(I)**

Demand Charge — First five (5) kilowatts or less..No Charge

— Additional kilowatts of Demand..$7.26 ~~7.89~~ per kilowatt **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply or Rider No. 9 – Day-Ahead Hourly Price Service, as applicable, and will be billed in accordance with the terms contained therein.

Rider No. 8 – Default Service Supply – Applicable to customers with monthly demand less than 25 kW and customers with monthly demand greater than or equal to 25 kW but less than 200 kW, on average, who elect to purchase their electric supply requirements from the Company. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Supply Charges will be updated through competitive requests for proposal and will be effective for the periods as defined and described in Rider No. 8.

(I) – Indicates Increase

RATE GMH - GENERAL SERVICE MEDIUM HEATING - (Continued)

MONTHLY RATE - (Continued)

SUPPLY CHARGES – (Continued)

Rider No. 9 – Day-Ahead Hourly Price Service – Customers with monthly demand of 200 kW, on average, or greater and elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 9 and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

For purposes of determining the monthly rate for demand customers, Duquesne Light shall evaluate the customer's twelve (12) most recent months of monthly billing demand for that customer available in October of the preceding year. If the customer's average monthly billing demand is less than 25 kW in the twelve (12) months, then that customer shall be charged the monthly rate for demand customers less than 25 kW for the next calendar year and automatically assigned to that rate effective with their January billing. If the customer's average monthly demand is 25 kW or greater in the twelve (12) month period, then that customer shall be charged the monthly rate for demand customers equal to or greater than 25 kW for the next calendar year and automatically assigned to that rate as their default service rate effective with their January billing. In no instance shall a customer be eligible for more than one default service offering at a time. A new customer or a customer with limited or no historical data shall be eligible for and assigned to the applicable rate based on Duquesne Light's estimate of the customer's average monthly billing demand for the next twelve (12) month period.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity at the above Distribution and Supply Charges and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

MINIMUM CHARGE

For the months of October through May, the Minimum Charge shall be the Customer Distribution Charge for the first kilowatt, plus a Distribution Charge of $7.26 ~~7.89~~ per kW, plus the current billing period charges for Company supplied transmission and supply service, if any. The Minimum Charge shall not be less than the Customer Distribution Charge. For the months of June through September, the Minimum Charge shall be calculated in accordance with the Minimum Charge provisions in Rate GS/GM. **(I)**

(I) – Indicates Increase

RATE GL - GENERAL SERVICE LARGE

AVAILABILITY

Available for all the standard electric service taken on a customer's premises where the demand is greater than or equal to 300 kilowatts (≥ 300 kW) and less than 5,000 kilowatts (< 5,000 kW). **(C)** **(C)**

MONTHLY RATE

SUPPLY

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

DISTRIBUTION

DEMAND CHARGES

First 300 kilowatts or less of Demand	$3,500.00~~3,675.00~~	**(I)**
Additional kilowatts of Demand	$9.80 ~~10.66~~ per kW	**(I)**

ELECTRIC CHARGES

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(C) – Indicates Change **(I) – Indicates Increase**

RATE GLH - GENERAL SERVICE LARGE HEATING

AVAILABILITY

Available for all the standard electric service taken on a customer's premises for which a residential rate is not available, where the Company's service is the sole method of space heating, and where the heat loss of the customer's premises is calculated in accordance with the ASHRAE* Handbook of Fundamentals, and where such calculated heat loss converted into kilowatt-hour consumption during the heating season is determined by the Company to be at least 25% of the customer's entire electric energy requirements during the heating season. The space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

*American Society of Heating, Refrigerating and Air Conditioning Engineers

MONTHLY RATE

DISTRIBUTION **(C)**

For the Billing Months of October through May:

CUSTOMER CHARGE

Customer Distribution Charge .... $73.50~~77.50~~ **(I)**

ENERGY CHARGES

All kilowatt-hours 2.7660 ~~3.0162~~ cents per kWh **(I)**

DISTRIBUTION **(C)**

For the Billing Months of June through September:

Rate GL shall apply. **(I)**

SUPPLY **(C)**

Customers who elect to purchase their electric supply requirements from the Company may do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

(C) – Indicates Change **(I) – Indicates Increase**

RATE GLH - GENERAL SERVICE LARGE HEATING - (Continued)

MONTHLY RATE - (Continued)

ELECTRIC CHARGES

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

MINIMUM CHARGE

For the months of October through May, the Minimum Charge shall be the Customer Distribution Charge for the first kilowatt plus a Distribution Charge of $9.80 ~~10.66~~ per kW and the charges for Company supplied transmission **(I)** and supply, if any. For Company supplied transmission and supply, the transmission charges shall be calculated as set forth in Appendix A and the supply charges shall be calculated as set forth under Rider No. 9. The Minimum Charge shall not be less than the Customer Distribution Charge. For the months of June through September, the Minimum Charge shall be calculated in accordance with the Minimum Charge provisions contained in Rate GL.

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(I) – Indicates Increase

RATE L - LARGE POWER SERVICE

AVAILABILITY

Available for all the standard electric service taken on a customer's premises where the Contract Demand is not less than 5,000 kilowatts.

MONTHLY RATE

SUPPLY

Customers who elect to purchase their electric supply requirements from the Company may do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

DISTRIBUTION

DEMAND CHARGES

Service Voltage Less than 138 kV:

First 5,000 kilowatts or less of Demand	$39,174.00~~41,800.00~~	**(I)**
Additional kilowatts of Demand	$15.68 ~~16.63~~ per kW	**(I)**

ELECTRIC CHARGES

The Company will provide and charge for Transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(I) – Indicates Increase

RATE L - LARGE POWER SERVICE - (Continued)

MONTHLY RATE - (Continued)

UNTRANSFORMED SERVICE CREDIT

Where the customer furnishes all necessary equipment to take untransformed service at 11,500 volts or higher, in strict accordance with the Company's standards and specifications, a credit of $0.75 per kW based upon the individual demand of the untransformed circuit shall be applied to the customer's account.

MINIMUM CHARGE

The Minimum Charge shall be the sum of a Demand Charge based on 70% of the Contract On-Peak Demand for distribution plus the charges for Company supplied transmission and supply, if any. The Demand Charge shall be determined using the Distribution Charge, and, in total, shall not be less than the demand charges associated with the first 5,000 kWs or less of demand. For Company supplied transmission and supply, the transmission charges shall be calculated as set forth in Appendix A – Transmission Service Charges and the supply charges shall be calculated as set forth under Rider No. 9 – Day-Ahead Hourly Price Service. (C) (C) (C) (C) (C) (C)

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

DETERMINATION OF DEMAND FOR DISTRIBUTION

Individual demand, except in unusual cases, will be determined by measurement of the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the billing period. Individual demands which exceed 30 kilowatts will be adjusted for power factor by multiplying by

$$\left\{0.8 + \left[0.6 \ \frac{\text{Reactive Kilovolt - ampere hours}}{\text{Kilowatt - hours}}\right]\right\},$$

where such multiplier will be not less than 1.00 nor more than 2.00. The Billing Demand will be the sum of the individual demands of each metered service adjusted for power factor as defined above, but not less than 70% of the Contract On-Peak Demand nor less than 5,000 kilowatts, whichever is the greater.

STANDARD CONTRACT RIDERS

For modifications of the above rate under special conditions, see "Standard Contract Riders".

(C) – Indicates Change

RATE HVPS - HIGH VOLTAGE POWER SERVICE

AVAILABILITY

Available to customers with Contract On-Peak Demands greater than or equal to 5,000 kilowatts (≥ 5,000 kW) where service is supplied at 69,000 volts or higher. **(C)**

MONTHLY RATE

SUPPLY

Customers who elect to purchase their electric supply requirements from the Company may do so under the provisions of Rider No. 9 – Day-Ahead Hourly Price Service and will be billed in accordance with the terms contained therein.

DISTRIBUTION

FIXED MONTHLY CHARGE

Up to and Including 50,000 kW Billing Demand	$2,503.20	**(I)**
50,001 kW to 100,000 kW Billing Demand	$3,910.16~~3,910.17~~	**(I)**
Greater than 100,000 kW Billing Demand	$5,545.23~~5,545.24~~	**(I)**

ELECTRIC CHARGES

The Company will provide and charge for Transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy requirements from an EGS will be charged the full Distribution Charge by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier becomes unavailable or during which the customer has not chosen a supplier, the Company will supply electricity pursuant to Rider No. 9 – Day-Ahead Hourly Price Service.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

RATE HVPS - HIGH VOLTAGE POWER SERVICE - (Continued)

MONTHLY RATE - (Continued)

MINIMUM CHARGE

The Minimum Charge shall be the customer's Fixed Distribution Monthly Charge. For Company supplied transmission and supply, the transmission charges shall be calculated as set forth in Appendix A – Transmission Service Charges and the supply charges shall be calculated as set forth under Rider No. 9 – Day-Ahead Hourly Price Service. **(C)**

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

DETERMINATION OF DEMAND FOR DISTRIBUTION

Individual demand, except in unusual cases, will be determined by measurement of the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the billing period. Individual demands will be adjusted for power factor by multiplying by

$$\left\{0.8 + \left[0.6 \ \frac{\text{Reactive Kilovolt - ampere hours}}{\text{Kilowatt - hours}}\right]\right\},$$

where such multiplier will be not less than 1.00 nor more than 2.00. The Billing Demand will be the sum of the individual demands of each metered service adjusted for power factor as defined above, but not less than 70% of the Contract On-Peak Demand, nor less than 33 1/3% of the Contract Off-Peak Demand nor less than 5,000 kilowatts, whichever is the greater.

ON-PEAK AND OFF-PEAK CONTRACT DEMAND

The Contract On-Peak Demand is the maximum electrical capacity in kilowatts that the Company shall be required by the contract to deliver during the On-Peak hours to the customer.

RATE AL - ARCHITECTURAL LIGHTING SERVICE

AVAILABILITY

Beginning January 15, 2022, Rate AL will no longer be available to new customers or applicants, or to new installations for existing customers. **(C)**

Available for separately metered circuitry connected solely to outdoor architectural lighting equipment, with demand of 5 kilowatts or greater, to be operated during non-peak periods.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge $8.00

Demand Charge .... $1.77 ~~1.83~~ per kilowatt **(I)**

Energy Charge .... 0.2319 ~~0.2396~~ cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate AL – Architectural Lighting Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate AL customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(C) – Indicates Change **(I) – Indicates Increase**

RATE SE - STREET LIGHTING ENERGY

AVAILABILITY

Available for the entire electric energy requirements of municipal street lighting systems where the municipality has not less than 15,000 street lamp installations and provides for the ownership, operation, and maintenance of its own street lamp installations and takes its entire energy requirements for street lighting under this rate.

MONTHLY RATE

DISTRIBUTION CHARGE

Monthly charge per lamp .... $3.15~~3.23~~ **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate SE – Street Lighting Energy customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SE customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(I) – Indicates Increase

RATE SE - STREET LIGHTING ENERGY - (Continued)

MONTHLY RATE - (Continued)

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

SPECIAL PROVISIONS

1. Ballasts for multiple mercury vapor street lights, when installed by the customer, shall be power factor corrected, having a power factor of not less than 90 percent. For ballasts not so corrected, the wattage of each lamp plus ballasts shall be increased by the following ratio: 90% divided by the actual power factor, expressed in percent, of the lamp plus the ballast.

2. Series street lighting circuits will be energized and de-energized in accordance with an agreed upon schedule of burning hours, except where such circuits are controlled by photo electric cells. During other hours, circuits will not be energized except upon sufficient notice to the customer.

3. On all poles, except ornamental poles used exclusively for street lighting purposes, the Company will terminate its facilities at the bracket to which the lighting fixture is attached. On ornamental poles, used exclusively for street lighting purposes, the Company will terminate its facilities at the top of the pole if served from overhead circuits or at the bottom of the pole if served from the underground system.

4. The Company, to protect continuity of service, the general public, and the safety of workers engaged in work on poles, reserves the right to install insulating transformers between the Company's circuit and the wiring of the customer's installation. Where insulating transformers are installed, charges will be made therefore as herein before specified. **(C)**

5. The customer upon request shall supply the Company periodically, but not more often than at six month intervals, with certified tests made by the Electrical Testing Laboratories, Inc. of New York, or a similar accredited organization, showing the mean life input in watts for each size and type of lamp, and the wattage and power factor for each size and type of mercury vapor ballast used by the customer in street lamp installations served under this rate.

6. Energy will normally be supplied under this rate by overhead circuits, but if the Company is required to supply or the customer requests delivery service from underground facilities, the specified unit charges for underground facilities will apply.

7. All installations, on and after July 1, 1969, of standard junction boxes used for street lighting service and of conduit and multiple service cable used exclusively for street lighting service will be installed, owned and maintained by the customer.

TERM OF CONTRACT

Contracts under this rate shall be for a term of not less than ten years.

(C) – Indicates Change

RATE SM - STREET LIGHTING MUNICIPAL

AVAILABILITY

Available for mercury vapor, high pressure sodium and light-emitting diode (LED) lighting of public streets, highways, bridges, parks and similar public places, for normal dusk to dawn operation of approximately 4,200 hours per year.

Beginning January 15, 2022, only LED lighting options will be installed. Replacement of mercury vapor or high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. (C)

Beginning January 15, 2022, the Company may replace existing high pressure sodium lights with LED lights, and place the customer on the corresponding rate schedule, at the Company's discretion. The Company may exchange functioning high pressure sodium lights with LEDs upon customer request and upon receipt, in advance, of the Company's estimated removal costs of such replacement. Such elective replacements shall be at the Company's discretion. (C)

(C)

MONTHLY RATE

DISTRIBUTION CHARGE — Monthly Rate Per Unit

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
Mercury Vapor				
100	44	$13.85~~14.19~~	$2.96~~3.03~~	(I)(I)
175	74	$14.13~~14.48~~	$2.96~~3.03~~	(I)(I)
250	102	$14.41~~14.76~~	$2.96~~3.03~~	(I)(I)
400	161	$14.99~~15.36~~	$2.96~~3.03~~	(I)(I)
1,000	386	$17.23~~17.66~~	$2.96~~3.03~~	(I)(I)
Sodium Vapor				
70	29	$14.31~~14.66~~	$2.96~~3.03~~	(I)(I)
100	50	$14.42~~14.77~~	$2.96~~3.03~~	(I)(I)
150	71	$14.63~~14.99~~	$2.96~~3.03~~	(I)(I)
250	110	$15.01~~15.38~~	$2.96~~3.03~~	(I)(I)
400	170	$15.61~~15.99~~	$2.96~~3.03~~	(I)(I)
1,000	387	$17.94~~18.39~~	$2.96~~3.03~~	(I)(I)

RATE SM - STREET LIGHTING MUNICIPAL - (Continued)

MONTHLY RATE – (Continued)

DISTRIBUTION CHARGE — Monthly Rate Per Unit - (Continued)

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
Light-Emitting Diode (LED) — Cobra Head				
30	11	$12.60~~12.91~~	$2.96~~3.03~~	(C)
45	16	$12.60~~12.91~~	$2.96~~3.03~~	(D)(I)
60	21	$13.01~~13.33~~	$2.96~~3.03~~	(D)(I)
95	34	$14.35~~14.71~~	$2.96~~3.03~~	(I)(I)
139	49	$15.00~~15.37~~	$2.96~~3.03~~	(D~~I~~)(I)
219	77	$15.27~~15.65~~	$2.96~~3.03~~	(D)(I)
				(C)
Light-Emitting Diode (LED) — Colonial				
20	7	$16.48~~16.89~~	$2.96~~3.03~~	(C)
45	16	$16.82~~17.23~~	$2.96~~3.03~~	(C)
Light-Emitting Diode (LED) — Contemporary				
40	14	$15.22~~15.59~~	$2.96~~3.03~~	(C)
55	20	$15.22~~15.59~~	$2.96~~3.03~~	(C)

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate SM – Street Lighting Municipal customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SM customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

RATE SM - STREET LIGHTING MUNICIPAL - (Continued)

MONTHLY RATE – (Continued)

ELECTRIC CHARGES – (Continued)

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

RIDERS

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

LATE PAYMENT CHARGE

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the Company charges on the bill. The Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

POLES

No charge is made for wood poles used jointly for street lighting and the support of the Company's general distribution system or for tubular steel poles, trolley type, used jointly for street lighting and the support of trolley span wires.

Where the installation of one (1) or more wood poles is required to serve the customer, the customer has the option to install the pole(s) at its own expense in accordance with SPECIAL TERM AND CONDITION NO. 2 or the **(C)**
Company will install, own and maintain the pole(s) and bill the customer at the monthly rate of $11.26 ~~11.54~~ for **(I)**
each pole required.

CUSTOMER OWNED AND MAINTAINED EQUIPMENT CHARGE

A per unit monthly charge whenever the customer or an agent of the customer owns the entire street lighting system, including, but not limited to, the fixture, pole, circuit, controls, and all other related equipment on the load side of the Company's service point or when such facility is provided by a public agency and the customer and/or agent is obligated to operate and maintain such facility.

The street lighting system equipment must be approved by and installed in a manner acceptable to the Company and must be equipped with photocells or other such equipment that permit only dusk-to-dawn operation.

RATE SH - STREET LIGHTING HIGHWAY

AVAILABILITY

Beginning January 15, 2022, Rate SH will no longer be available to new customers or applicants, or to new installations for existing customers. **(C)**

Available for high intensity discharge lighting of state highways for normal dusk to dawn operation of approximately 4,200 hours per year where the highway lighting system acceptable to Duquesne Light Company is installed by the State and ownership of the entire highway lighting system has been transferred to the Company for a nominal consideration.

Beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options listed below. **(C)**

Due to the limited availability of high pressure sodium lighting, the Company will be replacing existing high pressure sodium lights with LED lights at its discretion. The Company may exchange functioning high pressure sodium lights with LEDs upon customer request and upon receipt, in advance, of the Company's estimated removal costs of such replacement. Such elective replacements shall be at the Company's discretion. **(C)**

MONTHLY RATE

DISTRIBUTION CHARGE — Monthly Rate Per Unit

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment Distribution Charge per Unit	Customer Owned and Maintained Equipment Distribution Charge per Unit	
Sodium Vapor				
100	50	$13.69~~14.02~~	$2.96~~3.03~~	**(I)(I)**
150	71	$13.87~~14.22~~	$2.96~~3.03~~	**(I)(I)**
200	95	$14.07~~14.42~~	$2.96~~3.03~~	**(I)(I)**
400	170	$15.61~~15.99~~	$2.96~~3.03~~	**(I)(I)**
Light-Emitting Diode (LED) — Cobra Head				
30	11	$12.60~~12.91~~	$2.96~~3.03~~	**(C)**
45	16	$12.60~~12.91~~	$2.96~~3.03~~	**(C)**
60	21	$13.01~~15.12~~	$2.96~~3.03~~	**(D~~I~~)(I)**
95	34	$14.35~~15.65~~	$2.96~~3.03~~	**(I)(I)**
139	49	$15.00~~16.87~~	$2.96~~3.03~~	**(D~~I~~)(I)**
219	77	$15.27~~19.62~~	$2.96~~3.03~~	**(D~~I~~)(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

RATE UMS – UNMETERED SERVICE

AVAILABILITY

Available to customers using unmetered standard service at each point of connection for customer-owned and maintained equipment such as traffic signals, communication devices and billboard lighting.

MONTHLY RATE

DISTRIBUTION CHARGES

Customer Charge...$11.00~~11.50~~ **(I)**

Energy Charge ....2.3582 ~~2.7761~~ cents per kilowatt hour **(I)**

SUPPLY CHARGES

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

ELECTRIC CHARGES

The Supply Charges for Rate UMS – Unmetered Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate UMS customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(I) – Indicates Increase

RATE PAL - PRIVATE AREA LIGHTING

AVAILABILITY

Available for high pressure sodium lighting and flood lighting of residential, commercial and industrial private property installations including parking lots, for normal dusk to dawn operation of approximately 4,200 hours per year.

Beginning January 15, 2022, replacement of high pressure sodium lamps, fixtures or luminaries, including brackets and ballasts, will not be available. In such cases, the customer must take service under one of the available LED lighting options listed below. (C)

Due to the limited availability of high pressure sodium lighting, the Company will be replacing existing high pressure sodium lights with LED lights at its discretion. The Company may exchange functioning high pressure sodium lights with LEDs upon customer request and upon receipt, in advance, of the Company's estimated removal costs of such replacement. Such elective replacements shall be at the Company's discretion. (C)

MONTHLY RATE

DISTRIBUTION CHARGE - Monthly Rate Per Unit

Minimum Nominal Lamp Wattage	Nominal kWh Energy Usage per Unit per Month	Company Owned and Maintained Equipment — Distribution Charge per Unit	Customer Owned and Maintained Equipment — Distribution Charge per Unit	
High Pressure Sodium				
70	29	$14.31~~14.66~~	$2.96~~3.03~~	(I)(I)
100	50	$14.42~~14.77~~	$2.96~~3.03~~	(I)(I)
150	71	$14.63~~14.99~~	$2.96~~3.03~~	(I)(I)
250	110	$15.01~~15.38~~	$2.96~~3.03~~	(I)(I)
400	170	$15.61~~15.99~~	$2.96~~3.03~~	(I)(I)
Flood Lighting				
100	46	$14.31~~14.66~~	$2.96~~3.03~~	(I)(I)
250	100	$14.98~~15.34~~	$2.96~~3.03~~	(I)(I)
400	155	$15.65~~16.04~~	$2.96~~3.03~~	(I)(I)
Light-Emitting Diode (LED) — Cobra Head				
30	11	$12.60~~12.91~~	$2.96~~3.03~~	(C)
45	16	$12.60~~12.91~~	$2.96~~3.03~~	(D)(I)
60	21	$13.01~~13.33~~	$2.96~~3.03~~	(D)(I)
95	34	$14.35~~14.71~~	$2.96~~3.03~~	(I)(I)
139	49	$15.00~~15.37~~	$2.96~~3.03~~	(D~~I~~)(I)
219	77	$15.27~~15.65~~	$2.96~~3.03~~	(D)(I)
				(C)
Light-Emitting Diode (LED) — Colonial				
20	7	$16.48~~16.89~~	$2.96~~3.03~~	(C)
45	16	$16.82~~17.23~~	$2.96~~3.03~~	(C)
Light-Emitting Diode (LED) — Contemporary				
40	14	$15.22~~15.59~~	$2.96~~3.03~~	(C)
55	20	$15.22~~15.59~~	$2.96~~3.03~~	(C)

RATE PAL - PRIVATE AREA LIGHTING - (Continued)

MONTHLY RATE - (Continued)

POLES – (Continued)

Where the installation of one (1) or more wood poles is required to serve the customer, the customer has the option to install the pole(s) at its own expense in accordance with SPECIAL TERM AND CONDITION NO. 2 or the Company will install, own and maintain the pole(s) and bill the customer at the monthly rate of $11.26 ~~11.54~~ for each pole required. **(C)** **(I)**

CUSTOMER OWNED AND MAINTAINED EQUIPMENT CHARGE

A per unit monthly charge whenever the customer or an agent of the customer owns the entire street lighting system, including, but not limited to, the fixture, pole, circuit, controls, and all other related equipment on the load side of the Company's service point or when such facility is provided by a public agency and the customer and/or agent is obligated to operate and maintain such facility.

The street lighting system equipment must be approved by and installed in a manner acceptable to the Company and must be equipped with photocells or other such equipment that permit only dusk-to-dawn operation.

The customer/agent must provide the Company with a written inventory of all street lighting fixtures. This inventory shall include the location, type and wattage rating for each fixture. The customer/agent will update its inventory of lighting fixtures by informing the Company in writing of changes in type, rating, location, and quantity of lighting fixtures as such changes occur and billings will be adjusted accordingly.

The Company reserves the right to inspect the equipment at each location and make prospective adjustments in billing as indicated by such inspections. The Company shall be under no obligation to conduct such inspections for the purpose of determining accuracy of billing or otherwise. The Company's decision not to conduct such inspections shall not release the customer/agent from the obligation to provide to the Company, and to update, an accurate inventory of the types, ratings, and quantities of lighting equipment upon which billing is based.

As this service is a per unit monthly charge, the customer/agent agrees to pay amounts billed in accordance with the current inventory, regardless of whether any of the equipment was electrically operable during the period in question and regardless of the cause of any such equipment's failure to operate.

The contract period is as covered by any existing contract now in effect with the customer/agent. All new contracts shall be for a period of one year.

SPECIAL TERMS AND CONDITIONS

1. The above charges include installation of standard Company facilities including lamps, fixtures or luminaries, brackets and ballasts, all when installed on the overhead distribution system. The above charges include normal operation and maintenance. Normal operation and maintenance does not include periodic tree trimming around the fixture or luminaire.

2. Where it is necessary to install wood, metal, or ornamental poles, or other special facilities or services not in conformance with the Company's standard overhead practice, the additional cost shall be borne by the customer. Title to all facilities, except as noted below, shall vest in the Company.

(C) – Indicates Change **(I) – Indicates Increase**

STANDARD CONTRACT RIDERS – (Continued)

RIDER MATRIX

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL	
Rider No. 1	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Rider No. 2				X	X	X	X									
Rider No. 3				X	X	X	X	X								
Rider No. 4	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~X~~	~~(C)~~
Rider No. 5	X	X	X													
Rider No. 6				X												
Rider No. 7	~~X~~															~~(C)~~
Rider No. 8	X	X	X	X	X					X	X	X	X	X	X	
Rider No. 9				X	X	X	X	X	X							
Rider No. 10	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Rider No. 11				X		X										
Rider No. 12				X	X											
Rider No. 13				X												
Rider No. 14	X															
Rider No. 15																
Rider No. 15A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Rider No. 16				X	X	X	X	X								
Rider No. 17						X	X	X	X							
Rider No. 18	X	X	X	X	X	X	X									
Rider No. 19				X		X		X								(C)

Rider Titles:

Rider No. 1 — Retail Market Enhancement Surcharge
Rider No. 2 — Untransformed Service
Rider No. 3 — School and Government Service Discount Period
Rider No. 4 — Intentionally Left Blank~~Federal Tax Adjustment Clause~~ ~~(C)~~
Rider No. 5 — Universal Service Charge
Rider No. 6 — Temporary Service
Rider No. 7 — Intentionally Left Blank~~Residential Subscription Service Pilot~~ ~~(C)~~
Rider No. 8 — Default Service Supply
Rider No. 9 — Day-Ahead Hourly Price Service
Rider No. 10 — State Tax Adjustment
Rider No. 11 — Street Railway Service
Rider No. 12 — Billing Option – Volunteer Fire Companies and Nonprofit Senior Citizen Centers
Rider No. 13 — General Service Separately Metered Electric Space Heating Service
Rider No. 14 — Residential Service Separately Metered Electric Space and Water Heating
Rider No. 15 — Intentionally Left Blank
Rider No. 15A — Phase IV Energy Efficiency and Conservation Surcharge
Rider No. 16 — Service to Non-Utility Generating Facilities
Rider No. 17 — Emergency Energy Conservation
Rider No. 18 — Rates for Purchase of Electric Energy from Customer-Owned Renewable Resources Generating Facilities
Rider No. 19 — Community Development for New Load (C)

Continued on Original Page No. 87A (C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS – (Continued) (C)

RIDER MATRIX – (Continued) (C)

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL	
Rider No. 20	X	X	X	X	X	X	X	X	X	X						
Rider No. 21	X	X	X	X	X	X										
Rider No. 22	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
~~Rider No. 23~~	~~X~~	~~X~~	~~X~~													~~(C)~~
~~Rider No. 24~~				~~X~~	~~X~~	~~X~~	~~X~~	~~X~~								~~(C)~~
~~Rider No. 25~~				~~X~~	~~X~~											~~(C)~~
~~Rider No. 26~~				~~X~~	~~X~~											~~(C)~~
Appendix A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	

Rider Titles:

Rider No. 20 — Smart Meter Charge
Rider No. 21 — Net Metering Service
Rider No. 22 — Distribution System Improvement Charge ("DSIC")
~~Rider No. 23 — Home Charging Pilot Program~~ ~~(C)~~
~~Rider No. 24 — Fleet Charging Pilot Program~~ ~~(C)~~
~~Rider No. 25 — New Business Stimulus~~ ~~(C)~~
~~Rider No. 26 — Crisis Recovery Program~~ ~~(C)~~
Appendix A — Transmission Service Charges

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 4 – THIS RIDER INTENTIONALLY LEFT BLANK~~FEDERAL TAX ADJUSTMENT CLAUSE~~ ~~(C)~~

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~~**(Applicable to all Rates)**~~

~~The Federal Tax Adjustment Clause ("FTAC") is instituted as a mechanism to adjust for changes in the federal corporate income tax rate that are not reflected in the Company's most recent general base rate proceeding. The FTAC is applicable to all base distribution rates under this Tariff. The amount of the adjustment will be determined as provided below.~~

~~A. Determination of the Change in Recoverable Federal Income Taxes Resulting from Increases or Decreases in the Federal Corporate Income Tax Rate ("FITA").~~

~~1. FITA shall include the effect of the increase or decrease in the federal corporate income tax rate on:~~

~~a. the provision in rates for recovery of current federal income taxes;~~
~~b. the provision in rates for recovery of deferred federal income taxes; and~~
~~c. any provision in rates for adjustment of previously deferred federal income taxes recorded at a different federal income tax rate.~~

~~2. The increases/decreases in annual revenues under this Rider will be calculated based on either the federal tax amounts associated with distribution utility investments, revenues and expenses allowed in the Company's most recent general base rate proceeding if fully determined in a Final Order, if available, or on the federal tax amounts associated with distribution utility investments, revenues and expenses incurred by the Company in the calendar year preceding the effective date of the tax rate~~

(C) – Indicates Change

~~change. If any base distribution rate revenue increase is granted during such calendar year or thereafter, the actual federal tax amounts will be adjusted to reflect the annualized increase in federal corporate income taxes resulting from the allowed increase in base distribution rate revenues.~~

~~B. Allocation of Increased/ Decreased Revenues to Rate Classes~~

~~1. The required increase/decrease in revenues to reflect the change in the federal corporate income tax rate calculated pursuant to this Rider shall be applied by equal percentage to all base distribution rates.~~

~~C. Calculation and Filing of Adjusted Rates For Changes in the Federal Corporate Income Tax Rate~~

~~1. To calculate the FTAC, the required increase/decrease in revenues will be divided by the Company's projected annual revenue for base distribution service for the period during which the charge will be collected, exclusive of State Tax Adjustment Surcharge (STAS) and automatic adjustment clause revenues.~~

~~2. The surcharge will be expressed as a percentage carried to two decimal places and will be applied to the total base distribution charges that are billed to each customer for distribution service.~~

~~3. The surcharge will be filed to become effective on ten (10) days' notice as soon as practicable following the effective date of the federal corporate income tax change, including appropriate supporting data demonstrating the calculation of the revenue adjustment and determination of the surcharge.~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 4 – FEDERAL TAX ADJUSTMENT CLAUSE – (Continued)~~

~~(Applicable to all Rates)~~

~~C. Calculation and Filing of Adjusted Rates For Changes in the Federal Corporate Income Tax Rate – (Continued)~~

~~4. After the initial filing, the FTAC surcharge shall be filed with the Commission by April 1 of each year that it is in place.~~

~~5. The FTAC shall be applied on a bills rendered basis.~~

~~D. Formula~~

~~The computation of the FTAC is as follows:~~

$$\cancel{FTAC = \frac{(((FITA * GRCF) + e) * GRT)}{PAR}}$$

$$\cancel{GRCF = (1/((1-SIT)*(1-FIT)))}$$

$$\cancel{GRT = 1/(1-T)}$$

~~Where:~~

~~FITA = Reflects the federal income tax adjustment, if any, as defined in Part A of this Rider and may be a positive or negative value.~~

~~GRCF = Gross Revenue Conversion Factor.~~

~~SIT = State Income Tax rate in effect at the time of the filing.~~

~~FIT = Federal income tax rate in effect at the time of the filing.~~

~~T = Pennsylvania gross receipts tax rate in effect during the billing month.~~

~~e = Amount calculated (+/-) under the annual reconciliation feature or Commission audit.~~

~~PAR = Projected annual revenues for base distribution service (excluding all applicable clauses and riders) from existing customers plus netted revenue from any customers which will be acquired or lost by the beginning of the applicable service period.~~

~~(C) – Indicates Change~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ **~~(C)~~**

~~RIDER NO. 4 – FEDERAL TAX ADJUSTMENT CLAUSE – (Continued)~~

~~(Applicable to all Rates)~~

~~E. Reconciliation~~

1. ~~The surcharge shall be reconciled on an annual basis to provide for over/under recoveries of the revised revenues to be recovered. The revenue received under the FTAC for the reconciliation period will be compared to the Company's required increase/decrease in revenues as defined in Part A. The difference will be recouped or refunded, as appropriate, over a one-year period commencing on April 1 of each year. The surcharge will be reconciled at the end of each calendar year and will remain in place until the Company files and the Commission approves new base distribution rates for the Company pursuant to Section 1308(d).~~

2. ~~Under- or over-recoveries of the required revenue changes to reflect a delay in implementation of the surcharge following the effective date of the federal corporate income tax rate, including the effect of implementation of a federal corporate income tax rate change on a retroactive basis, will be reconciled in the first annual reconciliation filing.~~

3. ~~Upon determination that the surcharge, if left unchanged, would result in a material over- or under-collection, the Company may file with the Commission, on at least ten (10) days' notice, for an interim revision of the FTAC.~~

4. ~~Interest will not be applied to reconciled amounts.~~

5. ~~The FTAC will not be included in the calculation of the Distribution System Improvement Charge ("DSIC").~~

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 5 – UNIVERSAL SERVICE CHARGE - (Continued)

(Applicable to Rate Schedules RS, RH and RA)

CALCULATION OF CHARGE – (Continued)

- Customer Assistance Program ("CAP"): CAP costs will be calculated to include the projected CAP discount and CAP program costs for the Computational Year. The total CAP discount will be based on the annual average discount from the previous year, the Reconciliation Year, multiplied by the projected average number of CAP program participants during the Computational Year. The projected customer additions to the CAP program during the Computational Year will be based on the number of CAP customers receiving a discount at the end of the Reconciliation Year plus a projection of the average monthly number of CAP customers during the Computational Year. The projected number of CAP customers will include net additions to the program (additions minus exits), and a projection of customers enrolled through expected changes in policy (e.g. changes in the definition of poverty, changes in regulatory mandates). The projected CAP program costs will include the estimated costs for new applications, maintenance and annual recertification, and the projected CAP pre-program arrearages to be forgiven and written off during the USC Computational Year.

- Smart Comfort Program [Low Income Usage Reduction Program ("LIURP")]: LIURP costs will be calculated based on the projected number of homes that participate in the usage reduction program and the average cost per visit.

- Customer Assistance and Referral Evaluation Services ("CARES"): CARES costs will be calculated based on the projected annual Community Based Organization ("CBO") program costs and CBO costs for administering the program.

- Hardship Fund: Hardship Fund costs will be calculated based on the projected annual program costs and CBO costs for administering the program.

- Any other replacement or Commission-mandated Universal Service Program or low income program that is implemented during the Reconciliation or Computational Year.

Cr = A credit to reduce CAP customer discounts included in the USC to the extent that the monthly CAP enrollment level exceeds 35,853 customers. Specifically, the recoverable CAP discounts **(C)** will be reduced by the number of CAP participants in excess of 35,853 times the average CAP **(C)** credit and arrearage forgiveness costs times 10.43%. The participation level above which the offset shall be applied will be reset in each distribution rate case.

E = The over- or under- collection of actual Universal Service Program costs and revenue that result from the billing of the USC during the USC Reconciliation Year (an over-collection is denoted by a positive E and an under-collection by a negative E), including applicable interest. Interest shall be computed monthly at the statutory legal rate of interest, from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 7 – THIS RIDER INTENTIONALLY LEFT BLANK~~RESIDENTIAL SUBSCRIPTION SERVICE PILOT~~ ~~(C)~~

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~~(Applicable to Rate Schedule RS)~~

~~AVAILABILITY~~

~~Available to customers served under Rate RS – Residential Service who are not enrolled in the Customer Assistance Program (CAP) and are not billed under Rider No. 21 (Net Energy Metering). Enrollment in the Residential Subscription Service Pilot ("Pilot") provided under this Rider will be limited to 2,000 customers who request enrollment during the period January 15, 2022, through December 31, 2022. The Company may decline to enroll a customer at its sole discretion.~~

~~This Rider applies only to base distribution services. All other applicable charges and Riders will be charged as designed.~~

~~DEFINITIONS~~

~~**Subscription Unit.** Incremental size of subscription that is equal to 1 kW.~~

~~**Subscribed Units.** Total number of Subscription Units chosen by customer. (For example, a customer who wants to cover 5 kW of demand will choose 5 Subscription Units.)~~

~~**Subscription Level.** Total demand (kW) of subscription based on the Subscribed Units chosen by customer times the Subscription Unit, plus 1 kW minimum subscription included in the Customer Charge.~~

(C) – Indicates Change

~~**Overage Bandwidth.** Amount by which customer can exceed their Subscription Level without incurring Overage Fees. This is set to one-half of one Subscription Unit, or 0.5 kW.~~

~~**Overage Amount.** The positive amount of customer's monthly maximum billed demand less Subscription Level less Overage Bandwidth.~~

~~MONTHLY RATE~~

~~DISTRIBUTION CHARGES~~

~~Customer Charge .... $28.48~~

~~Subscription Unit Charge .... $12.23 per unit~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 7 – RESIDENTIAL SUBSCRIPTION SERVICE PILOT – (Continued)~~

~~(Applicable to Rate RS)~~

~~SUBSCRIPTION SERVICE LEVEL~~

~~Upon enrollment in the Pilot, customers shall select the number of Subscription Units the customer will purchase every month to cover their electric distribution needs. The Company will provide the customer with information regarding their previous peak energy use in the past year to aid the customer in selecting the appropriate Subscription Service Level. The customer's Distribution Charges will then be computed as the Customer Charge, plus the Subscribed Units multiplied by the Subscription Unit Charge, plus any applicable Overage Amount or other charges.~~

~~Where a customer's demand exceeds their Subscription Level plus the Overage Bandwidth, the customer shall pay an overage fee equal to the Overage Amount multiplied by two times the Subscription Unit Charge. If a customer has an Overage Amount more than three times during the previous six billing periods, or the customer's Overage Amount exceeds 3 kW, the customer's Subscribed Units will automatically be reset to the customer's maximum demand from the past six months rounded up to the nearest 1 kW.~~

~~DETERMINATION OF DEMAND FOR DISTRIBUTION~~

~~Individual demand, except in unusual cases, will be determined by measurement of the sixty-minute period of greatest kilowatt-hour use during the billing period.~~

~~SPECIAL PROVISIONS~~

~~CUSTOMER ENROLLMENT~~

~~A customer may exit the Pilot and this Rider at any time for any reason. A customer who exits the Pilot will be removed from this Rider effective with the billing cycle that commences three (3) business days after the date the customer notified the Company of their election to leave the Pilot.~~

~~BILL PROTECTION~~

~~A customer who exits the Pilot may request a refund for the positive difference between their billed distribution charges under this Rider and the amount of such charges if billed under Rate Schedule RS for up to three months prior to exiting, but no longer than the customer's actual enrollment in the program. The Company will provide such refund within 60 days of customer request.~~

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting
(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

		Application Period						
Wattage	**Nominal kWh Energy Usage per Unit per Month**	**06/01/2021 through 11/30/2021**	**12/01/2021 through 05/31/2022**	**06/01/2022 through 11/30/2022**	**12/01/2022 through 05/31/2023**	**06/01/2023 through 11/30/2023**	**12/01/2023 through 05/31/2023**	
Supply Charge ¢ per kWh		3.0953	X.XXXX	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		Fixture Charge — $ per Month						
Mercury Vapor								
100	44	1.36	X.XX	X.XX	X.XX	X.XX	X.XX	
175	74	2.29	X.XX	X.XX	X.XX	X.XX	X.XX	
250	102	3.16	X.XX	X.XX	X.XX	X.XX	X.XX	
400	161	4.98	X.XX	X.XX	X.XX	X.XX	X.XX	
1000	386	11.95	X.XX	X.XX	X.XX	X.XX	X.XX	
High Pressure Sodium								
70	29	0.90	X.XX	X.XX	X.XX	X.XX	X.XX	
100	50	1.55	X.XX	X.XX	X.XX	X.XX	X.XX	
150	71	2.20	X.XX	X.XX	X.XX	X.XX	X.XX	
200	95	2.94	X.XX	X.XX	X.XX	X.XX	X.XX	
250	110	3.40	X.XX	X.XX	X.XX	X.XX	X.XX	
400	170	5.26	X.XX	X.XX	X.XX	X.XX	X.XX	
1000	387	11.98	X.XX	X.XX	X.XX	X.XX	X.XX	
Flood Lighting - Unmetered								
70	29	0.90	X.XX	X.XX	X.XX	X.XX	X.XX	
100	46	1.42	X.XX	X.XX	X.XX	X.XX	X.XX	
150	67	2.07	X.XX	X.XX	X.XX	X.XX	X.XX	
250	100	3.10	X.XX	X.XX	X.XX	X.XX	X.XX	
400	155	4.80	X.XX	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Cobra Head								
30	11	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
45	16	0.50	X.XX	X.XX	X.XX	X.XX	X.XX	
60	21	0.65	X.XX	X.XX	X.XX	X.XX	X.XX	
95	34	1.05	X.XX	X.XX	X.XX	X.XX	X.XX	
139	49	1.52	X.XX	X.XX	X.XX	X.XX	X.XX	
219	77	2.38	X.XX	X.XX	X.XX	X.XX	X.XX	
								(C)
Light-Emitting Diode (LED) — Colonial								
20	7	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
45	16	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
Light-Emitting Diode (LED) — Contemporary								
40	14	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)
55	20	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	(C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting — (Continued)

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

		Application Period				
Wattage	**Nominal kWh Energy Usage per Unit per Month**	**06/01/2023 through 11/30/2023**	**12/01/2023 through 05/31/2024**	**06/01/2024 through 11/30/2024**	**12/01/2024 through 05/31/2025**	
Supply Charge ¢ per kWh		X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		Fixture Charge — $ per Month				
Mercury Vapor						
100	44	X.XX	X.XX	X.XX	X.XX	
175	74	X.XX	X.XX	X.XX	X.XX	
250	102	X.XX	X.XX	X.XX	X.XX	
400	161	X.XX	X.XX	X.XX	X.XX	
1000	386	X.XX	X.XX	X.XX	X.XX	
High Pressure Sodium						
70	29	X.XX	X.XX	X.XX	X.XX	
100	50	X.XX	X.XX	X.XX	X.XX	
150	71	X.XX	X.XX	X.XX	X.XX	
200	95	X.XX	X.XX	X.XX	X.XX	
250	110	X.XX	X.XX	X.XX	X.XX	
400	170	X.XX	X.XX	X.XX	X.XX	
1000	387	X.XX	X.XX	X.XX	X.XX	
Flood Lighting - Unmetered						
70	29	X.XX	X.XX	X.XX	X.XX	
100	46	X.XX	X.XX	X.XX	X.XX	
150	67	X.XX	X.XX	X.XX	X.XX	
250	100	X.XX	X.XX	X.XX	X.XX	
400	155	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Cobra Head						
30	11	X.XX	X.XX	X.XX	X.XX	**(C)**
45	16	X.XX	X.XX	X.XX	X.XX	
60	21	X.XX	X.XX	X.XX	X.XX	
95	34	X.XX	X.XX	X.XX	X.XX	
139	49	X.XX	X.XX	X.XX	X.XX	
219	77	X.XX	X.XX	X.XX	X.XX	
						(C)
Light-Emitting Diode (LED) — Colonial						
20	7	X.XX	X.XX	X.XX	X.XX	**(C)**
45	16	X.XX	X.XX	X.XX	X.XX	**(C)**
Light-Emitting Diode (LED) — Contemporary						
40	14	X.XX	X.XX	X.XX	X.XX	**(C)**
55	20	X.XX	X.XX	X.XX	X.XX	**(C)**

(C) – Indicates Change

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CONTINGENCY PLAN

In the event Duquesne receives bids for less than all Tranches or the Commission does not approve all or some of the submitted bids or in the event of supplier default, then Duquesne will provide the balance of the default supply for commercial and industrial customers through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. Duquesne will submit to the Commission within fifteen (15) days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

CALCULATION OF RATE

DSS rates shall be determined based on the formula described in this section. The DSS shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period as defined under the Default Service Supply Rate section of this Rider. Rates are reconciled on a semi-annual basis in accordance with the Default Service Supply Rate section of this Rider. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The DSS shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour in accordance with the formula set forth below and shall be applied to all kilowatt-hours billed for default service provided during the billing month:

$$DSS = [(CA + SLR + (DSS_a + E)/S) * F + (DSS_b/S)] * [1/(1 – T)]$$

Where:

DSS = Default Service Supply rate, converted to cents per kilowatt-hour, to be applied to each kilowatt-hour supplied to customers taking default service from the Company under this Rider.

CA = The weighted average of the winning bids received in a competitive auction for each customer class identified above and described in the "Default Service Supply Rate" section and adjusted for customer class transmission and distribution line losses. The competitive auction shall be conducted as described in "Procurement Process."

DSS_a = The total estimated direct and indirect costs incurred by the Company to acquire DSS from any source on behalf of customers described above in the "Procurement Process." The Application Period shall be for each period over which the DSS, as computed, will apply. Projections of the Company's costs to acquire default supply for the Application Period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated default service supply-related procurement and administration costs. Default service supply-related costs shall include the cost of preparing the company's default service plan filing and working capital costs associated with default service supply. The Company will recover these costs over the default service plan period as defined in the Commission's order at Docket No. R-2021-3024750. (C)

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 9 – DAY-AHEAD HOURLY PRICE SERVICE – (Continued)

(Applicable to Rates GS/GM, GMH, GL, GLH, L and HVPS and Generating Station Service)

MONTHLY CHARGES – (Continued)

PJM Ancillary Service Charges and Other PJM Charges – (Continued)

PJM_S= PJM Surcharge is a pass-through of the charges incurred by the Company for grid management and administrative costs associated with membership and operation in PJM. These are the charges incurred by the Company under PJM Schedules 9 and 10 to provide hourly price service.

R_D = Reactive supply service charge in $/MW-day to serve the customer's load as calculated under the PJM Tariff Schedule 2.

B_D = Blackstart service charge in $/MW-day to serve the customer's load as calculated under the PJM Tariff Schedule 6A.

Fixed Retail Administrative Charge

FRA = The Fixed Retail Administrative Charge in $ per MWH. The Fixed Retail Administrative Charge consists of the sum of administrative charges for the suppliers providing hourly price service (as determined by a competitive solicitation process) and for the Company to obtain supply and administer this service. Default service supply-related costs shall include the cost of preparing the company's default service plan filing and working capital costs associated with default service supply. The Company will recover these costs over the default service plan period as defined in the Commission's order at Docket No. R-2021-3024750. (C) (C)

The supplier charges shall be based on the winning bids in the Company's most recent solicitation for supply of hourly price default service.

The Company's administrative charges shall be based on an amortization of the costs incurred by the Company to acquire generation supply from any source for the Medium (≥ 200 kW) Customer Class and Large C&I Customer Class during the most recent twelve-month (12-month) period ended May 31st (as determined by amortizing such costs over a 12-month period) plus the amortization of the cost of administering the hourly price service over the duration of the default service plan, including any unbundled costs of preparing the Company's default service plan filing and working capital costs associated with default service supply.

This charge shall also include the Company's costs associated with any Commission approved solar contracts and its administration, if applicable, in $ per MWh. The proceeds of any solar energy, capacity, ancillary services and solar AECs that are acquired and in excess of those allocated to default service suppliers, and sold into the market, will be netted against solar contract costs.

Application Period	FRA $/MWH
June 1, 2021 through May 31, 2022	$3.60
June 1, 2022 through May 31, 2023	$X.XX
June 1, 2023 through May 31, 2024	$X.XX
June 1, 2024 through May 31, 2025	$X.XX

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 10 - STATE TAX ADJUSTMENT

(Applicable to All Rates)

In addition to the charges provided in this Tariff, a two-part surcharge will apply to all bills rendered by the Company, pursuant to the Pennsylvania Public Utility Commission authorization of March 10, 1970, to compensate the Company for new and increased taxes imposed by the General Assembly.

Part 1 of the surcharge, at a rate of 0.0000% will include Capital Stock Tax, Corporate Net Income Tax, and Public Utility Realty Tax, which will be applied to the distribution charges of customer bills. **(I)**

Part 2 of the surcharge, at a rate of 0.0000% will include Gross Receipts Tax and will be applied to all portions of customer bills.

The Company will recompute the surcharge using the elements prescribed by the Commission's March 10, 1970, authorization:

1. Whenever any of the tax rates used in computing the surcharge is changed, in which case the recomputation shall take into account the changed tax rate.

2. Whenever the Company makes effective increased or decreased rates (other than net energy clause), in which case the recomputation shall take into account the adjustments prescribed by the Commission's March 10, 1970, authorization.

3. On December 22, and each year thereafter.

Every recomputation made pursuant to the above paragraph shall be submitted to the Commission within ten (10) days after the occurrence of the event or date which occasions such recomputation: and if the recomputed surcharge is less than the one then in effect the Company will, and if the recomputed surcharge is more than the one then in effect the Company may, accompany such recomputation with a Tariff or supplement to reflect such recomputed surcharge, the effective date of which, shall be ten (10) days after filing.

(I) – Indicates Increase

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L) **(C)**

The following 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). Electric energy will be delivered to a non-utility generating facility in accord with the following:

A. DEFINITIONS

Contract is the signed agreement between the customer and the Company that is executed upon the customer's request to select Rider No. 16 service. Among other things, the Contract specifies the contractual demand levels for Back-Up Service and Supplementary Service that are defined below. **(C)**

Supplementary Service is distribution service provided by the Company, inclusive of distribution services included in the applicable monthly customer charge, to a non-utility generating facility and regularly used in addition to that electric energy which the non-utility generating facility generates itself. The Company's regular and appropriate General Service Rates will be utilized for billing for Supplementary Service. **(C)** **(C)** **(C)**

Back-Up Service is distribution services provided by the Company to a non-utility generating facility during any outage of the non-utility generating facility's electric generating equipment or otherwise, to replace electric energy ordinarily generated by the non-utility generating facility's generating equipment. **(C)** **(C)**

Base Period is the twelve consecutive monthly billing periods applicable to the customer ending one month prior to the installation of new on-site generation or increase in capacity to existing on-site supply.

Supplementary Contract Demand may be established and represents the threshold demand for Supplementary Service to the customer's facility. **(C)**

Maintenance Contract Demand is the maximum electrical capacity in kilowatts that the Company shall be required by the contract to deliver to the customer for Back-Up Service and is in addition to Supplementary Contract Demand. **(C)** **(C)**

Peak Period is the period between 12pm and 10pm EST on all days in the months of June through September. **(C)**

Supplementary Service Billing Determinants is the kW specified in the Contract with the customer for Supplementary Service. **(C)** **(C)**

Maintenance Demand Service Billing Determinants is the kW specified in the Contract as Maintenance Contract Demand with the customer for Back-Up Service. This Billing Determinant applied every billing period regardless of whether the customer calls upon Back-Up Service during the billing period. **(C)** **(C)** **(C)**

As-Used Demand Billing Determinant is the kW specified in the Contract as Maintenance Contract Demand that applies if the customer calls upon Back-Up Services during the Peak Period. As-Used Demand Billing Determinant will be set to the Maintenance Contact Demand level if the customer's maximum demand during the Peak Period of the billing period exceeds the Supplementary Contract Demand specified in the Contract. **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES - (Continued)

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L) **(C)**

A. DEFINITIONS – (Continued)

Distribution Base Period Billing Determinants are the billing demand (kW) for the month in the Base Period corresponding to the current billing month under which the on-site generation is operable. For new customers, the Company will use existing procedures to estimate Base Period Billing Determinants. **(C)** **(C)**

Supply Billing Determinants for customers not being served by an Electric Generation Supplier ("EGS"). Rate GL, GLH, and L shall be the billing determinates for the current billing month then in effect under Rider No. 9 – Day-Ahead Hourly Price Service. Supply Billing Determinants for customers for customers on Rate GS/GM and GMH shall be the billing determinants for the current billing month then in effect under Rider No. 8 – Default Service Supply or Rider No. 9 – Day-Ahead Hourly Price Service, as applicable. **(C)** **(C)** **(C)**

B. BACK-UP SERVICE **(C)**

The Company will supply Back-Up Service at the following rates: **(C)**

DISTRIBUTION

A distribution charge of $3.09 per kW shall be applied to the Back-Up Service Maintenance Demand Billing Determinants. **(C)** **(C)**

The Maintenance Contract Demand distribution charges will be applied in each month based on the customer's Maintenance Contract Demand without regard to actual usage. **(C)** **(C)**

An additional distribution charge of $6.79 per kW shall be applied to the Back-Up Service As-Used Contract Demand Billing Determinants. The As-Used Contract Demand distribution charge will be applied in each month based on the customer's As-Used Contract Demand if the customer calls upon Back-Up service during the Peak Period. **(C)**

Overage charges will also apply if the customer exceeds Maintenance Demand by 10% or more. The Maintenance Overage Charge of $9.88 per kW shall be applied to the difference in actual maximum kW during the billing period and the customer's Maintenance Contact Demand. No additional charges will apply to the As-Used Contract Demand Charge. **(C)**

If actual usage of Back-Up Service exceeds zero for more than 15% of the hours in any Base Period, then those hours above the 15% threshold will be counted toward the billing on the customer's applicable general service rates, including all ratchets applicable. **(C)** **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES - (Continued)

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L)

B. BACK-UP SERVICE – (Continued)

If a customer's Back-Up Service requirement at any time exceeds the customer's Maintenance Contract Demand (C)
by 5% or more, the actual Back-Up Service requirement provided, measured in kW demand will become the (C)
customer's new Maintenance Contract Demand for the remaining term of the back-up contract. If a customer's (C)
actual Back-Up Service requirement provided at any time exceeds the customer's Maintenance Contract Demand (C)
by 10% or more, the customer will be assessed a fee equal to the difference between the actual Back-Up Service (C)
provided at the time during the billing period and the Maintenance Contract Demand multiplied by the Overage (C)
Charge ($9.88). (C)

C. INTERCONNECTION

Each non-utility generating facility will be required to install at its expense or pay in advance to have the Company install interconnection equipment and facilities which are over and above that equipment and facilities required to provide electric service to the non-utility generating facility according to the Company's General Service Rates, except as noted below. Any such equipment to be installed by the non-utility generating facility must be reviewed and approved in writing by the Company prior to installation. Nothing in this Rider shall exempt a new customer from the application of Rule No. 7 and Rule No. 9 regarding Supply Line Extensions and Relocation of Facilities.

However, customers may elect to pay the cost of existing or newly required transformation equipment that is over and above that equipment necessary for the Company to supply the customer with its contracted Supplemental Power via a monthly charge rather than in total at the onset of the contract. The monthly charge for transformation equipment for customers with contract demand under this rider of 5,000 kW or more will be determined by the Company on a case-by-case basis. (C)

(C) – Indicates Change

RIDER NO. 19 – COMMUNITY DEVELOPMENT FOR NEW LOAD (C)

(Applicable to Rate Schedules GS/GM, GL, and L)

AVAILABILITY

This Rider is available to customers taking distribution service under Rate GM < 25, GM ≥ 25, GL, or L. For new services, the customer or applicant must have a projected load of at least 10 kW and must apply for the Rider prior to the service being energized. For existing services, the customer must reasonably project a peak load increase of at least 10 kW and apply for the Rider before the load growth occurs. Additionally, the customer or applicant must (i) show that they have a competitive energy alternative to electricity delivered by the Company or (ii) affirm that they will not be able to commence and/or sustain their business without participating in this Rider. The Rider will apply no sooner than thirty (30) days after the customer provides to the Company written notice of its desire to be placed on the Rider. The Company reserves the right to decline to enroll any customer or applicant in this Rider, at the Company's sole discretion. Customers taking service under this Rider are not eligible for any other distribution rate discount.

DEFINITIONS

Service Location. A single or contiguous premises that has or will have one or more delivery points for distribution service billed by the Company under a single account.

Brownfield Site. A Service Location where the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. Requires documentation either by providing a copy of the pertinent sections of the ASTM E1903-97 Phase II Site Assessment documenting the site contamination or by providing a letter from a local, state or federal regulatory agency confirming the site is classified as a Brownfield by that agency.

Site Expansion. A Service Location where the Company has not previously provided service, or where the service previously provided by the Company was not used for substantially the same type of operation or was terminated at least twelve (12) months before the customer's contractually specified effective date for service under this rider. This condition is waived for existing Service Locations where an entity has assumed operation of a Service Location from a customer which has ceased operations as a result of dissolution, so long as the formation of the entity did not occur as a result of merger, joint venture, acquisition and/or any other variation of combined business structures with the former customer at the service location. In any event, the completed application for the rider must be made within six (6) months from the later of the date: (1) the customer first received service from the Company; or (2) the date the customer received its sales tax exemption certificate from the Commonwealth of Pennsylvania.

Manufacturing Sales Tax Exemption Certificate. Pennsylvania Sales Tax Blanket Exemption Certificate filed by the customer with the Company showing the address of the Service Location and certifying that more than fifty (50) percent (on an annual basis) of the service purchased by the customer for the Service Location is exempt from sales tax because it is used in manufacturing operations, shipbuilding operations, or ship cleaning operations.

Employment Report. The "Employer's Report for Unemployment Compensation" (PA Form UC-2) as filed by the customer with the Office of Employment Security, Department of Labor and Industry, Commonwealth of Pennsylvania and as defined by 43 P.S. 753 [d].

RIDER NO. 19 – COMMUNITY DEVELOPMENT FOR NEW LOAD – (Continued)

(Applicable to Rate Schedules GS/GM, GL, and L)

MONTHLY RATE

DISTRIBUTION CHARGES

Rider No. 19 provides a percent discount to monthly demand charges for base distribution services included in Rates GM < 25, GM ≥ 25, GL, and L during the months of January through May and October through December~~November~~. The percent discount declines ratably over five years as follows.

2022 Percent Discount 25%
2023 Percent Discount 20%
2024 Percent Discount 15%
2025 Percent Discount 10%
2026 Percent Discount 5%

This Rider applies only to base distribution services. All other applicable charges and Riders will be charged as designed.

QUALIFICATIONS

Customers and applicants requesting service under this Rider shall file with the Company, before the effective date of the Rider for the Service Location, a Manufacturing Sales Tax Exemption Certificate, as defined above, for the Service Location. Customer also files with the Company copies of the Employment Reports, as defined above, for the Service Location at the time of application, along with any other documentation the Company may reasonably require to demonstrate the customer/applicant's eligibility for the Rider (see "AVAILABILITY" above).

TRANSFER OF OWNERSHIP

The Company will only apply the Rider to the customer's base distribution charges for the term of contract. If, during the term of contract, the ownership of the Service Location changes, the Company may continue to apply the Rider to the new owner's bills for the Service Location. If the Company continues to apply the Rider in such circumstances, the Company shall apply the Rider to the new owner's bills for the Service Location as if the new owner had been on the Rider for the Service Location for the same period of time as was the previous owner.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

PURPOSE

This Rider sets forth the eligibility, terms and conditions applicable to Customers with installed qualifying renewable customer-owned generation using a net metering system.

APPLICABILITY

This Rider applies to renewable customer-generators served under Rate Schedules RS, RH, RA, GS/GM, GMH, GL, GLH and L who install a device or devices which are, in the Company's judgment, subject to Commission review, a bona fide technology for use in generating electricity from qualifying Tier I or Tier II alternative energy sources pursuant to Alternative Energy Portfolio Standards Act No. 2004-213 (Act 213) or Commission regulations and which will be operated in parallel with the Company's system. This Rider is available to installations where any portion of the electricity generated by the renewable energy generating system offsets part or all of the customer-generator's requirements for electricity. A renewable customer-generator is a non-utility owner or operator of a net metered generation system with a nameplate capacity of not greater than 50 kilowatts if installed at a residential service (Rate RS, RH or RA) or not larger than 3,000 kilowatts at other customer service locations (Rate GS/GM, GMH, GL, GLH and L), except for Customers whose systems are above three megawatts and up to five megawatts who make their systems available to operate in parallel with the Company during grid emergencies as defined by the regional transmission organization or where a micro grid is in place for the primary or secondary purpose of maintaining critical infrastructure such as homeland security assignments, emergency services facilities, hospitals, traffic signals, wastewater treatment plants or telecommunications facilities provided that technical rules for operating generators interconnected with facilities of the Company have been promulgated by the Institute of Electrical and Electronic Engineers ("IEEE") and the Commission. **(C)** **(C)**

Qualifying renewable energy installations are limited to Tier I and Tier II alternative energy sources as defined by Act 213 and Commission Regulations. The Customer's equipment must conform to the Commission's Interconnection Standards and Regulations pursuant to Act 213. This Rider is not applicable when the source of supply is service purchased from a neighboring electric utility under Borderline Service.

Service under this Rider is available upon request to renewable customer-generators on a first come, first served basis so long as the total rated generating capacity installed by renewable customer-generator facilities does not adversely impact service to other Customers and does not compromise the protection scheme(s) employed on the Company's electric distribution system.

METERING PROVISIONS

A Customer may select one of the following metering options in conjunction with service under applicable Rate Schedule RS, RH, RA, GS/GM, GMH, GL, GLH and L. **(C)**

1. A customer-generator facility used for net metering shall be equipped with a single bi-directional meter that can measure and record the flow of electricity in both directions at the same rate. A dual meter arrangement may be substituted for a single bi-directional meter at the Company's expense.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) (C)

METERING PROVISIONS - (Continued)

2. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense. Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.

3. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis.

BILLING PROVISIONS

The following billing provisions apply to customer-generators in conjunction with service under applicable Rate Schedule RS, RH, RA, GS/GM, GMH, GL, GLH and L: (C)

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by the Company to the customer-generator during the preceding year at the Company's Price To Compare consistent with Commission regulations. For customer-generators on Rider No. 9 – Day-Ahead Hourly Price Service, the Price To Compare shall be determined as an average for the twelve (12) month period in accordance with Rider No. 9 and Appendix A – Transmission Service Charges. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. (C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

BILLING PROVISIONS - (Continued)

2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

BILLING PROVISIONS FOR
ELECTRIC VEHICLE TIME-OF-USE PILOT PROGRAM ("EV-TOU") CUSTOMER GENERATORS

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

The following billing provisions apply to customer-generators that take service on Rider No 8 – Default Service Supply and are on EV-TOU rates.

1. The EV-TOU customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If an EV-TOU customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the Company will maintain an active record of the excess kilowatt hours produced at the customer-generators premise in a "bank". If an EV-TOU customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the EV-TOU customer generator's usage in a subsequent billing period at the full retail rate. If, in a subsequent billing period, a customer consumes more electricity than produced, kilowatt-hours will be pulled from the customer's bank on a first in first out basis. Any excess kilowatt hours shall continue to accumulate and credit against usage for the 12 month period ending May 31st. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours remaining in the bank on May 31st, at the applicable Price To Compare at the time the excess kilowatt-hours were banked. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

BILLING PROVISIONS FOR
ELECTRIC VEHICLE TIME-OF-USE PILOT PROGRAM ("EV-TOU") CUSTOMER GENERATORS

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

- (Continued)

1. If the Company supplies more kilowatt-hours of electricity than the customer-generator supplies during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If an eligible customer-generator wishes to no longer be enrolled in the EV-TOU Pilot Program and switches to the standard default service supply product, any excess kilowatt hours banked and remaining from the EV-TOU period will be used, as applicable, for the remaining portion of the 12 month period ending May 31 and the Company shall compensate for any excess kilowatt hours that are banked at the Price To Compare in effect at the time.

NET METERING PROVISIONS FOR SHOPPING CUSTOMERS

1. Customer-generators may take net metering services from EGSs that offer such services.

2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by the customer-generator, up to the total amount of kilowatt-hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. Any excess kilowatt hours at the end of the 12 month period will not carry over to the next year for distribution charge purposes. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If the Company delivers more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt-hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) **(C)**

NET METERING PROVISIONS FOR SHOPPING CUSTOMERS – (Continued)

4. Pursuant to Commission regulations, the credit or compensation terms for excess electricity produced by customer-generators who are customers of EGSs shall be stated in the service agreement between the customer-generator and the EGS. The Company will provide the customer-generator with a statement of monthly kilowatt hour usage for the 12 month period ending May 31 for the purpose of the customer-generator seeking credit or compensation from the EGS.

5. If a customer-generator switches electricity suppliers, the Company shall treat the end of the service period as if it were the end of the year.

APPLICATION

Customer-generators seeking to receive service under the provisions of this Rider must submit a written application to the Company demonstrating compliance with the Net Metering Rider provisions and quantifying the total rated generating capacity of the customer-generator facility.

MINIMUM CHARGE

The Minimum Charges under Rate Schedule RS, RH, RA, GS/GM, GMH, GL, GLH and L apply for installations under this Rider. **(C)**

RIDERS

Bills rendered by the Company under this Rider shall be subject to charges stated in any other applicable Rider.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 22 – DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

(Applicable to All Rates)

In addition to the net charges provided for in this Tariff, a charge of 0.00 % will apply consistent with the Commission Order entered September 15, 2016, at Docket No. P-2016-2540046 approving the Distribution System Improvement Charge ("DSIC"). **(D)**

GENERAL DESCRIPTION

PURPOSE

To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Company with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

ELIGIBLE PROPERTY

The DSIC-eligible property will consist of the following:

— Poles and towers (account 364);

— Overhead conductors (account 365) and underground conduit and conductors (accounts 366 and 367);

— Line transformers (account 368) and substation equipment (account 362);

— Any fixture or device related to eligible property listed above including insulators, circuit breakers, fuses, reclosers, grounding wires, cross arms and brackets, relays, capacitors, converters and condensers;

— Unreimbursed costs related to highway relocation projects where an electric distribution company must relocate its facilities; and

— Other related capitalized costs.

EFFECTIVE DATE

The DSIC will become effective October 1, 2016.

(D) – Indicates Decrease

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 23 – HOME CHARGING PILOT PROGRAM~~

~~(Applicable to Rates RS, RH and RA)~~

~~PURPOSE~~

~~This Rider sets forth the eligibility, terms, and conditions applicable to customers participating in the Company's voluntary residential Home Charging Pilot (the "Program").~~

~~APPLICABILITY~~

~~Available to residential customers served under Rate Schedules RS, RH and RA who:~~

a. ~~own a single-family home, defined as a detached single-family home, townhome/row house, or duplex ("Service Address");~~

b. ~~have an active Duquesne Light residential electric service account with no past due bills at the Service Address;~~

c. ~~have a personal garage or private driveway at Service Address suitable, in the Company's sole judgment, for the installation and operation of an electric vehicle ("EV") level 2 charging station ("Charging Station") and related equipment; and~~

d. ~~own or lease an EV which is registered to the customer's Service Address.~~

~~The Program is available to up to 125 new participants per calendar year on a first-come, first-served basis. The Company may decline to enroll any customer at the Company's sole discretion.~~

~~MONTHLY RATE~~

~~In addition to any applicable charges for electric delivery and supply, participating customers shall pay a monthly Program Charge of $21.17.~~

~~PROGRAM DESCRIPTION~~

~~Through the Program, Duquesne Light shall provide, own, and maintain a Charging Station at the participating customer's Service Address for the duration of the customer's participation in the Program. The customer shall select the Charging Station from a list of options approved by Duquesne Light. The Charging Station shall be installed at a mutually-agreeable location at the Service Address by Duquesne Light's third-party contractor(s). The Company shall pay the Covered Amount (as defined below) toward costs associated with installing the Charging Station. Any costs above the Covered Amount shall be at the customer's expense.~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ **~~(C)~~**

~~RIDER NO. 23 – HOME CHARGING PILOT PROGRAM – (Continued)~~

~~(Applicable to Rates RS, RH and RA)~~

~~PROGRAM DESCRIPTION – (Continued)~~

~~"Covered Amount:" The Covered Amount shall be up to $2,000 for customers with household incomes equal to or less than 150% of the Federal Poverty Level, or up to $500 for all other customers. For customers with household incomes equal to or less than 150% of the Federal Poverty Level, the Covered Amount may apply to Charging Station installation costs, as well as costs of electrical upgrades at the customer's residence (e.g., new electrical panel or breakers) necessary to support Charging Station installation and operation. For all other customers, the Covered Amount may apply only to Charging Station installation costs.~~

~~In addition to the foregoing requirements, participating customers shall:~~

a. ~~Execute and abide by the Home Charging Pilot Customer Agreement, with a minimum term of five years.~~

b. ~~Have and maintain wireless internet ("Wi-Fi") service at the Service Address with sufficient signal at the Charging Station location.~~

c. ~~Share charging data with Duquesne Light (and provide any authorizations required to accommodate such sharing) via the applicable Charging Station vendor.~~

d. ~~Promptly notify Duquesne Light in the event the Charging Station fails to operate or otherwise requires repair, except for minor issues remedied by the customer pursuant to (e) herein.~~

e. ~~Make reasonable efforts to remedy minor issues with the Charging Station that do not require qualified technicians to address, including but not limited to, the resetting of a tripped circuit breaker or assisting with software or Wi-Fi interconnectivity issues.~~

f. ~~Establish and maintain an account with the applicable Charging Station vendor and for wireless internet connectivity to enable communication between the Charging Station and Charging Station vendor's hardware and software.~~

g. ~~Use the Charging Station only in accordance with the manufacturer's applicable recommendations.~~

h. ~~Maintain the area surrounding the Charging Station. See also Rule No. 23 herein.~~

i. ~~Provide Duquesne Light with reasonable access to the Charging Station. See also Rule No. 22 herein.~~

j. ~~Upon Duquesne Light's request, participate in surveys and provide feedback about the Program.~~

~~Upon conclusion of the Home Charging Pilot Customer Agreement Term, except in the event of customer default or early termination as discussed below, ownership of the Charging Station shall pass automatically to customer.~~

~~In the event of customer default or early termination, the customer shall pay a sum equal to the number of months remaining in the Home Charging Pilot Customer Agreement Term multiplied by the Monthly Charge per Charging Station, plus a one-time fee of $200; and Duquesne Light may remove the Charging Station from the Service Address.~~

~~(C) – Indicates Change~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 24 – FLEET CHARGING PILOT PROGRAM~~

~~(Applicable to Rates GS/GM, GMH, GL, GLH and L)~~

~~PURPOSE~~

~~This Rider sets forth the eligibility, terms, and conditions applicable to customers participating in the Company's voluntary Fleet Charging Pilot (the "Program").~~

~~APPLICABILITY~~

~~Available to customers served under Rate Schedules GS/GM, GMH, GL GLH, and L that:~~

~~a. own, lease, or operate a fleet of at least six on-road vehicles;~~

~~b. demonstrate that electric vehicles are currently in-use or have been purchased for use at the customer's premises ("Service Address");~~

~~c. own or lease the Service Address, and demonstrate site control, suitable, in the Company's sole judgement, for the installation and operation of level 2 electric vehicle charging stations ("Charging Stations") and related equipment.~~

~~The Program is available to up to twelve (12) new customers per calendar year on a first-come, first-served basis. The Company may decline to enroll any customer at the Company's sole discretion.~~

~~MONTHLY RATE~~

~~In addition to any applicable charges for electric delivery and supply, participating customers shall pay the following applicable monthly charge per charging station port:~~

- ~~Bundled Option: $63.24~~
- ~~Pre-Pay Option: $28.82~~
- ~~Customer-Supplied Charging Station Option: No charge~~

~~Customers will select one Program Option for all charging ports subject to the Program at the Service Address for the duration of the customer's participation in the Program.~~

~~(C) – Indicates Change~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 24 – FLEET CHARGING PILOT PROGRAM – (Continued)~~

~~(Applicable to Rates GS/GM, GMH, GL, GLH and L)~~

~~PROGRAM DESCRIPTION~~

~~Through the Program, Duquesne Light shall provide electric vehicle charging services consistent with the Program Option selected by the customer.~~

- ~~For customers participating in the Bundled Option and the Pre-Pay Option, Duquesne Light shall provide, own, and maintain Charging Stations at the Service Address, as well as electrical equipment reasonably necessary to connect the Charging Stations to the customer's Service Point ("Make-Ready Infrastructure"), for the duration of the customer's participation in the Program. The customer shall select the Charging Stations from a list of options approved by Duquesne Light. The Charging Stations shall be installed at a mutually-agreeable location at the Service Address by Duquesne Light's third-party contractor(s). Additionally, for customers participating in the Pre-Pay Option, the customer shall pay the Company's costs of the Charging Station in addition to the applicable monthly charge identified herein.~~

- ~~For customers participating in the Customer-Supplied Charging Station Option, the customer shall provide, install, own, and maintain the Charging Stations at a mutually-agreeable location at the Service Address; and the Company shall own and maintain the Make-Ready Infrastructure.~~

~~In addition to the foregoing requirements, participating customers shall:~~

a. ~~Execute and abide by the Fleet Charging Pilot Customer Agreement, with a minimum term of ten (10) years.~~

b. ~~Host Charging Stations with a minimum total of four (4) charging station ports per participating Service Address.~~

c. ~~Share charging data with Duquesne Light (and provide any authorizations required to accommodate such sharing) via the applicable Charging Station vendor.~~

d. ~~Promptly notify Duquesne Light in the event the Charging Station fails to operate or otherwise requires repair, except for minor issues remedied by the customer pursuant to (e) herein.~~

e. ~~Make reasonable efforts to remedy minor issues with the Charging Station that do not require qualified technicians to address, including but not limited to, the resetting of a tripped circuit breaker or assisting with software or Wi-Fi interconnectivity issues.~~

f. ~~Use the Charging Station only in accordance with the manufacturer's applicable recommendations.~~

g. ~~Grant Duquesne Light any rights-of-way or easements deemed necessary. See also Rule No. 22.1 herein.~~

h. ~~Maintain the area surrounding the Charging Station. See also Rule No. 23 herein.~~

i. ~~Provide Duquesne Light with reasonable access to the Charging Station. See also Rule No. 22 herein.~~

j. ~~Upon Duquesne Light's request, participate in surveys and provide feedback about the Program.~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 24 – FLEET CHARGING PILOT PROGRAM – (Continued)~~

~~(Applicable to Rates GS/GM, GMH, GL, GLH and L)~~

~~PROGRAM DESCRIPTION – (Continued)~~

~~For customers participating in the Bundled and Pre-Pay Options: Upon conclusion of the Fleet Charging Pilot Agreement Term, except in the event of customer default or early termination as discussed below, ownership of the Charging Station and Make Ready shall pass automatically to customer.~~

~~For all customers: Customers that leave the program prematurely will be required to purchase the Make Ready and Charging Stations, as applicable, at the remaining undepreciated value of the equipment; or alternatively, to have the Company remove the infrastructure, and reimburse the Company's costs of removal and stranded equipment (if any).~~

~~(C) – Indicates Change~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 25 – NEW BUSINESS STIMULUS~~

~~(Applicable to Rates GS/GM and GMH)~~

~~AVAILABILITY~~

~~The New Business Stimulus Rider ("NBSR") is available to new small and medium business customers who start new electric service for a retail business in a Vacant Retail Storefront located within a Local Neighborhood Commercial (LNC) district, a Qualified Low-Income Census Tracts (QCT) district, and/or a Neighborhood Assistance Program (NAP) district.~~

~~PROGRAM TERMS~~

~~Enrolled customers will receive a 30% discount on variable base distribution charges for a period of no more than two (2) years from commencing service or until December 31, 2024, whichever occurs earlier. Customers taking service under the NBSR are not eligible for any other distribution rate discount.~~

~~DEFINITIONS~~

~~Vacant Retail Storefront: a brick-and-mortar location intended for retail business operations that: (a) will be open to the public, (b) has not received active electric service for thirty (30) or more days prior to the request to commence service, and (c) will receive service at the same voltage and phase as the previous customer. For the purposes of the NBSR, retail business operations will include businesses that offer goods and/or services using in-person storefront locations. These businesses will include boutiques, cafes, restaurants, bars or taverns, gyms, fitness centers, professional services providers, childcare and early education centers, salons and barber shops, and other retailers which are typically found in Main Street business districts.~~

~~Local Neighborhood Commercial (LNC) District: area(s) identified as LNC by the City of Pittsburgh Code of Ordinances.~~

~~Qualified Low-Income Census Tracts (QCT) District: area(s) identified as QCT by the United States Department of Housing and Urban Development.~~

~~Neighborhood Assistance Program (NAP) District: area(s) identified as NAP by the United States Department of Housing and Urban Development.~~

~~(C) – Indicates Change~~

~~STANDARD CONTRACT RIDERS - (Continued)~~ ~~(C)~~

~~RIDER NO. 26 – CRISIS RECOVERY PROGRAM~~

~~(Applicable to Rates GS/GM and GMH)~~

~~AVAILABILITY~~

~~The Crisis Recovery Program ("CRP") is available to existing small and medium business customers that meet the eligibility requirements listed in the Program Terms and Conditions of this Rider. The CRP provides eligible customers with a 25% waiver of their delinquent account balance and/or an 18-month payment arrangement on the delinquent account balance.~~

~~DEFINITIONS~~

~~COVID-19 pandemic: The World Health Organization (WHO) and the Centers for Disease Control and Prevention's (CDC) declaration of a novel coronavirus (COVID-19), which resulted in a state-wide disaster emergency proclamation by the Pennsylvania Governor pursuant to 35 Pa. C.S. § 7301(c) on or about March 6, 2020.~~

~~Frozen period: The time in which the customer's delinquent balance will not become due, beginning with the first bill issued six (6) or more days following enrollment, and ending the calendar day following the due date of the sixth bill issued since enrollment.~~

~~PROGRAM TERMS AND CONDITIONS~~

~~Eligible customers are required to demonstrate that they accumulated an account balance as a result of the COVID-19 pandemic.~~

~~Enrolled customers will have their delinquent account balance frozen at the time of enrollment, which will remain frozen for six (6) billing cycles.~~

~~If the enrolled customer pays the non-frozen portion of their account balance in full by the due date of the sixth bill issued during the frozen period, 25% of the customer's delinquent account balance will be waived, and the customer will be issued an 18-month payment arrangement on the remaining account balance. Customers can agree to shorter payment arrangement terms.~~

~~Failure to pay the non-frozen portion in full by the due date of the sixth bill issued during the frozen period will result in the customer receiving an 18-month payment arrangement on the full delinquent balance. Customers can agree to shorter payment arrangement terms.~~

~~Enrollment into the CRP shall end on June 30, 2022.~~

~~Customers who are actively enrolled into the CRP are not eligible for any other rate discount.~~

~~(C) – Indicates Change~~

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

MONTHLY RATES – (Continued)

Rate Class	Energy Charge $/kWh	Demand Charge $/kW	Monthly Charge Per Fixture	Monthly Charge Per Fixture	Monthly Charge Per Fixture	
			Rate Class			
By Wattage			**SH**	**PAL**	**SM**	
Flood Lighting - Unmetered						
70			—	$0.01	—	
100			—	$0.02	—	
150			—	$0.02	—	
250			—	$0.04	—	
400			—	$0.06	—	
Light-Emitting Diode (LED) — Cobra Head						
30			$X.XX~~0.00~~	$X.XX~~0.00~~	$X.XX~~0.00~~	**(C) (C) (C)**
45			$X.XX~~0.00~~	$0.01	$0.01	**(C)**
60			$0.02	$0.01	$0.01	
95			$0.03	$0.01	$0.01	
139			$0.04	$0.02	$0.02	
219			$0.06	$0.03	$0.03	
						(C)
Light-Emitting Diode (LED) — Colonial						
20			—	$X.XX ~~0.00~~	$X.XX ~~0.00~~	**(C) (C)**
45			—	$X.XX ~~0.00~~	$X.XX~~0.00~~	**(C) (C)**
Light-Emitting Diode (LED) — Contemporary						
40			—	$X.XX ~~0.00~~	$X.XX ~~0.00~~	**(C) (C)**
55			—	$X.XX ~~0.00~~	$X.XX ~~0.00~~	**(C) (C)**

BILLING DEMAND

Billing Demand subject to Transmission Service Charges for customers taking service under Rate Schedules GS/GM and GMH shall be the same as that determined for distribution and supply charges under the applicable rate schedules.

Billing Demand subject to Transmission Service Charges for Customers taking service under Rate Schedules GL, GLH, L, HVPS and UMS shall be the customer's daily network service coincident peak load contribution in kW. This quantity is determined based on the customer's load coincident with the annual peak of the Duquesne Zone (single coincident peak) as defined in the PJM Tariff Section 34.1.

ANNUAL UPDATE

The Transmission Service Charges (TSC) defined herein will be updated effective June 1st of each calendar year or more often upon determination that the rates then in effect would result in a significant over or under collection. On or about May 1st, the Company will file revised TSC rates with the PA Public Utility Commission (Commission) defining rates in effect from June 1 to May 31 of the following year, the computation year. These rates shall be determined based on the projected revenue requirement for the computation year, the projected cost of PJM charges and the over or under collection of expenses based on actual TSC revenue and expense incurred up to March 1 of each filing year. The revenue

(C) – Indicates Change

Appendix B

APPENDIX B
Duquesne Light Company
Summary of Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Summary of Distribution Revenue Calculations
Docket No. R-2021-3024750

A	B	C	D	E	F
Rate Class	Current Base Rate Revenue	Distribution System Improvement Charge (DSIC)	Total Base Rate Revenue	Settlement Increase	Base Rate Revenue at Settlement Rates
	DFR-IV-A	DFR-IV-A	DFR-IV-A [B + C]	(Note 3)	[D + E]
RS	$281,336,452	$15,961,776	$297,298,228	$21,014,706	$318,312,934
RH	$26,225,014	$1,520,132	$27,745,146	$3,748,997	$31,494,143
RA	$3,085,018	$188,988	$3,274,007	$374,200	$3,648,206
GS	$11,102,617	$562,430	$11,665,047	$800,400	$12,465,447
GM<25	$31,933,846	$1,640,977	$33,574,823	$2,021,701	$35,596,524
GM>25	$65,976,707	$3,451,469	$69,428,176	$7,474,197	$76,902,373
GMH (Note 1)	$9,289,661	$481,817	$9,771,478	$1,016,100	$10,028,271
GL	$62,509,780	$3,406,038	$65,915,818	$5,173,700	$71,089,518
GLH	$7,369,574	$400,538	$7,770,112	$891,700	$8,661,812
L	$18,270,790	$953,924	$19,224,714	$2,046,099	$21,270,813
HVPS	$265,064	$58,670	$323,733	$0	$323,733
AL (Note 2)	$1,054	$53	$1,106	$30	$1,136
SE	$1,420,542	$71,033	$1,491,576	$40,200	$1,531,776
SM (Note 2)	$8,973,561	$448,716	$9,422,276	$254,113	$9,676,389
SH (Note 2)	$109,353	$5,468	$114,821	$3,097	$117,917
UMS	$1,059,421	$52,975	$1,112,396	$129,000	$1,241,396
PAL (Note 2)	$415,343	$20,769	$436,112	$11,762	$447,873
Total	$529,343,796	$29,225,772	$558,569,568	$45,000,000	$603,569,568
Other Electric Revenue:					
Late Payment/Returned Check Charges (Acct. 450)	$3,915,994		$3,915,994		$3,915,994
Reconnect Fees/PJM Office (Acct. 451)	$707,199		$707,199		$707,199
Rent Electric Property (Acct. 454)	$11,787,996		$11,787,996		$11,787,996
Other Revenue (Acct. 456)	$683,674		$683,674		$683,674
Utility Operations (Acct. 417)	$908,480		$908,480		$908,480
Other Revenue	$18,003,342		$18,003,342		$18,003,342
Total Revenue Requirement			$576,572,911		$621,572,911

1/ Rate GMH shown as a single line item for presentation since it is a single tariff rate for all eligible customers less than 25 kW and greater than or equal 25 kW.
2/ Individual lighting rate classes shown for presentation purposes since these are tariff rates.
Consolidated as Lighting Class SL for cost allocation purposes.
3/ Actual rate design might result in slight rounding differences to the amounts noted above.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate RS - Residential Service

CURRENT RATES	Units	Rate	Revenue
Rate RS			
Distribution			
Total Bills	5,952,167	$12.50	$74,402,089
kWh	3,435,988,994	$0.060233	$206,959,925
CAP Revenue Credit			($19,425,733)
Subtotal	3,435,988,994		$261,936,281
Surcharges			
Retail Market Enhancement, Jan-May, Bills	2,484,985	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	3,467,226	$0.00	$0
Smart Meter, Jan-Mar, Meters	1,494,561	$0.00	$0
RA	1,494,561	$0.00	$0
Smart Meter, Jul-Sep, Meters	1,494,561	$0.00	$0
Smart Meter, Oct-Dec, Meters	1,494,561	$0.00	$0
Energy Efficiency, Jan-May, kWh	1,244,690,851	$0.00078	$972,037
Energy Efficiency, Jun-Dec, kWh	2,191,321,729	$0.00078	$1,708,177
Universal Services, Jan-Dec, Non-Cap kWh	3,168,153,591	$0.01111	$35,192,039
Subtotal			$37,872,254
Transmission, All kWh			
Transmission, Jan-May	892,164,171	$0.018753	$16,730,369
Transmission, Jun-Dec	1,570,700,792	$0.019857	$31,190,144
Subtotal	2,462,864,963		$47,920,513
Generation, All kWh			
Generation, Jan-May	892,164,171	$0.053326	$47,575,791
Generation, Jun-Nov	1,360,318,615	$0.057447	$78,146,389
Generation, Dec	210,382,178	$0.057447	$12,085,851
Subtotal	2,462,864,963		$137,808,030
Rate RS & Rider 14			
Distribution			
Meter Charge	44	$1.63	$72
kWh Summer, May-Oct	7,155	$0.060233	$431
kWh, Winter Nov-Apr	16,431	$0.045677	$751
Subtotal	23,586		$1,253
Transmission - All kWh			
Transmission, Jan-Apr	10,319	$0.0082514	$85
Transmission, May	1,184	$0.0187526	$22
Transmission, Jun-Oct	4,309	$0.0198575	$86
Transmission, Nov-Dec	2,294	$0.0084954	$19
Subtotal	18,105		$212
Generation, All kWh			
Generation, Jan-May	11,503	$0.053326	$613
Generation, Jun-Nov	5,199	$0.057447	$299
Generation, Dec	1,403	$0.057447	$81
Subtotal	18,105		$993
Subtotal Revenue			$485,539,537
Rider 10 - State Tax Adjustment		-0.0080%	($26,816)
Rider 22 - Distribution System Improvement Charge		5.00%	$15,961,776
Total Calculated Revenue			**$501,474,498**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate RS - Residential Service

PROPOSED RATES	Units	Rate	Revenue
Rate RS			
Distribution			
Total Bills	5,952,167	$12.50	$74,402,089
All kWh	3,435,668,994	$0.070993	$243,908,449
CAP Revenue Credit			($19,425,733)
Subtotal	3,435,668,994		$298,884,805
EV Home Charging	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	2,484,985	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	3,467,226	$0.00	$0
Smart Meter, Jan-Mar, Meters	1,494,561	$0.00	$0
RA	1,494,561	$0.00	$0
Smart Meter, Jul-Sep, Meters	1,494,561	$0.00	$0
Smart Meter, Oct-Dec, Meters	1,494,561	$0.00	$0
Energy Efficiency, Jan-May, kWh	1,244,557,518	$0.00078	$971,933
Energy Efficiency, Jun-Dec, kWh	2,191,135,063	$0.00078	$1,708,032
Universal Services, Jan-Dec, Non-Cap kWh	3,167,833,591	$0.01111	$35,188,484
Subtotal	3,435,692,580		$37,868,450
Transmission, All kWh			
Transmission, Jan-May	892,030,837	$0.018753	$16,727,869
Transmission, Jun-Dec	1,570,514,126	$0.019857	$31,186,438
Subtotal	2,462,544,963		$47,914,306
Generation, All kWh			
Generation, Jan-May	892,030,837	$0.053326	$47,568,681
Generation, Jun-Nov	1,360,158,615	$0.057447	$78,137,197
Generation, Dec	210,355,511	$0.057447	$12,084,319
Subtotal	2,462,544,963		$137,790,197
Rate RS & Rider 14			
Distribution			
Meter Charge	44	$1.63	$72
Winter kWh	16,431	$0.060206	$989
Summer kWh	7,155	$0.070993	$508
Subtotal	23,586		$1,569
Transmission - All kWh			
Transmission, Jan-Apr	10,319	$0.008251	$85
Transmission, May	1,184	$0.018753	$22
Transmission, Jun-Oct	4,309	$0.019857	$86
Transmission, Nov-Dec	2,294	$0.008495	$19
Subtotal	18,105		$212
Generation, All kWh			
Generation, Jan-May	11,503	$0.053326	$613
Generation, Jun-Nov	5,199	$0.057447	$299
Generation, Dec	1,403	$0.057447	$81
Subtotal	18,105		$993
Subtotal Revenue			$522,460,532
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$522,460,532**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$315,744,749	$47,920,726	$137,809,023	$501,474,498
Proposed Rates	$336,754,824	$47,914,519	$137,791,189	$522,460,532
Revenue Change	$21,010,075	($6,207)	($17,834)	$20,986,034

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate RH - Residential Service Heating

CURRENT RATES	Units	Rate	Revenue
Rate RH			
Distribution			
Total Bills	478,910	$12.50	$5,986,371
kWh Summer, May-Oct	139,502,572	$0.060233	$8,402,658
kWh, Winter Nov-Apr	259,179,423	$0.045677	$11,838,538
CAP Revenue Credit			($3,686,038)
Subtotal	398,681,994		$22,541,531
Surcharges			
Retail Market Enhancement, Jan-May, Bills	198,469	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	280,441	$0.00	$0
Smart Meter, Jan-Mar, Meters	114,660	$0.00	$0
Smart Meter, Apr-Jun, Meters	114,660	$0.00	$0
Smart Meter, Jul-Sep, Meters	114,660	$0.00	$0
Smart Meter, Oct-Dec, Meters	114,660	$0.00	$0
Energy Efficiency, Jan-May, kWh	196,487,870	$0.00078	$153,447
Energy Efficiency, Jun-Dec, kWh	202,194,124	$0.00078	$157,614
Universal Services, Jan-Dec, Non-Cap kWh	347,855,683	$0.01111	$3,864,002
Subtotal			$4,175,062
Transmission, All kWh			
Transmission, Jan-May	166,964,477	$0.008251	$1,377,699
Transmission, Jun-Dec	171,813,335	$0.008495	$1,459,625
Subtotal	338,777,811		$2,837,324
Generation, All kWh			
Generation, Jan-May	166,964,477	$0.053326	$8,903,593
Generation, Jun-Nov	128,775,288	$0.057447	$7,397,770
Generation, Dec	43,038,047	$0.057447	$2,472,412
Subtotal	338,777,811		$18,773,775
Subtotal Revenue			$48,327,692
Rider 10 - State Tax Adjustment		-0.0080%	($2,554)
Rider 22 - Distribution System Improvement Charge		5.00%	$1,520,132
Total Calculated Revenue			**$49,845,270**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate RH - Residential Service Heating

PROPOSED RATES	Units	Rate	Revenue
Rate RH			
Distribution			
Total Bills	478,910	$12.50	$5,986,371
Summer, All kWh	139,502,572	$0.070993	$9,903,706
Winter, All kWh	259,179,423	$0.060206	$15,604,156
CAP Revenue Credit			($3,686,038)
Subtotal	398,681,994		$27,808,196
EV Home Charging	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	198,469	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	280,441	$0.00	$0
Smart Meter, Jan-Mar, Meters	114,660	$0.00	$0
Smart Meter, Apr-Jun, Meters	114,660	$0.00	$0
Smart Meter, Jul-Sep, Meters	114,660	$0.00	$0
Smart Meter, Oct-Dec, Meters	114,660	$0.00	$0
Energy Efficiency, Jan-May, kWh	196,487,870	$0.0008	$153,447
Energy Efficiency, Jun-Dec, kWh	202,194,124	$0.0008	$157,614
Universal Services, Jan-Dec, Non-Cap kWh	347,855,683	$0.01111	$3,864,002
Subtotal			$4,175,062
Transmission, All kWh			
Transmission, Jan-May	166,964,477	$0.008251	$1,377,699
Transmission, Jun-Dec	171,813,335	$0.008495	$1,459,625
Subtotal	338,777,811		$2,837,324
Generation, All kWh			
Generation, Jan-May	166,964,477	$0.053326	$8,903,593
Generation, Jun-Dec	128,775,288	$0.057447	$7,397,770
Generation, Dec	43,038,047	$0.057447	$2,472,412
Subtotal	338,777,811		$18,773,775
Subtotal Revenue			$53,594,358
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$53,594,358**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$28,234,171	$2,837,324	$18,773,775	$49,845,270
Proposed Rates	$31,983,258	$2,837,324	$18,773,775	$53,594,358
Revenue Change	$3,749,088	$0	$0	$3,749,088

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate RA - Residential Service Add-On Heat Pump

CURRENT RATES	Units	Rate	Revenue
Rate RA			
Distribution			
Total Bills	71,035	$12.50	$887,941
kWh Summer, May-Oct	27,663,986	$0.060233	$1,666,285
kWh, Winter Nov-Apr	32,396,596	$0.016394	$531,110
CAP Revenue Credit			($127,848)
Subtotal	60,060,581		$2,957,488
Surcharges			
Retail Market Enhancement, Jan-May, Bills	29,397	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	41,639	$0.00	$0
Smart Meter, Jan-Mar, Meters	17,226	$0.00	$0
Smart Meter, Apr-Jun, Meters	17,226	$0.00	$0
Smart Meter, Jul-Sep, Meters	17,226	$0.00	$0
Smart Meter, Oct-Dec, Meters	17,226	$0.00	$0
Energy Efficiency, Jan-May, kWh	24,940,496	$0.00078	$19,477
Energy Efficiency, Jun-Dec, kWh	35,120,085	$0.00078	$27,377
Universal Services, Jan-Dec, Non-Cap kWh	58,297,700	$0.01111	$647,574
Subtotal			$694,428
Transmission, All kWh			
Transmission, Jan-May	19,144,953	$0.014601	$279,533
Transmission, Jun-Dec	26,959,062	$0.015269	$411,634
Subtotal	46,104,014		$691,167
Generation, All kWh			
Generation, Jan-May	19,144,953	$0.053326	$1,020,929
Generation, Jun-Nov	22,088,901	$0.057447	$1,268,944
Generation, Dec	4,870,161	$0.057447	$279,777
Subtotal	46,104,014		$2,569,649
Subtotal Revenue			$6,912,733
Rider 10 - State Tax Adjustment		-0.0080%	($318)
Rider 22 - Distribution System Improvement Charge		5.00%	$188,988
Total Calculated Revenue			**$7,101,403**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate RA - Residential Service Add-On Heat Pump

PROPOSED RATES	Units	Rate	Revenue
Rate RA			
Distribution			
Total Bills	71,035	$12.50	$887,941
Summer, All kWh	27,663,986	$0.070993	$1,963,949
Winter, All kWh	32,396,596	$0.024580	$796,308
CAP Revenue Credit			($127,848)
Subtotal	60,060,581		$3,520,351
EV Home Charging	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	29,397	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	41,639	$0.00	$0
Smart Meter, Jan-Mar, Meters	17,226	$0.00	$0
Smart Meter, Apr-Jun, Meters	17,226	$0.00	$0
Smart Meter, Jul-Sep, Meters	17,226	$0.00	$0
Smart Meter, Oct-Dec, Meters	17,226	$0.00	$0
Energy Efficiency, Jan-May, kWh	24,940,496	$0.0008	$19,477
Energy Efficiency, Jun-Dec, kWh	35,120,085	$0.0008	$27,377
Universal Services, Jan-Dec, Non-Cap kWh	58,297,700	$0.01111	$647,574
Subtotal			$694,428
Transmission, All kWh			
Transmission, Jan-May	19,144,953	$0.014601	$279,533
Transmission, Jun-Dec	26,959,062	$0.015269	$411,634
Subtotal	46,104,014		$691,167
Generation, All kWh			
Generation, Jan-May	19,144,953	$0.053326	$1,020,929
Generation, Jun-Dec	22,088,901	$0.057447	$1,268,944
Generation, Dec	4,870,161	$0.057447	$279,777
Subtotal	46,104,014		$2,569,649
Subtotal Revenue			$7,475,596
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$7,475,596**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$3,840,587	$691,167	$2,569,649	$7,101,403
Proposed Rates	$4,214,779	$691,167	$2,569,649	$7,475,596
Revenue Change	$374,192	$0	$0	$374,192

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GS - General Service Small

CURRENT RATES	Units	Rate	Revenue
Rate GS			
Distribution			
Total Bills	299,088	$12.50	$3,738,598
kWh	100,264,835	$0.073313	$7,350,716
Subtotal	100,264,835		$11,089,314
Surcharges			
Retail Market Enhancement, Jan-May, Bills	124,588	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	174,644	$0.00	$0
Smart Meter, Jan-Mar, Meters	77,475	$0.00	$0
Smart Meter, Apr-Jun, Meters	77,475	$0.00	$0
Smart Meter, Jul-Sep, Meters	77,475	$0.00	$0
Smart Meter, Oct-Dec, Meters	77,475	$0.00	$0
Energy Efficiency, Jan-May, kWh	42,498,217	$0.00147	$62,324
Energy Efficiency, Jun-Dec, kWh	57,973,274	$0.00143	$82,717
Subtotal			$145,041
Transmission, All kWh			
Transmission, Jan-May	31,312,390	$0.010552	$330,413
Transmission, Jun-Dec	42,698,662	$0.010873	$464,260
Subtotal	74,011,052		$794,673
Generation, All kWh			
Generation, Jan-May	31,312,390	$0.053035	$1,660,640
Generation, Jun-Nov	35,777,741	$0.057133	$2,044,086
Generation, Dec	6,920,920	$0.057133	$395,412
Subtotal	74,011,052		$4,100,138
Rate GS & Rider 12			
Distribution			
Meter Charge	144	$12.50	$1,800
kWh	206,657	$0.060233	$12,448
Subtotal	206,657		$14,248
Transmission, All kWh			
Transmission, Jan-May	58,000	$0.018753	$1,088
Transmission, Jun-Dec	94,762	$0.019857	$1,882
Subtotal	152,762		$2,969
Generation, All kWh			
Generation, Jan-May	58,000	$0.053326	$3,093
Generation, Jun-Nov	74,559	$0.057447	$4,283
Generation, Dec	20,203	$0.057447	$1,161
Subtotal	152,762		$8,537
Subtotal Revenue			$16,154,919
Rider 10 - State Tax Adjustment		-0.0080%	($945)
Rider 22 - Distribution System Improvement Charge		5.00%	$562,430
Total Calculated Revenue			**$16,716,404**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GS - General Service Small

PROPOSED RATES	Units	Rate	Revenue
Rate GS			
Distribution			
Total Bills	299,088	$15.00	$4,486,318
All kWh	100,264,835	$0.079416	$7,962,632
Subtotal	100,264,835		$12,448,950
Surcharges			
Retail Market Enhancement, Jan-May, Bills	124,588	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	174,644	$0.00	$0
Smart Meter, Jan-Mar, Meters	77,475	$0.00	$0
Smart Meter, Apr-Jun, Meters	77,475	$0.00	$0
Smart Meter, Jul-Sep, Meters	77,475	$0.00	$0
Smart Meter, Oct-Dec, Meters	77,475	$0.00	$0
Energy Efficiency, Jan-May, kWh	42,498,217	$0.0015	$62,324
Energy Efficiency, Jun-Dec, kWh	57,973,274	$0.0014	$82,717
Subtotal			$145,041
Transmission, All kWh			
Transmission, Jan-May	31,312,390	$0.010552	$330,413
Transmission, Jun-Dec	42,698,662	$0.010873	$464,260
Subtotal	74,011,052		$794,673
Generation, All kWh			
Generation, Jan-May	31,312,390	$0.053035	$1,660,640
Generation, Jun-Dec	35,777,741	$0.057133	$2,044,086
Generation, Dec	6,920,920	$0.057133	$395,412
Subtotal	74,011,052		$4,100,138
Rate GS & Rider 12			
Distribution			
Meter Charge	144	$12.50	$1,800
All kWh	206,657	$0.070993	$14,671
Subtotal	206,657		$16,471
Transmission, All kWh			
Transmission, Jan-May	58,000	$0.018753	$1,088
Transmission, Jun-Dec	94,762	$0.019857	$1,882
Subtotal	152,762		$2,969
Generation, All kWh			
Generation, Jan-May	58,000	$0.053326	$3,093
Generation, Jun-Nov	74,559	$0.057447	$4,283
Generation, Dec	20,203	$0.057447	$1,161
Subtotal	152,762		$8,537
Subtotal Revenue			$17,516,778
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$17,516,778**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$11,810,087	$797,643	$4,108,674	$16,716,404
Proposed Rates	$12,610,462	$797,643	$4,108,674	$17,516,778
Revenue Change	$800,374	$0	$0	$800,374

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GM<25 - General Service Small

CURRENT RATES	Units	Rate	Revenue
Rate GM<25			
Distribution			
Total Bills	240,308	$54.50	$13,096,803
Demand first 5 kW	1,091,143	$0.00	$0
Demand additional kW	1,529,825	$6.54	$10,005,059
kWh	606,422,246	$0.013961	$8,466,261
Subtotal	606,422,246		$31,568,122
Rider 13 Meter Charge	72	$13.21	$951
Surcharges			
Retail Market Enhancement, Jan-May, Bills	101,112	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	141,364	$0.00	$0
Smart Meter, Jan-Mar, Meters	70,428	$0.00	$0
Smart Meter, Apr-Jun, Meters	70,428	$0.00	$0
Smart Meter, Jul-Sep, Meters	70,428	$0.00	$0
Smart Meter, Oct-Dec, Meters	70,428	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	242,652,014	$0.00147	$355,852
Energy Efficiency, Jun-Dec, kWh (1)	369,422,100	$0.00143	$527,094
Subtotal			$882,946
Transmission			
KW, Jan-May	549,113	$1.76	$964,032
KW, Jun-Dec	854,956	$1.80	$1,542,368
kWh, Jan-May	131,086,354	$0.00747	$978,836
kWh, Jun-Dec	199,517,915	$0.00775	$1,545,685
Subtotal	330,604,269		$5,030,922
Generation, All kWh			
Generation, Jan-May	131,086,354	$0.053035	$6,952,110
Generation, Jun-Nov	171,922,034	$0.057133	$9,822,403
Generation, Dec	27,595,881	$0.057133	$1,576,632
Subtotal	330,604,269		$18,351,145
Rate GM<25 & Rider 12			
Distribution			
Meter Charge	2,168	$12.50	$27,100
kWh	5,651,868	$0.060233	$340,429
Subtotal	5,651,868		$367,529
Transmission, All kWh			
Transmission, Jan-May	1,203,227	$0.018753	$22,564
Transmission, Jun-Dec	1,894,955	$0.019857	$37,629
Subtotal	3,098,183		$60,193
Generation, All kWh			
Generation, Jan-May	1,203,227	$0.053326	$64,164
Generation, Jun-Nov	1,665,533	$0.057447	$95,680
Generation, Dec	229,422	$0.057447	$13,180
Subtotal	3,098,183		$173,023
Subtotal Revenue			$56,434,832
Rider 10 - State Tax Adjustment		-0.0080%	($2,757)
Rider 22 - Distribution System Improvement Charge		5.00%	$1,640,977
Total Calculated Revenue			**$58,073,052**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GM<25 - General Service Small

PROPOSED RATES	Units	Rate	Revenue
Rate GM<25			
Distribution			
Total Bills	240,308	$60.00	$14,418,498
Demand first 5 kW	1,091,143	$0.00	$0
Demand additional kW	1,529,825	$7.26	$11,106,533
All kWh	606,422,246	$0.015900	$9,642,114
Subtotal	606,422,246		$35,167,145
Rider 13 Meter Charge	72	$13.21	$951
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	101,112	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	141,364	$0.00	$0
Smart Meter, Jan-Mar, Meters	70,428	$0.00	$0
Smart Meter, Apr-Jun, Meters	70,428	$0.00	$0
Smart Meter, Jul-Sep, Meters	70,428	$0.00	$0
Smart Meter, Oct-Dec, Meters	70,428	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	242,652,014	$0.0015	$355,852
Energy Efficiency, Jun-Dec, kWh (1)	369,422,100	$0.0014	$527,094
Subtotal			$882,946
Transmission			
KW, Jan-May	549,113	$1.76	$964,032
KW, Jun-Dec	854,956	$1.80	$1,542,368
kWh, Jan-May	131,086,354	$0.007467	$978,836
kWh, Jun-Dec	199,517,915	$0.007747	$1,545,685
Subtotal	330,604,269		$5,030,922
Generation, All kWh			
Generation, Jan-May	131,086,354	$0.053035	$6,952,110
Generation, Jun-Nov	171,922,034	$0.057133	$9,822,403
Generation, Dec	27,595,881	$0.057133	$1,576,632
Subtotal	330,604,269		$18,351,145
Rate GM<25 & Rider 12			
Distribution			
Meter Charge	2,168	$12.50	$27,100
All kWh	5,651,868	$0.070993	$401,243
Subtotal	5,651,868		$428,343
Transmission, All kWh			
Transmission, Jan-May	1,203,227	$0.018753	$22,564
Transmission, Jun-Dec	1,894,955	$0.019857	$37,629
Subtotal	3,098,183		$60,193
Generation, All kWh			
Generation, Jan-May	1,203,227	$0.053326	$64,164
Generation, Jun-Nov	1,665,533	$0.057447	$95,680
Generation, Dec	229,422	$0.057447	$13,180
Subtotal	3,098,183		$173,023
Subtotal Revenue			$60,094,668
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$60,094,668**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$34,457,769	$5,091,114	$18,524,169	$58,073,052
Proposed Rates	$36,479,385	$5,091,114	$18,524,169	$60,094,668
Revenue Change	$2,021,616	$0	$0	$2,021,616

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GM>25 - General Service Medium

CURRENT RATES	Units	Rate	Revenue
Rate GM>25			
Distribution			
Total Bills	81,264	$65.65	$5,334,988
Demand first 5 kW	406,320	$0.00	$0
Demand additional kW	6,145,512	$6.54	$40,191,652
kWh	2,111,921,912	$0.009685	$20,453,964
Subtotal	2,111,921,912		$65,980,603
Rider 13 Meter Charge	144	$13.21	$1,902
Surcharges			
Retail Market Enhancement, Jan-May, Bills	33,871	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	47,394	$0.00	$0
Smart Meter, Jan-Mar, Meters	23,604	$0.00	$0
Smart Meter, Apr-Jun, Meters	23,604	$0.00	$0
Smart Meter, Jul-Sep, Meters	23,604	$0.00	$0
Smart Meter, Oct-Dec, Meters	23,604	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	845,691,708	$0.00147	$1,240,217
Energy Efficiency, Jun-Dec, kWh (1)	1,266,230,203	$0.00143	$1,806,666
Subtotal			$3,046,882
Transmission			
KW, Jan-May	692,731	$1.85	$1,284,860
KW, Jun-Dec	1,067,627	$1.90	$2,029,422
kWh, Jan-May	228,364,063	$0.005748	$1,312,742
kWh, Jun-Dec	342,473,507	$0.005896	$2,019,074
Subtotal	570,837,570		$6,646,098
Generation, All kWh			
Generation, Jan-Feb	91,279,644	$0.053035	$4,840,978
Generation, Mar-May	137,084,419	$0.053035	$7,270,215
Generation, Jun-Aug	160,797,422	$0.057133	$9,186,822
Generation, Sep-Nov	135,488,639	$0.057133	$7,740,858
Generation, Dec	46,187,446	$0.057133	$2,638,822
Subtotal	570,837,570		$31,677,694
Subtotal Revenue			$107,353,180
Rider 10 - State Tax Adjustment		-0.0080%	($5,798)
Rider 22 - Distribution System Improvement Charge		5.00%	$3,451,469
Total Calculated Revenue			**$110,798,851**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GM>25 - General Service Medium

PROPOSED RATES	Units	Rate	Revenue
Rate GM>25			
Distribution			
Total Bills	81,264	$72.00	$5,851,015
Demand first 5 kW	406,320	$0.00	$0
Demand additional kW	6,145,512	$7.26	$44,616,420
All kWh	2,111,921,912	$0.012516	$26,432,815
Subtotal	2,111,921,912		$76,900,250
Meter Charge	144	$13.21	$1,902
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	33,871	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	47,394	$0.00	$0
Smart Meter, Jan-Mar, Meters	23,604	$0.00	$0
Smart Meter, Apr-Jun, Meters	23,604	$0.00	$0
Smart Meter, Jul-Sep, Meters	23,604	$0.00	$0
Smart Meter, Oct-Dec, Meters	23,604	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	845,691,708	$0.0015	$1,240,217
Energy Efficiency, Jun-Dec, kWh (1)	1,266,230,203	$0.0014	$1,806,666
Subtotal			$3,046,882
Transmission			
KW, Jan-May	692,731	$1.85	$1,284,860
KW, Jun-Dec	1,067,627	$1.90	$2,029,422
kWh, Jan-May	228,364,063	$0.005748	$1,312,742
kWh, Jun-Dec	342,473,507	$0.005896	$2,019,074
Subtotal	570,837,570		$6,646,098
Generation, All kWh			
Generation, Jan-Feb	91,279,644	$0.053035	$4,840,978
Generation, Mar-May	137,084,419	$0.053035	$7,270,215
Generation, Jun-Aug	160,797,422	$0.057133	$9,186,822
Generation, Sep-Nov	135,488,639	$0.057133	$7,740,858
Generation, Dec	46,187,446	$0.057133	$2,638,822
Subtotal	570,837,570		$31,677,694
Subtotal Revenue			$118,272,827
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$118,272,827**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$72,475,059	$6,646,098	$31,677,694	$110,798,851
Proposed Rates	$79,949,035	$6,646,098	$31,677,694	$118,272,827
Revenue Change	$7,473,976	$0	$0	$7,473,976

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GMH<25 - General Service Small Heating

CURRENT RATES	Units	Rate	Revenue
Rate GMH<25			
Distribution			
Total Bills	30,061	$54.50	$1,638,305
Demand first 5 kW, Jun-Sep	40,064	$0.00	$0
Demand additional kW, Jun-Sep	49,138	$6.54	$321,366
kWh, Jun-Sep	17,472,222	$0.013961	$243,930
kWh, Oct-May	40,744,770	$0.029609	$1,206,412
Subtotal	58,216,993		$3,410,013
Surcharges			
Retail Market Enhancement, Jan-May, Bills	12,578	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	17,506	$0.00	$0
Smart Meter, Jan-Mar, Meters	8,098	$0.00	$0
Smart Meter, Apr-Jun, Meters	8,098	$0.00	$0
Smart Meter, Jul-Sep, Meters	8,098	$0.00	$0
Smart Meter, Oct-Dec, Meters	8,098	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	26,029,426	$0.00147	$38,172
Energy Efficiency, Jun-Dec, kWh (1)	32,220,805	$0.00143	$45,973
Subtotal			$84,145
Transmission			
Jan-May, kWh	16,066,554	$0.00505	$81,072
Jun-Dec, kWh	19,882,724	$0.00517	$102,742
Jun-Sep, kW	54,754	$3.38	$185,001
Subtotal	54,754		$368,814
Generation, All kWh			
Generation, Jan-May	16,066,554	$0.053035	$852,083
Generation, Jun-Nov	16,309,691	$0.057133	$931,820
Generation, Dec	3,573,034	$0.057133	$204,138
Subtotal	35,949,279		$1,988,041
Rate GMH<25 & Rider 12			
Distribution			
Total Bills	24	$12.50	$300
kWh Summer, May-Oct	18,009	$0.060233	$1,085
kWh, Winter Nov-Apr	15,229	$0.045677	$696
Subtotal	33,239		$2,080
Transmission, All kWh			
Transmission, Jan-May	7,646	$0.008251	$63
Transmission, Jun-Dec	12,758	$0.008495	$108
Subtotal	20,404		$171
Generation, All kWh			
Generation, Jan-May	7,646	$0.053326	$408
Generation, Jun-Nov	11,414	$0.057447	$656
Generation, Dec	1,344	$0.057447	$77
Subtotal	20,404		$1,141
Subtotal Revenue			$5,854,405
Rider 10 - State Tax Adjustment		-0.0080%	($294)
Rider 22 - Distribution System Improvement Charge		5.00%	$174,812
Total Calculated Revenue			**$6,028,923**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GMH<25 - General Service Small Heating

PROPOSED RATES	Units	Rate	Revenue
Rate GMH<25			
Distribution			
Total Bills	30,061	$60.00	$1,803,639
Demand first 5 kW, Jun-Sep	40,064	$0.00	$0
Demand additional kW, Jun-Sep	49,138	$7.26	$356,745
kWh, Oct-May	40,744,770	$0.035598	$1,450,432
kWh, Jun-Sep	17,472,222	$0.015900	$277,808
Subtotal	58,216,993		$3,888,625
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	12,578	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	17,506	$0.00	$0
Smart Meter, Jan-Mar, Meters	8,098	$0.00	$0
Smart Meter, Apr-Jun, Meters	8,098	$0.00	$0
Smart Meter, Jul-Sep, Meters	8,098	$0.00	$0
Smart Meter, Oct-Dec, Meters	8,098	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	26,029,426	$0.0015	$38,172
Energy Efficiency, Jun-Dec, kWh (1)	32,220,805	$0.0014	$45,973
Subtotal			$84,145
Transmission			
Jan-May, kWh	16,066,554	$0.005046	$81,072
Jun-Dec, kWh	19,882,724	$0.005167	$102,742
Jun-Sep, kW	54,754	$3.38	$185,001
Subtotal	35,949,279		$368,814
Generation, All kWh			
Generation, Jan-May	16,066,554	$0.053035	$852,083
Generation, Jun-Nov	16,309,691	$0.057133	$931,820
Generation, Dec	3,573,034	$0.057133	$204,138
Subtotal	35,949,279		$1,988,041
Rate GMH<25 & Rider 12			
Distribution			
Total Bills	24	$12.50	$300
kWh Winter, Nov-Apr	15,229	$0.060206	$917
kWh Summer, May-Oct	18,009	$0.070993	$1,279
Subtotal	33,239		$2,495
Transmission, All kWh			
Transmission, Jan-May	7,646	$0.008251	$63
Transmission, Jun-Dec	12,758	$0.008495	$108
Subtotal	20,404		$171
Generation, All kWh			
Generation, Jan-May	7,646	$0.053326	$408
Generation, Jun-Nov	11,414	$0.057447	$656
Generation, Dec	1,344	$0.057447	$77
Subtotal	20,404		$1,141
Subtotal Revenue			$6,333,432
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$6,333,432**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$3,670,756	$368,986	$1,989,181	$6,028,923
Proposed Rates	$3,975,266	$368,986	$1,989,181	$6,333,432
Revenue Change	$304,509	$0	$0	$304,509

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GMH>25 - General Service Medium Heating

CURRENT RATES	Units	Rate	Revenue
Rate GMH>25			
Distribution			
Total Bills	7,699	$54.50	$419,580
Demand first 5 kW, Jun-Sep	12,824	$0.00	$0
Demand additional kW, Jun-Sep	137,733	$6.54	$900,777
kWh, Jun-Sep	51,356,286	$0.013961	$716,985
kWh, Oct-May	129,725,263	$0.029609	$3,841,035
Subtotal	181,081,549		$5,878,378
Surcharges			
Retail Market Enhancement, Jan-May, Bills	3,212	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	4,486	$0.00	$0
Smart Meter, Jan-Mar, Meters	2,072	$0.00	$0
Smart Meter, Apr-Jun, Meters	2,072	$0.00	$0
Smart Meter, Jul-Sep, Meters	2,072	$0.00	$0
Smart Meter, Oct-Dec, Meters	2,072	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	84,543,977	$0.00147	$123,985
Energy Efficiency, Jun-Dec, kWh (1)	96,537,572	$0.00143	$137,740
Subtotal			$261,725
Transmission			
Jan-May, kWh	21,145,219	$0.004975	$105,201
Jun-Dec, kWh	24,064,165	$0.005324	$128,124
Jun-Sep, kW	37,037	$6.32	$234,043
Subtotal	37,037		$467,368
Generation, All kWh			
Generation, Jan-Feb	10,531,607	$0.053035	$558,539
Generation, Mar-May	10,613,612	$0.053035	$562,888
Generation, Jun-Aug	9,925,788	$0.057133	$567,089
Generation, Sep-Nov	9,360,812	$0.057133	$534,810
Generation, Dec	4,777,564	$0.057133	$272,956
Subtotal	45,209,383		$2,496,283
Subtotal Revenue			$9,103,754
Rider 10 - State Tax Adjustment		-0.0080%	($516)
Rider 22 - Distribution System Improvement Charge		5.00%	$307,005
Total Calculated Revenue			**$9,410,244**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GMH>25 - General Service Medium Heating

PROPOSED RATES	Units	Rate	Revenue
Rate GMH>25			
Distribution			
Total Bills	7,699	$60.00	$461,923
Demand first 5 kW, Jun-Sep	12,824	$0.00	$0
Demand additional kW, Jun-Sep	137,733	$7.26	$999,945
kWh, Oct-May	129,725,263	$0.035598	$4,617,960
kWh, Jun-Sep	51,356,286	$0.015900	$816,565
Subtotal	181,081,549		$6,896,393
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	3,212	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	4,486	$0.00	$0
Smart Meter, Jan-Mar, Meters	2,072	$0.00	$0
Smart Meter, Apr-Jun, Meters	2,072	$0.00	$0
Smart Meter, Jul-Sep, Meters	2,072	$0.00	$0
Smart Meter, Oct-Dec, Meters	2,072	$0.00	$0
Energy Efficiency, Jan-May, kWh (1)	84,543,977	$0.0015	$123,985
Energy Efficiency, Jun-Dec, kWh (1)	96,537,572	$0.0014	$137,740
Subtotal			$261,725
Transmission			
Jan-May, kWh	21,145,219	$0.004975	$105,201
Jun-Dec, kWh	24,064,165	$0.005324	$128,124
Jun-Sep, kW	37,037	$6.32	$234,043
Subtotal	45,209,383		$467,368
Generation, All kWh			
Generation, Jan-Feb	10,531,607	$0.053035	$558,539
Generation, Mar-May	10,613,612	$0.053035	$562,888
Generation, Jun-Aug	9,925,788	$0.057133	$567,089
Generation, Sep-Nov	9,360,812	$0.057133	$534,810
Generation, Dec	4,777,564	$0.057133	$272,956
Subtotal	45,209,383		$2,496,283
Subtotal Revenue			$10,121,770
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$10,121,770**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$6,446,592	$467,368	$2,496,283	$9,410,244
Proposed Rates	$7,158,119	$467,368	$2,496,283	$10,121,770
Revenue Change	$711,526	$0	$0	$711,526

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GL - General Service Large

CURRENT RATES	Units	Rate	Revenue
Rate GL			
Distribution			
First 300 kW or less	8,837	$3,180.00	$28,101,495
Demand additional kW	4,017,186	$8.41	$33,784,530
All kWh	2,559,510,775	$0.000000	$0
Subtotal	4,017,186		$61,886,025
Untransformed Service Credit			($64,544)
Surcharges			
Retail Market Enhancement, Jan-May, Bills	3,687	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	5,150	$0.00	$0
Smart Meter, Jan-Mar, Meters	2,898	$0.00	$0
Smart Meter, Apr-Jun, Meters	2,898	$0.00	$0
Smart Meter, Jul-Sep, Meters	2,898	$0.00	$0
Smart Meter, Oct-Dec, Meters	2,898	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	3,687	$411.69	$1,517,704
Energy Efficiency, Jan-May, kW (PLC) (1)	2,383,723	$0.36	$858,175
Energy Efficiency, Jun-Dec, Bills (1)	5,150	$404.97	$2,085,752
Energy Efficiency, Jun-Dec, kW (PLC) (1)	3,337,212	$0.34	$1,143,618
Subtotal			$5,605,249
Transmission, 1CP			
KW, Jan-May	117,909	$4.88	$575,955
KW, Jun-Dec	165,073	$5.12	$844,486
Subtotal	282,983		$1,420,441
Generation, All kWh			
Generation	125,035,488	$0.055425	$6,930,125
Subtotal	125,035,488		$6,930,125
Rate GL & Rider 16			
Distribution			
Demand Charge kW	277,609	$2.50	$694,021
Subtotal			$694,021
Subtotal Revenue			$76,471,317
Rider 10 - State Tax Adjustment		-0.0080%	($5,722)
Rider 22 - Distribution System Improvement Charge		5.00%	$3,406,038
Total Calculated Revenue			**$79,871,632**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GL - General Service Large

PROPOSED RATES	Units	Rate	Revenue
Rate GL			
Distribution			
First 300 kW or less	8,837	$3,500.00	$30,929,318
Demand additional kW	4,017,186	$9.80	$39,368,418
Subtotal	4,017,186		$70,297,736
Untransformed Service Credit			($64,544)
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	3,687	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	5,150	$0.00	$0
Smart Meter, Jan-Mar, Meters	2,898	$0.00	$0
Smart Meter, Apr-Jun, Meters	2,898	$0.00	$0
Smart Meter, Jul-Sep, Meters	2,898	$0.00	$0
Smart Meter, Oct-Dec, Meters	2,898	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	3,687	$411.69	$1,517,704
Energy Efficiency, Jan-May, kW (PLC) (1)	2,383,723	$0.36	$858,175
Energy Efficiency, Jun-Dec, Bills (1)	5,150	$404.97	$2,085,752
Energy Efficiency, Jun-Dec, kW (PLC) (1)	3,337,212	$0.34	$1,143,618
Subtotal			$5,605,249
Transmission, 1CP			
KW, Jan-May	117,909	$4.88	$575,955
KW, Jun-Dec	165,073	$5.12	$844,486
Subtotal	282,983		$1,420,441
Generation, All kWh			
Generation	125,035,488	$0.055425	$6,930,125
Subtotal	125,035,488		$6,930,125
Rate GL & Rider 16			
Distribution			
Demand Charge kW	277,609	$3.09	$857,810
Subtotal			$857,810
Subtotal Revenue			$85,046,817
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$85,046,817**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$71,521,066	$1,420,441	$6,930,125	$79,871,632
Proposed Rates	$76,696,251	$1,420,441	$6,930,125	$85,046,817
Revenue Change	$5,175,185	$0	$0	$5,175,185

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GLH - General Service Large Heating

CURRENT RATES	Units	Rate	Revenue
Rate GLH			
Distribution			
Total Bills	705	$67.00	$47,224
First 300 kW or less, Jun-Sep	352	$3,180.00	$1,118,832
Demand additional kW, Jun-Sep	145,707	$8.41	$1,225,395
kWh, Oct-May	215,256,771	$0.023145	$4,982,118
Summer, All kWh	99,272,886	$0.000000	$0
Subtotal	314,529,656		$7,373,569
Untransformed Credit			($3,322)
Surcharges			
Retail Market Enhancement, Jan-May, Bills	442	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	615	$0.00	$0
Smart Meter, Jan-Mar, Meters	345	$0.00	$0
Smart Meter, Apr-Jun, Meters	345	$0.00	$0
Smart Meter, Jul-Sep, Meters	345	$0.00	$0
Smart Meter, Oct-Dec, Meters	345	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	442	$364.10	$160,919
Energy Efficiency, Jan-May, kW (PLC) (1)	312,840	$0.36	$111,166
Energy Efficiency, Jun-Dec, Bills (1)	615	$358.36	$220,283
Energy Efficiency, Jun-Dec, kW (PLC) (1)	437,976	$0.34	$148,141
Subtotal			$640,508
Transmission, 1CP			
KW, Jan-May	28,955	$4.88	$141,435
KW, Jun-Dec	40,536	$5.12	$207,377
Subtotal	69,491		$348,812
Generation, All kWh			
Generation	35,001,437	$0.055425	$1,939,964
Subtotal	35,001,437		$1,939,964
Subtotal Revenue			$10,299,531
Rider 10 - State Tax Adjustment		-0.0080%	($673)
Rider 22 - Distribution System Improvement Charge		5.00%	$400,538
Total Calculated Revenue			**$10,699,396**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate GLH - General Service Large Heating

PROPOSED RATES	Units	Rate	Revenue
Rate GLH			
Distribution			
Total Bills	705	$73.50	$51,805
First 300 kW or less, Jun-Sep	352	$3,500.00	$1,231,419
Demand additional kW, Jun-Sep	145,707	$9.80	$1,427,928
All kWh Oct-May	215,256,771	$0.027660	$5,954,002
Subtotal	215,256,771		$8,665,155
Untransformed Credit			($3,322)
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	442	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	615	$0.00	$0
Smart Meter, Jan-Mar, Meters	345	$0.00	$0
Smart Meter, Apr-Jun, Meters	345	$0.00	$0
Smart Meter, Jul-Sep, Meters	345	$0.00	$0
Smart Meter, Oct-Dec, Meters	345	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	442	$364.10	$160,919
Energy Efficiency, Jan-May, kW (PLC) (1)	312,840	$0.36	$111,166
Energy Efficiency, Jun-Dec, Bills (1)	615	$358.36	$220,283
Energy Efficiency, Jun-Dec, kW (PLC) (1)	437,976	$0.34	$148,141
Subtotal			$640,508
Transmission, 1CP			
KW, Jan-May	28,955	$4.88	$141,435
KW, Jun-Dec	40,536	$5.12	$207,377
Subtotal	69,491		$348,812
Generation, All kWh			
Generation	35,001,437	$0.055425	$1,939,964
Subtotal	35,001,437		$1,939,964
Subtotal Revenue			$11,591,116
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$11,591,116**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$8,410,620	$348,812	$1,939,964	$10,699,396
Proposed Rates	$9,302,340	$348,812	$1,939,964	$11,591,116
Revenue Change	$891,720	$0	$0	$891,720

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate L - Large Power Service

CURRENT RATES	Units	Rate	Revenue
Rate L			
Distribution			
First 5,000 kW or less	241	$34,900.00	$8,396,940
Demand additional kW	769,231	$13.12	$10,092,314
All kWh	937,896,579	$0.000000	$0
Subtotal	769,231		$18,489,254
Untransformed Service Credit			($216,861)
Surcharges			
Retail Market Enhancement, Jan-May, Bills	100	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	140	$0.00	$0
Smart Meter, Jan-Mar, Meters	156	$0.00	$0
Smart Meter, Apr-Jun, Meters	156	$0.00	$0
Smart Meter, Jul-Sep, Meters	156	$0.00	$0
Smart Meter, Oct-Dec, Meters	156	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	100	$399.33	$40,033
Energy Efficiency, Jan-May, kW (PLC) (1)	849,408	$0.36	$304,769
Energy Efficiency, Jun-Dec, Bills (1)	140	$392.86	$55,138
Energy Efficiency, Jun-Dec, kW (PLC) (1)	1,189,171	$0.34	$406,140
Subtotal			$806,080
Transmission, 1CP			
KW, Jan-May	0	$4.88	$0
KW, Jun-Dec	0	$5.12	$0
Subtotal	0		$0
Generation, All kWh			
Generation	0	$0.055425	$0
Subtotal	0		$0
Subtotal Revenue			$19,078,473
Rider 10 - State Tax Adjustment		-0.0080%	($1,603)
Rider 22 - Distribution System Improvement Charge		5.00%	$953,924
Total Calculated Revenue			**$20,030,794**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate L - Large Power Service

PROPOSED RATES	Units	Rate	Revenue
Rate L			
Distribution			
First 5,000 kW or less	241	$39,174.00	$9,425,264
Demand additional kW	769,231	$15.68	$12,061,546
Subtotal	769,231		$21,486,810
Untransformed Service Credit			($216,861)
EV Fleet CaaS	0	$0.00	$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	100	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	140	$0.00	$0
Smart Meter, Jan-Mar, Meters	156	$0.00	$0
Smart Meter, Apr-Jun, Meters	156	$0.00	$0
Smart Meter, Jul-Sep, Meters	156	$0.00	$0
Smart Meter, Oct-Dec, Meters	156	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	100	$399.33	$40,033
Energy Efficiency, Jan-May, kW (PLC) (1)	849,408	$0.36	$304,769
Energy Efficiency, Jun-Dec, Bills (1)	140	$392.86	$55,138
Energy Efficiency, Jun-Dec, kW (PLC) (1)	1,189,171	$0.34	$406,140
Subtotal			$806,080
Transmission, 1CP			
KW, Jan-May	0	$4.88	$0
KW, Jun-Dec	0	$5.12	$0
Subtotal	0		$0
Generation, All kWh			
Generation	0	$0.055425	$0
Subtotal	0		$0
Subtotal Revenue			$22,076,029
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$22,076,029**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$20,030,794	$0	$0	$20,030,794
Proposed Rates	$22,076,029	$0	$0	$22,076,029
Revenue Change	$2,045,235	$0	$0	$2,045,235

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate HVPS - High Voltage Power Service

CURRENT RATES	Units	Rate	Revenue
Rate HVPS			
Distribution			
Demand first 50,000 kW	84	$2,050.31	$172,226
Demand 50,001-100,000 kW	12	$3,202.72	$38,433
Demand >100,000 kW	12	$4,541.96	$54,504
Total kWh	1,213,146,604	$0.000000	$0
Subtotal	108		$265,162
Untransformed Service Credit			$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	45	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	63	$0.00	$0
Smart Meter, Jan-Mar, Meters	33	$0.00	$0
Smart Meter, Apr-Jun, Meters	33	$0.00	$0
Smart Meter, Jul-Sep, Meters	33	$0.00	$0
Smart Meter, Oct-Dec, Meters	33	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	45	$657.10	$29,570
Energy Efficiency, Jan-May, kW (PLC) (1)	935,312	$0.38	$359,256
Energy Efficiency, Jun-Dec, Bills (1)	63	$645.34	$40,657
Energy Efficiency, Jun-Dec, kW (PLC) (1)	1,309,437	$0.37	$478,750
Subtotal			$908,232
Transmission, 1CP			
KW, Jan-May	0	$4.88	$0
KW, Jun-Dec	0	$5.12	$0
Subtotal	0		$0
Generation, All kWh			
Generation	0	$0.055425	$0
Subtotal	0		$0
Subtotal Revenue			$1,173,395
Rider 10 - State Tax Adjustment		-0.0080%	($99)
Rider 22 - Distribution System Improvement Charge		5.00%	$58,670
Total Calculated Revenue			**$1,231,966**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate HVPS - High Voltage Power Service

PROPOSED RATES	Units	Rate	Revenue
Rate HVPS			
Distribution			
Demand first 50,000 kW	84	$2,503.20	$210,269
Demand 50,001-100,000 kW	12	$3,910.16	$46,922
Demand >100,000 kW	12	$5,545.23	$66,543
Subtotal	108		$323,733
Untransformed Service Credit			$0
Surcharges			
Retail Market Enhancement, Jan-May, Bills	45	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	63	$0.00	$0
Smart Meter, Jan-Mar, Meters	33	$0.00	$0
Smart Meter, Apr-Jun, Meters	33	$0.00	$0
Smart Meter, Jul-Sep, Meters	33	$0.00	$0
Smart Meter, Oct-Dec, Meters	33	$0.00	$0
Energy Efficiency, Jan-May, Bills (1)	45	$657.10	$29,570
Energy Efficiency, Jan-May, kW (PLC) (1)	935,312	$0.38	$359,256
Energy Efficiency, Jun-Dec, Bills (1)	63	$645.34	$40,657
Energy Efficiency, Jun-Dec, kW (PLC) (1)	1,309,437	$0.37	$478,750
Subtotal			$908,232
Transmission, 1CP			
KW, Jan-May	0	$4.88	$0
KW, Jun-Dec	0	$5.12	$0
Subtotal	0		$0
Generation, All kWh			
Generation	0	$0.055425	$0
Subtotal	0		$0
Subtotal Revenue			$1,231,966
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$1,231,966**

1/ Energy Efficiency surcharge is a weighted rate for calculation purposes based on commercial and industrial sales.

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$1,231,966	$0	$0	$1,231,966
Proposed Rates	$1,231,966	$0	$0	$1,231,966
Revenue Change	$0	$0	$0	$0

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate UMS - Unmetered Service

CURRENT RATES	Units	Rate	Revenue
Rate UMS			
Distribution			
Total Bills	67,561	$10.00	$675,606
kWh	21,127,282	$0.018171	$383,904
Subtotal	21,127,282		$1,059,510
Surcharges			
Retail Market Enhancement, Jan-May, Bills	28,175	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	39,385	$0.00	$0
Subtotal	67,561		$0
Transmission			
Transmission, kWh Jan-May	1,346,156	$0.003625	$4,879
Transmission, kWh Jun-Dec	1,903,678	$0.003965	$7,549
Transmission, 1CP Jan-May	2,103	$2.44	$5,135
Transmission, 1CP Jun-Dec	2,944	$2.56	$7,529
Subtotal	3,249,834		$25,092
Generation, All kWh			
Generation, Jan-May	1,346,156	$0.053326	$71,785
Generation, Jun-Nov	1,627,165	$0.057447	$93,476
Generation, Dec	276,513	$0.057447	$15,885
Subtotal	3,249,834		$181,146
Subtotal Revenue			$1,265,748
Rider 10 - State Tax Adjustment		-0.0080%	($89)
Rider 22 - Distribution System Improvement Charge		5.00%	$52,975
Total Calculated Revenue			**$1,318,635**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate UMS - Unmetered Service

PROPOSED RATES	Units	Rate	Revenue
Rate UMS			
Distribution			
Total Bills	67,561	$11.00	$743,166
Total kWh	21,127,282	$0.023582	$498,224
Subtotal	21,127,282		$1,241,390
Surcharges			
Retail Market Enhancement, Jan-May, Bills	28,175	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	39,385	$0.00	$0
Subtotal			$0
Transmission			
Transmission, kWh Jan-May	1,346,156	$0.003625	$4,879
Transmission, kWh Jun-Dec	1,903,678	$0.003965	$7,549
Transmission, 1CP Jan-May	2,103	$2.44	$5,135
Transmission, 1CP Jun-Dec	2,944	$2.56	$7,529
Subtotal	3,249,834		$25,092
Generation, All kWh			
Generation, Jan-May	1,346,156	$0.053326	$71,785
Generation, Jun-Nov	1,627,165	$0.057447	$93,476
Generation, Dec	276,513	$0.057447	$15,885
Subtotal	3,249,834		$181,146
Subtotal Revenue			$1,447,629
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$1,447,629**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$1,112,396	$25,092	$181,146	$1,318,635
Proposed Rates	$1,241,390	$25,092	$181,146	$1,447,629
Revenue Change	$128,994	$0	$0	$128,994

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SE - Street Lighting Energy

CURRENT RATES	Units	Rate	Revenue
Rate SE			
Distribution			
Total Bills	12	$0.00	$0
Total Fixtures	486,528	$2.92	$1,420,662
All kWh	24,591,733	$0.00000	$0
Subtotal	486,528		$1,420,662
Surcharges			
Retail Market Enhancement, Jan-May, Bills	5	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	7	$0.00	$0
Subtotal	12		$0
Transmission, All kWh			
Transmission, Jan-May	0	$0.000000	$0
Transmission, Jun-Dec	0	$0.000000	$0
Subtotal	0		$0
Generation, All kWh			
Generation, Jan-May	0	$0.031868	$0
Generation, Jun-Nov	0	$0.034331	$0
Generation, Dec	0	$0.034331	$0
Subtotal	0		$0
Subtotal Revenue			$1,420,662
Rider 10 - State Tax Adjustment		-0.0080%	($119)
Rider 22 - Distribution System Improvement Charge		5.00%	$71,033
Total Calculated Revenue			**$1,491,576**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SE - Street Lighting Energy

PROPOSED RATES	Units	Rate	Revenue
Rate SE			
Distribution			
Total Fixtures	486,528	$3.15	$1,532,563
Subtotal	486,528		$1,532,563
Surcharges			
Retail Market Enhancement, Jan-May, Bills	5	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	7	$0.00	$0
Subtotal	12		$0
Transmission, All kWh			
Transmission, Jan-May	0	$0.000000	$0
Transmission, Jun-Dec	0	$0.000000	$0
Subtotal	0		$0
Generation, All kWh			
Generation, Jan-May	0	$0.031868	$0
Generation, Jun-Nov	0	$0.034331	$0
Generation, Dec	0	$0.034331	$0
Subtotal	0		$0
Subtotal Revenue			$1,532,563
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$1,532,563**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$1,491,576	$0	$0	$1,491,576
Proposed Rates	$1,532,563	$0	$0	$1,532,563
Revenue Change	$40,988	$0	$0	$40,988

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate AL - Architectural Lighting Service

CURRENT RATES	Units	Rate	Revenue
Rate AL			
Distribution			
Total Bills	36	$8.00	$288
kWh	109,708	$0.002110	$231
All kW	336	$1.59	$534
Subtotal	109,708		$1,054
Surcharges			
Retail Market Enhancement, Jan-May, Bills	15	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	21	$0.00	$0
Smart Meter, Jan-Mar, Meters	9	$0.00	$0
Smart Meter, Apr-Jun, Meters	9	$0.00	$0
Smart Meter, Jul-Sep, Meters	9	$0.00	$0
Smart Meter, Oct-Dec, Meters	9	$0.00	$0
Subtotal			$0
Transmission, All kWh			
Transmission, Jan-May	4,054	$0.009528	$39
Transmission, Jun-Dec	5,528	$0.010501	$58
Subtotal	9,582		$97
Generation, All kWh			
Generation, Jan-May	4,054	$0.031868	$129
Generation, Jun-Nov	4,536	$0.034331	$156
Generation, Dec	993	$0.034331	$34
Subtotal	9,582		$319
Subtotal Revenue			$1,469
Rider 10 - State Tax Adjustment		-0.0080%	($0)
Rider 22 - Distribution System Improvement Charge		5.00%	$53
Total Calculated Revenue			**$1,522**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate AL - Architectural Lighting Service

PROPOSED RATES	Units	Rate	Revenue
Rate AL			
Distribution			
Total Bills	36	$8.00	$288
All kWh	109,708	$0.002319	$254
All kW	336	$1.77	$595
Subtotal	109,708		$1,137
Surcharges			
Retail Market Enhancement, Jan-May, Bills	15	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	21	$0.00	$0
Smart Meter, Jan-Mar, Meters	9	$0.00	$0
Smart Meter, Apr-Jun, Meters	9	$0.00	$0
Smart Meter, Jul-Sep, Meters	9	$0.00	$0
Smart Meter, Oct-Dec, Meters	9	$0.00	$0
Subtotal			$0
Transmission, All kWh			
Transmission, Jan-May	4,054	$0.009528	$39
Transmission, Jun-Dec	5,528	$0.010501	$58
Subtotal	9,582		$97
Generation, All kWh			
Generation, Jan-May	4,054	$0.031868	$129
Generation, Jun-Nov	4,536	$0.034331	$156
Generation, Dec	993	$0.034331	$34
Subtotal	9,582		$319
Subtotal Revenue			$1,553
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$1,553**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$1,106	$97	$319	$1,522
Proposed Rates	$1,137	$97	$319	$1,553
Revenue Change	$31	$0	$0	$31

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate PAL - Private Area Lighting

CURRENT RATES	Units	Rate	Revenue
Rate PAL			
Distribution			
PAL High Pressure Sodium 70W	8,820	$13.11	$115,630
PAL High Pressure Sodium 100W	1,992	$13.21	$26,314
PAL High Pressure Sodium 150W	3,396	$13.40	$45,506
PAL High Pressure Sodium 250W	4,308	$13.75	$59,235
PAL High Pressure Sodium 400W	2,220	$14.30	$31,746
PAL Flood Lighting 100W	1,500	$13.11	$19,665
PAL Flood Lighting 250W	2,316	$13.72	$31,776
PAL Flood Lighting 400W	5,040	$14.34	$72,274
PAL LED Cobra Head 45W	96	$13.01	$1,249
PAL LED Cobra Head 60W	36	$13.52	$487
PAL LED Cobra Head 95W	84	$13.99	$1,175
PAL LED Cobra Head 139W	0	$15.08	$0
PAL LED Cobra Head 219W	0	$17.54	$0
PAL LED Cobra Head 275W	0	$19.24	$0
PAL LED Colonial 48W	0	$12.18	$0
PAL LED Colonial 83W	0	$12.18	$0
PAL LED Contemporary 47W	0	$14.19	$0
PAL LED Contemporary 62W	0	$14.19	$0
PAL Customer Owned & Maintained	1,752	$2.71	$4,748
Pole Fee	540	$10.32	$5,573
Subtotal	31,560		$415,378
Surcharges			
Retail Market Enhancement, Jan-May, Bills	3,870	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	5,418	$0.00	$0
Subtotal	9,288		$0
Transmission, Jan-May			
PAL High Pressure Sodium 70W	2,707	$0.00	$0
PAL High Pressure Sodium 100W	602	$0.01	$6
PAL High Pressure Sodium 150W	1,172	$0.01	$12
PAL High Pressure Sodium 250W	1,306	$0.01	$13
PAL High Pressure Sodium 400W	671	$0.02	$13
PAL Flood Lighting 100W	457	$0.00	$0
PAL Flood Lighting 250W	1,020	$0.00	$0
PAL Flood Lighting 400W	1,539	$0.00	$0
PAL LED Cobra Head 45W	29	$0.00	$0
PAL LED Cobra Head 60W	15	$0.00	$0
PAL LED Cobra Head 95W	25	$0.00	$0
PAL LED Cobra Head 139W	-	$0.00	$0
PAL LED Cobra Head 219W	-	$0.00	$0
PAL LED Cobra Head 275W	-	$0.00	$0
PAL LED Colonial 48W	-	$0.00	$0
PAL LED Colonial 83W	-	$0.00	$0
PAL LED Contemporary 47W	-	$0.00	$0
PAL LED Contemporary 62W	-	$0.00	$0
Subtotal	9,544		$44
Transmission, Jun-Dec			
PAL High Pressure Sodium 70W	3,790	$0.00	$0
PAL High Pressure Sodium 100W	843	$0.00	$0
PAL High Pressure Sodium 150W	1,641	$0.00	$0
PAL High Pressure Sodium 250W	1,829	$0.00	$0
PAL High Pressure Sodium 400W	940	$0.00	$0
PAL Flood Lighting 100W	640	$0.00	$0
PAL Flood Lighting 250W	1,428	$0.00	$0
PAL Flood Lighting 400W	2,154	$0.00	$0
PAL LED Cobra Head 45W	41	$0.00	$0
PAL LED Cobra Head 60W	20	$0.00	$0
PAL LED Cobra Head 95W	36	$0.00	$0
PAL LED Cobra Head 139W	0	$0.00	$0
PAL LED Cobra Head 219W	0	$0.00	$0
PAL LED Cobra Head 275W	0	$0.00	$0
PAL LED Colonial 48W	0	$0.00	$0
PAL LED Colonial 83W	0	$0.00	$0
PAL LED Contemporary 47W	0	$0.00	$0
PAL LED Contemporary 62W	0	$0.00	$0
Subtotal	13,362		$0

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate PAL - Private Area Lighting

CURRENT RATES	Units	Rate	Revenue
Generation, Jan-May			
PAL High Pressure Sodium 70W	2,707	$0.92	$2,491
PAL High Pressure Sodium 100W	602	$1.59	$958
PAL High Pressure Sodium 150W	1,172	$2.26	$2,649
PAL High Pressure Sodium 250W	1,306	$3.51	$4,586
PAL High Pressure Sodium 400W	671	$5.42	$3,639
PAL Flood Lighting 100W	457	$1.47	$672
PAL Flood Lighting 250W	1,020	$3.19	$3,253
PAL Flood Lighting 400W	1,539	$4.94	$7,601
PAL LED Cobra Head 45W	29	$0.51	$15
PAL LED Cobra Head 60W	15	$0.67	$10
PAL LED Cobra Head 95W	25	$1.08	$27
PAL LED Cobra Head 139W	0	$1.56	$0
PAL LED Cobra Head 219W	0	$2.45	$0
PAL LED Cobra Head 275W	0	$3.09	$0
PAL LED Colonial 48W	0	$0.54	$0
PAL LED Colonial 83W	0	$0.92	$0
PAL LED Contemporary 47W	0	$0.54	$0
PAL LED Contemporary 62W	0	$0.70	$0
Subtotal	9,544		$25,900
Generation, Jun-Nov			
PAL High Pressure Sodium 70W	3,249	$1.00	$3,249
PAL High Pressure Sodium 100W	723	$1.72	$1,243
PAL High Pressure Sodium 150W	1,407	$2.44	$3,432
PAL High Pressure Sodium 250W	1,568	$3.78	$5,926
PAL High Pressure Sodium 400W	806	$5.84	$4,705
PAL Flood Lighting 100W	549	$1.58	$867
PAL Flood Lighting 250W	1,224	$3.43	$4,197
PAL Flood Lighting 400W	1,846	$5.32	$9,823
PAL LED Cobra Head 45W	35	$0.55	$19
PAL LED Cobra Head 60W	17	$0.72	$13
PAL LED Cobra Head 95W	30	$1.17	$36
PAL LED Cobra Head 139W	0	$1.68	$0
PAL LED Cobra Head 219W	0	$2.64	$0
PAL LED Cobra Head 275W	0	$3.33	$0
PAL LED Colonial 48W	0	$0.58	$0
PAL LED Colonial 83W	0	$1.00	$0
PAL LED Contemporary 47W	0	$0.58	$0
PAL LED Contemporary 62W	0	$0.76	$0
Subtotal	11,453		$33,509
Generation, Dec			
PAL High Pressure Sodium 70W	541	$1.00	$541
PAL High Pressure Sodium 100W	120	$1.72	$207
PAL High Pressure Sodium 150W	234	$2.44	$572
PAL High Pressure Sodium 250W	261	$3.78	$988
PAL High Pressure Sodium 400W	134	$5.84	$784
PAL Flood Lighting 100W	91	$1.58	$144
PAL Flood Lighting 250W	204	$3.43	$700
PAL Flood Lighting 400W	308	$5.32	$1,637
PAL LED Cobra Head 45W	6	$0.55	$3
PAL LED Cobra Head 60W	3	$0.72	$2
PAL LED Cobra Head 95W	5	$1.17	$6
PAL LED Cobra Head 139W	0	$1.68	$0
PAL LED Cobra Head 219W	0	$2.64	$0
PAL LED Cobra Head 275W	0	$3.33	$0
PAL LED Colonial 48W	0	$0.58	$0
PAL LED Colonial 83W	0	$1.00	$0
PAL LED Contemporary 47W	0	$0.58	$0
PAL LED Contemporary 62W	0	$0.76	$0
Subtotal	1,909		$5,585
Subtotal Revenue			$480,416
Rider 10 - State Tax Adjustment		-0.0080%	($35)
Rider 22 - Distribution System Improvement Charge		5.00%	$20,769
Total Calculated Revenue			**$501,150**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate PAL - Private Area Lighting

PROPOSED RATES	Units	Rate	Revenue
Rate PAL			
Distribution			
PAL High Pressure Sodium 70W	8,820	$14.31	$126,214
PAL High Pressure Sodium 100W	1,992	$14.42	$28,725
PAL High Pressure Sodium 150W	3,396	$14.63	$49,683
PAL High Pressure Sodium 250W	4,308	$15.01	$64,663
PAL High Pressure Sodium 400W	2,220	$15.61	$34,654
PAL Flood Lighting 100W	1,500	$14.31	$21,465
PAL Flood Lighting 250W	2,316	$14.98	$34,694
PAL Flood Lighting 400W	5,040	$15.65	$78,876
PAL LED Cobra Head 30W	0	$12.60	$0
PAL LED Cobra Head 45W	96	$12.60	$1,210
PAL LED Cobra Head 60W	36	$13.01	$468
PAL LED Cobra Head 95W	84	$14.35	$1,205
PAL LED Cobra Head 139W	0	$15.00	$0
PAL LED Cobra Head 219W	0	$15.27	$0
PAL LED Colonial 20W	0	$16.48	$0
PAL LED Colonial 45W	0	$16.82	$0
PAL LED Contemporary 40W	0	$15.22	$0
PAL LED Contemporary 55W	0	$15.22	$0
PAL Customer Owned & Maintained	1,752	$2.96	$5,186
Pole Fee	540	$11.26	$6,080
Subtotal	31,560		$453,124
Surcharges			
Retail Market Enhancement, Jan-May, Bills	3,870	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	5,418	$0.00	$0
Subtotal	9,288		$0
Transmission, Jan-May			
PAL High Pressure Sodium 70W	2,707	$0.00	$0
PAL High Pressure Sodium 100W	602	$0.01	$6
PAL High Pressure Sodium 150W	1,172	$0.01	$12
PAL High Pressure Sodium 250W	1,306	$0.01	$13
PAL High Pressure Sodium 400W	671	$0.02	$13
PAL Flood Lighting 100W	457	$0.00	$0
PAL Flood Lighting 250W	1,020	$0.00	$0
PAL Flood Lighting 400W	1,539	$0.00	$0
PAL LED Cobra Head 30W	0	$0.00	$0
PAL LED Cobra Head 45W	29	$0.00	$0
PAL LED Cobra Head 60W	15	$0.00	$0
PAL LED Cobra Head 95W	25	$0.00	$0
PAL LED Cobra Head 139W	0	$0.00	$0
PAL LED Cobra Head 219W	0	$0.00	$0
PAL LED Colonial 20W	0	$0.00	$0
PAL LED Colonial 45W	0	$0.00	$0
PAL LED Contemporary 40W	0	$0.00	$0
PAL LED Contemporary 55W	0	$0.00	$0
Subtotal	9,544		$44
Transmission, Jun-Dec			
PAL High Pressure Sodium 70W	3,790	$0.00	$0
PAL High Pressure Sodium 100W	843	$0.00	$0
PAL High Pressure Sodium 150W	1,641	$0.00	$0
PAL High Pressure Sodium 250W	1,829	$0.00	$0
PAL High Pressure Sodium 400W	940	$0.00	$0
PAL Flood Lighting 100W	640	$0.00	$0
PAL Flood Lighting 250W	1,428	$0.00	$0
PAL Flood Lighting 400W	2,154	$0.00	$0
PAL LED Cobra Head 30W	0	$0.00	$0
PAL LED Cobra Head 45W	41	$0.00	$0
PAL LED Cobra Head 60W	20	$0.00	$0
PAL LED Cobra Head 95W	36	$0.00	$0
PAL LED Cobra Head 139W	0	$0.00	$0
PAL LED Cobra Head 219W	0	$0.00	$0
PAL LED Colonial 20W	0	$0.00	$0
PAL LED Colonial 45W	0	$0.00	$0
PAL LED Contemporary 40W	0	$0.00	$0
PAL LED Contemporary 55W	0	$0.00	$0
Subtotal	13,362		$0

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate PAL - Private Area Lighting

PROPOSED RATES	Units	Rate	Revenue
Generation, Jan-May			
PAL High Pressure Sodium 70W	2,707	$0.92	$2,491
PAL High Pressure Sodium 100W	602	$1.59	$958
PAL High Pressure Sodium 150W	1,172	$2.26	$2,649
PAL High Pressure Sodium 250W	1,306	$3.51	$4,586
PAL High Pressure Sodium 400W	671	$5.42	$3,639
PAL Flood Lighting 100W	457	$1.47	$672
PAL Flood Lighting 250W	1,020	$3.19	$3,253
PAL Flood Lighting 400W	1,539	$4.94	$7,601
PAL LED Cobra Head 30W	0	$0.51	$0
PAL LED Cobra Head 45W	29	$0.51	$15
PAL LED Cobra Head 60W	15	$0.67	$10
PAL LED Cobra Head 95W	25	$1.08	$27
PAL LED Cobra Head 139W	0	$1.56	$0
PAL LED Cobra Head 219W	0	$2.45	$0
PAL LED Colonial 20W	0	$0.54	$0
PAL LED Colonial 45W	0	$0.92	$0
PAL LED Contemporary 40W	0	$0.54	$0
PAL LED Contemporary 55W	0	$0.70	$0
Subtotal	9,544		$25,900
Generation, Jun-Nov			
PAL High Pressure Sodium 70W	3,249	$1.00	$3,249
PAL High Pressure Sodium 100W	723	$1.72	$1,243
PAL High Pressure Sodium 150W	1,407	$2.44	$3,432
PAL High Pressure Sodium 250W	1,568	$3.78	$5,926
PAL High Pressure Sodium 400W	806	$5.84	$4,705
PAL Flood Lighting 100W	549	$1.58	$867
PAL Flood Lighting 250W	1,224	$3.43	$4,197
PAL Flood Lighting 400W	1,846	$5.32	$9,823
PAL LED Cobra Head 30W	0	$0.55	$0
PAL LED Cobra Head 45W	35	$0.55	$19
PAL LED Cobra Head 60W	17	$0.72	$13
PAL LED Cobra Head 95W	30	$1.17	$36
PAL LED Cobra Head 139W	0	$1.68	$0
PAL LED Cobra Head 219W	0	$2.64	$0
PAL LED Colonial 20W	0	$0.58	$0
PAL LED Colonial 45W	0	$1.00	$0
PAL LED Contemporary 40W	0	$0.58	$0
PAL LED Contemporary 55W	0	$0.76	$0
Subtotal	11,453		$33,509
Generation, Dec			
PAL High Pressure Sodium 70W	541	$1.00	$541
PAL High Pressure Sodium 100W	120	$1.72	$207
PAL High Pressure Sodium 150W	234	$2.44	$572
PAL High Pressure Sodium 250W	261	$3.78	$988
PAL High Pressure Sodium 400W	134	$5.84	$784
PAL Flood Lighting 100W	91	$1.58	$144
PAL Flood Lighting 250W	204	$3.43	$700
PAL Flood Lighting 400W	308	$5.32	$1,637
PAL LED Cobra Head 30W	0	$0.55	$0
PAL LED Cobra Head 45W	6	$0.55	$3
PAL LED Cobra Head 60W	3	$0.72	$2
PAL LED Cobra Head 95W	5	$1.17	$6
PAL LED Cobra Head 139W	0	$1.68	$0
PAL LED Cobra Head 219W	0	$2.64	$0
PAL LED Colonial 20W	0	$0.58	$0
PAL LED Colonial 45W	0	$1.00	$0
PAL LED Contemporary 40W	0	$0.58	$0
PAL LED Contemporary 55W	0	$0.76	$0
Subtotal	1,909		$5,585
Subtotal Revenue			$518,163
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$518,163**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$436,112	$44	$64,994	$501,150
Proposed Rates	$453,124	$44	$64,994	$518,163
Revenue Change	$17,012	$0	$0	$17,012

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SM - Street Lighting Municipal

CURRENT RATES	Units	Rate	Revenue
Rate SM			
Distribution			
SM Sodium Vapor 70W	437,532	$13.11	$5,736,045
SM Sodium Vapor 100W	53,556	$13.21	$707,475
SM Sodium Vapor 150W	61,416	$13.40	$822,974
SM Sodium Vapor 250W	14,748	$13.75	$202,785
SM Sodium Vapor 400W	2,568	$14.30	$36,722
SM Sodium Vapor 1,000W	60	$16.44	$986
SM Mercury Vapor 100W	3,420	$12.69	$43,400
SM Mercury Vapor 175W	9,060	$12.95	$117,327
SM Mercury Vapor 250W	1,440	$13.20	$19,008
SM Mercury Vapor 400W	984	$13.73	$13,510
SM Mercury Vapor 1,000W	0	$15.79	$0
SM LED Cobra Head 45W	54,996	$13.01	$715,498
SM LED Cobra Head 60W	4,524	$13.52	$61,164
SM LED Cobra Head 95W	31,908	$13.99	$446,393
SM LED Cobra Head 139W	144	$15.08	$2,172
SM LED Cobra Head 219W	0	$17.54	$0
SM LED Cobra Head 275W	0	$19.24	$0
SM LED Colonial 48W	0	$12.18	$0
SM LED Colonial 83W	0	$12.18	$0
SM LED Contemporary 47W	24	$14.19	$341
SM LED Contemporary 62W	120	$14.19	$1,703
SM Customer Owned & Maintinated	0	$2.71	$0
Poles	4,536	$10.32	$46,812
Subtotal	676,500		$8,974,314
Surcharges			
Retail Market Enhancement, Jan-May, Bills	870	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	1,218	$0.00	$0
Subtotal	2,088		$0
Transmission, Jan-May			
SM Sodium Vapor 70W	58,552	$0.00	$0
SM Sodium Vapor 100W	7,167	$0.00	$0
SM Sodium Vapor 150W	8,219	$0.00	$0
SM Sodium Vapor 250W	1,974	$0.00	$0
SM Sodium Vapor 400W	344	$0.00	$0
SM Sodium Vapor 1,000W	8	$0.00	$0
SM Mercury Vapor 100W	458	$0.00	$0
SM Mercury Vapor 175W	1,212	$0.00	$0
SM Mercury Vapor 250W	193	$0.00	$0
SM Mercury Vapor 400W	132	$0.00	$0
SM Mercury Vapor 1,000W	0	$0.00	$0
SM LED Cobra Head 45W	7,360	$0.00	$0
SM LED Cobra Head 60W	605	$0.00	$0
SM LED Cobra Head 95W	0	$0.00	$0
SM LED Cobra Head 139W	0	$0.00	$0
SM LED Cobra Head 219W	0	$0.00	$0
SM LED Cobra Head 275W	0	$0.00	$0
SM LED Colonial 48W	0	$0.00	$0
SM LED Colonial 83W	0	$0.00	$0
SM LED Contemporary 47W	0	$0.00	$0
SM LED Contemporary 62W	0	$0.00	$0
Subtotal	86,223		$0
Transmission, Jun-Dec			
SM Sodium Vapor 70W	81,973	$0.00	$0
SM Sodium Vapor 100W	10,034	$0.00	$0
SM Sodium Vapor 150W	11,506	$0.00	$0
SM Sodium Vapor 250W	2,763	$0.00	$0
SM Sodium Vapor 400W	481	$0.00	$0
SM Sodium Vapor 1,000W	11	$0.00	$0
SM Mercury Vapor 100W	641	$0.00	$0
SM Mercury Vapor 175W	1,697	$0.00	$0
SM Mercury Vapor 250W	270	$0.00	$0
SM Mercury Vapor 400W	184	$0.00	$0
SM Mercury Vapor 1,000W	0	$0.00	$0
SM LED Cobra Head 45W	10,304	$0.00	$0
SM LED Cobra Head 60W	848	$0.00	$0
SM LED Cobra Head 95W	0	$0.00	$0
SM LED Cobra Head 139W	0	$0.00	$0
SM LED Cobra Head 219W	0	$0.00	$0
SM LED Cobra Head 275W	0	$0.00	$0
SM LED Colonial 48W	0	$0.00	$0
SM LED Colonial 83W	0	$0.00	$0
SM LED Contemporary 47W	0	$0.00	$0
SM LED Contemporary 62W	0	$0.00	$0
Subtotal	120,712		$0

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SM - Street Lighting Municipal

CURRENT RATES	Units	Rate	Revenue
Generation, Jan-May			
SM Sodium Vapor 70W	58,552	$0.92	$53,868
SM Sodium Vapor 100W	7,167	$1.59	$11,396
SM Sodium Vapor 150W	8,219	$2.26	$18,575
SM Sodium Vapor 250W	1,974	$3.51	$6,927
SM Sodium Vapor 400W	344	$5.42	$1,863
SM Sodium Vapor 1,000W	8	$12.33	$99
SM Mercury Vapor 100W	458	$1.40	$641
SM Mercury Vapor 175W	1,212	$2.36	$2,861
SM Mercury Vapor 250W	193	$3.25	$626
SM Mercury Vapor 400W	132	$5.13	$676
SM Mercury Vapor 1,000W	0	$12.30	$0
SM LED Cobra Head 45W	7,360	$0.51	$3,753
SM LED Cobra Head 60W	605	$0.67	$406
SM LED Cobra Head 95W	0	$1.08	$0
SM LED Cobra Head 139W	0	$1.56	$0
SM LED Cobra Head 219W	0	$2.45	$0
SM LED Cobra Head 275W	0	$3.09	$0
SM LED Colonial 48W	0	$0.54	$0
SM LED Colonial 83W	0	$0.92	$0
SM LED Contemporary 47W	0	$0.54	$0
SM LED Contemporary 62W	0	$0.70	$0
Subtotal	86,223		$101,691
Generation, Jun-Nov			
SM Sodium Vapor 70W	70,263	$1.00	$70,263
SM Sodium Vapor 100W	8,600	$1.72	$14,793
SM Sodium Vapor 150W	9,863	$2.44	$24,065
SM Sodium Vapor 250W	2,368	$3.78	$8,952
SM Sodium Vapor 400W	412	$5.84	$2,408
SM Sodium Vapor 1,000W	10	$13.29	$128
SM Mercury Vapor 100W	549	$1.51	$829
SM Mercury Vapor 175W	1,455	$2.54	$3,696
SM Mercury Vapor 250W	231	$3.50	$809
SM Mercury Vapor 400W	158	$5.53	$874
SM Mercury Vapor 1,000W	0	$13.25	$0
SM LED Cobra Head 45W	8,832	$0.55	$4,857
SM LED Cobra Head 60W	727	$0.72	$523
SM LED Cobra Head 95W	0	$1.17	$0
SM LED Cobra Head 139W	0	$1.68	$0
SM LED Cobra Head 219W	0	$2.64	$0
SM LED Cobra Head 275W	0	$3.33	$0
SM LED Colonial 48W	0	$0.58	$0
SM LED Colonial 83W	0	$1.00	$0
SM LED Contemporary 47W	0	$0.58	$0
SM LED Contemporary 62W	0	$0.76	$0
Subtotal	103,468		$132,198
Generation, Dec			
SM Sodium Vapor 70W	11,710	$1.72	$20,142
SM Sodium Vapor 100W	1,433	$2.44	$3,498
SM Sodium Vapor 150W	1,644	$3.78	$6,214
SM Sodium Vapor 250W	395	$5.84	$2,305
SM Sodium Vapor 400W	69	$13.29	$913
SM Sodium Vapor 1,000W	2	$1.51	$2
SM Mercury Vapor 100W	92	$2.54	$232
SM Mercury Vapor 175W	242	$3.50	$849
SM Mercury Vapor 250W	39	$5.53	$213
SM Mercury Vapor 400W	26	$13.25	$349
SM Mercury Vapor 1,000W	0	$0.55	$0
SM LED Cobra Head 45W	1,472	$0.72	$1,060
SM LED Cobra Head 60W	121	$1.17	$142
SM LED Cobra Head 95W	0	$1.68	$0
SM LED Cobra Head 139W	0	$2.64	$0
SM LED Cobra Head 219W	0	$3.33	$0
SM LED Cobra Head 275W	0	$0.58	$0
SM LED Colonial 48W	0	$1.00	$0
SM LED Colonial 83W	0	$0.58	$0
SM LED Contemporary 47W	0	$0.76	$0
SM LED Contemporary 62W	0	$0.00	$0
Subtotal	17,245		$35,919
Subtotal Revenue			$9,244,121
Rider 10 - State Tax Adjustment		-0.0080%	($754)
Rider 22 - Distribution System Improvement Charge		5.00%	$448,716
Total Calculated Revenue			**$9,692,083**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SM - Street Lighting Municipal

PROPOSED RATES	Units	Rate	Revenue
Rate SM			
Distribution			
SM Sodium Vapor 70W	437,532	$14.31	$6,261,083
SM Sodium Vapor 100W	53,556	$14.42	$772,278
SM Sodium Vapor 150W	61,416	$14.63	$898,516
SM Sodium Vapor 250W	14,748	$15.01	$221,367
SM Sodium Vapor 400W	2,568	$15.61	$40,086
SM Sodium Vapor 1,000W	60	$17.94	$1,076
SM Mercury Vapor 100W	3,420	$13.85	$47,367
SM Mercury Vapor 175W	9,060	$14.13	$128,018
SM Mercury Vapor 250W	1,440	$14.41	$20,750
SM Mercury Vapor 400W	984	$14.99	$14,750
SM Mercury Vapor 1,000W	0	$17.23	$0
SM LED Cobra Head 30W	0	$12.60	$0
SM LED Cobra Head 45W	55,020	$12.60	$693,252
SM LED Cobra Head 60W	4,644	$13.01	$60,418
SM LED Cobra Head 95W	31,908	$14.35	$457,880
SM LED Cobra Head 139W	144	$15.00	$2,160
SM LED Cobra Head 219W	0	$15.27	$0
SM LED Colonial 20W	0	$16.48	$0
SM LED Colonial 45W	0	$16.82	$0
SM LED Contemporary 40W	0	$15.22	$0
SM LED Contemporary 55W	0	$15.22	$0
SM Customer Owned & Maintinated	0	$2.96	$0
Poles	4,536	$11.26	$51,075
Subtotal	676,500		$9,670,078
Surcharges			
Retail Market Enhancement, Jan-May, Bills	870	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	1,218	$0.00	$0
Subtotal	2,088		$0
Transmission, Jan-May			
SM Sodium Vapor 70W	58,552	$0.00	$0
SM Sodium Vapor 100W	7,167	$0.00	$0
SM Sodium Vapor 150W	8,219	$0.00	$0
SM Sodium Vapor 250W	1,974	$0.00	$0
SM Sodium Vapor 400W	344	$0.00	$0
SM Sodium Vapor 1,000W	8	$0.00	$0
SM Mercury Vapor 100W	458	$0.00	$0
SM Mercury Vapor 175W	1,212	$0.00	$0
SM Mercury Vapor 250W	193	$0.00	$0
SM Mercury Vapor 400W	132	$0.00	$0
SM Mercury Vapor 1,000W	0	$0.00	$0
SM LED Cobra Head 30W	0	$0.00	$0
SM LED Cobra Head 45W	7,363	$0.00	$0
SM LED Cobra Head 60W	621	$0.00	$0
SM LED Cobra Head 95W	0	$0.00	$0
SM LED Cobra Head 139W	0	$0.00	$0
SM LED Cobra Head 219W	0	$0.00	$0
SM LED Colonial 20W	0	$0.00	$0
SM LED Colonial 45W	0	$0.00	$0
SM LED Contemporary 40W	0	$0.00	$0
SM LED Contemporary 55W	0	$0.00	$0
Subtotal	86,242		$0
Transmission, Jun-Dec			
SM Sodium Vapor 70W	81,973	$0.00	$0
SM Sodium Vapor 100W	10,034	$0.00	$0
SM Sodium Vapor 150W	11,506	$0.00	$0
SM Sodium Vapor 250W	2,763	$0.00	$0
SM Sodium Vapor 400W	481	$0.00	$0
SM Sodium Vapor 1,000W	11	$0.00	$0
SM Mercury Vapor 100W	641	$0.00	$0
SM Mercury Vapor 175W	1,697	$0.00	$0
SM Mercury Vapor 250W	270	$0.00	$0
SM Mercury Vapor 400W	184	$0.00	$0
SM Mercury Vapor 1,000W	0	$0.00	$0
SM LED Cobra Head 30W	0	$0.00	$0
SM LED Cobra Head 45W	10,308	$0.00	$0
SM LED Cobra Head 60W	870	$0.00	$0
SM LED Cobra Head 95W	0	$0.00	$0
SM LED Cobra Head 139W	0	$0.00	$0
SM LED Cobra Head 219W	0	$0.00	$0
SM LED Colonial 20W	0	$0.00	$0
SM LED Colonial 45W	0	$0.00	$0
SM LED Contemporary 40W	0	$0.00	$0
SM LED Contemporary 55W	0	$0.00	$0
Subtotal	120,739		$0

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SM - Street Lighting Municipal

PROPOSED RATES	Units	Rate	Revenue
Generation, Jan-May			
SM Sodium Vapor 70W	58,552	$0.92	$53,868
SM Sodium Vapor 100W	7,167	$1.59	$11,396
SM Sodium Vapor 150W	8,219	$2.26	$18,575
SM Sodium Vapor 250W	1,974	$3.51	$6,927
SM Sodium Vapor 400W	344	$5.42	$1,863
SM Sodium Vapor 1,000W	8	$12.33	$99
SM Mercury Vapor 100W	458	$1.40	$641
SM Mercury Vapor 175W	1,212	$2.36	$2,861
SM Mercury Vapor 250W	193	$3.25	$626
SM Mercury Vapor 400W	132	$5.13	$676
SM Mercury Vapor 1,000W	0	$12.30	$0
SM LED Cobra Head 30W	0	$0.51	$0
SM LED Cobra Head 45W	7,363	$0.51	$3,755
SM LED Cobra Head 60W	621	$0.67	$416
SM LED Cobra Head 95W	0	$1.08	$0
SM LED Cobra Head 139W	0	$1.56	$0
SM LED Cobra Head 219W	0	$2.45	$0
SM LED Colonial 20W	0	$0.54	$0
SM LED Colonial 45W	0	$0.92	$0
SM LED Contemporary 40W	0	$0.54	$0
SM LED Contemporary 55W	0	$0.70	$0
Subtotal	86,242		$101,703
Generation, Jun-Nov			
SM Sodium Vapor 70W	70,263	$1.00	$70,263
SM Sodium Vapor 100W	8,600	$1.72	$14,793
SM Sodium Vapor 150W	9,863	$2.44	$24,065
SM Sodium Vapor 250W	2,368	$3.78	$8,952
SM Sodium Vapor 400W	412	$5.84	$2,408
SM Sodium Vapor 1,000W	10	$13.29	$128
SM Mercury Vapor 100W	549	$1.51	$829
SM Mercury Vapor 175W	1,455	$2.54	$3,696
SM Mercury Vapor 250W	231	$3.50	$809
SM Mercury Vapor 400W	158	$5.53	$874
SM Mercury Vapor 1,000W	0	$13.25	$0
SM LED Cobra Head 30W	0	$0.55	$0
SM LED Cobra Head 45W	8,836	$0.55	$4,860
SM LED Cobra Head 60W	746	$0.72	$537
SM LED Cobra Head 95W	0	$1.17	$0
SM LED Cobra Head 139W	0	$1.68	$0
SM LED Cobra Head 219W	0	$2.64	$0
SM LED Colonial 20W	0	$0.58	$0
SM LED Colonial 45W	0	$1.00	$0
SM LED Contemporary 40W	0	$0.58	$0
SM LED Contemporary 55W	0	$0.76	$0
Subtotal	103,491		$132,214
Generation, Dec			
SM Sodium Vapor 70W	11,710	$1.72	$20,142
SM Sodium Vapor 100W	1,433	$2.44	$3,498
SM Sodium Vapor 150W	1,644	$3.78	$6,214
SM Sodium Vapor 250W	395	$5.84	$2,305
SM Sodium Vapor 400W	69	$13.29	$913
SM Sodium Vapor 1,000W	2	$1.51	$2
SM Mercury Vapor 100W	92	$2.54	$232
SM Mercury Vapor 175W	242	$3.50	$849
SM Mercury Vapor 250W	39	$5.53	$213
SM Mercury Vapor 400W	26	$13.25	$349
SM Mercury Vapor 1,000W	0	$0.55	$0
SM LED Cobra Head 30W	0	$0.72	$0
SM LED Cobra Head 45W	1,473	$0.72	$1,060
SM LED Cobra Head 60W	124	$1.17	$145
SM LED Cobra Head 95W	0	$1.68	$0
SM LED Cobra Head 139W	0	$2.64	$0
SM LED Cobra Head 219W	0	$3.33	$0
SM LED Colonial 20W	0	$1.00	$0
SM LED Colonial 45W	0	$0.58	$0
SM LED Contemporary 40W	0	$0.76	$0
SM LED Contemporary 55W	0	$0.00	$0
Subtotal	17,248		$35,923
Subtotal Revenue			$9,939,918
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$9,939,918**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$9,422,276	$0	$269,807	$9,692,083
Proposed Rates	$9,670,078	$0	$269,840	$9,939,918
Revenue Change	$247,802	$0	$33	$247,834

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SH - Street Lighting Highway

CURRENT RATES	Units	Rate	Revenue
Rate SH			
Distribution			
SH Sodium Vapor 100W	168	$12.54	$2,107
SH Sodium Vapor 150W	480	$12.71	$6,101
SH Sodium Vapor 200W	6,660	$12.89	$85,847
SH Sodium Vapor 400W	1,128	$13.57	$15,307
SH LED Cobra Head 60W	0	$13.52	$0
SH LED Cobra Head 95W	0	$13.99	$0
SH LED Cobra Head 139W	0	$15.08	$0
SH LED Cobra Head 219W	0	$17.54	$0
SH Customer Owned & Maintinated	0	$2.71	$0
Subtotal	8,436		$109,362
Surcharges			
Retail Market Enhancement, Jan-May, Bills	65	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	91	$0.00	$0
Subtotal	156		$0
Transmission, Jan-May			
SH Sodium Vapor 100W	20	$0.00	$0
SH Sodium Vapor 150W	57	$0.00	$0
SH Sodium Vapor 200W	789	$0.00	$0
SH Sodium Vapor 400W	134	$0.00	$0
SH LED Cobra Head 60W	0	$0.00	$0
SH LED Cobra Head 95W	0	$0.00	$0
SH LED Cobra Head 139W	0	$0.00	$0
SH LED Cobra Head 219W	0	$0.00	$0
Subtotal	999		$0
Transmission, Jun-Dec			
SH Sodium Vapor 100W	28	$0.00	$0
SH Sodium Vapor 150W	80	$0.00	$0
SH Sodium Vapor 200W	1,104	$0.00	$0
SH Sodium Vapor 400W	187	$0.00	$0
SH LED Cobra Head 60W	0	$0.00	$0
SH LED Cobra Head 95W	0	$0.00	$0
SH LED Cobra Head 139W	0	$0.00	$0
SH LED Cobra Head 219W	0	$0.00	$0
Subtotal	1,399		$0
Generation, Jan-May			
SH Sodium Vapor 100W	20	$1.59	$32
SH Sodium Vapor 150W	57	$2.26	$128
SH Sodium Vapor 200W	789	$3.03	$2,390
SH Sodium Vapor 400W	134	$5.42	$724
SH LED Cobra Head 60W	0	$0.67	$0
SH LED Cobra Head 95W	0	$1.08	$0
SH LED Cobra Head 139W	0	$1.56	$0
SH LED Cobra Head 219W	0	$2.45	$0
Subtotal	999		$3,274
Generation, Jun-Nov			
SH Sodium Vapor 100W	24	$1.72	$41
SH Sodium Vapor 150W	68	$2.44	$166
SH Sodium Vapor 200W	946	$3.26	$3,086
SH Sodium Vapor 400W	160	$5.84	$936
SH LED Cobra Head 60W	0	$0.72	$0
SH LED Cobra Head 95W	0	$1.17	$0
SH LED Cobra Head 139W	0	$1.68	$0
SH LED Cobra Head 219W	0	$1.72	$0
Subtotal	1,199		$4,229
Generation, Dec			
SH Sodium Vapor 100W	4	$2.44	$10
SH Sodium Vapor 150W	11	$3.26	$37
SH Sodium Vapor 200W	158	$5.84	$921
SH Sodium Vapor 400W	27	$0.72	$19
SH LED Cobra Head 60W	0	$1.17	$0
SH LED Cobra Head 95W	0	$1.68	$0
SH LED Cobra Head 139W	0	$2.64	$0
SH LED Cobra Head 219W	0	$1.00	$0
Subtotal	200		$987
Subtotal Revenue			$117,852
Rider 10 - State Tax Adjustment		-0.0080%	($9)
Rider 22 - Distribution System Improvement Charge		5.00%	$5,468
Total Calculated Revenue			**$123,311**

APPENDIX B
Duquesne Light Company
Proof of Revenue Calculation at Current and Proposed Settlement Rates
12 Months Ending December 31, 2022
Rate SH - Street Lighting Highway

PROPOSED RATES	Units	Rate	Revenue
Rate SH			
Distribution			
SH Sodium Vapor 100W	168	$13.69	$2,300
SH Sodium Vapor 150W	480	$13.87	$6,658
SH Sodium Vapor 200W	6,660	$14.07	$93,706
SH Sodium Vapor 400W	1,128	$15.61	$17,608
SH LED Cobra Head 30W	0	$12.60	$0
SH LED Cobra Head 45W	0	$12.60	$0
SH LED Cobra Head 60W	0	$13.01	$0
SH LED Cobra Head 95W	0	$14.35	$0
SH LED Cobra Head 139W	0	$15.00	$0
SH LED Cobra Head 219W	0	$15.27	$0
SH Customer Owned & Maintinated	0	$2.96	$0
Subtotal	8,436		$120,272
Surcharges			
Retail Market Enhancement, Jan-May, Bills	65	$0.00	$0
Retail Market Enhancement, Jun-Dec, Bills	91	$0.00	$0
Subtotal	156		$0
Transmission, Jan-May			
SH Sodium Vapor 100W	20	$0.00	$0
SH Sodium Vapor 150W	57	$0.00	$0
SH Sodium Vapor 200W	789	$0.00	$0
SH Sodium Vapor 400W	134	$0.00	$0
SH LED Cobra Head 30W	0	$0.00	$0
SH LED Cobra Head 45W	0	$0.00	$0
SH LED Cobra Head 60W	0	$0.00	$0
SH LED Cobra Head 95W	0	$0.00	$0
SH LED Cobra Head 139W	0	$0.00	$0
SH LED Cobra Head 219W	0	$0.00	$0
Subtotal	999		$0
Transmission, Jun-Dec			
SH Sodium Vapor 100W	28	$0.00	$0
SH Sodium Vapor 150W	80	$0.00	$0
SH Sodium Vapor 200W	1,104	$0.00	$0
SH Sodium Vapor 400W	187	$0.00	$0
SH LED Cobra Head 30W	0	$0.00	$0
SH LED Cobra Head 45W	0	$0.00	$0
SH LED Cobra Head 60W	0	$0.00	$0
SH LED Cobra Head 95W	0	$0.00	$0
SH LED Cobra Head 139W	0	$0.00	$0
SH LED Cobra Head 219W	0	$0.00	$0
Subtotal	1,399		$0
Generation, Jan-May			
SH Sodium Vapor 100W	20	$1.59	$32
SH Sodium Vapor 150W	57	$2.26	$128
SH Sodium Vapor 200W	789	$3.03	$2,390
SH Sodium Vapor 400W	134	$5.42	$724
SH LED Cobra Head 30W	0	$0.67	$0
SH LED Cobra Head 45W	0	$0.67	$0
SH LED Cobra Head 60W	0	$0.67	$0
SH LED Cobra Head 95W	0	$1.08	$0
SH LED Cobra Head 139W	0	$1.56	$0
SH LED Cobra Head 219W	0	$2.45	$0
Subtotal	999		$3,274
Generation, Jun-Nov			
SH Sodium Vapor 100W	24	$1.72	$41
SH Sodium Vapor 150W	68	$2.44	$166
SH Sodium Vapor 200W	946	$3.26	$3,086
SH Sodium Vapor 400W	160	$5.84	$936
SH LED Cobra Head 30W	0	$0.72	$0
SH LED Cobra Head 45W	0	$0.72	$0
SH LED Cobra Head 60W	0	$0.72	$0
SH LED Cobra Head 95W	0	$1.17	$0
SH LED Cobra Head 139W	0	$1.68	$0
SH LED Cobra Head 219W	0	$1.72	$0
Subtotal	1,199		$4,229
Generation, Dec			
SH Sodium Vapor 100W	4	$2.44	$10
SH Sodium Vapor 150W	11	$3.26	$37
SH Sodium Vapor 200W	158	$5.84	$921
SH Sodium Vapor 400W	27	$0.72	$19
SH LED Cobra Head 30W	0	$1.17	$0
SH LED Cobra Head 45W	0	$1.17	$0
SH LED Cobra Head 60W	0	$1.17	$0
SH LED Cobra Head 95W	0	$1.68	$0
SH LED Cobra Head 139W	0	$2.64	$0
SH LED Cobra Head 219W	0	$1.00	$0
Subtotal	200		$987
Subtotal Revenue			$128,762
Rider 10 - State Tax Adjustment		0.0000%	$0
Rider 22 - Distribution System Improvement Charge		0.0000%	$0
Total Calculated Revenue			**$128,762**

Revenue Summary	Distribution	Transmission	Generation	Total
Current Rates	$114,821	$0	$8,491	$123,311
Proposed Rates	$120,272	$0	$8,491	$128,762
Revenue Change	$5,451	$0	$0	$5,451

Appendix C

APPENDIX C

Duquesne Light Company

Present, Proposed, and Settled Rates with Bill Impact

Docket No. R-2021-3024750

Rate RS - Residential Service Using 600 kWh	Present [1]	Proposed 1/1/2022	Settled 1/1/2022	Present vs. Proposed	Present vs. Settled
Customer Charge	$12.50	$16.25	$12.50		
Distribution Charges	$36.14	$42.34	$42.60		
Roll In Surcharges	$2.22	$0.00	$0.00		
Base Distribution	$50.86	$58.59	$55.10	15.19%	8.33%
Remaining Surcharges [1]	$6.87	$6.87	$6.87		
Total Distribution	$57.73	$65.45	$61.96		
Transmission [1]	$11.19	$11.19	$11.19		
Generation [1]	$31.20	$31.20	$31.20		
Total	**$100.12**	**$107.85**	**$104.35**	7.72%	4.23%

Rate RH - Residential Service Heating Using 1,000 kWh	Present [1]	Proposed 1/1/2022	Settled 1/1/2022	Present vs. Proposed	Present vs. Settled
Customer Charge	$12.50	$16.25	$12.50		
Distribution Charges	$45.68	$63.41	$60.21		
Roll In Surcharges	$2.79	$0.00	$0.00		
Base Distribution	$60.96	$79.66	$72.71	30.67%	19.26%
Remaining Surcharges [1]	$11.45	$11.45	$11.45		
Total Distribution	$72.41	$91.11	$84.16		
Transmission [1]	$9.28	$9.28	$9.28		
Generation [1]	$51.99	$51.99	$51.99		
Total	**$133.69**	**$152.39**	**$145.43**	13.98%	8.78%

Rate GM>25 - General Service Medium (25kW Demand) using 10,000 kWh	Present [1]	Proposed 1/1/2022	Settled 1/1/2022	Present vs. Proposed	Present vs. Settled
Customer Charge	$65.65	$76.00	$72.00		
Distribution Charges	$227.65	$284.41	$270.36		
Roll In Surcharges	$12.26	$0.00	$0.00		
Base Distribution	$305.56	$360.41	$342.36	17.95%	12.04%
Remaining Surcharges [1]	$13.03	$13.03	$13.03		
Total Distribution	$318.59	$373.44	$355.39		
Transmission [1]	$118.68	$118.68	$118.68		
Generation [1]	$424.87	$424.87	$424.87		
Total	**$862.14**	**$916.99**	**$898.94**	6.36%	4.27%

Rate GL Ind - General Service Large (500 kW Demand) using 200,000 kWh	Present [1]	Proposed 1/1/2022	Settled 1/1/2022	Present vs. Proposed	Present vs. Settled
Customer Charge	$0.00	$0.00	$0.00		
Distribution Charges	$4,862.00	$5,807.00	$5,460.00		
Roll In Surcharges	$244.74	$0.00	$0.00		
Base Distribution	$5,106.74	$5,807.00	$5,460.00	13.71%	6.92%
Remaining Surcharges [1]	$1,253.85	$1,253.85	$1,253.85		
Total Distribution	$6,360.59	$7,060.85	$6,713.85		
Transmission [1]	$2,496.72	$2,496.72	$2,496.72		
Generation [1]	$7,689.18	$7,689.18	$7,689.18		
Total	**$16,546.49**	**$17,246.75**	**$16,899.75**	4.23%	2.13%

Rate GS - General Service Small using 350 kWh	Present [1]	Proposed 1/1/2022	Settled 1/1/2022	Present vs. Proposed	Present vs. Settled
Customer Charge	$12.50	$16.25	$15.00		
Distribution Charges	$25.66	$29.48	$27.80		
Roll In Surcharges	$1.54	$0.00	$0.00		
Base Distribution	$39.70	$45.73	$42.80	15.19%	7.79%
Remaining Surcharges [1]	$0.45	$0.45	$0.45		
Total Distribution	$40.15	$46.18	$43.24		
Transmission [1]	$3.90	$3.90	$3.90		
Generation [1]	$17.67	$17.67	$17.67		
Total	**$61.72**	**$67.75**	**$64.81**	9.77%	5.01%

[1] - Reflects current rates that were originally in effect when presented in the "Notice of Proposed Rate Changes" (April 2021).

Appendix D

APPENDIX D

I. PROPOSED FINDINGS OF FACT

1. Duquesne Light provides electric distribution and transmission services to approximately 596,000 customers in Allegheny and Beaver Counties, Pennsylvania.

2. Duquesne Light is a "public utility" and an "electric distribution company" as defined under the Public Utility Code, *see* 66 Pa. C.S. §§ 102 & 2803, serving customers within its certificated service territory and subject to the regulatory jurisdiction of this Commission.

3. Duquesne Light also provides default service to customers that are not being served by an electric generation supplier ("EGS").

4. On April 16, 2021, Duquesne Light filed Supplement No. 25 to Tariff Electric – PA PUC No. 25 pursuant to 66 Pa. C.S. § 1308(d). Duquesne Light requested that the Commission approve an overall annual increase in distribution revenue of approximately $115.0 million. Included in the requested increase is approximately $29.2 million in revenue currently recovered under surcharges, resulting in a net increase in distribution revenue of approximately $85.8 million.

5. Two public input hearings were held on June 22, 2021, at 1:00 p.m. and 6:00 p.m.

6. An evidentiary hearing was held before the ALJs on August 17, 2021. At the hearing, parties waived cross examination of witnesses, and pre-served testimony and exhibits were admitted in the record via stipulation. In addition, Diane Buzzard's complaint was consolidated with Duquesne Light's base rate proceeding.

7. During the evidentiary hearing, the parties advised the ALJs that they anticipated settling all issues, except for the issue regarding NEP's master metering and submetering proposal, as described in NEP Statement Nos. 1 and 2. As such, a discussion was held regarding

the opportunity to submit briefs on the remaining disputed issue and when the formal settlement petition and statements in support would be due.

8. The Parties filed a Joint Petition for Settlement ("Settlement") on September 3, 2021.

9. The Settlement is supported by Duquesne Light, the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission"), the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate ("OSBA"), Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA"), the Pennsylvania Weatherization Providers Task Force, Inc. ("PWPTF"), ChargePoint, Inc. ("ChargePoint"), and the Natural Resources Defense Council, Inc. ("NRDC"), hereinafter collectively the "Joint Petitioners."

10. The other parties in the proceeding, including United States Steel Corporation ("U.S. Steel"), Peoples Natural Gas Company LLC ("Peoples"), the International Brotherhood of Electrical Workers, AFL-CIO, Local Union 29 ("IBEW Local 29"), and Nationwide Energy Partners, LLC ("NEP") have indicated that they do not oppose the Settlement.

11. The Settlement resolves all issues related to Duquesne Light's April 16, 2021 distribution base rate increase filing ("2021 Base Rate Case"), except those related to NEP's complaint and proposal regarding master metering and submetering, as described in NEP Statement Nos. 1 and 2.

12. Issues related to NEP's master metering and submetering proposal are reserved for litigation.

13. All active parties in this proceeding either support or do not oppose the Settlement.

14. There are 3 customer complaints in this proceeding: Sean Ferris (Docket No. C-2021-3026365) and Jan Vroman (Docket No. C-2021-3026521), and Dianne Buzzard (Docket No. C-2021-3027067). These Customer Complainants have not been active parties. Duquesne Light is serving a copy of the Settlement on the Customer Complainants.

15. The Settlement reflects a carefully balanced compromise of the interests of the Joint Petitioners, who represent a broad array of residential, commercial, and other important customer interests.

16. The Settlement also, and importantly, contains provisions designed to address the impacts of the coronavirus disease 2019 ("COVID-19") pandemic.

17. The Joint Petitioners agree that the Settlement is in the public interest. (Settlement ¶¶ 72-75.)

18. The Settlement was achieved only after a comprehensive investigation of Duquesne Light's proposals set forth in its 2021 Base Rate Case. In addition to informal discovery, The active parties submitted several rounds of testimony, including the Company's direct testimony, other parties' direct testimony, rebuttal testimony, surrebuttal testimony, and rejoinder testimony. Further, the parties engaged in numerous settlement discussions and formal negotiations, which ultimately led to the Settlement.

19. The Settlement determines the revenue increase under settlement, which provides for distribution rates be designed to produce increased distribution operating revenues of $74.2 million based upon the pro forma level of operations for the twelve months ended December 31, 2022, inclusive of the $29.2 million of revenues currently recovered under surcharges, for a net increase in revenues of $45.00 million. (Settlement ¶ 34.)

20. Duquesne Light, I&E and OCA presented testimony on revenue requirement issues. During the course of the proceeding, the difference between the parties' litigation positions narrowed.

21. In rebuttal testimony, the Company revised its proposed net revenue increase down from its original position to $85.528 million. (Duquesne Light St. 9-R at 9.)

22. In surrebuttal, both I&E and OCA increased their litigation positions with regard to the Company's revenue requirement. (*See* I&E St. 1-SR at 3 (proposed increase of $35.288 million as opposed to $34.8 million in I&E direct); OCA St. 1-SR at 6 (proposed increase of $3.785 million as opposed to a proposed decrease of $2.754 million in OCA direct).)

23. Through negotiations, the Joint Petitioners were able to compromise their competing litigation positions and arrive at the Settlement increase.

24. The Settlement addresses when the Company will be permitted to charge the DSIC. (Settlement ¶ 35.) Specifically, the Company will be permitted to charge the DSIC when the Company's total distribution plant balances exceed the corresponding projected levels reflected in the FPFTY.

25. The Settlement specifies, as required by the Commission, a mechanism for determining the return on equity to be used in future DSIC calculations. (Settlement ¶ 35.)

26. The Settlement states that Duquesne Light will continue to use normalization accounting with respect to the benefits of the tax repairs and IRC Section 263A deductions. (Settlement ¶ 37.) Duquesne Light will reverse excess deferred income taxes ("EDIT") with regard to prior tax repairs and IRC Section 263A deductions pursuant to the Average Rate Assumption Method ("ARAM") used to reverse EDIT associated with accelerated depreciation deductions. In addition, the remaining unamortized EDIT balance will continue as a reduction to

rate base in all future base rate proceedings until the full amount is returned to ratepayers. (Settlement ¶ 37.) This provision of the Settlement is fully supported by the testimony of Duquesne Light witness Mr. Matthew L. Simpson. (*See* Duquesne Light St. 12 at 10-13.)

27. The Settlement also resolves the Company's claims regarding incremental expenses incurred due to the COVID-19 pandemic. (Settlement ¶¶ 38-40.)

28. Duquesne Light witness Jaime A. Bachota testified regarding the impacts of COVID-19 on the Company's operations. (Duquesne Light St. 2 at 22-25.) The Company's claim included a regulatory asset reflecting incremental uncollectible expense in the historic test year ended December 31, 2020 ("HTY") and the first three months of the FTY. (Duquesne Light St. 2 at 23.)

29. The Company included an adjustment to normalize the incremental uncollectible expenses over three years and proposed to continue to record incremental uncollectible costs above what is included in this rate proceeding as a regulatory asset to be recovered in future rate proceedings. (Duquesne Light St. 2 at 23-24; *see also* Duquesne Light St. 10.)

30. OCA witness Mr. Morgan recommended that the incremental uncollectible accounts expense be recovered over a five-year period and I&E witness Ms. Wilson recommended the use of a 43-month period. (OCA St. 1 at 25; I&E St. 1 at 10.) Both OCA and I&E also argued the Company should discontinue tracking incremental uncollectibles expense incurred due to COVID-19. (*See* OCA St. 1 at 25-26; I&E St. 1 at 10-11.)

31. The Company maintained its proposal to recover incremental uncollectibles expense, and opposed the parties' proposals to change the normalization period. (Duquesne Light St. 2-R at 17-19; Duquesne Light St. 10-R at 49-52.) Furthermore, the Company updated

its uncollectible expenses claim to reflect the level of incremental uncollectible expenses as of June 30, 2021. (Duquesne Light St. 2-R at 19-20.)

32. The Company included a claim for other non-uncollectible, extraordinary, nonrecurring incremental COVID-19 related expenses, and similarly proposed to normalize these incremental costs net of savings over a three-year period and continue to record incremental costs. (Duquesne Light St. 2 at 24-25; *see also* Duquesne Light St. 10.)

33. Both OCA and I&E identified additional alleged savings, and/or opposed the recovery of incremental, non-uncollectible COVID-19 related costs. (*See* OCA St. 1 at 26-27; I&E St. 1 at 13-21.)

34. The Company maintained that its proposal to recover incremental non-uncollectibles costs, as well as its proposed three-year normalization period, were reasonable and appropriate. (*See* Duquesne Light St. 2-R at 19-25; Duquesne Light St. 10-R at 52-60.) However, the Company did reflect adjustments to its claim for other non-uncollectible, extraordinary, nonrecurring incremental COVID-19 related expenses upon further review. (*See* Duquesne Light St. 2-R at 19-20 (discussing three adjustments to the Company's claim that reduced its original claim by $1.3 million or $0.4 million per year).)

35. Paragraphs 38-40 of the Settlement constitute a reasonable compromise of the parties' positions, which included adjustments to the proposed amortization periods and the incremental costs that the Company would be permitted to recover.

36. The Settlement also addresses the Company's pension contributions. (Settlement ¶ 41.)

37. The Company projected to make pension contributions of $10 million per year over the next six years, *i.e.*, 2021-0216. (Duquesne Light St. 2 at 29.) Half of those costs are

recovered as expense and half are provided initially with non-ratepayer funds and treated as capitalized costs. The Company also proposed a provision, used in its prior rate cases, that any expense recovery from customers for pensions that is not contributed to the pension would be returned to customers.

38. The Company also proposed that Company-provided funds contributed to the pension trust that are not included in rate base under accounting rules be included in rate base in this proceeding. (Duquesne Light St. 2 at 30-35.)

39. OCA opposed the Company's proposed adjustment to rate base. (OCA St. 1 at 10-17.)

40. The rate base adjustment is resolved along with other disputed revenue requirement issues by the black box settlement of the compromise revenue increase; Settlement Paragraph 41 includes these commitments in the final order in this proceeding.

41. Paragraph 42 of the Settlement provides for the Company's proposals with regard to the Company's OPEB claim and also provides commitments similar to those for pensions for inclusion in the final order in this proceeding. (Duquesne Light St. No. 2, pp. 27-30.) This Settlement provision is consistent with prior Company settlements approved by the Commission.

42. The Company's study used to separate the Company's assets, revenues and expenses into Federal Energy Regulatory Commission ("FERC") and state jurisdictional amounts, with separated amounts used to set rates for interstate and intrastate service is approved. (Settlement ¶ 43; *see also* Duquesne Light St. 15 at 14-17.)

43. The Settlement provides for the filing of actual data for the FTY and FPFTY after those years are completed. (Settlement ¶ 44.) The purpose of this provision is to permit the Commission and Parties to review the accuracy of Company projections in this proceeding.

44. Requests for these reports were made in I&E testimony as a requirement in this proceeding. (I&E St. 4 at 7.)

45. This proposal was accepted by the Company as a part of its rebuttal testimony. (Duquesne Light St. 2-R at 15.)

46. Paragraph 45 addresses the Company's capitalization of the development costs for cloud-based information systems, consistent with the Partial Settlement approved in the Company's last base rate case. *Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al. (Order approving Partial Settlement entered Dec. 20, 2018); *see also* Duquesne Light St. 2 at 4-5.

47. OCA raised some concerns regarding the Company's proposal and claimed that the adjustment is not necessary given the adoption of FERC's accounting method. (OCA St. 1 at 9-10.)

48. I&E also proposed a decrease in rate base of $693,000 related to an increase in accrued depreciation for cloud-based software. (I&E St. 4 at 6.)

49. The Company responded to each of the concerns raised by OCA (Duquesne Light St. 2-R at 13-14; St. 2-SR at 7-8) and the adjustment proposed by I&E (Duquesne Light St. 10-R at 22-23; St. 2-SR at 7-8).

50. The Settlement provision provides for capitalization of these costs, in a manner that is consistent with prior Commission approvals received by the Company, but preserves rights to challenge the reasonableness and prudence of costs in future base rate proceedings. Specifically, the Settlement provides for transfer of the unamortized portion of Commission approved regulatory asset to rate base and the recording of future cloud costs to rate base commencing January 1, 2022. (Settlement ¶ 45.)

51. Paragraph 46 re-affirms a prior commitment by Duquesne Light to provide notice if annual dividends exceed 85% of annual net income for the preceding twelve months ended March 31.

52. Paragraph 47 of the Settlement provides that the Company's proposed New Business Stimulus Rider ("NBSR"), described in Duquesne St. 5 and memorialized as Rider No. 25 in Duquesne Light Exhibit No. DBO-1 is withdrawn without prejudice.

53. Paragraph 48 of the Settlement provides that the proposed Crisis Recovery Program ("CRP"), as described in Duquesne Light St. 5 and memorialized as Rider No. 26 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

54. The issue regarding NEP's master metering and submetering proposal, as described in NEP Statement Nos. 1 and 2, was reserved for litigation. Paragraphs 49-50 of the Settlement withdraw Duquesne Light's revisions to Retail Tariff Rules 41 and 41.1 regarding master metering consistent with Duquesne Light St. 6-SR and reserve resolution of these issues for litigation.

55. The Company proposed a residential COVID-19 debt relief program. (Duquesne Light St. 7 at 11-13.) The residential COVID-19 debt relief program was designed to provide targeted, short-term assistance to low- to moderate-income residential customers that experienced payment delinquencies due to the pandemic. (Duquesne Light St. 7 at 11.)

56. Several other parties submitted testimony regarding the Company's proposed residential COVID-19 debt relief program and its universal service programs. (*See* I&E St. 1 at 33-35; OCA St. 4; NRDC St. 1 at 4-5, 21-26; CAUSE-PA St. 1; and PWPTF St. 1 at 5-8.)

57. Duquesne Light's rebuttal testimony (Duquesne Light St. 7-R) addressed the claims and concerns raised by the other parties regarding its proposed residential COVID-19 debt relief program, and universal service programs.

58. Paragraphs 51 through 56 of the Settlement resolve all issues related to the Company's proposed assistance and universal service programs raised in this proceeding. Among other things, these provisions include a voluntary increase of the Company's shareholder contribution to the Hardship Fund by $1 million per year for 2022 and 2023. (Settlement ¶ 53.)

59. In addition, these provisions increase annual funding for LIURP by $400,000 per year, which will be recovered through Rider No. 5 – Universal Services Charge, beginning January 1, 2022 and ending January 1, 2025. (Settlement ¶ 54.) This provision addresses concerns by CAUSE-PA and PWPTF regarding the funding level and administration of LIURP. (CAUSE-PA St. 1 at 40-42; PWPTF St. 1 at 5-7.)

60. Duquesne Light proposed to implement Transportation Electrification Programs ("TE Programs") in order to increase utilization of and equitable access to safe and reliable electric transportation fuel in the Company's service territory. (Duquesne Light St. 8 at 3.)

61. Duquesne Light further explained that transportation electrification market trends demonstrated there is a need and benefit for utility planning and investment in infrastructure and programs. (Duquesne Light St. 8 at 3, 6-14.)

62. The Components of the proposed TE Programs were also depicted in Table 1 of Duquesne Light St. 8, reproduced below.

APPENDIX D

Table 1: TE Programs Budgets

Component	Description	2022 Budget
Charging Infrastructure Portfolio		
Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot	Public, workplace, and multi-unit dwelling make-ready investment to support Level 2 and DC fast charging stations	$1,047,940
Fleet and Transit Charging Pilot	Optional fleet and public transit make-ready and charging station program to install and support Level 2 and DC fast charging stations	$2,013,730
Home Charging Pilot	Optional turnkey service for residential customers to install Level 2 charging stations at their home.	$503,650
Customer Portfolio		
Awareness, Education, and Engagement	Support for customers to make informed decisions about fueling vehicles with electricity.	$392,460
Fleet Electrification Advisory Service	Vehicle and charging infrastructure planning and analysis is support for public and private fleet customers.	$292,400
Registration Incentive	$50 one-time registration incentive for customers who own or lease an EV.	$68,000
	Capital Program Cost For 2022	$2,964,090
	Expense Program Cost For 2022	$1,353,090
	Total Program Cost For 2022	$4,317,180

63. Several parties submitted testimony addressing the Company's proposed TE Programs, and took diverse positions on these issues. (*See* Duquesne Light St. 8-R at 3-5.)

64. In response to the variety of positions taken by the parties regarding the proposed TE Programs, the Company has agreed to revise the proposed TE Programs, consistent with the terms and conditions reflected in Paragraphs 57-59 of the Settlement. (Settlement ¶¶ 57-59.) The Settlement includes approval of The Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot (Make-Ready Pilot) and The Fleet and Transit Charging Pilot with certain modifications. (Settlement ¶ 57(a)-(b).) It also withdraws the Home Charging Pilot, including Rider No. 23 in Duquesne Light Exhibit No. DBO-1, without prejudice. (Settlement ¶ 57(d).) The Settlement also provides for approval of the Awareness, Education, and Engagement

programs; the Fleet Electrification Advisory Service; and the Registration Incentive. (Settlement ¶ 57(d)-(g).) In addition, it includes evaluation and reporting requirements for the TE Programs. (Settlement ¶ 57(h)-(i).)

65. The Company and the Parties have carefully considered the proposed TE Programs and made modifications in the Settlement to ensure that the expenditures included in rates under Settlement will produce benefits to customers with minimal effects on rates charged to customers.

66. Paragraph 60 of the Settlement provides that Duquesne Light's proposed Rider No. 4, Federal Tax Adjustment Charge, as discussed in Duquesne Light St. Nos. 9 and 16 and Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

67. Paragraph 61 of the Settlement provides that Duquesne Light's revised Street Lighting options, as discussed in Duquesne Light St. 16, are approved. No parties contested this aspect of the Company's filing.

68. Paragraph 62 of the Settlement provides that Duquesne Light's proposed changes to Rider No. 16, as described in Duquesne Light St. 17, are approved. No parties contested the Company's proposed changes to Rider No. 16.

69. Paragraph 63 of the Settlement provides for the approval of the Company's proposed Community Development Rider, with two modifications which address concerns raised by I&E and OSBA. (*See* I&E St. 1 at 8-11; OSBA St. 1 at 28-29.)

70. Paragraph 64 of the Settlement provides that Duquesne Light's proposed Residential Subscription Rate Pilot, as described in Duquesne Light St. Nos. 9 and 17 and memorialized as Rider No. 7 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

71. Paragraph 65 of the Settlement provides that the special rate contract identified as CONFIDENTIAL Exhibit CJD-2 is approved. No parties opposed the Company's proposed special contract rate.

72. Paragraph 66 of the Settlement provides for the approval of the Company's other Retail Tariff revisions, as set forth in Duquesne Light St. 16. Such revisions were not contested by any of the parties.

73. Paragraph 67 of the Settlement provides that the revenue allocation to each class at the net settlement increase of $45 million is reflected in **Appendix B**.

74. In reaching the allocation of the increase to the classes, the Parties have generally compromised their positions to achieve a settlement. The primary tool for allocating increases to the rate classes is a class cost of service study.

75. The Company's initial proposed allocation is basically in the middle of the Parties' proposed allocations. (*See* Duquesne Light Exh. No. 6; OCA St. 3; OSBA St. 1.) At the Settlement revenue increase, the increases in rates for customers are basically scaled back from the Company proposal, with minor adjustments, to reflect the lower revenue increase.

76. The Parties agreed to maintain the base rate residential customer charge at $12.50 per month. (Settlement ¶ 69.) However, Paragraph 69 of the Settlement further provides that customer charges of the non-residential classes were reduced to reflect the lower than proposed increases to those classes and other factors as agreed to by the Parties and are shown in Appendix A.

77. The OCA proposed to allocate universal service costs to all customer classes in its direct testimony. (OCA St. 4 at 57-91.) The Company and OSBA both opposed the OCA's proposal, for a number or reasons. (Duquesne Light St. 7-R at 14; OSBA St. 1-R at 6-9.)

78. Paragraph 68 provides and states that universal service costs will continue to be recovered only from residential rate classes and that the parties retain all rights to challenge, refute, or propose modifications to the allocation of universal service costs to all customer classes in future proceedings.

79. The OSBA proposed that the Company evaluate its rate designs for nonresidential heating rate classes. (OSBA St. 1 at 24-26.) The Company indicated that it would be amenable to undertaking an internal process review with respect to these rate classes. (Duquesne Light St. 16-R at 18).

80. Paragraph 70 provides and states that the Company will undertake an evaluation of rates GMH and GLH, and will provide its results and any resulting rate design proposals with its filing in its next base rate proceeding.

81. The OSBA proposed to eliminate Rider No. 3 from the Company's tariff. (OSBA St. 1-R at 14.) The Company opposed this recommendation. (Duquesne Light St. 16-SR at 4-5.)

82. Paragraph 71 provides that OSBA's recommendation regarding Rider No. 3 is withdrawn without prejudice.

APPENDIX D

II. PROPOSED CONCLUSIONS OF LAW

1. The Commission has jurisdiction over the subject matter and the parties to this proceeding. 66 Pa. C.S. §§ 1301, 1308(d).

2. Under Section 1301 of the Public Utility Code, a public utility's rates must be just and reasonable. 66 Pa. C.S. § 1301.

3. The Commission possesses a great deal of flexibility in its ratemaking function. *See Popowsky v. Pa. Pub. Util. Comm'n*, 542 Pa. 99, 108, 665 A.2d 808, 812 (Pa. 1995). "In determining just and reasonable rates, the [Commission] has discretion to determine the proper balance between the interests of ratepayers and utilities." *Id.*

4. The term "just and reasonable" is not intended to confine the ambit of regulatory discretion to an absolute or mathematical formulate; rather, the Commission is granted the power to balance the prices charged to utility customers and returns on capital to utility investors. *Pa. Pub. Util. Comm'n v. Pennsylvania Gas and Water Co.*, 494 Pa. 326, 337, 424 A.2d 1213, 1219 (Pa. 1980), *cert. denied*, 454 U.S. 824, 102 S. Ct. 112, 70 L. Ed. 2d 97 (1981).

5. Commission policy promotes settlements. 52 Pa. Code § 5.231. Settlements lessen the time and expense the parties must expend litigating a case and at the same time conserve administrative resources.

6. Settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. 52 Pa. Code § 69.401.

7. The Commission encourages black box settlements. *Pa. P.U.C. v. Aqua Pennsylvania, Inc.*, Docket No. R-2011-2267958, Order entered June 7, 2012, pp. 26-27; *Pa. P.U.C. v. Peoples TWP LLC*, Docket No. R-2013-2355886, Order entered December 19, 2013, p.

27 ("*Peoples TWP LLC*"); Statement of Chairman Robert F. Powelson, *Implementation of Act 11 of 2012*, Docket No. M-2012-2293611, Public Meeting, August 2, 2012.

8. In order to accept a settlement, the Commission must determine that the proposed terms and conditions are in the public interest. *Pa. Pub. Util. Comm'n, et al. v. UGI Utilities, Inc. – Gas Division*, Docket Nos. R-2015-2518438 et al. (Order entered Oct. 14, 2016); *Pa. Pub. Util. Comm'n v. Philadelphia Gas Works*, Docket No. M-00031768 (Order entered Jan. 7, 2004).

9. The Petitioners have the burden to prove that the Settlement is in the public interest. *Pa. Pub. Util. Comm'n, et al. v. Pike County Light & Power (Electric)*, Docket Nos. R-2013-2397237, C-2014-2405317, et al. (Order entered Sept. 11, 2014).

10. The decision of the Commission must be supported by substantial evidence. 2 Pa. C.S. § 704.

11. "Substantial evidence" is such relevant evidence that a reasonable mind might accept as adequate to support a conclusion. More is required than a mere trace of evidence or a suspicion of the existence of a fact sought to be established. *Norfolk & Western Ry. Co. v. Pa. P.U.C.*, 489 Pa. 109, 413 A.2d 1037 (1980); *Erie Resistor Corp. v. Unemployment Comp. Bd. of Review*, 194 Pa. Superior Ct. 278, 166 A.2d 96 (1961); *Murphy v. Comm., Dept. of Public Welfare, White Haven Center*, 85 Pa. Commonwealth Ct. 23, 480 A.2d 382 (1984).

12. The rates and terms of service set forth in the Settlement are supported by substantial evidence and are in the public interest. Therefore, consistent with the terms and conditions set forth in the Settlement, Duquesne Light's proposed rate increase should be granted.

III. PROPOSED ORDERING PARAGRAPHS

1. That the Pennsylvania Public Utility Commission approve the Joint Petition for Approval of Settlement, including all the terms and modifications thereof, without modification.

2. That the Pennsylvania Public Utility Commission approve the proposals set forth in Duquesne Light's above-captioned distribution base rate increase filing subject to the terms and conditions of the Joint Petition for Approval of Settlement.

3. That the Pennsylvania Public Utility Commission approve the *pro forma* tariff attached to the Joint Petition for Approval of Settlement as Appendix A.

4. That the Pennsylvania Public Utility Commission approve the Approve the proof of revenues attached to the Joint Petition for Approval of Settlement of All Issues as Appendix B.

5. The Formal Complaints filed by OCA, OSBA, NEP and the individual customer complainants are marked as satisfied and closed.

6. That the Commission issue an Order terminating the investigation at Docket No. R-2021-3024750, and marking this proceeding closed.

Appendix E

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	Docket No. R-2021-3024750
	:	
Office of Consumer Advocate	:	Docket No. C-2021-3025538
Office of Small Business Advocate	:	Docket No. C-2021-3025462
Nationwide Energy Partners	:	Docket No. C-2021-3026057
Sean Ferris	:	Docket No. C-2021-3026365
Jan Vroman	:	Docket No. C-2021-3026521
Diane Buzzard	:	Docket No. C-2021-3027067
	:	
v.	:	
	:	
Duquesne Light Company	:	

DUQUESNE LIGHT COMPANY STATEMENT IN SUPPORT OF JOINT PETITION FOR APPROVAL OF SETTLEMENT

TO DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE JOEL H. CHESKIS AND ADMINISTRATIVE LAW JUDGE JOHN M. COOGAN:

I. INTRODUCTION

Duquesne Light Company ("Duquesne Light" or the "Company") hereby submits this Statement in Support of the Joint Petition for Approval of Settlement ("Settlement") entered into by the Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission"), the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate ("OSBA"), Coalition for Affordable Utility Service and Energy Efficiency in Pennsylvania ("CAUSE-PA"), the Pennsylvania Weatherization Providers Task Force, Inc. ("PWPTF"), ChargePoint, Inc. ("ChargePoint"), and the Natural Resources Defense Council, Inc. ("NRDC"), hereinafter collectively the "Joint Petitioners." The following parties in this proceeding, including United States Steel Corporation ("U.S. Steel"), Peoples Natural Gas

Company LLC ("Peoples"), the International Brotherhood of Electrical Workers, AFL-CIO, Local Union 29 ("IBEW Local 29"), and Nationwide Energy Partners, LLC ("NEP"), have indicated that they do not oppose the Settlement.

The Settlement resolves all issues related to Duquesne Light's April 16, 2021 distribution base rate increase filing ("2021 Base Rate Case"), except those related to NEP's complaint and proposal regarding master metering and submetering, as described in NEP Statement Nos. 1 and 2. Issues related to NEP's master metering and submetering proposal are reserved for litigation. All active parties in this proceeding either support or do not oppose the Settlement.[1]

The Settlement reflects a carefully balanced compromise of the interests of the Joint Petitioners, who represent a broad array of residential, commercial, and other important customer interests. The Settlement also, and importantly, contains provisions designed to address the impacts of the coronavirus disease 2019 ("COVID-19") pandemic. Duquesne Light submits that the Settlement is in the public interest, just and reasonable, and supported by substantial evidence and, therefore, should be approved without modification.

For these reasons, and as explained in further detail below, Duquesne Light respectfully requests that Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan (the "ALJs") and the Commission approve the Settlement without modification.

II. STANDARD FOR APPROVAL OF SETTLEMENT

Commission policy promotes settlements. *See* 52 Pa. Code § 5.231. Settlements reduce the time and expense that parties must expend litigating a case and, at the same time, conserve

[1] There are 3 customer complaints in this proceeding: Sean Ferris (Docket No. C-2021-3026365) and Jan Vroman (Docket No. C-2021-3026521), and Dianne Buzzard (Docket No. C-2021-3027067). These Customer Complainants have not been active parties. Duquesne Light is serving a copy of the Settlement on the Customer Complainants.

administrative resources. The Commission has indicated that settlement results are often preferable to those achieved at the conclusion of a fully litigated proceeding. *See* 52 Pa. Code § 69.401.

The Commission has explained that parties to settled cases are afforded flexibility in reaching amicable resolutions, so long as the settlement is in the public interest. *Pa. PUC v. MXenergy Electric Inc.*, Docket No. M-2012-2201861, 2013 Pa. PUC LEXIS 789, 310 P.U.R.4th 58 (Opinion and Order entered Dec. 5, 2013). To approve a settlement, the Commission must first determine that the proposed terms and conditions are in the public interest. *Pa. PUC v. Windstream Pa., LLC*, Docket No. M-2012-2227108, 2012 Pa. PUC LEXIS 1535 (Opinion and Order entered Sept. 27, 2012); *Pa. PUC v. C.S. Water & Sewer Assocs.*, Docket No. R-881147, 74 Pa. PUC 767 (Opinion entered July 22, 1991).

As explained in the next section of this Statement in Support, the Settlement is just and reasonable and in the public interest and, therefore, should be approved without modification.

III. THE SETTLEMENT IS IN THE PUBLIC INTEREST

A. GENERAL

The Joint Petitioners agree that the Settlement is in the public interest. Settlement ¶¶ 72-75. The Settlement was achieved only after a comprehensive investigation of Duquesne Light's proposals set forth in its 2021 Base Rate Case. In addition to informal discovery, Duquesne Light responded to approximately 814 formal discovery requests, many of which included multiple subparts. The active parties submitted several rounds of testimony, including the Company's direct testimony, other parties' direct testimony, rebuttal testimony, surrebuttal testimony, and rejoinder testimony. Further, the parties engaged in numerous settlement discussions and formal negotiations, which ultimately led to the Settlement.

The Joint Petitioners undertook significant and intensive efforts to reach a full settlement of all issues except the one issue reserved for litigation. The Joint Petitioners each had to compromise on many different and competing issues and proposals raised in this case. In most instances the Joint Petitioners collectively agreed to meet somewhere in between competing litigation positions. As such, when determining whether the Settlement is reasonable and in the public interest, the Commission should view the Settlement as a whole instead of focusing on individual terms and conditions.

As noted previously, the Settlement reflects a carefully balanced compromise of the competing and broad array of interests of the Joint Petitioners in this proceeding. The Joint Petitioners, their counsel, and their expert consultants have considerable experience in base rate proceedings. Their knowledge, experience, and ability to evaluate the strengths and weaknesses of their litigation positions provided a strong base upon which to build a consensus in this proceeding. The fact that the Settlement is supported by parties representing a diversity of constituents and interests, in and of itself, provides strong evidence that the Settlement is reasonable and in the public interest, particularly given the active role of the parties in this proceeding as well as the many negotiations required to achieve the Settlement.

Thus, the terms and conditions of the Settlement, as set forth in the following sections, should be approved without modification.

B. REVENUE REQUIREMENT AND ACCOUNTING

Paragraph 34 of the Settlement determines the revenue increase under settlement, which provides for distribution rates be designed to produce increased distribution operating revenues of $74.2 million based upon the pro forma level of operations for the twelve months ended December 31, 2022, inclusive of the $29.2 million of revenues currently recovered under surcharges, for a net increase in revenues of $45.00 million.

As explained by the Company's Director – Rates, Energy Procurement, and Federal/RTO Affairs, Mr. C. James Davis, the Company has undertaken considerable efforts to control costs, improve customer service and continue to provide highly reliable service to customers since the Company's last base rate proceeding in 2018. (Duquesne Light St. 1 at 6-13.) During 2020, the Company realized approximately $7 million in sustainable cash savings via cost saving measures, which represented a combination of capital deployment, operations and maintenance ("O&M") expense and working capital savings. (Duquesne Light St. 1 at 7.) The Company further projected approximately $6.3 million in sustainable O&M savings and $8 million in project sustainable capital savings in the Future Test Year ending December 31, 2021 ("FTY"), and approximately $1 million in sustainable O&M savings and approximately $11.0 million in sustainable capital savings in the Fully Projected Future Test Year ending December 31, 2022 ("FPFTY"). (Duquesne Light St. 1 at 8.) Moreover, while the Company implements cost saving initiatives, it also implemented numerous customer service initiatives (Duquesne Light St. 1 at 9-10) and low-income assistance programs (Duquesne Light St. 1 at 10; *see also* Duquesne Light St. 7), and maintained strong reliability performance while planning further steps to continue to improve reliability (Duquesne Light St. 1 at 10-12; *see also* Duquesne Light St. 4). In addition, Mr. Davis identified numerous steps, including the Company's management programs, to address diversity, equity and inclusion at Duquesne Light. (Duquesne Light St. 1 at 12-13; *see also* CONFIDENTIAL Exhibit CJD-1.)

Absent rate relief, Duquesne Light projected an overall return on rate base of approximately 5.36% for the FPFTY. (*See* Duquesne Light 1 at 22-23.) This would translate into a return on equity ("ROE") for the FPFTY of 6.29%. (*See* Duquesne Light St. 1 at 23; *see also* Duquesne Light St. 13.) This is substantially lower than the Company's proposed ROE of 10.95%

in this proceeding. (Duquesne Light St. 13 at 1.) It is also substantially lower than the latest ROE set forth by the Commission in its Quarterly Earning Report for electric company distribution system improvement charge of 9.45% ("DSIC"). *Report on Quarterly Earnings for March 31, 2021*, Docket No. M-2021-3026753, Attachment F, Public Meeting of July 15, 2021.

The net increase of $45.00 million, although less than requested by the Company, will allow Duquesne Light to recover its necessary expenses. The revenue increase also provides the Company with the reasonable opportunity to earn a fair return. The revenue increase should also allow the Company to attract capital on reasonable terms and allow the Company to continue to provide safe and reliable service to customers.

In this proceeding, Duquesne Light, I&E and OCA presented testimony on revenue requirement issues. During the course of the proceeding, the difference between the parties' litigation positions narrowed. In rebuttal testimony, the Company revised its proposed net revenue increase down from its original position to $85.528 million. (Duquesne Light St. 9-R at 9.) In surrebuttal, both I&E and OCA increased their litigation positions with regard to the Company's revenue requirement. (*See* I&E St. 1-SR at 3 (proposed increase of $35.288 million as opposed to $34.8 million in I&E direct); OCA St. 1-SR at 6 (proposed increase of $3.785 million as opposed to a proposed decrease of $2.754 million in OCA direct).) Through negotiations, the Joint Petitioners were able to compromise their competing litigation positions and arrive at the Settlement increase.

The revenue requirement under the Settlement is generally a "black box" number. Under a "black box" settlement, parties do not specifically identify the rate base, revenue, expense and return amounts that are allowed or disallowed. The Company has found that the "black box" concept often facilitates settlement agreements because parties are not required to identify a specific return on equity or specifically identify rate base, revenue, expense and return amounts that are allowed or disallowed. This process allows a settlement without requiring parties to abandon or reverse their positions on important issues, which could impact their positions in later cases. The Commission encourages black box settlements. *Pa. P.U.C. v. Aqua Pennsylvania, Inc.*, Docket No. R-2011-2267958, Order entered June 7, 2012, pp. 26-27; *Pa. P.U.C. v. Peoples TWP LLC*, Docket No. R-2013-2355886, Order entered December 19, 2013, p. 27 ("*Peoples TWP LLC*"); Statement of Chairman Robert F. Powelson, *Implementation of Act 11 of 2012*, Docket No. M-2012-2293611, Public Meeting, August 2, 2012.

Duquesne Light provided substantial evidence to support its proposed revenue requirement increase in this proceeding. (*See generally* Duquesne Light St. 1, 2, 2-R, 10, 10-R, 13 and 13-R.) The increase under the Settlement is well within the range proposed by the parties, is in the public interest and should be adopted without modification.

Exceptions to the "black box" concept under this Settlement were made to provide for the continued use of normalization accounting with respect to the benefits of the tax repairs and Internal Revenue Code ("IRC") Section 263A deductions, COVID-19 uncollectible accounts expense, the creation of a regulatory asset for the incremental extraordinary, nonrecurring uncollectible accounts expense incurred commencing from July 1, 2021 through January 14, 2022, pension funding, other post employment benefits ("OPEB") funding, accounting for cloud-based information technology systems, and the creation of a regulatory asset for costs of rebates provided through the Company's transportation electrification ("TE") programs as modified by the Settlement. These exceptions to the black box settlement are explained below, along with various other aspects of the Settlement generally related to revenue requirement issues. These specific resolutions of issues are the kinds of innovative solutions that can be developed by parties in a rate case through the settlement process that generally are not produced by litigation. *Peoples TWP LLC*, p. 27. The Settlement also reflects the roll-in of certain surcharges, including the DSIC. It is required that the DSIC be rolled-in to base rates in a distribution rate proceeding. 66 Pa. C.S. § 1358(b)(1).

Paragraph 35 of the Settlement addresses when the Company will be permitted to charge the DSIC. Specifically, the Company will be permitted to charge the DSIC when the Company's total distribution plant balances exceed the projected levels reflected in the FPFTY. *See* 66 Pa. C.S. § 1358(b) (providing only the fixed costs of new eligible property that have not previously been reflected in the utility's rate base shall be reflected in the quarterly updates of the DSIC).

Paragraph 36 of the Settlement specifies, as required by the Commission, a mechanism for determining the return on equity to be used in future DSIC calculations. Because settlements do not typically specify a return on equity, the Commission has accepted agreements by settling parties that the DSIC ROE published in the quarterly earnings reports may be used. *See Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al., (Order approving Partial Settlement entered Dec. 20, 2018); *see also Pa. P.U.C., et al. v. Duquesne Light Company*, Docket No. R-2013-2372129 (Order approving Settlement entered April 23, 2014). In this regard, even if there were an ROE determined by litigation in this rate case, it would only be effective for 2 years from the effective date of the rate increase after which the DSIC published return must be used. 66 Pa. C.S. § 1357(b). Because Paragraph 36 of the Settlement precludes use of the DSIC until after the total distribution plant balances exceed those projected at the end of the FPFTY, an ROE specified in the Settlement other than the Commission's published DSIC return in quarterly reports would be applied to the DSIC only for one year.

Paragraph 37 of the Settlement states that Duquesne Light will continue to use normalization accounting with respect to the benefits of the tax repairs and IRC Section 263A deductions. Duquesne Light will reverse excess deferred income taxes ("EDIT") with regard to prior tax repairs and IRC Section 263A deductions pursuant to the Average Rate Assumption Method ("ARAM") used to reverse EDIT associated with accelerated depreciation deductions. In addition, the remaining unamortized EDIT balance will continue as a reduction to rate base in all future base rate proceedings until the full amount is returned to ratepayers. This provision of the Settlement is fully supported by the testimony of Duquesne Light witness Mr. Matthew L. Simpson. (*See* Duquesne Light St. 12 at 10-13.) The Company's proposals with respect to normalization accounting for the benefits of tax repairs and IRC Section 263A deductions were not opposed and are consistent with the treatment of these issues that was approved as a part of its last base rate case. *See Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al., at pp. 13-14, 39-40 (Order approving Partial Settlement entered Dec. 20, 2018).

Paragraphs 38-40 resolve the Company's claims regarding incremental expenses incurred due to the COVID-19 pandemic. Duquesne Light witness Jaime A. Bachota testified regarding the impacts of COVID-19 on the Company's operations. (Duquesne Light St. 2 at 22-25.) As such, the Company's claim included a regulatory asset reflecting incremental uncollectible expense in the historic test year ended December 31, 2020 ("HTY") and the first three months of the FTY. (Duquesne Light St. 2 at 23.) The Company included an adjustment to normalize the incremental uncollectible expenses over three years and proposed to continue to record incremental uncollectible costs above what is included in this rate proceeding as a regulatory asset to be recovered in future rate proceedings. (Duquesne Light St. 2 at 23-24; *see also* Duquesne

Light St. 10.) OCA witness Mr. Morgan recommended that the incremental uncollectible accounts expense be recovered over a five-year period and I&E witness Ms. Wilson recommended the use of a 43-month period. (OCA St. 1 at 25; I&E St. 1 at 10.) Both OCA and I&E also argued the Company should discontinue tracking incremental uncollectibles expense incurred due to COVID-19. (*See* OCA St. 1 at 25-26; I&E St. 1 at 10-11.) The Company maintained its proposal to recover incremental uncollectibles expense, and opposed the parties' proposals to change the normalization period. (Duquesne Light St. 2-R at 17-19; Duquesne Light St. 10-R at 49-52.) Furthermore, the Company updated its uncollectible expenses claim to reflect the level of incremental uncollectible expenses as of June 30, 2021. (Duquesne Light St. 2-R at 19-20.)

In addition, the Company included a claim for other non-uncollectible, extraordinary, nonrecurring incremental COVID-19 related expenses, and similarly proposed to normalize these incremental costs net of savings over a three-year period and continue to record incremental costs. (Duquesne Light St. 2 at 24-25; *see also* Duquesne Light St. 10.) Both OCA and I&E identified additional alleged savings, and/or opposed the recovery of incremental, non-uncollectible COVID-19 related costs. (*See* OCA St. 1 at 26-27; I&E St. 1 at 13-21.) The Company maintained that its proposal to recover incremental non-uncollectibles costs, as well as its proposed three-year normalization period were reasonable and appropriate. (*See* Duquesne Light St. 2-R at 19-25; Duquesne Light St. 10-R at 52-60.) However, the Company did reflect adjustments to its claim for other non-uncollectible, extraordinary, nonrecurring incremental COVID-19 related expenses upon further review. (*See* Duquesne Light St. 2-R at 19-20 (discussing three adjustments to the Company's claim that reduced its original claim by $1.3 million or $0.4 million per year).)

These provisions of the Settlement provide as follows:

> 38. This Settlement provides for recovery of deferred COVID-19 uncollectible accounts expense of $6.1 million incurred from

> March, 2020 through June 30, 2021, which is recovered through an amortization of such costs over 36 months commencing with the effective date of rates in this proceeding. No uncollectibles balance will be added to the regulatory asset after the effective date of new rates in this proceeding for deferred COVID-19 uncollectible accounts expense.
>
> 39. This Settlement resolves the Company's claim for COVID-19 costs and lost revenues other than uncollectible accounts expenses.
>
> 40. Duquesne Light will be permitted to create a regulatory asset for the incremental extraordinary, nonrecurring uncollectible accounts expense incurred commencing from July 1, 2021 through January 14, 2022, as a result of compliance with the Commission's March 13 Emergency Order, October 13, 2021 Order, March 18, 2021 Order, and July 15, 2021 Order at Docket Nos. M-2020-3019244 and M-2020-3019775.

These provisions constitute a reasonable compromise of the parties' positions, which included adjustments to the proposed amortization periods and the incremental costs that the Company would be permitted to recover. Thus, this Settlement provision is just, reasonable, and in the public interest and should be approved without modification.

Paragraph 41 of the Settlement addresses pension contributions. The Company projected to make pension contributions of $10 million per year over the next six years, *i.e.*, 2021-0216. (Duquesne Light St. 2 at 29.) Half of those costs are recovered as expense and half are provided initially with non-ratepayer funds and treated as capitalized costs. The Company also proposed a provision, used in its prior rate cases, that any expense recovery from customers for pensions that is not contributed to the pension would be returned to customers. The Company also proposed that Company-provided funds contributed to the pension trust that are not included in rate base under accounting rules be included in rate base in this proceeding. (Duquesne Light St. 2 at 30-35.) OCA opposed the Company's proposed adjustment to rate base. (OCA St. 1 at 10-17.) The rate base adjustment is resolved along with other disputed revenue requirement issues by the black box settlement of the compromise revenue increase; Settlement Paragraph 41 includes these provisions.

Paragraph 42 of the Settlement provides for the Company's proposals with regard to the Company's OPEB claim and also provides commitments similar to those for pensions for inclusion in the final order in this proceeding. (Duquesne Light St. No. 2, pp. 27-30.) This Settlement provision is consistent with prior Company settlements approved by the Commission. *Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al. (Order approving Partial Settlement entered Dec. 20, 2018); *Pa. P.U.C. v. Duquesne Light Company*, Docket No. R-2013-2372129 (Order entered April 23, 2014); *Pa. P.U.C. v. Duquesne Light Company*, Docket No. R-2010-2179522 (Order entered Feb. 24, 2011); *see also* Duquesne Light St. 2 at 35-38.

Paragraph 43 of the Settlement provides for approval of the study used to separate the Company's assets, revenues and expenses into Federal Energy Regulatory Commission ("FERC") and state jurisdictional amounts, with separated amounts used to set rates for interstate and intrastate service. As the separation is typically approved by the Commission, this provision provides the basis for use of the study for FERC's setting of rates for interstate service. This Settlement provision is consistent with prior Company settlements approved by the Commission. *Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al. (Order approving Partial Settlement entered Dec. 20, 2018); *Pa. P.U.C. v. Duquesne Light Company*, Docket No. R-2013-2372129 (Order entered April 23, 2014); *Pa. P.U.C. v. Duquesne Light Company*, Docket No. R-2010-2179522 (Order entered Feb. 24, 2011); *see also* Duquesne Light St. 15 at 14-17.

Paragraph 44 provides for the filing of actual data for the FTY and FPFTY after those years are completed. The purpose of this provision is to permit the Commission and Parties to review the accuracy of Company projections in this proceeding. Requests for these reports were made in I&E testimony as a requirement in this proceeding. (I&E St. 4 at 7.) This proposal was accepted by the Company as a part of its rebuttal testimony. (Duquesne Light St. 2-R at 15.)

Paragraph 45 addresses the Company's capitalization of the development costs for cloud-based information systems, consistent with the Partial Settlement approved in the Company's last base rate case. *Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al. (Order approving Partial Settlement entered Dec. 20, 2018); *see also* Duquesne Light St. 2 at 4-5. OCA raised some concerns regarding the Company's proposal and claimed that the adjustment is not necessary given the adoption of FERC's accounting method. (OCA St. 1 at 9-10.) I&E also proposed a decrease in rate base of $693,000 related to an increase in accrued depreciation for cloud-based software. (I&E St. 4 at 6.) The Company responded to each of the concerns raised by OCA (Duquesne Light St. 2-R at 13-14; St. 2-SR at 7-8) and the adjustment proposed by I&E (Duquesne Light St. 10-R at 22-23; St. 2-SR at 7-8). OCA continued to raise its concerns regarding the cloud-based computing software claim, and asserted that the Company may be double counting costs. (OCA St. 1-SR at 4.) Company witness Bachota further responded to these concerns and explained that no double counting would occur. (Duquesne Light St. 2-RJ at 3-5.) The Settlement provision provides for capitalization of these costs, in a manner that is consistent with prior Commission approvals received by the Company, but preserves rights to challenge the reasonableness and prudence of costs in future base rate proceedings. Specifically, the Settlement provides for transfer of the unamortized portion of Commission approved regulatory asset to rate base and the recording of future cloud costs to rate base commencing January 1, 2022.

Finally, Paragraph 46 re-affirms a prior commitment by Duquesne Light to provide notice if annual dividends exceed 85% of annual net income for the preceding twelve months ended March 31. *Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al. (Order approving Partial Settlement entered Dec. 20, 2018).

C. DUQUESNE LIGHT PROGRAMS

1. SMALL AND MEDIUM COMMERCIAL CUSTOMER PROGRAMS

Paragraph 47 of the Settlement provides that the Company's proposed New Business Stimulus Rider ("NBSR"), described in Duquesne St. 5 and memorialized as Rider No. 25 in Duquesne Light Exhibit No. DBO-1 is withdrawn without prejudice. Although Company witness Ms. Krysia Kubiak testified regarding how the NBSR would help support the rebuilding of small communities' business districts that were adversely impacted by the COVID-19 pandemic (Duquesne Light St. 5 at 7-12), I&E and OSBA raised concerns regarding the necessity of this rider and the Company's proposed cost-recovery (*see* I&E St. 1 at 23-27; *see also* OSBA St. 1 at 30).

Paragraph 48 of the Settlement similarly provides that the proposed Crisis Recovery Program ("CRP"), as described in Duquesne Light St. 5 and memorialized as Rider No. 26 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice. Company witness Ms. Krysia Kubiak testified about how the CRP was designed to provide relief to many small businesses that were in danger of closing due to the financial pressures of the pandemic. (Duquesne Light St. 5 at 12-17.) However, I&E and OSBA both opposed this program for reasons similar to the NBSR (*see* I&E St. 1 at 30; *see also* OSBA St. 1 at 31).

2. MASTER METERING

As noted in the Settlement, the issue regarding NEP's master metering and submetering proposal, as described in NEP Statement Nos. 1 and 2, was reserved for litigation. Paragraphs 49-50 of the Settlement withdraw Duquesne Light's revisions to Retail Tariff Rules 41 and 41.1 regarding master metering consistent with Duquesne Light St. 6-SR, and reserve resolution of NEP's proposal for litigation. Duquesne Light's Main Brief addresses its opposition to NEP's proposal.

3. RESIDENTIAL COVID-19 AND UNIVERSAL SERVICE PROGRAMS

In order to attempt to address the impact of the COVID-19 pandemic on its residential customers, the Company proposed a residential COVID-19 debt relief program. (Duquesne Light St. 7 at 11-13.) Unlike the Company's existing universal service programs, the residential COVID-19 debt relief program was designed to provide targeted, short-term assistance to low- to moderate-income residential customers that experienced payment delinquencies due to the pandemic. (Duquesne Light St. 7 at 11.) Duquesne Light witness Ms. Katherine Scholl also detailed the Company's Universal Service and Energy Conservation Plan ("USECP"), which was pending approval by the Commission at Docket No. M-2019-3008227. (Duquesne Light St. 7 at 4-11.) As the USECP was pending approval, the Company did not propose any changes to it or Rider No. 5 – Universal Service Charge ("USC") as a part of its base rate proceeding, except to update estimated Customer Assistance Program ("CAP") enrollment in 2022. (*See* Duquesne Light St. 7 at 7.)

Several other parties submitted testimony regarding the Company's proposed residential COVID-19 debt relief program and its universal service programs. (*See* I&E St. 1 at 33-35; OCA St. 4; NRDC St. 1 at 4-5, 21-26; CAUSE-PA St. 1; and PWPTF St. 1 at 5-8.) Duquesne Light's rebuttal testimony (Duquesne Light St. 7-R) addressed the claims and concerns raised by the other parties regarding its proposed residential COVID-19 debt relief program, and universal service programs.

Paragraphs 51 through 56 of the Settlement resolve all issues related to the Company's proposed assistance and universal service programs raised in this proceeding. Paragraph 51 withdraws the residential COVID-19 debt relief program without prejudice, which represents a reasonable compromise of the parties' competing litigation positions regarding the necessity of the program and the various modifications proposed.

Paragraph 52 revises Tariff Rule No. 5, as discussed in the rebuttal testimony of Duquesne Light witness Ms. Scholl. (Duquesne Light St. 7-R at 15-16.) This provision of the Settlement is designed to address a concern raised by OCA. (OCA St. 4 at 6, 94-95.) Duquesne Light believes this provision is reasonable because it notes Duquesne Light's current practice while also addressing OCA's specific concerns regarding Tariff Rule No. 5.

Paragraph 53 modifies two aspects of Duquesne Light's Hardship Fund. First, it increases the maximum household income eligibility criterion for Duquesne Light's Hardship Fund from 200% to 300% of the Federal Poverty Level ("FPL") for 2022 and 2023. Second, it increases the Company's shareholder contribution to the Hardship Fund by $1 million per year for 2022 and 2023. It also specifies how Hardship Funds will be directed to low-income households. This provision replaces the proposed customer funded residential COVID-19 debt relief program with increased shareholder funds, thereby responding to opposition by I&E and concerns and proposals raised by CAUSE-PA and PWPTF. (CAUSE-PA St. 1 at 52-54; PWPTF St. 1 at 7.) Duquesne Light believes this provision is reasonable because it provides additional funds to assist a broader range of low- and moderate-income customers that may be impacted by the COVID-19 pandemic. This provision is also consistent with the Company's prior efforts to assist low-income customers, which in addition to increasing contributions to the Hardship Fund, included: significant community and customer outreach; greater affordability through the implementation of a percentage of payment plan; providing CAP customers the chance to earn forgiveness of their entire delinquent balance in January 2021; waiving of late payment and reconnection fees; and granting flexible payment arrangements. (Duquesne Light St. 7-R at 13-14.)

Paragraphs 54 and 55 provide that Duquesne Light will (a) increase annual funding for LIURP by $400,000 per year, which will be recovered through Rider No. 5 – Universal Services Charge, beginning January 1, 2022 and ending January 1, 2025, and (b) will continue to use a competitive procurement process to select a vendor to administer its LIURP program. This provision addresses concerns by CAUSE-PA and PWPTF regarding the funding level and administration of LIURP. (CAUSE-PA St. 1 at 40-42; PWPTF St. 1 at 5-7.) Duquesne Light believes that these LIURP Settlement provisions constitute a reasonable compromise of the parties' competing litigation positions.

Finally, Paragraph 56 of the Settlement provides for an increase to the Company's maximum CAP credit thresholds by a percentage equal to the average annual increase in residential rates approved by the Settlement. This provision addresses a concern raised by CAUSE-PA. (CAUSE-PA St. 35-39.) Duquesne Light believes that this provision constitutes a reasonable compromise of the parties' competing litigation positions in this proceeding.

4. TRANSPORTATION ELECTRIFICATION PROGRAM AND LOAD MANAGEMENT

Duquesne Light proposed to implement Transportation Electrification Programs ("TE Programs") in order to increase utilization of and equitable access to safe and reliable electric transportation fuel in the Company's service territory. (Duquesne Light St. 8 at 3.) Duquesne Light further explained that transportation electrification market trends demonstrated there is a need and benefit for utility planning and investment in infrastructure and programs. (Duquesne Light St. 8 at 3, 6-14.) The Company summarized the proposed TE Programs as follows:

> The proposed TE Programs consists of two Portfolios. The first is the Charging Infrastructure Portfolio, comprising three programs intended to increase the number of EV charging stations in the Company's service territory, as a means of facilitating the EV market. The second component is the Customer Portfolio, which includes Awareness, Education, and Engagement, Fleet Electrification Advisory Service, and Registration Incentive programs. The Customer Portfolio is designed to increase customer knowledge of transportation electrification and allow the Company to more effectively engage customers.

(Duquesne Light St. 8 at 4.) The Components of the proposed TE Programs were also depicted in Table 1 of Duquesne Light St. 8, reproduced below.

Table 1: TE Programs Budgets

Component	Description	2022 Budget
Charging Infrastructure Portfolio		
Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot	Public, workplace, and multi-unit dwelling make-ready investment to support Level 2 and DC fast charging stations	$1,047,940
Fleet and Transit Charging Pilot	Optional fleet and public transit make-ready and charging station program to install and support Level 2 and DC fast charging stations	$2,013,730
Home Charging Pilot	Optional turnkey service for residential customers to install Level 2 charging stations at their home.	$503,650
Customer Portfolio		
Awareness, Education, and Engagement	Support for customers to make informed decisions about fueling vehicles with electricity.	$392,460
Fleet Electrification Advisory Service	Vehicle and charging infrastructure planning and analysis support for public and private fleet customers.	$292,400
Registration Incentive	$50 one-time registration incentive for customers who own or lease an EV.	$68,000
	Capital Program Cost For 2022	$2,964,090
	Expense Program Cost For 2022	$1,353,090
	Total Program Cost For 2022	$4,317,180

In addition, the Company explained that its prior 2018 base rate proceeding included an EV ChargeUp Pilot, the results of which were summarized in annual reports filed with the Commission in 2020 and 2021 consistent with the 2018 base rate proceeding settlement. (Duquesne Light St. 8 at 14; *see also* Exhibits SO-1 and SO-2.) The Company's initial filing also explained each component of the Charging Infrastructure Portfolio (Duquesne Light St. 8 at 16-53) and the Customer Portfolio (Duquesne Light St. 8 at 53-68).

Several parties submitted testimony addressing the Company's proposed TE Programs. The parties that submitted testimony on the TE Programs took diverse positions on these issues, which were summarized by Duquesne Light witness Ms. Sarah J. Olexsak as follows:

> I&E witnesses Keller and Cline (I&E Statement Nos. 2 and 5, respectively) both present testimony regarding the Company's proposed TE Programs. Witness Cline recommends that the TE Programs be approved by the Commission. Mr. Keller indicates that he accepts the premise of all three pilots within the Charging Infrastructure Portfolio as well as the three components of the Customer Portfolio. Mr. Keller and Mr. Cline both suggest TE Programs reporting requirements.
>
> OCA witness Nelson (OCA Statement No. 6) expresses concern that the Company's TE Program proposal lacks an adequate evaluation and assessment plan and that the proposal's load management offerings are insufficient. Mr. Nelson recommends rejection of the Home Charging Pilot and denial of the Company's request for make-ready and charging station capital recovery for the proposed Charging Infrastructure Portfolio. In the alternative, Mr. Nelson proposes that such funds could be provided to customers as a rebate. Additionally, Mr. Nelson suggests that the Commission require the Company to submit an evaluation and assessment plan, reduction of the Awareness, Education, and Engagement (AEE) budget by 75%, rejection of the Fleet Advisory Service, and not permit pilot activity through 2024. Lastly, Mr. Nelson encourages the Commission to require the Company to file an electric vehicle (EV) load management proposal within 18 months of a final order in the case.
>
> CAUSE-PA witness Geller's testimony (CAUSE-PA Statement No. 1) focuses on how the proposed TE Programs will impact the Company's low income customers. Mr. Gellar avers that low-income customer lack ability to access EVs and EV charging

infrastructure, yet recognizes "that there are likely tangible emission benefits as a result of transportation electrification that can help to lessen the historical burden of emissions in low income communities and communities of color" (CAUSE-PA Statement No.1, p. 45, lines 7-9). Mr. Geller recommends that the Company focus investment in infrastructure that supports the electrification of accessible transportation options, specifically in or serving Environmental Justice (EJ) Areas over infrastructure that supports personal vehicle charging. He also recommends that the Company's low income customers be exempted from costs related to the Home Charging Pilot.

In his testimony, OSBA witness Knecht provides policy positions that describe OSBA's stance on electric utility EV charging infrastructure programs (OSBA Statement No. 1, p. 32-34). Mr. Knecht argues that the Company's proposed TE Programs are not consistent with OSBA's policy positions, and that the demand for charging infrastructure can and should be met by unregulated entities. Mr. Knecht recommends the rejection of the Public, Workplace, and Multi-Unit Dwelling Make-Ready Charging Pilot and the Fleet and Transit Charging Pilot, and indicates that he refrains from taking a position on the Home Charging Pilot.

NRDC witness Harris generally supports the Company's TE proposals. She states that the Company's proposal takes "…a holistic, portfolio approach to support the growing EV market…" and points out that the TE Programs, "…will only support a small percentage of the charging infrastructure in its service territory that will be needed as EV deployments increase." (NRDC Statement No. 2, p. 4, lines 11-14). Ms. Harris provides a number of recommended modifications and additions to the proposal including expansion of utility ownership of charging stations for multi-unit dwelling customers, increased funding for charging infrastructure to support medium- and heavy-duty fleets, and increased prioritization of fleets servicing EJ Areas.

ChargePoint witness Deal (ChargePoint Statement No. 1) indicates support for the Company's proposed Charging Infrastructure Portfolio and Fleet Electrification Advisory Service. Mr. Deal provides a number of recommended modifications to these programs, including the addition of charging station software and equipment eligibility requirements, vendor neutral marketing communications, and permitting customer charging station choice in the Home Charging Pilot.

Though not a party to this proceeding, Joshua Cohen also provided on-the-record oral testimony on behalf of Greenlots, Inc., at the

> public input hearing held June 22, 2021. Mr. Cohen expressed support for the Company's proposed TE programs. Tr. 36-40. Grant Ervin also provided on-the-record testimony on behalf of the City of Pittsburgh, also not a party to this proceeding, in support of the Company's proposed TE programs. Tr. 78-85.

(Duquesne Light St. 8-R at 3-5.)

Duquesne Light further explained that the criticisms of the parties that addressed the proposed TE Programs could be sorted into (a) general critiques about the Company's approach to TE and (b) critiques specific to individual components of the Company's proposed Charging Infrastructure Portfolio and Customer Portfolio. (Duquesne Light St. 8-R at 5.) With respect to the parties' claims regarding Duquesne Light's approach generally, Duquesne Light responded to: OCA and NRDC's concerns regarding load management issues (Duquesne Light St. 8-R at 5-16); OCA, and OSBA's concerns regarding market competitiveness (Duquesne Light St. 8-R at 16-21); CAUSE-PA's concerns regarding the benefits of TE Programs to low-income customers (Duquesne Light St. 8-R at 21-26); and NRDC, OCA and I&E's proposed reporting and evaluation requirements (Duquesne Light St. 8-R at 26-35). With respect to the parties' critiques of specific aspects of the proposed TE Programs, the Company addressed: I&E, NRDC's, ChargePoint, OCA, OSBA and CAUSE-PA's various positions regarding the Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot (Duquesne Light St. 8-R at 35-42); NRDC, CAUSE-PA, I&E, ChargePoint, OCA and OSBA's positions regarding the Fleet and Transit Charging Pilot (Duquesne Light St. 8-R at 42-48); ChargePoint, I&E, OSBA, OCA and CAUSE-PA's testimony regarding the Home Charging Pilot (Duquesne Light St. 8-R at 48-53); NRDC, I&E, ChargePoint, and OCA's positions regarding the Awareness, Education, and Engagement proposal (Duquesne Light St. 8-R at 53-55): and NRDC, I&E, ChargePoint, CAUSE-PA, and OCA's claims regarding the Fleet Electrification Advisory Service (Duquesne Light St. 8-R at 55-59).

In response to the variety of positions taken by the parties regarding the proposed TE Programs, the Company has agreed to revise the proposed TE Programs, consistent with the terms and conditions reflected in Paragraphs 57-59 of the Settlement. Paragraph 57 details the comprehensive resolution of the proposed TE Programs.

Paragraph 58 of the Settlement further provides for the refund or recovery of unused EV Registration Incentive funds and Level 2 Charging Evaluation rebate expenses over a three-year period, as described in Duquesne Light St. 8 at 65. These proposals are consistent with the 2018 base rate proceeding Settlement's requirement that any unused portion of the allotted Registration Incentives be address in this rate case. *Pa. P.U.C., et al. v. Duquesne Light Company*, Docket Nos. R-2018-3000124, R-2018-3000829, et al. (Order approving Partial Settlement entered Dec. 20, 2018). Moreover, the aspect of Paragraph 65 that states such refund/recoupment is included in the revenue increase identified in Paragraph 34, permits the Company to reflect the refund/recoupment of amounts associated with this issue as a part of the broader settlement of revenue requirement issues.

Paragraph 59 provides that Duquesne Light's proposal to include $854,736 in rate base associated with bus transit charging stations under the DC Fast Charging Evaluation, as described in Duquesne Light St. 8 at 66-67, is approved. This provision recognizes that the DC Fast Charging Evaluation provides many benefits to customers (*see* Exhibit SO-3), and that the Company was required to make additional capital investments in order to obtain these benefits for customers.

The Company and the Parties have carefully considered the proposed TE Programs and made modifications in the Settlement to ensure that the expenditures included in rates under Settlement will produce benefits to customers with minimal effects on rates charged to customers. In addition, the Company and the parties have incorporated various evaluation and reporting requirements that will allow stakeholders to review the approved components of the TE Programs and identify ways to ensure equitable delivery of these programs to unserved and underserved areas. The TE Program settlement provisions are in the public interest because they incorporate negotiated modifications to the Company's proposed TE Programs and at the same time allow the Company an opportunity to continue to incent EV usage in its service territory, which will: increase the benefits of transportation for customers and communities by evaluating the impacts EVs have on the electric grid, informing the Company's distribution system planning, and advancing its ability to serve its customers' evolving needs; allow the Company to assist customers with the transition to an electrified transportation environment; and leverage the Company's learnings from the EV ChargeUp Pilot approved in the 2018 base rate proceeding and use these learnings to mitigate obstacles to the deployment of EV infrastructure.

5. OTHER RIDERS AND TARIFF MODIFICATIONS

Paragraph 60 of the Settlement provides that Duquesne Light's proposed Rider No. 4, Federal Tax Adjustment Charge, as discussed in Duquesne Light St. Nos. 9 and 16 and Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice. Several parties argued that a federal tax rate increase was uncertain at this point and the Commission would act expeditiously to allow the Company to recover increased tax costs if a federal tax rate increase is adopted (I&E St. 1 at 39; OCA St 1 at 31-32).

Paragraph 61 of the Settlement provides that Duquesne Light's revised Street Lighting options, as discussed in Duquesne Light St. 16, are approved. No parties contested this aspect of the Company's filing.

Paragraph 62 of the Settlement provides that Duquesne Light's proposed changes to Rider No. 16, as described in Duquesne Light St. 17, are approved. The changes implement standby rates designed to reduce the distribution subsidy that other customers pay a customer that operates a generator behind the Company's meter. The fundamental problem is that the distribution system must be provided to serve the generator customer at all times, even if the generator fails, but the customer rarely pays for that system through usage charges. (Duquesne Light St. 17 at 8-9.) In order to address these concerns, the Company proposed to modify Rider No. 16 by: (1) creating Maintenance Contract Demand with a related charge of $3.09 per kW of Maintenance Contract Demand; (2) creating As-Used Contract Demand with a related charge of $6.79 per kW of As-Used Contract Demand; and (3) implementing an Adjustment of Overage Fees for periods during which Maintenance Contract Demand is exceeded by 10% or more to $9.88 per kW of actual demand in excess of Maintenance Contract Demand. (Duquesne Light St. 17 at 9.) The Company explained its approach to designing Rider No. 16, and each of the modifications, as well as the proposed changes to the tariff language associated with this rider. (Duquesne Light St. 17 at 9-20.) The Company did not propose any changes to the eligibility criteria for this rate. (Duquesne Light St. 17 at 20-21.) No parties contested the Company's proposed changes to Rider No. 16.

Paragraph 63 of the Settlement provides for the approval of the Company's proposed Community Development Rider, with two modifications. In its initial filing, the Company explained that the prescribed discount to distribution services demand charges for five years is designed to provide incentives for customers to bring operations to the Company's service territory. (Duquesne Light St. 17 at 25.) Duquesne Light witness Margot Everett furth testified regarding the benefits of the Community Development Rider, its proposed structure and eligibility criteria. (Duquesne Light St. 17 at 26-29.) Furthermore, Ms. Everett addressed each of the factors set forth in 52 Pa. Code §§ 69.3301 and 69.3302 regarding the evaluation of alternative distribution rate mechanisms. (Duquesne Light St. 17 at 29-34.) I&E and OSBA both opposed the implementation of the Community Development Rider and raised several concerns related to it. (*See* I&E St. 1 at 8-11; OSBA St. 1 at 28-29.)

The modifications adopted in Paragraph 63 of the Settlement address proposals advanced by I&E and OSBA. Specifically, the modification set forth in subpart (a), which provides the costs of this program will not be recovered from customers and are not included in the revenue increase identified in Paragraph 34, directly addresses OSBA's recommendation that the Company absorb the discount that remains in effect for the next base rate case. In addition, the modification set forth in subpart (b), which provides for two additional eligibility requirements, provides for additional limitations on the customers that can participate and minimizes OSBA's concerns regarding free-riders and I&E's concerns regarding the rider providing unfair competitive advantages.

Paragraph 64 of the Settlement provides that Duquesne Light's proposed Residential Subscription Rate Pilot, as described in Duquesne Light St. Nos. 9 and 17 and memorialized as Rider No. 7 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice. The Company continues to believe that an alternative ratemaking pilot would yield important information about alternative rates for customers. Nevertheless, the Company has gained valuable insights as to the perspectives of other parties in this case which it can consider in future proposals.

Paragraph 65 of the Settlement provides that the special rate contract identified as CONFIDENTIAL Exhibit CJD-2 is approved. No parties opposed the Company's proposed special contract rate.

Finally, paragraph 66 of the Settlement provides for the approval of the Company's other Retail Tariff revisions, as set forth in Duquesne Light St. 16. Such revisions were not contested by any of the parties.

D. REVENUE ALLOCATION AND RATE DESIGN

Paragraph 67 of the Settlement provides that the revenue allocation to each class at the net settlement increase of $45 million is reflected in **Appendix B**. This provision further provides that the revenue allocation reflected in **Appendix B** is a "black box" agreement representing a compromise among the parties' filed revenue allocation proposals and it does not reflect any agreement among the Settling Parties regarding the appropriate cost allocation methodology.

In reaching the allocation of the increase to the classes, the Parties have generally compromised their positions to achieve a settlement. The primary tool for allocating increases to the rate classes is a class cost of service study. The Company (Exhibits 6-2 and 6-3), OSBA (Exhibit IEc-2, RDK WP2) and OCA (Schedule GAW-4) submitted studies in this proceeding. Where some classes are providing returns below the system average at present rates, and others are generally providing returns above the system average, it is appropriate to apply a greater percentage increase to the classes providing returns below the system average and a lesser or no increase to the classes above the system average. In some instances, a decrease in rates is appropriate for a rate class that is paying rates that produce a return well above the system average return at present rates. However, in most instances, rate decreases are not implemented and rate classes with returns above system are brought in line by receiving less than average increases over time.

The Company's initial proposed allocation is basically in the middle of the Parties' proposed allocations. (*See* Duquesne Light Exh. No. 6; I&E St. 3 at 8; OCA St. 3; OSBA St. 1.) At the Settlement revenue increase, the increases in rates for customers are basically scaled back from the Company proposal, with minor adjustments, to reflect the lower revenue increase. As noted previously, residential customers are receiving an above average increase because they provide less than a system average return at current rates. (Duquesne Light Exh. No. 6-10 (R); OCA St. 3 at 33-35.) Consistent with Commission practice, rate reductions are not reflected in the Settlement and no party was proposed to have a rate decrease under any study.

With regard to rate design, the Parties agreed to maintain the base rate residential customer charge at $12.50 per month. However, Paragraph 69 of the Settlement further provides that customer charges of the non-residential classes were reduced to reflect the lower than proposed increases to those classes and other factors as agreed to by the Parties and are shown in Appendix A.

Paragraph 68 provides and states that universal service costs will continue to be recovered only from residential rate classes and that the parties retain all rights to challenge, refute, or propose modifications to the allocation of universal service costs to all customer classes in future proceedings. OCA proposed to allocate universal service costs to all customer classes in its direct testimony. (OCA St. 4 at 57-91.) The Company and OSBA both opposed the OCA's proposal, for a number of reasons. (Duquesne Light St. 7-R at 14; OSBA St. 1-R at 6-9.) Paragraph 68 directly addresses OCA's proposal and maintains the existing framework for the recovery of universal service costs from residential customers only; however, this provision clarifies that OCA may raise this proposal again in future proceedings. This provision represents a reasonable compromise of the parties' competing litigation positions regarding this issue and, therefore, is in the public interest.

Paragraphs 70 memorializes the Company's agreement, as described in rebuttal testimony (Duquesne Light St. 16-R at 18) to perform an evaluation of its nonresidential electric heating rates (Rates GMH and GLH) as recommended by OSBA (OSBA St. 1 at 24-26).

Finally, OSBA proposed to eliminate Rider No. 3, which provides an extended payment grace period to certain school and governmental customers, from the Company's tariff. (OSBA St. 1-R at 14.) The Company opposed this recommendation. (Duquesne Light St. 16-SR at 4-5.) Paragraph 71 provides that OSBA's recommendation regarding Rider No. 3 is withdrawn without prejudice. This provision represents a reasonable compromise of the parties' competing litigation positions regarding this issue.

IV. CONCLUSION

This Settlement is the result of detailed examination of Duquesne Light's proposed 2021 Base Rate Case, extensive discovery by numerous parties, multiple rounds of testimony and reasonable compromise by knowledgeable Joint Petitioners. Duquesne Light believes that a fair and reasonable compromise has been achieved in this case, particularly given the fact that the settling parties have such diverse and competing interests in this proceeding and have reached a Settlement on all issues, and in light of the significant challenges presented by COVID-19. Duquesne Light fully supports this Settlement and respectfully requests that Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan recommend and the Pennsylvania Public Utility Commission:

(i) Approve the Joint Petition for Approval of Settlement without modification;

(ii) Approve the proposals set forth in Duquesne Light's above-captioned distribution base rate increase filing subject to the terms and conditions of the Joint Petition for Approval of Settlement;

(iii) Approve the *pro forma* tariff attached to the Joint Petition for Approval of Settlement as Appendix A;

(iv) Approve the proof of revenues attached to the Joint Petition for Approval of Settlement of All Issues as Appendix B;

(v) Mark the Formal Complaints filed by OCA, OSBA, and the individual customer complainants as satisfied and closed; and

(vi) Mark the investigation at Docket No. R-2021-3024750 closed.

Respectfully Submitted,

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Date: September 3, 2021

Counsel for Duquesne Light Company

Appendix F

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
Office of Consumer Advocate	:	
Office of Small Business Advocate	:	Docket Nos.: R-2021-3024750
Nationwide Energy Partners	:	C-2021-3025538
	:	C-2021-3025462
v.	:	C-2021-3026057
	:	
Duquesne Light Company	:	
Base Rates	:	

BUREAU OF INVESTIGATION AND ENFORCEMENT
STATEMENT IN SUPPORT OF
JOINT PETITION FOR SETTLEMENT

TO: DEPUTY CHIEF ADMINISTRATIVE LAW JUDGE JOEL H. CHESKIS AND ADMINISTRATIVE LAW JUDGE JOHN M. COOGAN:

I. INTRODUCTION

The Bureau of Investigation and Enforcement ("I&E") of the Pennsylvania Public Utility Commission ("Commission"), by and through its Prosecutor Scott B. Granger, hereby respectfully submits that the terms and conditions of the foregoing Joint Petition for Approval of Settlement of All Issues ("Joint Petition" or "Settlement") are in the public interest and represent a fair, just, and reasonable balance of the interests of the Duquesne Light Company ("Duquesne" or "DLC" or the "Company"), I&E, the Office of Consumer Advocate ("OCA"), the Office of Small Business Advocate ("OSBA"), the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA"), the Pennsylvania Weatherization Providers Task Force ("PWPTF" or "Task Force"); the Natural Resource Defense Council ("NRDC"); United States Steel

Corporation ("U.S. Steel"), Peoples Natural Gas Company LLC ("Peoples"), ChargePoint, Inc. ("ChargePoint"), the International Brotherhood of Electrical Workers, AFL-CIO, Local Union 29 ("IBEW Local 29"), and Nationwide Energy Partners, LLC ("Nationwide" or "NEP") (parties in the above-captioned proceeding and hereinafter collectively referred to as the "Parties" or 'Joint Petitioners"), and the Duquesne ratepayers.

II. BACKGROUND

1. I&E is charged with representing the public interest in Commission proceedings related to rates, rate-related services, and applications affecting the public interest. In negotiated settlements, it is incumbent upon I&E to identify how amicable resolution of any such proceeding may benefit the public interest and to ensure that the public interest is served. Based upon I&E's analysis of the Duquesne base rate filing, acceptance of this proposed Settlement is in the public interest and I&E recommends that the Administrative Law Judges and the Commission approve the Settlement in its entirety.

2. On April 16, 2021, Duquesne filed with the Commission, Supplement No. 25 to Duquesne Light's Tariff – Electric Pa. P.U.C. No. 25 ("Supplement No. 25"). Supplement 25 was issued to become effective June 15, 2021, and proposed changes to Duquesne Light's base retail distribution rates designed to produce an overall annual increase in distribution revenue of approximately $115.0 million, of which approximately $29.2 million of revenues are currently recovered through surcharges, based upon data for a fully projected future test year ending December 31, 2022.

3. I&E filed its Notice of Appearance on April 23, 2021.

4. The OSBA filed a Formal Complaint on April 23, 2021.

5. CAUSE-PA filed a petition to intervene on April 26, 2021.

6. The OCA filed a Formal Complaint on April 27, 2021.

7. The Pennsylvania Weatherization Providers Task Force filed a petition to intervene on May 5, 2021.

8. On May 14, 2021, the Natural Resource Defense Council filed a petition to intervene.

9. On May 20, 2021, the Commission entered an Order suspending the implementation of proposed Duquesne Light Supplement No. 25 by operation of law until January 15, 2022, and opening an investigation to determine the lawfulness, justness, and reasonableness of the rates, rules, and regulations contained in Duquesne's proposed Supplement No. 25. The Commission also stated the investigation shall include consideration of the lawfulness, justness, and reasonableness of Duquesne's existing rates, rules, and regulations.

10. The case was assigned to the Office of Administrative Law Judge for the prompt scheduling of such hearings as may be necessary culminating in the issuance of a Recommended Decision.

11. On May 24, 2021, US Steel filed a Petition to Intervene.

12. On May 25, 2021, People Natural Gas filed a Petition to Intervene.

13. On May 25, 2021, Nationwide Energy Partners filed a Formal Complaint.

14. Due to the COVID-19 pandemic restrictions, a telephonic Prehearing Conference is scheduled for Thursday, May 27, 2021 beginning at 10:00 am before Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan presiding in Harrisburg.

15. On June 2, 2021, ChargePoint filed a Petition to Intervene.

16. On June 14, 2021, IBEW Local 29 filed a Petition to Intervene.

17. On June 22, 2021, two public input hearings were held using remote SMART technology.

18. All parties undertook comprehensive discovery in this proceeding after the filing was made and continued to conduct discovery throughout the litigation and settlement negotiation process.

19. In accordance with the procedural schedule established at the prehearing conference, I&E served to all active parties the following thirteen (13) pieces of testimony and accompanying six (6) exhibits from five (5) I&E witnesses:

- I&E Statement No. 1 and I&E Exhibit No. 1 –
  the Direct Testimony of I&E witness Christine Wilson;
- I&E Statement No. 1-R –
  the Rebuttal Testimony of I&E witness Christine Wilson;
- I&E Statement No. 1-SR –
  the Surrebuttal Testimony of I&E witness Christine Wilson;
- I&E Statement No. 2 and I&E Exhibit No. 2 –
  the Direct Testimony of I&E witness Christopher Keller;
- I&E Statement No. 2-R –
  the Rebuttal Testimony of I&E witness Christopher Keller;
- I&E Statement No. 2-SR and I&E Exhibit No. 2-SR –
  the Surrebuttal Testimony of I&E witness Christopher Keller;

- I&E Statement No. 3 and I&E Exhibit No. 3 –
  the Direct Testimony of I&E witness Esyan Sakaya;
- I&E Statement No. 3-SR and I&E Exhibit No. 3-SR –
  the Surrebuttal Testimony of I&E witness Esyan Sakaya;
- I&E Statement No. 4 and I&E Exhibit No. 4 –
  the Direct Testimony of I&E witness Joseph Kubas;
- I&E Statement No. 4-SR –
  the Surrebuttal Testimony of I&E witness Joseph Kubas;
- I&E Statement No. 5 –
  the Direct Testimony of I&E witness Ethan Cline;
- I&E Statement No. 5-R –
  the Rebuttal Testimony of I&E witness Ethan Cline; and,
- I&E Statement No. 5-SR –
  the Surrebuttal Testimony of I&E witness Ethan Cline.

20. In accordance with Commission policy encouraging settlements at 52 Pa. Code § 5.231 and § 69.401 as they often achieve results preferable to a fully litigated proceeding, I&E participated in multiple settlement discussions with UGI Gas and the Parties to the proceeding. Following extensive settlement negotiations, the Joint Petitioners reached a full settlement of all issues[1] as set forth in detail in the Joint Petition.

III. SETTLEMENT

21. I&E is charged with representing the public interest in Commission proceedings related to rates, rate-related services, and applications affecting the public interest. In negotiated settlements, it is incumbent upon I&E to identify how amicable resolution of any such proceeding may benefit the public interest and to ensure that the

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[1] One remaining issue raised by Nationwide Energy Partners regarding master metering and submetering was reserved for litigation. Only Duquesne and NEP are briefing the issue. *See* Joint Petition ¶¶ 49-50.

public interest is served.

22. "The prime determinant in the consideration of a proposed Settlement is whether the settlement is in the public interest."[2] The Commission has recognized that a settlement "reflects a compromise of the positions held by the parties of interest, which, arguably fosters and promotes the public interest."[3]

23. Settlements conserve precious administrative resources and provide regulatory certainty with respect to the disposition of issues with results that are often preferable to those achieved at the conclusion of a fully-litigated proceeding; and, provide a final resolution of adversarial proceedings which, in the Commission's judgement, is preferable.[4] The very nature of a settlement requires a review and discussion of all issues raised by the parties' and a negotiated compromise on the part of all parties.

24. I&E submits that this Settlement balances the interests of the Company, its customers, the Joint Petitioners, and the parties in a fair and equitable manner and presents a resolution for the Commission's adoption that best serves the public interest. Furthermore, the negotiated Settlement demonstrates that compromises are evident throughout the Joint Petition. Accordingly, for the specific reasons articulated below to achieve the full scope of benefits addressed in the Settlement; I&E requests that the Settlement be recommended by ALJs Cheskis and Coogan, and approved by the Commission, without modification.

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[2] *Pennsylvania Public Utility Commission v. Philadelphia Electric Company*, 60 PA PUC 1, 22 (1985).
[3] *Pennsylvania Public Utility Commission v. C S Water and Sewer Associates*, 74 PA PUC 767, 771 (1991).
[4] *See generally* 52 Pa. Code § 5.231 and § 69.401.

A. GENERAL.

The Joint Petitioners agree that the terms of this Settlement reflect a carefully balanced compromise of the interests of all the active Parties in this proceeding. The Joint Petitioners agree that, subject to the terms and conditions of the Settlement set forth in the Joint Petition, Duquesne's April 16, 2021 distribution base rate increase filing should be approved. Further, the Settlement provides for increases in rates, as set forth in the form of tariff supplement attached as Appendix A and the proof of revenues attached as Appendix B to the Joint Petition.

B. REVENUE REQUIREMENT (Joint Petition ¶¶ 34-36).

In the Settlement, the Joint Petitioners agreed to settlement terms regarding revenue requirement including the overall annual distribution revenue increase; DSIC-eligible plant balance; and, DSIC calculation return on equity. Specifically, the settlement terms regarding these issues are as follows:

1. Annual distribution revenue increase. Duquesne Light will be permitted to submit a revised tariff supplement designed to produce increased distribution operating revenues of $74.2 million based upon the pro forma level of operations for the twelve months ended December 31, 2021, inclusive of the $29.2 million of revenues recovered under current surcharges, for a net increase in revenues of $45.00 million, to become effective on or before December 31, 2021 for service rendered thereafter. The increase in annual distribution rate revenue is in lieu of the as-filed requested increase of approximately $115.0 million. The settlement as to revenue requirement shall be a "black box" settlement, except for the items specifically set forth in the Joint Petition.

I&E engaged in extensive discovery and submitted extensive testimony regarding the proposed overall annual distribution revenue increase that was proposed in Duquesne's base rate filing. In its direct testimony, I&E discussed several significant adjustments, modifications, and recommendations regarding Duquesne's filing that had the potential to have significant impacts to the proposed overall annual distribution revenue increase. The adjustments, modifications and recommendations made by the I&E witnesses that were discussed included, but were not limited to, the following.

I&E witness Christine Wilson made adjustments and modifications to the proposed pension expense; COVID-19 related uncollectible expenses; COVID-19 related costs net of savings (excluding uncollectible expenses); the New Business Stimulus Rider; the Crisis Recovery Program; the Residential COVID-19 Debt Relief Program; Residential Subscription Rate Pilot; and the Federal Tax Adjustment Clause (Rider No. 4).[5] I&E witness Christopher Keller made adjustments and modifications to the proposed rate case expense; salaries and wages; payroll taxes; incentive compensation; health insurance expense; 401k expense; advertising expense; eligible customer solicitations; the Charging Infrastructure Portfolio (Make-Ready Pilot, Fleet and Transit Charging Pilot, and Home Charging Pilot); the Customer Portfolio (Awareness, Education, and Engagement Proposal; Fleet Electrification Advisory Service Proposal; and the Registration Incentive); EV ChargeUp Pilot; cash working capital; cost of common

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[5] I&E St. No. 1, pp. 4-40; I&E St. No. 1-R, pp. 2-23; I&E St. No. 1-SR, pp. 2-63.

equity; and, overall rate of return.[6] I&E witness Esyan Sakaya analyzed, discussed, and made adjustments to present rate revenue; projected revenue loss; projected Act 129 revenue loss; customer costs; customer charges; forfeited discounts; and scale back of rates and gradualism.[7] I&E witness Joseph Kubas analyzed, discussed, and made adjustments to rate base; depreciation; accrued depreciation; and, future test year and fully projected future test year reporting.[8] And, I&E witness Ethan Cline analyzed and made adjustments to the Transportation Electrification Programs; the Community Development Rider Programs (Rider No. 19); and the Subscription Rate Pilot (Rider No. 7).[9]

I&E fully supports the negotiated level of overall distribution rate revenue increase as compared to Duquesne's original proposal. While the overall revenue requirement is a "black box" compromise, the overall revenue levels are within the levels advanced on the evidentiary record and reflect a full compromise of all revenue-related issues raised by the parties. And, as a "black box" settlement, unless specifically addressed below, the Settlement does not reflect agreement upon individual issues. Therefore, in consideration of the extensive testimony presented by all of the parties to this proceeding, I&E fully supports the negotiated level of overall distribution rate revenue increase as a full and fair compromise that provides Duquesne Light, the Joint

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[6] I&E St. No. 2, pp. 3-95; I&E St. No. 2-R, pp. 2-5; I&E St. No. 2-SR, pp. 3-57.
[7] I&E St. No. 3, pp. 4-19; I&E St. No. 3-SR, pp. 3-13.
[8] I&E St. No. 4, pp. 3-8; I&E St. No. 4-SR, pp. 2-5.
[9] I&E St. No. 5, pp. 2-21; I&E St. No. 5-R, pp. 2-4; I&E St. No. 5-SR, pp. 2-25.

Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and a negotiated resolution of these issues, all of which is in the public interest.

2. Distribution System Improvement Charge ("DSIC") Plant Balances. As of the effective date of rates in this proceeding, Duquesne Light will be eligible to include plant additions in the DSIC once the total distribution account balances exceed $3,367,154,000, which are the levels projected by the Company in this proceeding at December 31, 2022 per DLC Exhibit 2, Book 5, Schedule C-2, page 2. The foregoing provision is included solely for purposes of calculating the DSIC, and is not determinative for future ratemaking purposes of the projected additions to be included in rate base in a Fully Projected Future Test Year ("FPFTY") filing.

I&E submitted testimony regarding the FTY and FPFTY plant projections[10] which includes, generally, by reference, the relationship between the total net plant balances and DSIC eligible plant additions. Further, I&E recognizes that 66 Pa. C.S. § 1351 *et seq.* provides the pertinent Commission regulations regarding the DSIC and the rate base treatment of DSIC eligible plant additions. Therefore, I&E does not oppose this settlement term as a full and fair compromise that provides Duquesne, the Joint Petitioners and the Commission with a level of regulatory certainty and resolution of this DSIC eligible plant issue, which is in the public interest.

3. DSIC Calculation for Return on Equity. For purposes of calculating its DSIC, Duquesne Light shall use the equity return rate for electric utilities

[10] I&E St. No. 4, pp. 3-8; I&E St. No. 4-SR, pp. 2-5.

contained in the Commission's most recent Quarterly Report on the Earnings of Jurisdictional Utilities and shall update the equity return rate each quarter consistent with any changes to the equity return rate for electric utilities contained in the most recent Quarterly Earnings Report, consistent with 66 Pa. C.S. § 1357(b)(3), until such time as the DSIC is reset pursuant to the provisions of 66 Pa. C.S. § 1358(b)(1).

I&E did not submit testimony regarding the DSIC calculation return on equity. I&E recognizes that 66 Pa. C.S. § 1357(b)(3) provides in pertinent part:

> If more than two years have elapsed between the entry of a final order and the effective date of the distribution system improvement charge, the equity return rate used in the calculation shall be the equity return rate calculated by the commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the commission.

Therefore, I&E does not oppose this settled upon term, as stated in the Joint Petition, as a full and fair compromise that provides Duquesne, the Joint Petitioners and the Commission with a level of regulatory certainty and resolution of this issue, all of which is in the public interest.

C. REVENUE ALLOCATION AND RATE DESIGN (Joint Petition ¶¶ 67-71).

In the Settlement, the Joint Petitioners agreed the revenue allocation to each class at the net settlement increase of $45 million is reflected in Appendix A attached to the Joint Petition. This revenue allocation is a "black box" agreement representing a compromise among the parties' filed revenue allocation proposals and it does not reflect any agreement among the Settling Parties regarding the appropriate cost allocation methodology. Also, universal service costs will continue to be recovered only from residential rate classes. Further, the parties retain all rights to challenge, refute, or propose modifications to the allocation of universal service costs to all customer classes in future proceedings.

Additionally, it is agreed the Company's residential RS rate, RH rate, and RA rate customer charges will be maintained at $12.50. For all other rate class customer charges, the proposed increases in customer charges will be scaled back in proportion to the scale back of the revenue requirement in this Settlement. Further, the Company agrees to undertake an evaluation of the GMH and GLH rate classes as described in DLC Statement No. 16-R at page 18. The Company will provide the detailed results of its evaluation and any resulting rate design proposals with its filing in its next base rate proceeding. Finally, the OSBA agrees to withdraw its recommendations to modify the treatment of certain government customers in Rider No. 3 without prejudice to its ability to raise the issue in future rate proceedings.

I&E submitted testimony regarding the Company's cost of service and customer cost analysis, as well as the proposed revenue allocation/rate design and monthly customer charges.[11] While I&E did not agree with all of the customer cost components claimed by the Company, I&E concluded the changes I&E would propose would not result in customer costs that differed materially than those proposed by the Company.[12] Overall, I&E recommended that if the Commission granted an increase less than the full

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[11] I&E St. No. 3, pp. 7-19; I&E St. No. 3-SR, pp. 6-13.
[12] I&E St. No. 3, p. 8.

amount of the requested increase, then the Commission should apply a scale-back plan across the rate classes and the Residential customer charges should be included in the scale-back plan.[13]

In consideration of all of the testimony presented and lengthy negotiations, I&E supports the revenue allocation and rate design settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the revenue allocation/rate design issue, all of which is in the public interest.

D. EDIT ACCOUNTING AND BALANCES (Joint Petition ¶ 37).

Duquesne Light will continue to use normalization accounting with respect to the benefits of the tax repairs and Internal Revenue Code ("IRC") Section 263A deductions. Duquesne Light will reverse EDIT with regard to prior tax repairs and IRC Section 263A deductions pursuant to the Average Rate Assumption Method ("ARAM") used to reverse EDIT associated with accelerated depreciation deductions. The remaining unamortized EDIT balance will continue as a reduction to rate base in all future base rate proceedings until the full amount is returned to ratepayers.

I&E did not submit testimony regarding this specific issue. I&E participated in the settlement negotiations and did monitor the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose this settled

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[13] I&E St. No. 3, pp. 14-19; I&E St. No. 3-SR, pp. 6-13.

upon term as a full and fair compromise that provides a level of regulatory certainty and a resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements and is in the public interest.

E. RECOVERY OF COVID-19 COST DEFERRALS (Joint Petition ¶¶ 38-40).

1. Deferred COVID-19 Uncollectible Account Expense. This Settlement provides for recovery of deferred COVID-19 uncollectible accounts expense of $6.1 million incurred from March, 2020 through June 30, 2021, which is recovered through an amortization of such costs over 36 months commencing with the effective date of rates in this proceeding. No uncollectibles balance will be added to the regulatory asset after the effective date of new rates in this proceeding for deferred COVID-19 uncollectible accounts expense.

I&E submitted testimony regarding the Company's claimed deferred COVID-19 uncollectible accounts expense.[14] I&E recommended that the Company discontinue recording a regulatory asset for COVID-19 related incremental uncollectible costs after the effective date of new rates for this proceeding.[15] I&E argued that upon the effective date of new rates for this proceeding, the Company should have a new uncollectible percentage built into the rate formula that accounts for changes due to COVID-19.[16]

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[14] I&E St. No. 1, pp. 7-12.
[15] *Id.*, p. 10.
[16] *Id.*

Additionally, the Company initially proposed to normalize the expense, but I&E recommended that the expense be amortized instead.[17] I&E argued that the Commission granted utilities regulatory asset treatment of the COVID-19 related uncollectible expense (which places the balance in a balance sheet account to claim and begin recovery in a future rate case filing) and in doing so, when a utility claims that regulatory asset for ratemaking purposes, it should be amortized.[18] Amortization allows for full recovery of the regulatory asset balance no matter when a utility makes a subsequent base rate case filing.[19] Amortization is appropriate for periodic extinguishment of a regulatory asset (a balance sheet account).[20]

In consideration of all of the testimony presented and the settlement negotiations, I&E supports the deferred COVID-19 uncollectible accounts expense settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

2. COVID-19 Related Costs Net of Savings (Excluding the COVID-19 Uncollectible Expense Deferral). This Settlement resolves the Company's claim for COVID-19 costs and lost revenues other than uncollectible accounts expenses.

I&E submitted testimony recommending disallowance of the Company's $1,931,667 claim in its entirety and disallowance of the Company's proposal to continue

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17 *Id.*, pp. 11-12.
18 *Id.*, p. 11.
19 *Id.*
20 *Id.*, pp. 11-12.

including the incremental costs above what is included in this proceeding as a regulatory asset to be recovered in a future rate proceeding.[21] I&E argued that the Commission allowed companies to *track* other incremental COVID-19 related costs net of savings (beyond uncollectibles and directly related increases to expenses) but has not issued guidance on whether or how companies may recover these other incremental costs.[22] I&E stated further that in the May 13, 2020 Secretarial Letter, the Commission stated that tracking of these expenses was "to provide the Commission with information to understand the extent of the COVID-19 pandemic's impact on utilities' finances."[23] The Commission stated further, apart from the uncollectible expenses, "this Secretarial Letter does not grant authorization for utilities to defer any other potential COVID-19 related expenses."[24]

After negotiations, this claim was resolved within the "black box" portion of the Settlement and therefore the Company's claim for COVID-19 costs and lost revenues other than uncollectible accounts expenses is deemed resolved. I&E supports the COVID-19 costs and lost revenues other than uncollectible accounts expenses settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

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21 I&E St. No. 1, p. 14.
22 *Id.*, pp. 14-15.
23 *Id.*, p. 15, *citing* May 13, 2020 Secretarial Letter ("Secretarial Letter"), p. 3, Docket No. M-2020-3019775.
24 *Id.*, p. 15, *citing* Secretarial Letter, p. 2.

3. Regulatory Asset for Expense Incurred Complying with Commission Emergency Orders. Duquesne Light will be permitted to create a regulatory asset for the incremental extraordinary, nonrecurring uncollectible accounts expense incurred commencing from July 1, 2021 through January 14, 2022, as a result of compliance with the Commission's March 13 Emergency Order, October 13, 2021 Order, March 18, 2021 Order, and July 15, 2021 Order at Docket Nos. M-2020-3019244 and M-2020-3019775.

I&E submitted testimony discussing this issue.[25] In particular, I&E recognized that in the July 15, 2021 Order, the Commission stated that it will allow utilities to continue tracking extraordinary, nonrecurring incremental COVID-19 related expenses and stated that utilities:

> … are authorized to create a regulatory asset for any incremental expenses incurred above those embedded in rates resulting from the directives contained in this Order. To be eligible for inclusion in a utility's COVID-19 designated regulatory asset, the utility must maintain detailed records of the incremental extraordinary, nonrecurring expenses incurred *as a result of compliance with the Commission's March 13 Emergency Order, the October 13 Order, the March 18, 2021, Order and this Order*. (Emphasis added).[26]

In consideration of all of the testimony presented and the settlement negotiations, I&E supports the creation of a regulatory asset for expenses incurred with complying with Commission Emergency Orders settlement terms as stated in the Joint Petition as a

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25 I&E St. No. 1, pp. 17-21; I&E St. No. 1-SR, pp. 13-23.

26 I&E St. No. 1-SR, p. 19, *citing Public Utility Service Termination Moratorium; COVID-19 Cost Tracking and Creation of Regulatory Asset*, p. 4, Docket Nos. M-2020-3019244 and M-2020-3019775 (Order Entered July 15, 2021).

full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

F. PENSION TRUST CONTRIBUTIONS (Joint Petition ¶ 41).

In the Settlement, the Joint Petitioners agree, as more fully described in the Joint Petition, commencing with calendar year 2022, Duquesne Light will deposit into its pension trusts an amount equal to $10,000,000 per year; provided, however, that contribution(s) in any year in excess of the foregoing may be used on a cumulative basis to satisfy future contribution obligations under this Settlement. The Settlement provides for recovery of the expense component of $5,000,000 (50% of the average cash contributions) of projected future pension contributions. Issues concerning the effects on rate base of capitalizing the difference between pension contributions and ASC 715 costs are resolved by the revenue requirement provisions of this Settlement.

I&E submitted testimony accepting the Company's $10 million total claim.[27] Further, I&E recommended that certain language regarding modifications to fit the timeline of the instant proceeding be included.[28] Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the pension trust contributions settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission

27 I&E St. No. 1, pp. 5-7.
28 *Id.*, p. 7.

with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

G. OTHER POST-EMPLOYMENT BENEFITS ("OPEB") (Joint Petition ¶ 42).

In the Settlement, the Joint Petitioners agreed, as more fully described in the Joint Petition, the Company's distribution rate allowance for Other Post-Employment Benefits ("OPEBs") is based upon the estimated ASC 715 cost for the FPFTY of approximately $217,000 ($179,000 on a distribution basis), which reflects a two-year normalization of the Net Periodic Benefit Cost for historic and future test year distribution costs. The distribution expense component included in rates is approximately 50% of this estimated cost less the annual effect of the 3-year amortization of the regulatory liability of $2,012,000 ($1,663,000 on a distribution basis) as explained in Duquesne Light St. No. 2, p. 37, for a net distribution credit of $372,000. The remaining 50% of actual ASC 715 cost will be the amount to be capitalized on the Company's books.

I&E did not submit testimony regarding the other post-employment benefits issue. Nevertheless, I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose these settled upon terms regarding Duquesne's other post-employment benefits as a full and fair compromise that provides regulatory certainty and resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

H. JURISDICTIONAL SEPARATION STUDY (Joint Petition ¶¶ 43-44).

In the Settlement, the parties agreed Duquesne Light's jurisdictional separation study of distribution and transmission costs and assets shall be approved for purposes of this case only and shall hold no precedential value in a future base rate proceeding. All parties reserve the right to challenge the jurisdictional separation study in future matters.

Further, it was agreed that Duquesne Light will file a Total Company Pennsylvania jurisdictional report showing capital expenditures, plant additions and retirements, by month, for the Future Test Year ending December 31, 2021, and the Fully Projected Future Test Year ending December 31, 2022, by July 31st of each of the years following the test years. In Duquesne Light's next base rate proceeding, the Company will prepare a comparison of its actual expenses and rate base additions for the twelve months ending December 31, 2022, to its projections in this case. However, it is recognized by the Parties that this is a "black box" settlement and that is a compromise of the Parties' positions on various issues.

I&E submitted testimony recommending that the Company provide the Commission's Bureaus of Technical Utility Services and Investigation and Enforcement with an update to DLC Exhibit No. 2, Book 6, Schedule C-2, pages 1-4 no later than April 1, 2022, which should include actual plant additions, retirements, and reclassifications by month from January 1, 2021 through December 31, 2021.[29] I&E also

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[29] I&E St. No. 4, pp. 7-8; I&E St. No. 4-SR, pp. 4-5.

recommended that the Company an update to DLC Exhibit No. 2, Book 5, Schedule C-2, pages 1-4 no later than April 1, 2023, which should include actual plant additions, retirements, and reclassifications by month from January 1, 2022 through December 31, 2022.[30] Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the future test year/fully projected future test year plant reporting and the jurisdictional separation study settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

I. CLOUD BASED INFORMATION SYSTEMS (Joint Petition ¶ 45).

In the Settlement, it was agreed, as more fully described in the Joint Petition and consistent with the settlement in the Company's last base rate case, Docket No. R-2018-3000124, and as more fully described in the Joint Petition, the Company shall be permitted to capitalize the development costs for cloud-based information systems.

I&E did not submit testimony regarding the cloud-based information systems issue. Nevertheless, I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose these settled upon terms regarding Duquesne's cloud-based information systems as a full and fair compromise that provides

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30 *Id.*, p. 8.

regulatory certainty and resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

J. ANNUAL DIVIDEND PAYMENT NOTICE (Joint Petition ¶ 46).

In the Settlement, it was agreed the Company shall provide notice and explanation to the Commission when annual dividend payments in the preceding 12 months ended March 31st exceed 85% of annual net income of the prior calendar year.

I&E did not submit testimony regarding the annual dividend payment notice issue. Nevertheless, I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose these settled upon terms regarding Duquesne's annual dividend payment notice as a full and fair compromise that provides regulatory certainty and resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

K. NEW BUSINESS STIMULUS RIDER (Joint Petition ¶ 47).

In the Settlement, the parties agreed that Duquesne Light's proposed New Business Stimulus Rider, as described in DLC Statement No. 5 and memorialized as Rider No. 25 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

I&E submitted testimony recommending disallowance of the program cost ($276,971) in its entirety while also noting that the Company may still consider making charitable contributions to the local community that are funded by shareholders at its discretion.[31] I&E argued that there are numerous other federal, state, and local government programs providing aid to small and mediums sized businesses negatively impacted by the pandemic.[32] Further, I&E argued that with the implementation of the vaccines and the easing of restrictions the economy is slowly reopening.[33] Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the new business stimulus settlement terms as stated in the Joint Petition as a full and fair compromise that provides resolution of this issue, which is in the public interest.

L. CRISIS RECOVERY PROGRAM (Joint Petition ¶ 48).

In the Settlement, the parties agreed that Duquesne Light's proposed Crisis Recovery Program, as described in DLC Statement No. 5 and memorialized as Rider No. 26 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

I&E submitted testimony recommending disallowance of the program in its entirety.[34] I&E argued that the aid proposed by the Company is very similar to a charitable contribution, and existing ratepayers should not be forced to fund such a program when they have no say in what types of businesses receive the crisis relief or stimulus money.[35] Further, the Company could consider making charitable contributions

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[31] I&E St. No. 1, pp. 23-24.
[32] *Id.*, p. 25-27.
[33] *Id.*, p. 24.
[34] I&E St. No. 1, pp. 29-31.
[35] *Id.*, p. 31.

to the local community that are funded by shareholders at its discretion.[36] And, I&E argued the Commission has recently voted unanimously to require public utilities to offer extended payment arrangements for a minimum length of 18 months to small business customers, and the Company should follow the requirements as detailed in the Commission's Order.[37]

Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the crisis recovery program settlement terms as stated in the Joint Petition as a full and fair compromise that provides resolution of this issue, which is in the public interest.

M. MASTER METERING AND SUBMETERING (Joint Petition ¶¶ 49-50).

In the Settlement, the parties agreed, Duquesne Light's initially-proposed revisions to Retail Tariff Rules 41 and 41.1 regarding master metering, as initially proposed in DLC Statement No. 6 and later withdrawn in DLC Statement No. 6-SR, are withdrawn. Further Duquesne and Nationwide Energy Partners agreed NEP's proposal regarding master metering and submetering, as described in NEP Statement Nos. 1 and 2, is reserved for litigation.

I&E did not submit testimony regarding the master metering and submetering issues raised by Nationwide Energy Partners. Therefore, I&E will not be submitting briefs arguing the merits of either side of the issue.

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[36] *Id.*, p. 30.

[37] *Id.*, p. 31, *citing PA Public Utility Service Termination Moratorium Order*, Docket No. M-2020-3019244, p. 4 (Order Entered March 18, 2021).

N. COVID-19 DEBT RELIEF PROGRAM (Joint Petition ¶ 51).

In the Settlement, the parties agree that Duquesne Light's proposed residential COVID-19 Debt Relief Program, as described in DLC Statement No. 7, is withdrawn without prejudice.

I&E submitted testimony recommending that the $1,167,000 COVID-19 debt relief program claim be disallowed in its entirety.[38] I&E argued that in a motion in response to the lifting of the utility service termination moratorium, Chairman Brown Dutrieuille issued a statement detailing modifications to existing arrearage collection policies to be applied to all utilities for both residential and small business customers.[39] I&E argued further, these modifications offer flexible, generous, and reasonable repayment options for ratepayers which most significantly includes extended minimum repayment terms.[40] I&E surmised, it is the Chairman's belief that it is time to return to the regular collections process, alluding to decreasing COVID-19 cases, deployment of vaccinations, improving employment statistics, and federal government aid including various stimulus payments.[41] Subsequently, the Chairman's motion received unanimous support by the remaining three Commissioners. Additionally, Commissioner Coleman provided a statement in which he specifically affirmed his support of the Chairman's motion.[42]

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[38] I&E St. No. 1, p. 33.
[39] *Id.*, pp. 34-35, *citing* Motion of Chairman Gladys Brown Dutrieulle, Docket No. M-2020-3019244 (March 11, 2021).
[40] *Id.*
[41] *Id.*, p. 35.
[42] *Id.*, *citing* Statement of Commissioner John F. Coleman, Jr., Docket No. M-2020-3019244 (March 11, 2021).

Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the COVID-19 debt relief program settlement terms as stated in the Joint Petition as a full and fair compromise that provides resolution of this issue, which is in the public interest.

O. TARIFF RULE 5 MODIFICATION (Joint Petition ¶ 52).

In the Settlement, the parties agree that Tariff Rule 5 will be modified to include the following:

> When the Company determines a deposit is required for new service or for reconnection of service as described in Rule No. 40, such deposit shall be payable within a reasonable time period after commencing or reconnecting electric service, not to be fewer than four (4) twenty-five percent (25%) installments with the first installment billed no less than 30 days after the reconnection of service in the event of a reconnection.

I&E did not submit testimony regarding the Tariff Rule 5 modification issue. Nevertheless, I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose the settled upon terms regarding Duquesne's Tariff Rule 5 modification as a full and fair compromise that provides regulatory certainty and resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

P. HARDSHIP FUND INCOME ELIGIBILITY CRITERION (Joint Petition ¶ 53).

In the Settlement, the parties agreed that, and as more fully detailed in the Joint Petition, for the period January 1, 2022 through December 31, 2023, (i) the maximum household income eligibility criterion for Duquesne Light's Hardship Fund shall be increased from 200% to 300% of the Federal Poverty Level; and (ii) Duquesne Light shall contribute an additional $1 million per year to its Hardship Fund, which will be contributed by the Company's shareholders.

I&E submitted testimony in response to OCA witness Roger Colton, CAUSE-PA witness Harry Geller, and PWPTF witness Eugene Brady.[43] I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose the settled upon terms regarding Duquesne's Hardship Fund Income Eligibility Criterion as a full and fair compromise that provides regulatory certainty and resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

Q. LOW INCOME USAGE REDUCTION PROGRAM (LIURP) (Joint Petition ¶¶ 54-56).

In the Settlement, the parties agreed that, as more fully described in the Joint Petition, Duquesne Light will increase annual funding for its LIURP by $400,000 annually, which will be recovered through Rider No. 5 - Universal Services Charge,

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[43] I&E St. No. 1-R, pp. 12-23,

beginning January 1, 2022 and ending January 1, 2025. Further, Duquesne Light will continue to use a competitive procurement process to select a vendor to administer its LIURP program. And, the Company will increase its maximum CAP credit thresholds by a percentage equal to the annual average increase in residential rates approved through this Settlement.

In response to testimony submitted by CAUSE-PA witness Harry Geller and PWPTF witness Eugene Brady, I&E submitted rebuttal testimony recommending that that Mr. Geller's and Mr. Brady's requests be denied, and that the Company's budget amount of $3,053,500 as presented in the Company's most recent ongoing Universal Service and Energy Conservation Plan (USECP) at Docket No. M-2019-3008227 be allowed (pending any modification by the Commission in that ongoing proceeding).[44] Likewise, I&E recommend that any proposed changes in this proceeding regarding carryover to future years be disallowed.[45]

I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose these settled upon terms regarding Duquesne's Low Income Usage Reduction Program as a full and fair compromise that provides regulatory certainty and resolution of this issue, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

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44 I&E St. No. 1-R, pp. 16-23, *citing* DLC Statement No. 7, p. 11 and Duquesne Light Company Universal Services and Energy Conservation Plan, Three-Year Plan, 2020-2022, Submitted February 28, 2019, at Docket No. M-2019-3008227.

45 *Id.*, pp. 19, 21.

R. TRANSPORTATION ELECTRIFICATION PROGRAMS (Joint Petition ¶¶ 57).

In the Settlement, the Joint Petitioners agreed, as more fully described in the Joint Petition, that Duquesne Light's proposed Transportation Electrification ("TE") Programs, as described in DLC Statement No. 8, is resolved by the terms and conditions detailed in the Joint Petition.

I&E submitted extensive testimony regarding the TE Programs.[46] I&E ultimately recommended that the TE Programs be approved with minor modifications and that the Company be prepared to provide information regarding changes in any of the metrics through the discovery process in its future base rate proceedings.[47]

Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the TE Programs settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

S. UNUSED EV REGISTRATION INCENTIVE FUNDS (Joint Petition ¶ 58).

In the Settlement, the parties agreed Duquesne Light's proposals to refund or recover, respectively, unused EV Registration Incentive funds and Level 2 Charging Evaluation rebate expenses over a three-year period, as described in DLC Statement No.

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46 I&E St. No. 5, pp. 2-5; I&E St. No. 5-R, pp. 1-4; I&E St. No. 5, pp. 2-4.
47 I&E St. No. 5-SR, pp. 2-4.

8, p. 65, is approved. Such refund/recoupment is included in the "black box" revenue requirement as set forth in the Joint Petition.

I&E submitted testimony recommending an adjustment to the claimed amount and recommending that any amount awarded should be amortized rather than normalized over the selected period.[48] Further, after negotiations, this claim was resolved within the "black box" portion of the Settlement and therefore the Company's claim unused EV registration incentive funds is deemed resolved. I&E supports the settlement terms as stated in the Joint Petition as a full and fair compromise that provides Duquesne, the Joint Petitioners, affected ratepayers, and the Commission with a level of regulatory certainty and resolution of the issue, all of which is in the public interest.

T. DC FAST CHARGING EVALUATION RATE BASE (Joint Petition ¶ 59).

In the Settlement, the parties agreed Duquesne Light's proposal to include $854,736 in rate base associated with the DC Fast Charging Evaluation, as described in DLC Statement No. 8, pp. 66-67, is approved.

I&E evaluated the Company's rate base claim and submitted testimony regarding fully projected future test year plant in service.[49] Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the DC fast charging evaluation rate base settlement terms as stated in the Joint Petition as a full and fair compromise that provides resolution of this issue, which is in the public interest.

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48 I&E St. No. 2, pp. 42-45.
49 I&E St. No. 4, pp. 3-6; I&E St. No. 4-SR, pp. 1-4.

U. RIDER NO. 4, FEDERAL TAX ADJUSTMENT CHARGE (Joint Petition ¶ 60).

In the Settlement, the parties agreed, Duquesne Light's proposed Rider No. 4, Federal Tax Adjustment Charge, as discussed in DLC Statement Nos. 9 and 16 and Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

I&E submitted testimony recommending the proposed federal tax adjustment rider be disallowed.[50] I&E argued the rider was proposed based on speculation and the Company cannot say with any certainty if/when an increase to the federal corporate income tax rate will take effect.[51] Furthermore, I&E argued, since the Commission and its advisory staff have very recently dealt with the reduction in the federal corporate income tax rate due to changes related to the Tax Cuts and Jobs Act starting January 1, 2018, I&E believes the Commission will provide adequate and timely guidance on a statewide basis to affected regulated utilities if such a change in the tax rate takes effect.[52] I&E concluded Duquesne should be required to await such guidance, particularly since any changes to the federal income tax rates are merely speculative at this time.[53]

Therefore, in consideration of all of the testimony presented and the settlement negotiations, I&E supports the COVID-19 debt relief program settlement terms as stated in the Joint Petition as a full and fair compromise that provides resolution of this issue, which is in the public interest.

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50 I&E St. No. 1, pp. 38-40.
51 *Id.*, p. 38.
52 *Id.*, pp. 38-39.
53 *Id.*, p. 39.

V. REVISED STREET LIGHTING AND RIDER NO. 16 (Joint Petition ¶¶ 61-62).

In the Settlement, the parties agreed, Duquesne Light's revised Street Lighting options, as discussed in Duquesne Light Statement No. 16, are approved. Further Duquesne Light's proposed Rider No. 16, as described in DLC Statement No. 17, is approved. See Duquesne Light Exhibit No. DBO-1 for further details on both.

I&E did not submit testimony regarding the revised street lighting and Rider No. 16. Nevertheless, I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose these settled upon terms as a full and fair compromise that provides regulatory certainty and resolution of these issues, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

W. COMMUNITY DEVELOPMENT RIDER NO. 19 (Joint Petition ¶ 63).

In the Settlement, the parties agreed, Duquesne Light's proposed Community Development Rider, as described in DLC Statement No. 17 and memorialized as Rider No. 19 in Duquesne Light Exhibit No. DBO-1, is approved with the modifications detailed in the Joint Petition.

I&E submitted testimony recommending that the Community Development rider not be approved.[54] I&E argued first that, the proposed CD Rider will result in

[54] I&E St. No. 5, pp. 8-12; I&E St. No. 5-SR, pp. 4-13.

discriminatory rates.[55] Second, expecting other businesses to provide aid to new or returning businesses simply because they were on time with their electric bills and managed to keep their businesses open through the pandemic is not fair, just, or reasonable.[56] Third, small and medium businesses already have access to various sources of aid.[57] Fourth, the proposed revenue from new customers is not reflected in the current base rate case.[58] And, fifth, despite the Company's claim, providing a tariff rate discount would eventually require other customers to make up lost revenues to pay for fixed costs these customers are not paying.[59]

Therefore, in consideration of all of the testimony presented and as a result of the settlement negotiations, I&E supports the Community Development Rider settlement terms as stated in the Joint Petition as a full and fair compromise that provides a level of regulatory certainty and resolution of this issue, which is in the public interest.

X. RESIDENTIAL SUBCRIPTION RATE PILOT RIDER NO. 7 (Joint Petition ¶ 64).

In the Settlement, the parties agreed that Duquesne Light's proposed Residential Subscription Rate Pilot, as described in DLC Statement Nos. 9 and 17 and memorialized as Rider No. 7 in Duquesne Light Exhibit No. DBO-1, is withdrawn without prejudice.

I&E submitted extensive testimony recommending that the Residential Subscription Rate Pilot be denied.[60] I&E challenged the Company's rationale regarding

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55 *Id.*, p. 8.
56 *Id.*
57 *Id.*
58 *Id.*
59 *Id.*
60 I&E St. No. 5, pp. 13-21; I&E St. No. 5-SR, pp. 13-25.

items 6, 7, 9, 12 and 13 of the 14 items detailed in the Commission's policy statement regarding alternative ratemaking.[61]

Therefore, in consideration of all of the testimony presented and as a result of the settlement negotiations, I&E supports the Residential Subscription Rate Pilot settlement terms as stated in the Joint Petition as a full and fair compromise that provides a resolution of this issue, which is in the public interest.

Y. SPECIAL RATE CONTRACT (CONFIDENTIAL) (Joint Petition ¶ 65).

In the Settlement, the parties agreed the special rate contract identified as CONFIDENTIAL Exhibit CJD-2 is approved.

I&E did not submit testimony regarding the special rate contract issue. Nevertheless, I&E shares the concerns of the interested Joint Petitioners. Therefore, I&E does not oppose these settled upon terms regarding the special rate contract as a full and fair compromise that provides regulatory certainty and resolution of this issues, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

Z. RETAIL TARIFF REVISIONS (Joint Petition ¶ 66).

In the Settlement, the Joint Petitioners agreed, except as noted otherwise in the Joint Petition, the Company's proposed Retail Tariff revisions, as discussed in DLC Statement No. 16, are approved. See Duquesne Light Exhibit Nos. DBO-1 and DBO-2.

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[61] *Id.*, pp. 15-21; *Id.*, pp. 14-25.

Such Retail Tariff revisions include the changes to the Tariff rules listed in the Joint Petition and as identified in Exhibit Nos. DBO-1 and DBO-2.

I&E did not submit testimony regarding the retail tariff revisions issues. Nevertheless, I&E shares the concerns of the interested Joint Petitioners and I&E monitored the proposals and counter proposals offered by the parties throughout this proceeding. Therefore, I&E does not oppose these settled upon terms regarding the retail tariff revisions as a full and fair compromise that provides regulatory certainty and resolution of these issues, all of which facilitates the Commission's stated preference favoring negotiated settlements as in the public interest.

IV. THE SETTLEMENT SATISFIES THE PUBLIC INTEREST

25. I&E represents that all issues raised in testimony have been satisfactorily resolved through discovery and discussions with the Company or are incorporated or considered in the resolution proposed in the Settlement. This Settlement exemplifies the benefits to be derived from a negotiated approach to resolving what can appear at first blush to be irreconcilable regulatory differences. Joint Petitioners have carefully discussed and negotiated all issues raised in this proceeding, and specifically those addressed and resolved in this Settlement. Further line-by-line identification of the ultimate resolution of the disputed issues beyond those presented in the Settlement is not necessary as I&E represents that the Settlement maintains the proper balance of the interests of all parties. I&E is satisfied that no further action is necessary and considers its investigation of this rate filing complete.

26. I&E submits that the acceptance of this Settlement negates the need for evidentiary hearings, which would compel the extensive devotion of time and expense for the preparation, presentation, and cross-examination of multiple witnesses, the preparation of Main and Reply Briefs, the preparation of Exceptions and Replies, and the potential of filed appeals, all yielding substantial savings for all parties and ultimately all customers. Moreover, the Settlement provides regulatory certainty with respect to the disposition of issues and final resolution of this case which all parties agree benefits their discrete interests.

27. The Settlement is conditioned upon the Commission's approval of all terms without modification. Should the Commission fail to grant such approval or otherwise modify the terms and conditions of the Settlement, it may be withdrawn by the Company, I&E, or any other Joint Petitioner.

28. I&E's agreement to settle this case is made without any admission or prejudice to any position that I&E might adopt during subsequent litigation in the event that the Settlement is rejected by the Commission or otherwise properly withdrawn by any other parties to the Settlement.

29. If the ALJs recommend that the Commission adopt the Settlement as proposed, I&E agrees to waive the filing of Exceptions. However, I&E does not waive its right to file Replies to Exceptions with respect to any modifications to the terms and conditions of the Settlement or any additional matters that may be proposed by the ALJs in their Recommended Decision. I&E also does not waive the right to file Replies in the event any other party files Exceptions.

WHEREFORE, the Commission's Bureau of Investigation and Enforcement represents that it supports the Joint Petition for Settlement as being in the public interest and respectfully requests that Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan recommend, and the Commission approves, the terms and conditions contained in the Joint Petition for Settlement.

Respectfully Submitted,

Scott B. Granger
Prosecutor
PA Attorney ID No. 63641

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120
(717) 787-4887

Dated: September 3, 2021

Appendix G

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMENT

Pennsylvania Public Utility Commission,	:	
	:	
v.	:	Docket No. R-2021-3024750
	:	
Duquesne Light Company	:	

STATEMENT
OF THE
OFFICE OF CONSUMER ADVOCATE
IN SUPPORT OF THE
JOINT PETITION FOR APPROVAL OF SETTLEMENT

The Office of Consumer Advocate (OCA), one of the signatory parties to the Joint Petition for Approval of Settlement Stipulation (Settlement), finds the terms and conditions of the Settlement to be in the public interest for the following reasons:

I. INTRODUCTION

On April 16, 2021, Duquesne Light Company (Duquesne or Company) filed Supplement No. 25 to Tariff Electric- Pa. P.U.C. No. 25 (Supplement No. 25) with the Public Utility Commission (Commission) at Docket No. R-2021-3024750. Duquesne is engaged in the business of furnishing electric utility service to approximately 605,000 customers in the greater Pittsburgh region, specifically in Allegheny and Beaver Counties.

In its filing, Duquesne proposed to increase its total annual operating revenues by $85.8 million, or 15.6%, over the amount of annual distribution revenues at present rates. By Order entered May 20, 2021, the Commission suspended the implementation of Supplement No. 25 until

January 15, 2022, and instituted an investigation into the lawfulness, justness, and reasonableness of the rates, rules, and regulations proposed in Supplement No. 25.

On April 27, 2021, the OCA filed a Formal Complaint, Public Statement and Notice of Appearance. On April 23, 2021, the Bureau of Investigation and Enforcement (I&E) filed a Notice of Appearance, and the Office of Small Business Advocate (OSBA) filed a Formal Complaint, Public Statement and Notice of Appearance. On April 26, 2021, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA) filed a Petition to Intervene. On May 4, 2021, the Pennsylvania Weatherization Providers Task Force, Inc. filed a Petition to Intervene. On May 17, 2021, the Natural Resource Defense Council (NRDC) filed a Petition to Intervene. United States Steel Corporation (US Steel) filed its Petition to Intervene on May 24, 2021, and on May 25, 2021, Peoples Natural Gas Company, LLC (Peoples) filed its Petition to Intervene. On May 26, 2021, Nationwide Energy Partners (NEP) filed a Formal Complaint. On June 2, 2021, ChargePoint, Inc. (ChargePoint) filed a Petition to Intervene. The International Brotherhood of Electrical Workers Local 120 (IBEW) filed a Petition to Intervene on June 14, 2021. Formal Complaints were also filed by consumer complainants, Sean Ferris, Jan K. Vroman, and Diane Buzzard.

The proceeding was assigned to Deputy Chief Administrative Law Judge Joel H. Cheskis and Administrative Law Judge John M. Coogan. A Prehearing Conference was held on May 27, 2021 at which time a litigation schedule and discovery rule modifications were adopted. A Scheduling Order was subsequently issued on May 28, 2021, including Virtual Public Input Hearings that were held on June 22, 2021.

Pursuant to the approved schedule, the OCA served the Direct Testimony of its witnesses: Lafayette K. Morgan, Jr.,[1] OCA Statement No. 1; David J. Garrett, OCA Statement No. 2;[2] Glenn A. Watkins, OCA Statement No. 3;[3] Roger D. Colton, OCA Statement No. 4;[4] Noah D. Eastman, OCA Statement No. 5;[5] and Ron Nelson, OCA Statement No. 6.[6] The following parties also submitted Direct Testimony: I&E, OSBA, CAUSE-PA, ChargePoint, NEP, NRDC, and the Pennsylvania Weatherization Task Force. The OCA filed the Rebuttal Testimony of Glenn A. Watkins, OCA Statement No. 3-R and Roger D. Colton, OCA Statement No. 4-R. The following parties also submitted Rebuttal Testimony: Duquesne; CAUSE-PA; ChargePoint; I&E; NRDC; and OSBA. The OCA submitted the Surrebuttal Testimony of: Lafayette K. Morgan, Jr., OCA Statement No. 1-SR; David J. Garrett, OCA Statement No. 2-SR; Glenn A. Watkins, OCA

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[1] Mr. Morgan is an independent regulatory consultant focusing in the analysis of public utility operations, with particular emphasis on rate regulation. He has reviewed and analyzed utility rate filings, focusing primarily on revenue requirements, accounting, regulatory policy and cost recovery mechanisms throughout the country. OCA St. No. 1, App. A.

[2] Mr. Garrett is the President of Resolve Utility Consulting., a consulting firm specializing in public utility regulation and litigation. Mr. Garrett is a licensed attorney and a certified public accountant, primarily working as a consultant in public utility regulation. Mr. Garrett's complete qualifications are listed in OCA Statement 2, Appendix A.

[3] Mr. Watkins is a Principal and Senior Economist with Technical Associates, Inc., an economics and financial consulting firm. Mr. Watkins has conducted marginal and embedded cost of service, rate design, cost of capital, revenue requirement, and load forecasting studies involving numerous electric, gas, water/wastewater, and telephone utilities. A more complete description of Mr. Watkins' education and experience is provided in OCA St. No. 3, Sch. GAW-1.

[4] Mr. Colton is a Principal of Fisher Sheehan & Colton, Public Finance and General Economics in Belmont, Massachusetts. He provides technical assistance to public utilities and primarily works on low income utility issues. Mr. Colton has devoted his professional career to helping public utilities, community-based organizations and state and local governments design, implement and evaluate energy assistance programs to help low income households better afford their home energy bills. A more complete description of Mr. Colton's education and experience is provided in OCA St. No. 4, App. A.

[5] Mr. Eastman received his Bachelor of Science in Economics from Shippensburg University and is employed by the OCA as a Regulatory Analyst. His responsibilities include financial, economic and business operations analysis of utility filings. Mr. Eastman's qualifications are attached as Appendix A to OCA Statement No. 5.

[6] Mr. Nelson is a Director with Strategen Consulting and has worked with numerous consumer advocates on issues related to cost of service modeling, rate design, grid modernization, DER valuation and integration, and performance-based regulation. OCA St. 1 at 1. Mr. Nelson's resume is attached to his Direct Testimony. See OCA St. No.6, Sch. REN-1.

Statement No. 3-SR; Roger D. Colton, OCA Statement No. 4-SR; Noah D. Eastman, OCA Statement No. 5-SR; and Ron Nelson, OCA Statement No. 6-SR. The following parties also submitted Surrebuttal Testimony: Duquesne; CAUSE-PA; I&E; NEP; NRDC and OSBA. On August 13, 2021, Duquesne filed Rejoinder Testimony.

Duquesne, I&E, OCA, OSBA, CAUSE-PA, PWPTF, NRDC, and ChargePoint (collectively the Joint Petitioners) engaged in extensive settlement discussions in an attempt to resolve the issues presented in this proceeding. The Joint Petitioners entered into a settlement in principle that resulted in the Joint Petition for Approval of Settlement. Peoples, US Steel, IBEW, and NEP have indicated that they do not oppose the Settlement. One issue related to NEP's proposed tariff for the sub-metering of master-metered facilities, Tariff Rule 41.2, has been reserved for litigation. On September 3, 2021, the parties will file Main Briefs related to that one contested issue, and Reply Briefs will be filed on September 13, 2021.

The OCA submits that the Settlement is in the public interest and should be approved without modification.

II. SETTLEMENT TERMS AND CONDITIONS

The Commission encourages settlement, and to do so it must recognize the balance of compromises struck by settling parties. While the OCA does not address all issues addressed by the Settlement in this Statement in Support, the OCA does not oppose terms and conditions not expressly addressed herein. The OCA submits that the Settlement, taken as a whole, is a reasonable compromise in consideration of likely litigation outcomes before the Commission. The OCA submits that the Settlement is in the public interest and supports Commission approval of the Settlement without modification.

A. Revenue Requirement (Settlement at ¶ 34-48, 60)

In its filing, Duquesne proposed to increase its total annual operating revenues by $85.8 million, or 15.6%, over the amount of annual distribution revenues at present rates. This net increase in base distribution revenues was calculated through an increase of approximately $115 million in base rates, which is offset by reductions of $29.2 million per year in other current charges, including the zeroing out of the Company's Distribution System Improvement Charge (DSIC). OCA St. 1 at 5. Under the Settlement, the Company will be permitted to increase annual operating revenues by a net amount of $45 million. Settlement at ¶ 34. The agreed upon increase is approximately 52% of the Company's net requested increase of $85.8 million and is well within the range of possible outcomes in this proceeding. Moreover, several notable provisions in this Settlement will protect ratepayers and prevent inclusion of costs contested by the OCA. The OCA submits that the Settlement revenue increase will provide sufficient funds to maintain Duquesne's distribution system in a reliable manner, while avoiding the harsh rate impacts that an increase at the full request would have caused.

1. <u>Annual Operating Revenue Increase</u> (Settlement at ¶ 34)

The Settlement provides for a net distribution revenue increase of $45 million, which is approximately $40.8 million less than the net rate increase amount originally requested by Duquesne. Settlement at ¶ 34. The distribution rate increase in the Settlement reflects an increase in total annual distribution revenues of approximately 8.2 percent as compared to the Company's original request of a 15.6 percent increase in distribution revenues. The terms of the Settlement provide that the increase will go into effect on January 15, 2022, the end of the suspension period per the Commission's Order entered May 20, 2021.

This represents a "black box" settlement of all revenue requirement and return on equity issues, with the limited exceptions contained in the Settlement. Black box settlements provide timely resolution of disputes without the significant expense of prolonged litigation. The OCA submits that it is unlikely that the parties would have been able to reach consensus on each disputed accounting and ratemaking issue in this matter as policy and legal positions can differ widely.

Based on the OCA's analysis of the Company's filing, discovery responses received, testimony filed, and various cost of capital proposals, the revenue increase under the Settlement represents a result that would be within the range of likely outcomes in the event of full litigation of the case. The increase is reasonable and when accompanied by other important conditions in the Settlement, yields a result that is in the public interest.

2. DSIC (Settlement at ¶¶ 35-36)

The Settlement provides that the Company will not be entitled to include plant additions in its DSIC until the total eligible account balances exceed the levels projected by Duquesne as of December 31, 2022. Settlement at ¶ 35. Stated differently, the Settlement clearly establishes the base level of plant investment that must be realized before any incremental expenditures can be recovered through the DSIC. The OCA submits that this provision provides clarity with regard to the timing and implementation of a DSIC.

Moreover, the Settlement provides, for purposes of 66 Pa. C.S. § 1358(b)(1) relating to the DSIC earnings cap, that it shall use the equity return rate contained in the Commission's most recent Quarterly Report on the Earnings of Jurisdictional Utilities. Settlement at ¶ 36. The OCA submits that such a provision is common among utilities that have reached a black box settlement and have not designated a specific rate of return in the Settlement. See also, Implementation of Act 11 of 2012, Docket No. M-2012-2293611, Tentative Implementation Order at 14-15 (May 11, 2012).

3. COVID-19 Expenses (Settlement at ¶¶ 38-40)

a. COVID-19 Uncollectible Expenses (Settlement at ¶¶ 38-39)

The Settlement provides that the Company will be permitted to recover the deferred COVID-19 accounts expense of $6.1 million incurred from March, 2020 through June 30, 2021, which will be recovered through an amortization of the costs over 36 months beginning with the effective date of rates in this proceeding. Settlement at ¶ 36. No uncollectibles balance will be added to the regulatory asset after the effective date of new rates. Id. The total revenue requirement will resolve the issues raised regarding the Company's claim for COVID-19 and lost revenues other than uncollectibles expenses. Settlement at ¶ 39.

As discussed in the Direct Testimony of OCA witness Morgan, in response to Governor Wolf's declaration of a state of emergency as a result of the COVID-19 pandemic, the Commission issued two directives: (1) in Docket No. M-2020-3019244 where the Commission declared a moratorium on the termination of utility services and (2) the Commission's Secretarial Letter dated May 13, 2020, that directed public utilities to account for prudently incurred incremental extraordinary, non-recurring expenses related to COVID-19, and indicated that utilities were authorized to create regulatory assets for incremental COVID-19 related expenses. OCA St. 1 at 24. It also directed utilities to track any incremental uncollectibles resulting from the COVID-19 pandemic that is not otherwise currently embedded in existing base rates. OCA St. 1 at 24.

The OCA submits that the Settlement proposal is consistent with the Commission's directive to allow the recovery of prudently incurred expenses as a result of the COVID-19 pandemic. The period for inclusion in rates is limited through June 30, 2021. The OCA submits that the proposed timeframe for amortization and the recovery of the costs due to the extraordinary circumstances of the COVID-19 pandemic are reasonable. Accordingly, the OCA submits that this provision should be accepted without modification.

b. Regulatory Asset (Settlement at ¶ 40)

In the Settlement, Duquesne will be permitted to create a regulatory asset for the incremental, extraordinary, non-recurring uncollectible accounts expenses incurred commencing from July 1, 2021 through January 14, 2022 as a result of compliance with the Commission's March 13, 2020 Emergency Order, October 13, 2020 Order, March 18, 2021 Order, and July 15, 2021 Order at Docket Nos. M-2020-301922 and M-2020-3019775. Settlement at ¶ 40. The OCA submits that the Settlement provision is consistent with the Commission's Secretarial Letter dated May 13, 2020, that directed public utilities to account for prudently incurred incremental extraordinary, non-recurring expenses related to COVID-19, and indicated that utilities were authorized to create regulatory assets for incremental COVID-19 related expenses. See, OCA St. 1 at 24. The OCA submits that the prudency of the expenses proposed to be recovered may be evaluated at the time of the Company's next base rate proceeding. The OCA submits that the proposal is consistent with the Commission's prior directive and should be approved without modification.

4. Pension and OPEB (Settlement at ¶¶ 41-42)

In the Settlement, the Company agreed to deposit $10 million per year into its pension trusts. Settlement at ¶ 41. Half of this amount will be collected from customers as an expense. The OCA's concern regarding the capitalization of the difference between pension contributions and ASC 715 costs is resolved as a part of the overall revenue requirement. Id. The Settlement provides for a regulatory liability in the event that the Company collects more in rates than it contributes to its pension trust. Id. Ratepayers will receive the benefit of any remaining regulatory liability in Duquesne's next base rate case. Id. In addition, specific accounting and reporting requirements are outlined in the Settlement. Settlement at ¶ 41. By January 31, 2023, Duquesne must provide a report and affidavit to the Commission and parties attesting to the actual contributions to pension trusts during the contribution year. Id.

Under the Settlement, the Company also agrees to continue funding its OPEBs (Other Pension Employees Benefits) by depositing the full amount of annual costs calculated by the Company's actuary pursuant to ASC 715. Settlement at ¶ 42. Moreover, 50 percent of the Company's distribution rate allowance for OPEB will be included in rates as the distribution expense component, and the remaining 50 percent will be capitalized on the Company's books. Id.

The OCA notes that, but for the resolution of the capitalization issue language, both of the above provisions have been carried forward from the Settlement of the Company's 2013 base rate case at Docket No. R-2013-2372129 and the Company's 2018 base rate case at Docket No. R-2018-3000829.

5. Reporting (Settlement at ¶ 44).

Under the Settlement, the Company has agreed to file a Total Company and Pennsylvania Jurisdictional report showing its capital expenditures, plant additions and retirements for the FPFTY. Settlement at ¶ 44. Further, the Company will also provide in its next base rate proceeding a comparison of actual expenses and rate base additions for the twelve months ending December 31, 2021, and December 31, 2022, to its projections in this case. Id. The OCA submits that this provision is in the public interest because it is consistent with Section 315, 66 Pa. C.S. § 315(e), which states that whenever a utility utilizes a fully projected future test year (FPFTY) as the basis for its rate increase, the utility shall provide appropriate data evidencing the accuracy of the estimates of its FPFTY. This reporting requirement will permit parties to compare the accuracy of Duquesne's projections in this matter to its actual expenditures.

6. Cloud-Based Information Systems (Settlement at ¶ 45)

Consistent with the Settlement in the last base rate proceeding at Docket No. R-2018-3000124, the Company shall be permitted to capitalize the development costs for cloud-based information systems. Settlement at ¶ 45. The Settlement identifies that the Company has recorded the costs related to the development of cloud-based information systems as a regulatory asset at the time such costs are occurred and has begun amortization of the costs after the systems were placed into service. Id. Duquesne has elected that as of January 1, 2022, pursuant to ASU 2018-15, the Company will capitalize all future-cloud based information system development costs. Id. Pursuant to the Settlement, Duquesne will be permitted to transfer remaining unamortized cloud-based information system costs to the appropriate plant account as of December 31, 2021. Id. The parties reserve their rights to challenge the prudence or reasonableness of specific cloud-based expenditures in future base rate proceedings. Id.

OCA witness Morgan identified concerns in his Direct Testimony regarding the Company's treatment of the cloud-based information system costs. OCA St. 1 at 7-10. The OCA submits that the Settlement language is consistent with the Company's prior treatment of the cloud-based information system costs. On a going-forward basis after January 1, 2022, the Company will treat the cloud-based information system capitalization costs consistent with ASU 2018-15, and the OCA agrees with the proposed treatment. With respect to the prudence and reasonableness of any of these costs that are included in the Company's next general base rate proceeding, the parties have explicitly retained their right to challenge the prudence and reasonableness of those costs. Accordingly, the OCA submits that this is a reasonable compromise among the parties.

7. Federal Tax Adjustment Charge (Settlement at ¶ 60)

Duquesne proposed to include a Federal Tax Adjustment Clause (FTAC) Rider to its tariffs to provide for adjustment to base rates to reflect the effects of future increases or decreases in the federal income tax rate. OCA St. 1 at 30. In Direct Testimony, OCA witness Morgan opposed the Company's proposal as premature and unnecessary. OCA St. 1 at 30-32. Moreover, Mr. Morgan testified that even if there is likely to be a change in the federal tax rates, it is unknown what other provisions may be contained in the law that may impact the rider. OCA St. 1 at 32. The Settlement provides that the Company will withdraw, without prejudice, the proposed FTAC Rider. Settlement at ¶ 60. For the reasons set forth in the Direct Testimony of OCA witness Morgan, the OCA submits that the withdrawal of the proposed rider is in the public interest and should be approved.

B. <u>COVID-19 and Universal Service Programs (Settlement at ¶¶ 51-56)</u>

1. <u>COVID-19 Program and Assistance Program (Settlement at ¶¶ 51, 53)</u>

The Settlement provides that the Company will withdraw its proposed COVID-19 Relief Program. Settlement at ¶ 51. In lieu of the COVID-19 program, however, the Company has agreed to contribute an incremental $1,000,000 in shareholder dollars to the Hardship Fund. Settlement at ¶ 53. The Settlement provides that for the period January 1, 2022 through December 1, 2023, eligibility for Duquesne's Hardship Fund will be increased from 200% to 300% of the Federal Poverty Level. <u>Id</u>. All Hardship Funds, exclusive of those identified in the Settlement Paragraph, will be directed to households with income at or below 200% of the Federal Poverty Level unless otherwise unspent in the year in which they are reserved. <u>Id</u>. At least 75% of the incremental $1 million will be directed towards households with income at or below 200% of the Federal Poverty Level. <u>Id</u>.

In Direct Testimony, OCA witness Colton agreed with the Company's proposal to provide rate relief to customers at or below 300% of the Federal Poverty Level who were still struggling with the impacts of COVID-19. OCA St. 4 at 7. As OCA witness Colton described, residential consumers have a continuing on-going need for financial assistance as a result of the devastating and lingering impacts of the COVID-19 pandemic. OCA St. 4 at 8-22; OCA St. 4-SR at 1-5. The OCA submits that the increased eligibility for the program from 200% to 300% of the Federal Poverty Level will allow residential customers who have been financially impacted by COVID-19 to receive financial assistance. The additional $1 million funded by Company shareholders will ensure that other consumers do not bear the costs of that assistance during this difficult time and that consumers will received much-needed financial assistance. The Settlement provides that the majority of the dollars will go towards those customers that have the greatest need for assistance, customers at or below 200% of the Federal Poverty Level, but will provide assistance for customers above 200% of the Federal Poverty Level that may not have access to other financial assistance resources. If the dollars are not expended by July 1 of 2022 and 2023 for the 0-200% of the Federal Poverty population, the dollars will become available to be further used by customers between 201-300% of the Federal Poverty Level. The OCA submits that the Settlement provisions are in the public interest and should be approved.

2. <u>Tariff Rule 5 (Settlement at ¶ 52)</u>

The Settlement provides that Tariff Rule 5 will be modified as follows:

> When the Company determines a deposit is required for new service or for reconnection of service as described in Rule No. 40, such deposit shall be payable within a reasonable time period after commencing or reconnecting electric service, not to be fewer than four (4) twenty-five percent (25%) installments with the first installment billed no less than 30 days after the reconnection of service in the event of a reconnection.

Settlement at ¶ 52. The modification adds the following language to the Company's tariff, "not to be fewer than four (4) twenty-five percent (25%) installments with the first installment billed no less than 30 days after the reconnection of service in the event of a reconnection." See, OCA St. 4 at 94-95. As OCA witness Colton testified, the modification to the tariff language reflects the Company's notification of the change in its cover page to the tariff and flows through that change to the text of the tariff. OCA St. 4 at 95; OCA St. 4-SR at Sch. RDC-2SR (the notification of changes page of Duquesne's proposed tariff). The OCA did not object to the substance of the modification to the tariff. The OCA submits that the Settlement provision will ensure that the tariff appropriately reflects the Company's policy reflecting the payment of deposits. As the modification will provide greater clarity to the tariff, the OCA submits that the proposed modification is in the public interest and should be approved.

3. Low Income Usage Reduction Program (Settlement at ¶ 54)

Under the Settlement, the Company agrees, among other things, to increase its LIURP budget by $400,000 annually from January 1, 2022 and ending January 1, 2025. Settlement at ¶ 54. The proposal for an increase to the LIURP budget was raised by CAUSE-PA and the Pennsylvania Weatherization Providers Task Force in this proceeding. The OCA supports the proposed Settlement provision. The additional LIURP dollars will allow the Company to assist additional low-income customers with reducing their energy consumption which will ultimately benefit both CAP and non-CAP residential ratepayers. This provision will address concerns raised by OCA witness Colton regarding the effects the general rate increase will have on customer rates. For example, rate increases will require additional CAP credits, which are collected from customers through the universal service rider. Reductions to energy consumption by low-income CAP participants will ultimately benefit all residential customers by reducing the amount of the

CAP Shortfall paid by all other residential ratepayers. The OCA submits that the proposed increased $400,000 LIURP budget is in the public interest and should be approved.

C. Transportation and Electrification Program and Load Management (Settlement at ¶¶ 57-59)

In its filing, the proposed Transportation and Electrification (TE) programs that are divided into two portfolios: (1) the Charging Infrastructure Portfolio and (2) the Customer Portfolio, each consisting of three programs. OCA St. 6 at 4-6. The Charging Infrastructure Portfolio includes the Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot (Make-Ready Pilot); the Fleet Transit Charging Pilot; and the Home Charging Pilot. OCA St. 6 at 4-6. The Customer Portfolio include the Awareness, Education, and Engagement program; the Fleet Electrification Advisory Service program; and the Registration Incentive program. OCA St. 6 at 4-6. In total, the programs would cost approximately $10.779 million. OCA St. 6 at 6. The Company proposed EV Pilot rates associated with the Fleet and Transit Charging Pilot and the Home Charging Pilot. OCA St. 6 at 7. The monthly rates were intended to recover the charger and charger installation costs from customers participating in each Pilot. Id.

OCA witness Nelson recommended that the Commission deny the Home Charging Pilot in its entirety. OCA St. 6 at 8. OCA witness Nelson also recommended that the Commission:

> Deny the Company's request to rate base behind-the-meter make-ready infrastructure and EV charging stations for any of its proposed TE Pilots. Accordingly, if the Company does not propose a reasonable rebate structure for the Make-Ready Pilot and Fleet and Transit Charging Pilot in rebuttal, reject these pilots.
>
> If the Commission approves any of the Company's TE Pilots, the Commission should:
>
> a. Require the Company to file an evaluation and assessment plan within 90 days after Commission approval to more clearly define the pilot objectives, which will inform annual filing requirements for the approved pilots.

> b. Reduce the Company's request for the Awareness, Education, and Engagement program by 75% and reject the Fleet Electrification Advisory Service.
>
> c. Deny the Company's request to extend the remaining pilots through 2024 but approve years 2022-2023 with my recommended modifications.
>
> Within 18 months of a final order in this case, Duquesne should file a comprehensive EV load management proposal that includes a description of the Company's future offerings, investments required to offer each type of load management offering, an estimated timeline to implement the offerings, to what customers segments the offerings may be made available, and a proposed implementation plan for ALM to mitigate customer and utility side infrastructure requirements.

OCA St. 6 at 8-9.

The terms of the Settlement adopt many of OCA witness Nelson's recommendations in this proceeding. Under the Settlement, the Home Charging Pilot is withdrawn, without prejudice. Settlement at ¶ 57(d). As OCA witness Nelson discussed in his testimony, Mr. Nelson had concerns with the Company's intent to use ratepayer funds to construct make-ready infrastructure at individual homes. As he testified, "residential charging stations are not publicly accessible or shared, and thus do not expand access to EV charging as much as publicly accessible or shared sites such as multi-unit dwellings, workplaces, or other public locations." OCA St. 6 at 19. The OCA submits that it is in the public interest that the efforts be directed towards the proposed Fleet and Transit Charging Pilot and Make-Ready Pilot. OCA witness Nelson also recommended that Duquesne use a rebate structure for the program instead of approving the Company to own the make-ready infrastructure and recommended that the Company examine load management programs. OCA St. 6 at 21-22 (rebate structure); 22-34 (load management). The Settlement reflects these recommendations.

The Settlement provisions for the Make-Ready Pilot and Fleet and Transit Charging Pilot are contained in paragraph 57. The Settlement also approves the Awareness, Education and

Engagement Programs, the Fleet Electrification Advisory Service and the Registration Incentive program. Settlement at ¶ 57(e)-(g).

One of OCA witness Nelson's key concerns was also the Company's proposed evaluation of the programs and to evaluate development of a load management plan. The Settlement terms provide that by no later than July 1, 2022, Duquesne will provide a draft evaluation and assessment plan for its TE programs. Settlement at ¶ 57(j). No later than one year following the deployment of the Outage Management system or the filing of the next base rate proceeding, the Company will provide a non-confidential report detailing its:

> (i) load management programs implemented to date; and (ii) plans for the development of additional load management programs. For the purposes of this subparagraph, "load management program" means offerings by the Company to support passive or active managed charging, including but not limited to Automated (or Active/Dynamic) Load Management ("ALM"), other technologies that enable automated load-side actions in response to market and/or operational signals, and rate designs and mechanisms. Approximately six months prior to the issuance of such report, the Company will convene a non-confidential collaborative meeting of stakeholders to discuss the Company's load management initiatives.

Settlement at ¶ 57(i). Duquesne will also provide detailed reports on its TE programs. Settlement at ¶ 57(j).

Finally, the Settlement approves Duquesne's proposals to refund or recover unused EV Registration Incentive funds and Level 2 Charging Evaluation rebate expenses over a three-year period. The costs of this provision is included as part of the overall revenue requirement. Settlement at ¶ 58. Duquesne will also be permitted to include $854,736 in rate base associated with the DC Fast Charging Evaluation. Settlement at ¶ 59.

1. <u>Make-Ready Pilot and Fleet and Transit Charging Pilot</u>

The OCA had concerns with the Company's original proposal to own the behind-the-meter infrastructure and to rate base those costs to ratepayers. As noted above, OCA witness Nelson recommended in the alternative, that the Company instead adopt a rebate structure for the programs. OCA St. 6 at 21-22. OCA witness Nelson examined the results of the Company's prior ChargeUp Pilot program annual reports and found that the rebate structure had produced positive results. Id.

The Settlement adopts the proposed rebate structure for the Fleet and Transit Charging Pilot. The rebate would be provided for the costs of the electric vehicle charging stations for a maximum of 50 percent of the customer's contribution for the costs of electric vehicle charging stations for the customers participating in the Fleet program or 100 percent for the customers participating in the Transit program. Settlement at ¶ 57(b)(iv). The costs of the Fleet program rebates will be recovered as a regulatory asset until the next base rate proceeding, and all parties reserve their respective rights regarding the cost recovery in the next base rate proceeding. Settlement at ¶ 57(b)(vi).

The Settlement addresses the OCA's concerns. "Behind the meter" costs will be in the form of a rebate to the customer participant and booked to a regulatory asset. Settlement at ¶ 57(b)(iv), (vi). The appropriate method of any recovery of such rebates will be determined in the Company's next base rate proceeding. Lastly, the Company provides for specific reporting requirements to evaluate customer participation and feedback and a collaborative to discuss equitable delivery of the programs. The reporting requirements will provide the OCA and other interested stakeholders with the opportunity to assess how the funds are used, whether the funds are equitably allocated consistent with the Settlement, and to ensure that the Company is in compliance with the Settlement. Accordingly, the OCA submits that this is a reasonable compromise among the parties and addresses the concerns raised by the OCA about the programs.

2. Education and Outreach, Fleet Electrification Advisory Service, and Load Management Programs (Settlement at ¶¶ 57(e),(f),(i))

The OCA initially recommended that the Commission reduce the Company's request for customer education by 75% and reject the fleet advisory services. OCA St. 6 at 36. OCA witness Nelson recommended that "load management should be the core of customer education and a significant component of the Company's advisory services. Until the Company has more comprehensively developed load management programs, funding should be limited for these areas." OCA St. 6 at 36.

The Settlement proposal allows the Company to incur the expenses for the education and outreach and the Fleet Electrification Advisory Service program as a part of the overall revenue requirement approved. Settlement at ¶¶ 57(e),(f). OCA witness Nelson was primarily concerned with the lack of implementation of load management programs. The Settlement proposes to provide a report detailing the load management programs implemented to date and plans for the development of additional load management programs. Settlement at ¶ 57(i). Approximately 6 months following the issuance of the report, the Company will convene a collaborative to discuss the Company's load management initiatives. Id. The OCA submits that the report and the collaborative will provide the opportunity for the stakeholders to review the Company's load management initiatives and to discuss opportunities for additional development. The Settlement addresses both the costs of the education and outreach programs and the Fleet Electrification Advisory Services as well as the OCA's recommendations for additional load management initiatives. The OCA submits that the provisions represent a reasonable compromise and should be approved as in the public interest.

3. Evaluation and Reporting Requirements (Settlement at ¶¶ 57(h),(j))

One of OCA witness Nelson's key concerns was also the Company's proposed evaluation of the programs. The Settlement terms provide that by no later than July 1, 2022, Duquesne will provide a draft evaluation and assessment plan for its TE programs. Settlement at ¶ 57(j). Stakeholders will have the opportunity to review the evaluation plan and to provide input into the evaluation. The Settlement also provides that in the next base rate proceeding the Company would provide data regarding the number of charging stations; the total costs; revenues received; a description of the Awareness, Education and Engagement efforts undertaken; the total number of customers and their locations; the number of customers that participated in the EV Registration Incentive program per year; an evaluation of customer participation; description of the procedures employed to procure products and services related to the program; and details related to the aggregate EV charging load profile. Settlement at ¶¶ 57(h),(j).

The OCA submits that the information agreed upon in the Settlement will allow the Commission and interested Parties to assess the impact of the programs and to ensure that there is a detailed evaluation and reports of the programs. The information will allow the parties to better evaluate the programs and future endeavors.

4. Conclusion

The Settlement represents a compromise among the Parties and adequately protects the OCA's concerns. The OCA submits that this provision of the Settlement be adopted without modification.

D. Residential Subscription Rate Rider (Settlement at ¶ 64)

The Company proposed a Residential Subscription Rate pilot that proposed to move customers away from a volumetric rate structure and instead select a specified level of demand for a set monthly charge. OCA St. 6 at 7. The OCA had multiple concerns with the Residential Subscription Rate program as discussed in Ron Nelson's Direct Testimony. OCA St. 6 at 36-41. I&E also recommended that the program not be approved. I&E St. 1 at 36-37. The Settlement withdraws the proposed Residential Subscription Rate Rider. The OCA submits that given the concerns identified by OCA witness Nelson and I&E witness Wilson about the program, the withdrawal is in the public interest and should be approved.

E. Revenue Allocation and Rate Design

1. Revenue Allocation (Settlement at ¶ 67, Appendix B)

In its filing, Duquesne proposed an increase, net of existing surcharges, of $85.8 million for a system average distribution increase of 15.58%. OCA St. 3 at 33, Table 9. Of that amount, the Company proposed to allocate approximately $58.956 million of its proposed $85.8 million revenue increase request to residential customers. The Company's proposed allocation resulted in a 14.35 percent increase to the RS class on a distribution-only basis, a 22.53 percent increase for the Rate RH class, and a 22.53 percent increase for the Rate RA class. OCA St. 3 at 33, Table 9.

OCA witness Glenn A. Watkins reviewed the Company's revenue allocation proposal and the Company's cost of service study (COSS) upon which the Company's allocation was based. The OCA contested the Company's COSS in this matter, and Mr. Watkins submitted his own COSS. See, OCA St. 3 at 35, Table 10. Based on his COSS, Mr. Watkins recommended that the residential customer class be allocated approximately $46.088 million of the Company's proposed increase with a proportional scale back should an increase of less than $85.8 million be authorized. OCA St. 3 at 35, Table 10. Additionally, Mr. Watkins recommended allocation of additional amount to Rates RH and RA because they were paying below full cost of service. Id.

Under Mr. Watkins' proposed allocation, the Rate RS class would receive a 13.32 percent distribution increase as compared to the Company's proposed 14.35 percent distribution rate increase. OCA St. 3 at 33, Table 9, 10. The RH class would receive a 23.32 percent increase, and the RA class would receive a 19.48 percent increase on a distribution-only basis. Id. In addition to the Company and the OCA, OSBA and I&E also submitted allocation recommendations in their direct testimonies based on the results of the Company's cost of service study. The allocation proposals varied widely.

Based on the OCA's review of the cost of service studies presented in this proceeding and the varying revenue allocation proposals presented by other parties, the OCA views the Settlement to be within the range of reasonable outcomes that would result from the full litigation of this case. The distribution rate increase in the Settlement reflects an increase in total annual distribution revenues of approximately 8.2 percent as compared to the Company's original request of a 15.6 percent increase in distribution revenues. Settlement at Appendix C. Specifically, Rate RS will receive an approximate 8.33 percent increase on a distribution basis, and Rate RH will receive a 19.26% percent increase. Id. The OCA submits that the revenue allocation is reasonable, and in the public interest, and should be approved.

2. Residential Rate Design (Settlement at ¶ 69)

In its filing, Duquesne proposed increasing the monthly customer charge for Rate RS, RH, and RA from $12.50 to $16.25, a $3.75 increase. OCA St. 3 at 38. The OCA recommended that the customer charge remain at $12.50. OCA St. 3 at 41-42. I&E recommended that the proposed $16.25 residential customer charge be scaled back in accordance with the allocated revenue requirement increase. I&E St. 3 at 10. Under the Settlement, Duquesne's monthly residential customer charge for rates RS, RH, and RA will be maintained at $12.50. The OCA submits that this adopts the OCA's recommendation in this proceeding.

As set forth in OCA witness Watkins testimony, maintaining the $12.50 residential customer charge will reflect the costs of the commodity charge. OCA St. 3 at 41-42. The OCA submits that the proposed residential customer charges should be adopted for the reasons set forth in the Direct Testimony of OCA witness Glenn Watkins. OCA St. 3 at 41-42. The OCA submits that the residential rate design established in the Settlement is reasonable and consistent with sound ratemaking principles.

III. CONCLUSION

The OCA submits that the terms and conditions of the proposed Settlement, taken as a whole, represent a fair and reasonable resolution of the issues and claims arising in this proceeding. The OCA further submits that, for the reasons detailed above, the Commission should approve the Settlement without modification as it is in the public interest.

Respectfully Submitted,

/s/ Christy M. Appleby

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Appendix H

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	**Docket No. R-2021-3024750**
v.	:	
	:	
Duquesne Light Company 1308(d) Proceeding	:	

OFFICE OF SMALL BUSINESS ADVOCATE
STATEMENT IN SUPPORT OF THE
JOINT PETITION FOR SETTLEMENT

I. Introduction

The Office of Small Business Advocate ("OSBA") is an agency of the Commonwealth of Pennsylvania authorized by the Small Business Advocate Act (Act 181 of 1988, 73 P.S. §§ 399.41 – 399.50) to represent the interests of small business consumers as a party in proceedings before the Pennsylvania Public Utility Commission ("Commission").

II. Filing Background

On or about April 16, 2021, Duquesne Light Company ("Duquesne" or the "Company") filed proposed Supplement No. 25 to Tariff Electric-Pa. P.U.C. No. 25 with the Commission. The Company's April 16th filing requested an additional $115 million in annual distribution rate revenue with a return on equity of 10.95%.

On April 22, 2021, the OSBA filed a Complaint and a Public Statement against the proposed increase. By Order entered May 20, 2021, the Commission entered an

Order at this docket which suspended the proposed increase for investigation. As a result, the filing was suspended by operation of law through January 15, 2022.

A pre-hearing conference, at which a procedural schedule was established, was held on May 27, 2021. The OSBA, and other parties, filed Direct Testimony on June 30, 2021. Specifically, the OSBA filed the Direct Testimony of its witness, Robert D. Knecht. Rebuttal Testimony was filed by the OSBA and other parties on July 26, 2021. Surrebuttal Testimony was filed by the OSBA and other parties on August 10, 2021.

The OSBA participated in the negotiations that led to the Joint Petition for Approval of Settlement Stipulation ("Settlement") and is a signatory to the Settlement. The OSBA submits this statement in support of the Settlement.

III. OSBA's Principal Concerns

In its Complaint, Prehearing Memorandum, and testimony, the OSBA identified several issues of concern, including the following:

1. Whether DLC's jurisdictional cost-of-service methodology is appropriate;
2. Whether the Company's class cost-of-service methodology is appropriate, including whether the study properly allocates all CAP-related costs to the residential class;
3. Whether the Company's proposed class revenue allocation is cost-based;
4. Whether DLC's proposed general service small (GS) and general service medium (GM) rate designs are cost-based;
5. Whether the Company's proposed Community Development Rider for encouraging economic development by offering discounted rates for increased electrical loads is just, reasonable, economically rational, and not unduly anticompetitive or discriminatory; and
6. Whether the Company's proposed Transportation Electrification Programs will serve to increase or decrease the development of electric vehicle charging infrastructure, and whether those programs will result in unreasonable cross-subsidies from regular ratepayers.

IV. Settlement

The Settlement sets forth a list of issues which were resolved through the negotiation process. This statement outlines the OSBA's specific reasons for concluding that the Settlement is in the best interests of the Company's small business customers.

A. Distribution Revenue Requirement

1. Summary

In its initial filing, Duquesne proposed a distribution revenue increase of $115 million per year, of which $29.2 million is currently being recovered in the DSIC, leaving a net increase of $85.8 million.[1] In the Settlement, Duquesne has agreed to a revenue increase of $74.2 million per year, which includes $29.2 million of revenues recovered via surcharges, for a net increase in revenues of $45.0 million.[2] At a time when all types of utility service are becoming more expensive, the significant reduction in the distribution revenue increase provided by the Settlement will benefit Duquesne's small business customers.

B. Duquesne Light Initiatives for General Service

In its initial filing, Duquesne proposed three initiatives to address perceived problems faced by certain general service customers within its service territory. As Mr. Knecht testified, the proposals generally would have resulted in some general service customers subsidizing efforts to assist other general service customers that were negatively impacted by the Covid-19 pandemic and other economic events.[3]

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[1] Duquesne Statement No. 1 at 6.
[2] Settlement, Para. 34.
[3] OSBA Statement No. 1 at 27.

While Duquesne's proposals were presumably well intentioned, the Public Utility Code requires utilities to provide safe and reliable service at reasonable and non-discriminatory rates.[4] The Settlement substantially addresses the concerns identified by the OSBA, as detailed below.

1. Community Development Rider ("CDR") (Settlement Para. 63)

In its initial filing, the Company's proposed its CDR, as presented and reflected in the proposed tariff Rider 19, which would essentially offer a temporary reduction in non-summer base rate distribution demand charges for both new customers and increased loads for existing customers.[5] As Mr. Knecht testified, the obvious downside to the proposal is that Rider 19 is inequitable and discriminatory in that new loads/customers are eligible for discounted rates but existing customers receiving the identical service are not.[6] Furthermore, the Company offered no evidence that the program would attract any net new load versus simply providing an opportunity for increased loads to "free ride" on the discount while the associated incremental revenues would to accrue to Duquesne's shareholders.[7]

Mr. Knecht acknowledged certain mitigating factors, including (a) any (non-free-riding) new loads will eventually benefit ratepayers in general, (b) the discounts decline and disappear over time, and (c) it didn't appear that the Company was requiring contributions from existing ratepayers. However, Mr. Knecht further recommended that

[4] 66 Pa. C.S. §1304
[5] OSBA Statement No. 1 at 28. *See also,* DLC Statement No, 17 at 25.
[6] OSBA Statement No. 1 ay 29.
[7] OSBA Statement No 1 at 30.

the Commission make it clear that the cost for any discounts that remain in effect for the next base rates case be absorbed by the Company.[8]

In the Settlement, costs of the CDR program will not be recovered from customers, and will not be included in the overall revenue requirement identified in Paragraph 34 of the Settlement. Furthermore, customers may only be eligible for the CDR if they can demonstrate that they have a competitive energy alternative to electricity delivered by Duquesne, or that they otherwise affirm that they will be unable to commence or sustain their business absent participating in Rider 19.[9]

The OSBA submits that the Settlement reasonably addresses the concerns raised by Mr. Knecht.

2. New Business Stimulus Rider ("NBSR") (Settlement Para. 47)

In its initial filing, Duquesne proposed a two-year 30 percent rate discount for new loads at "Vacant Retail Storefronts" located in certain specific geographic areas.[10] While perhaps well intended, as Mr. Knecht testified, the NBSR as proposed would have resulted in rates that were inequitable and discriminatory rates for new versus existing customers for the same service.

As set forth in the Settlement, the Company's NBSR was withdrawn without prejudice.[11]

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[8] OSBA Statement No. 1 at 30.
[9] Settlement at Para. 63a and b.
[10] OSBA Statement No. 1 at 31.
[11] Settlement at Para. 47.

3. Crisis Recovery Program ("CRP") (Settlement Para. 48)

The proposed CRP is a payment arrangement program for non-residential customers who accumulated overdue balances during the Covid-19 pandemic. As Mr. Knecht explained, while not as obviously discriminatory as the other programs, the proposal is inequitable for customers who have responsibly paid their bills through the pandemic – even those negatively impacted by the pandemic – in that it requires those customers to pay for those that did not or could not pay. Furthermore, as Mr. Knecht testified, the Company's shareholders make no contribution to the cost for the program while potentially benefitting from improved collection rates.[12]

As set forth in the Settlement, the Company's CRP was withdrawn without prejudice.[13]

C. Master Metering

In this proceeding, two proposals were advanced to modify the Company's current requirements that new customers in multi-family residences be individually metered. First, pursuant to the settlement of the Company's last base rates case, the Company proposed in this filing that its tariff be modified to permit, under certain conditions, master-metering for new multi-family residences serving low-income customers. As Mr. Knecht explained in rebuttal, the Company's proposal was inappropriate because the Company failed to undertake the analysis necessary to justify the change and Duquesne similarly failed to comply with the terms of the previous settlement requiring the Company to evaluate the revenue allocation implications of the

[12] OSBA Statement No. 1 at 32.
[13] Settlement at Para. 48.

proposed change. OSBA Statement No. 1-R at 18-19. The Company subsequently withdrew its proposal in surrebuttal, and the Settlement acknowledges that all parties agree that the Company's proposal be withdrawn.

Second, Nationwide Energy Partners ("NEP") advanced a proposal regarding metering requirements for multi-family residential customers, as detailed in NEP Statements No. 1 and 2. That proposal is reserved for litigation.

D. TRANSPORTATION ELECTRIFICATION PROGRAM AND LOAD MANAGEMENT (Settlement Para. 57)

In its initial filing, Duquesne's proposed four "pilot" programs designed to encourage and subsidize the development of infrastructure for electric vehicle ("EV") charging, including: 1) a "Public Workplace and MUD Make Ready Pilot" ("M-RP); 2) a "Fleet Pilot," 3) a "Transit Pilot," and 4) a "Home Charging Pilot"("HCP") (collectively the "TE Programs").

The OSBA submitted extensive testimony addressing the EV pilot programs.[14] The OSBA ultimately recommended that the first three programs, the M-RP, the Fleet Pilot, and the Transit Pilot, be rejected as the pilots were inconsistent with the OSBA's policy positions regarding utility subsidies for EV charging infrastructure as set forth in the testimony of Mr. Knecht.[15] The OSBA took no position on the HCP as it appeared to apply only to low-income residential customers and the costs for the HCP were therefore assigned to and recovered from residential customers.[16]

The HCP has been withdrawn by the Company. As set forth in the Settlement, the remaining three TE Programs will be put in place, albeit with some additional

[14] OSBA Statement No. 1, p. 33-39.
[15] OSBA Statement No. 1, p. 33-35
[16] *Id.*, p. 36

reporting requirements. The OSBA does not believe that EV's are the solution to the Commonwealth's environmental issues, but this office is willing to support the proposed pilot programs in the interest of garnering data for EV infrastructure in the Company's service territory. In addition, the detailed reporting requirements set forth in the Settlement will be of great interest to the OSBA by allowing this office to ascertain how EV adoption is progressing with the Company's small businesses.

E. COST ALLOCATION AND REVENUE ALLOCATION

As Mr. Knecht explained, the Company's filed allocated cost of service study ("ACOSS") was hopelessly inconsistent with Commission precedent for Pennsylvania electric distribution companies (notably PPL Electric and UGI Electric) with respect to the classification method for primary voltage electric distribution plant. OSBA Statement No. 1 at 11-12. Mr. Knecht also explained how the Company's sub-functionalization of certain distribution costs was not justified by any credible evidence and served to overstate costs assigned to the non-residential rate classes. OSBA Statement No. 1 at 15-16. Mr. Knecht therefore developed an alternative ACOSS that avoided those errors.

Unfortunately, because the Company refused to provide the information necessary for Mr. Knecht to develop a detailed minimum system evaluation for primary voltage distribution system costs, Mr. Knecht relied on an estimate based on his judgment. OSBA Statement No. 1 at 14-15, OSBA Statement No. 1-S at 5. Mr. Knecht then developed a revenue allocation proposal consistent with his alternative ACOSS.

Witness Glenn Watkins, representing the OCA, also developed an alternative ACOSS model, in which the classification of distribution plant was even less consistent with Commission precedent than that offered by the Company. Witness Watkins then developed an alternative revenue allocation proposal based on an average of his ACOSS and the Company's ACOSS.

I&E Witness Esyan Sakaya made no effort to defend Commission precedent regarding classification of distribution plant and relied on the Company's filed ACOSS. Witness Sakaya developed an alternative revenue allocation proposal based on the Company's ACOSS, in the form of a modified scaleback mechanism.

Subsequent to its initial filing, the Company made minor modifications to its ACOSS and revenue allocation proposals in rebuttal testimony, neither of which addressed the inconsistencies in its original filing identified by Mr. Knecht. Witness Watkins modified his ACOSS model to correct errors in his surrebuttal testimony but made no changes to his proposed revenue allocation.

Mr. Knecht also made modifications to his ACOSS model in surrebuttal, which resulted in small changes to his proposed revenue allocation.

In addition, OCA Witness Roger Colton proposed that allocation and recovery of universal service costs related to low-income residential customers be spread among all rate classes. OCA Witness Watkins quantified the impact of that proposed change. Thus, the OCA's overall revenue allocation proposal in this matter includes the effects of both base rate changes and universal service changes.

The Settlement resolves the issue of revenue allocation through a compromise among the parties. Because Company Witness Gorman inappropriately cited to a past DLC revenue allocation settlement as precedent in support of the Company's ACOSS methodology (DLC Statement No. 15-R at 4), the Settlement explicitly states that the revenue allocation does not reflect agreement of the parties on any particular cost allocation methodology. Settlement at para. 67. The OSBA trusts that this provision will deter parties in the future from attempting to rely on black box settlement language in support of their litigation positions in the future.

Table 1 (below) compares the parties' adjusted proposed increases for Duquesne's small business classes to the small business increases provided by the Settlement. Significantly, the Settlement rejects the OCA proposal to change the recovery of universal service costs. Settlement at para. 68.

As shown in Table 1, the differences among the parties' proposals are substantial, most notably between the OSBA and the OCA proposal regarding universal service effects. At the end of the day, however, the parties agreed on a revenue allocation proposal for small to medium business customers that is only modestly different than the Company's litigation position.

In accepting this settlement, the OSBA was particularly cognizant of three factors. First, the OCA proposal, if adopted, would result in massive increases in rates for small business customers. Second, the Commission's decision at Docket No. R-2020-3022135 involving Pike County Light & Power indicates that the Commission may accept a non-unanimous revenue allocation settlement amongst the Company, OCA and I&E, even if that revenue allocation is based on a cost allocation study admitted to be erroneous. Third, the OSBA recognizes that Mr. Knecht's cost allocation analysis suffered from the Company's refusal to provide information necessary to prepare a more precise ACOSS.

As such, the OSBA deemed that the risks of a highly unfavorable outcome for small businesses in a fully litigated proceeding were substantial, either through a non-unanimous settlement among the other parties or a Commission decision. The OSBA therefore respectfully submits that the Settlement revenue allocation is reasonable in the current regulatory climate for small businesses in Pennsylvania.

Table 1
Comparison of Parties' Proposed GS/GM Increases at
Settlement Revenue Level to Settlement Increases 1/
($000)

Class	*Per Settlement*	*DLC Reb.*	*OSBA Surr.*	*OCA Excl US*	*OCA Incl US*	*I&E Direct*
GS	$ 800	$ 800	$1,434	$ 477	$1,298	$ 598
GM<25 kW	2,021	2,622	483	2,305	4,695	228
GM≥25 kW	7,474	6,874	1,012	7,100	12,118	9,456
GMH	1,016	976	474	1,017	1,736	1,311
TOTAL	$11,312	$11,272	$3,402	$10,899	$19,847	$11,594

Sources: RDK WP2-R, updated for Company rebuttal revenue allocation, OSBA surrebuttal revenue allocation, and scaled to $45 million overall increase.

As shown in Table 1, the Settlement increases for the small business classes reflect a compromise among the parties, particularly with respect to the litigation positions of the OSBA and other parties. As a result, the OSBA concludes that the Settlement revenue allocation provides meaningful benefits to the Company's small business customers.

F. SMALL/MEDIUM GENERAL SERVICE RATE DESIGN

The non-residential tariff classes for small and medium customers in Duquesne's tariff consist of Rate GS/GM, Rate GMH, Rate GL, and Rate GLH. As Mr. Knecht testified, it is unclear why the company retains a separate "heating" class for GM and GL customers, as there appears to be an inconsistency between the Company's proposal to retain its special heating classes and the cost of service methodology that determines the basis for cost of service.[17]

For purposes of this proceeding, Mr. Knecht recommended that the company explain why retaining the GMH and GLH classes is appropriate. In rebuttal, Duquesne

[17] OSBA Statement No. 1 at 5.

acknowledged that the heating classes have existed for many (more than 40) years, stretching back to the time of fully integrated rates for generation, transmission, and distribution service. While the Company indicates that a separate heating class rate would allow "rate design to be tailored to the customers' load profiles," it also acknowledges that a lack of demand charge in the winter for the heating classes is related to revenue stability rather than matching costs and rates. In its rebuttal testimony, the Company agreed to undertake an "internal" review of the rate design for the heating service classes.[18]

While the OSBA agrees that a detailed evaluation of the general service rate design cannot reasonably take place in context of the current proceeding, Mr. Knecht recommended that that Duquesne's review of its rate design general service customers be submitted with the Company's next base rates case filing for public review.[19]. In the Settlement, the Company has agreed to provide the detailed results of its evaluation and any related rate design proposals in its next base rates proceeding.[20]

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[18] OSBA Statement No. 1-S at 17.
[19] *Id.*
[20] Settlement at Para. 70.

V. **Conclusion**

For the reasons set forth in the Settlement itself, as well as the additional factors that are enumerated in this statement, the OSBA supports the proposed Settlement and respectfully requests that the ALJs and the Commission approve the Settlement in its entirety and without modification.

Respectfully submitted,

/s/ Sharon E. Webb

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Dated: September 3, 2021

Appendix I

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3024750
	:	
Duquesne Light Company	:	
	:	

STATEMENT OF THE COALITION FOR AFFORDABLE UTILITY SERVICES AND ENERGY EFFICIENCY IN PENNSYLVANIA (CAUSE-PA) IN SUPPORT OF JOINT PETITION OF PARTIAL SETTLEMENT

The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania (CAUSE-PA), one of the signatory parties to the Joint Petition for Settlement (Joint Petition or Settlement), respectfully requests that the terms and conditions of the Settlement be approved by the Honorable Joel H. Cheskis, Deputy Chief Administrative Law Judge, the Honorable John Coogan, Administrative Law Judge, and the Pennsylvania Public Utility Commission (Commission). For the reasons stated more fully below, CAUSE-PA believes that the terms and conditions of the Settlement are in the public interest and should be approved.

I. INTRODUCTION

CAUSE-PA intervened in this proceeding to ensure that Duquesne Light Company's (Duquesne or the Company) proposed rates, and terms and conditions of service, are appropriately designed and implemented in a manner which allows all consumers in Duquesne's service territory to access safe and affordable electric services, regardless of income.

The Commission's regulations lend unambiguous support for settlements, and declare: "It is the policy of the Commission to encourage settlements."[1] The Commission has also set explicit policy guiding settlement of a major rate case, explaining in its codified statement of policy that "the results achieved from a negotiated settlement or stipulation, or both, in which the interested parties have had an opportunity to participate are often preferable to those achieved at the conclusion of a fully litigated proceeding."[2] Settlements are preferred because they "lessen the time and expense that Parties must expend litigating a case and, at the same time, conserve resources."[3] In reviewing whether to approve a proposed settlement, the Commission must determine whether the terms and conditions are in the interest of the public based on a preponderance of the evidence "showing a likelihood or probability of public benefits that need not be quantified or guaranteed."[4] Historically, the Commission has defined the public interest as inclusive of ratepayers, shareholders, and the regulated community at large.[5] Of course, proposed settlement terms must also be consistent with applicable law.[6]

When determining whether a proposed rate increase is just and reasonable, special consideration must be given to the impact of the proposed rate increase, rate structure, and newly proposed pilot programs on the ability of vulnerable, low-income consumers to afford service. The proposed Settlement takes rate affordability into account by using structural rate design to limit the disproportionate burdens on low-income households and through the adoption

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[1] 52 Pa. Code § 5.231.

[2] 52 Pa. Code § 69.401.

[3] See Commonwealth of Pa. et al. v. IDT Energy, Inc., Docket No. C-2014-2427657, at 35-37 (Tentative Order entered June 30, 2016).

[4] See id. (quoting Popowsky v. Pa. PUC, 594 Pa. 583, 937 A.2d at 1040 (2007)).

[5] See id. (citing Pa. PUC v. Bell Atlantic Pennsylvania, Inc., Docket No. R-00953409 (Order entered Sept. 29, 1995)).

[6] See id. (citing Dauphin County Indus. Dev. Auth. v. Pa. PUC, 2015 Pa. Commw. LEXIS 381 (Sept. 9, 2015)).

of critical enhancements to Duquesne's universal service programs. The rate design and enhancements to universal service programming contained in the proposed Settlement will better match needy households with available assistance and ensure access to stable and affordable utility services over the long term.

This Settlement was arrived at through good faith negotiation by all parties. As a whole, in light of the totality of facts and circumstances presented in this case, CAUSE-PA asserts that the proposed Settlement strikes and appropriate balance of the many and varied interests of the parties to the Settlement.

CAUSE-PA made a concerted effort to conduct a thorough investigation and to create a detailed record in this proceeding of critical issues to address in the context of the Commission's determination of whether Duquesne's proposed rates, and terms and conditions of service are just and reasonable, in compliance with applicable laws, regulations, and prevailing public policy. CAUSE-PA's expert witness, Harry Geller, Esq, submitted written direct, rebuttal, and surrebuttal testimony. This testimony documented, in substantial detail, the aspects of DLC's current policies and procedures which CAUSE-PA asserts must be reformed in order to produce reasonable and just rates, and terms and conditions of service consistent with applicable laws, regulations, and policies governing public utilities – and addressed the proposed policies and procedures of the parties to this proceeding.

The proposed Settlement reasonably addresses a number of issues raised by CAUSE-PA's expert witness testimony. While CAUSE-PA's positions were not fully adopted, the resolution of these issues represents a fair and balanced approach which satisfies the many and varied interests of the parties in a reasonable and just manner. In turn, the Settlement proposes to reserve for litigation unresolved issues related to master-metering and sub-metering in Duquesne's service territory, to be addressed in briefing. CAUSE-PA asserts that, given the unique challenges involved in litigating this rate filing while the effects of the COVID-19 pandemic continue to affect Pennsylvania households – especially low income households who have been disproportionately impacted as a result of the COVID-19 pandemic – this approach represents a reasonable resolution in this proceeding. As such, and for the specific reasons discussed in further detail below, CAUSE-PA asserts that the proposed Settlement in in the public interest and should be approved without modification.

II. BACKGROUND

For the purposes of this Statement in Support, CAUSE-PA adopts the procedural history as set forth in Paragraphs 1 to 33 the Joint Petition for Approval of Settlement.

III. REASONS FOR SUPPORT OF SPECIFIC SETTLEMENT PROVISIONS

For the reasons discussed below, CAUSE-PA asserts that the proposed Settlement presents a reasonably balanced resolution to the issues rated in this proceeding, while explicitly reserving issues related to master- and sub-metering of utility services to examine through briefing. While many of the provisions of the Settlement are discussed with specificity below, CAUSE-PA's silence with respect to any particular provision does not indicate that CAUSE-PA is not in agreement with the provision. CAUSE-PA urges the ALJs and the Commission to approve the Settlement in its entirety and without modification.

A. Revenue Requirement and Accounting (Paragraphs 34-46)

In his direct testimony, CAUSE-PA's expert witness, Harry Geller, Esq., extensively described how Duquesne's proposed rate increase would be a substantial increase is basic living expenses for low income residential customers who are struggling more than ever to make ends meet.[7] Mr. Geller recommended that a rate increase should not be permitted without first addressing existing unaffordability for low income and vulnerable customers.[8]

Paragraph 34 of the proposed Settlement sets forth the agreed upon revenue increase in the amount of $74.2 million, inclusive of the $29.2 million of revenues currently recovered under surcharges, for a net increase in revenues of $45 million. This is a significant decrease from Duquesne's initial proposed rate increase of approximately $115 million, inclusive of the $29.9 million of revenue currently recovered under surcharges, for a net increase in revenues of $85.8 million.[9] This reduction is significant, particularly for low and moderate income consumers who already struggle to keep up with the cost of basic utility services. Duquesne estimates that more than 15% of residential customers in its service territory are low income (i.e. having a gross household income at or below 150% FPL).[10] Thus, a reduction in the approved rate increase is critically important to ensure that service remains accessible to Duquesne's residential customers, especially those customers who are low income and struggle on a daily basis to make ends meet. As discussed below, the proposed Settlement includes several critical enhancements to Duquesne's universal service programs and customer protections. These proposed improvements are critical components of the proposed Settlement to help offset the increased costs of basic electric service for low income customers, and comport with Mr. Geller's emphasis on the need to appropriately remediate increases in the Company's residential distribution rates through equitable rate design and the adoption of enhancements to available universal service programming.

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[7] CAUSE-PA St. 1 at 16: 11-18.

[8] CAUSE-PA St. 1 at 20: 7-13.

[9] Duquesne Light Company Supplement No. 25 to Tariff Electric Pa. P.U.C. No. 25, Letter, Docket No. R-2021-3024750 (Letter dated April 16, 2021).

[10] CAUSE-PA St. 1 at 11: 16-18.

While CAUSE-PA did not take a formal position as to Paragraphs 35 through 46 of the proposed Settlement, CAUSE-PA is not opposed to these provisions, and believes these provisions help reasonably balance the varied interests of the parties in this proceeding, while taking into account the overall impact of Duquesne's proposed rates, and terms and conditions of service, on Duquesne's customers, and, as such, is in the public interest.

B. DUQUESNE LIGHT PROGRAMS

1. Small and Medium Commercial Customer Proposals (Paragraphs 47-48)

CAUSE-PA did not take a formal position as to Paragraphs 47-48 of the proposed Settlement.

2. Master Metering (Paragraphs 49-50)

Paragraph 49 of the proposed Settlement provides that revisions to Retail Tariff Rule 41 and 41.1 regarding master metering, an initially proposed in DLC Statement 6 and later withdrawn in DLC Statement 6-R, are withdrawn. Additionally, Paragraph 50 of the proposed Settlement indicates that Nationwide Energy Partners' proposal regarding master metering and submetering, as described in NEP Statement 1 and 2, are reserved for litigation.

CAUSE-PA's expert witness Mr. Geller raised significant concerns in his rebuttal testimony regarding NEP's proposed Tariff Rule 41.2. CAUSE-PA has significant concerns about NEP's tariff proposal, which contains broad ambiguities and flaws that will sever tenants residing in DLC's service territory from a plethora of consumer protections enumerated under law, regulation, and Commission policy, and will foreclose tenants residing in multifamily properties from accessing numerous forms of assistance, including but not limited to DLC's CAP, LIURP, and Hardship Fund Program. CAUSE-PA intends to address the numerous concerns and issues raised by NEP's tariff proposal and its affect on tenants and residential customers in Duquesne's service territory through briefing in this matter. Given these grave concerns, CAUSE-PA supports Duquesne's withdrawal of its proposed revisions to Tariff Rule 41 and Tariff Rule 41.1. CAUSE-PA is also supportive of the approach of reserving Nationwide Energy Partners' proposal regarding master metering and submetering, as described in NEP Statement 1 and 2 for litigation, which will allow the parties to litigate unresolved questions related to the reasonableness and legality of NEP's tariff proposal.

3. COVID-19 and Universal Service Programs (Paragraphs 51-56)

a. COVID-19 Relief Program

In his direct testimony, CAUSE-PA's expert witness Mr. Geller was supportive of providing emergency relief programming, but raised concerns that Duquesne's proposed COVID-19 Debt Relief Program was not equitably designed to meet the extraordinary needs of Duquesne's low and moderate income residential customers.[11] Notably, Mr. Geller raised concerns that the Company failed to propose any additional relief for customers at or below 150% FPL – a stark omission given that low income consumers have faced disproportionate economic harm as a result of the pandemic and continue to carry arrears in higher levels than arrearage levels of non-low income residential customers.[12]

[11] CAUSE-PA St. 1 at 29: 5-15.

[12] CAUSE-PA St. 1 at 29: 5-15.

Paragraph 51 of the proposed Settlement withdraws without prejudice the Company's proposed residential COVID-19 Relief Program. While CAUSE-PA strongly supports efforts to provide debt relief to residential customers, withdrawing the COVID-19 Relief Program represents a reasonable compromise that balances the varied interests of the parties in this proceeding. As described below, the proposed Settlement provides for several key improvements to support low-income consumers in Duquesne's service territory and to improve the Company's universal service programs. Thus, the proposed Settlement provides for additional improvements and assistance for Duquesne's most vulnerable low income customers as they continue to combat repercussions of the COVID-19 pandemic.

b. Tariff Rule 5 (Paragraph 52)

CAUSE-PA did not take a formal position as to Paragraph 52 of the proposed Settlement.

c. Universal Service Program Improvements

Continued delivery of safe, affordable service is of critical importance to the safety, welfare, and economic stability of all Pennsylvanians – particularly those with limited financial means. In recognition of this fact, the law requires that utility services be universally available at an affordable rate, and that all universal service programs be developed, maintained, and appropriately funded to ensure that low-income households can reasonably afford to maintain service to their homes. (CAUSE-PA Pet to Intervene at ¶ 14; <u>see also</u> 66 Pa. C.S. § 2203(3), (8)).

i. Hardship Fund Improvements (Paragraph 53)

In his direct testimony, CAUSE-PA's expert witness Mr. Geller recommended that Duquesne should be required to provide additional funding in the amount of $3 million (in additional to associated administrative costs) for its Hardship Fund to ensure that households with incomes below 150% FPL can equitably access hardship funding.[13]

Paragraph 53 of the proposed Settlement sets forth several enhancements to the Company's Hardship Fund. First, the proposed Settlement increases the maximum household income eligibility for Duquesne's Hardship Fund from 200% to 300% of the Federal Poverty Level (FPL) and provides for an additional $1 million per year to its Hardship Fund, which will be contributed by the Company's shareholders. By increasing the maximum household eligibility, the program will expand its reach to customers experiencing financial hardship who have previously been unable to grant assistance, while providing additional hardship funding to help to ensure that Duquesne's most financially vulnerable customers are able to access crucial grant assistance.

The proposed Settlement further provides for the following parameters for distribution of hardship funding: (1) that all hardship funds, exclusive of the additional funds identified above, will be directed to households with income at or below 200% FPL, unless unspent in the year in which they are reserved; (2) that at least 75% of the additional funds identified will be directed to households with income at or below 200% of the Federal Poverty Level; and (3) that, on July 1 of a given program year, unused Hardship Funds initially directed to households with incomes above 200% FPL shall be made available to all customers eligible for the Hardship Fund.

As customers in Duquesne Light's service area continue to suffer the repercussions of the ongoing COVID-19 pandemic, and without an active moratorium on utility terminations, it is vital that the Company expand access to its hardship grant fund in the ways identified above. Directing the bulk of the hardship funds to households at or below 200% FPL will help to ensure that households who are most in need but often have less time and fewer resources to actively pursue

[13] CAUSE-PA St. 1 at 31-32.

much needed assistance are able to secure crucial grant assistance needed to stay connected and afford their electric bills. Opening the program to all customers between 200% and 300% FPL after July 1 will also ensure that the Company in fully utilizing funds in its Hardship Fund so that a greater number of at-need customers can access hardship funding. On balance, CAUSE-PA asserts that these enhancements to the Company's Hardship Fund represent a reasonable compromise and are in public interest, as the provisions will improves the accessibility of the Hardship Fund for low and moderate income customers faced with financial hardship.

ii. Low Income Usage Reduction Program (LIURP) Improvements (Paragraph 54-55)

In his direct testimony, CAUSE-PA's expert witness Mr. Geller explained how Duquesne's LIURP can play an important role in mitigating unaffordability for low income consumers, and ultimately reduce levels of involuntary terminations for non-payment and uncollectible expenses.[14] As the Commission's LIURP regulations state, LIURP programs are intended to "decrease the incidence and risk of customer payment delinquencies and the attendant utility costs associated with uncollectible account expenses, collection costs and arrearage carrying costs."[15] Mr. Geller described how Duquesne's LIURP only serve a small portion of customers in need of comprehensive energy efficiency and usage reduction services,[16] and recommended that the Company increase its annual LIURP budget by $1 million and carryover unspent LIURP funds

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[14] CAUSE-PA St. 1 at 40.

[15] 52 Pa. Code § 58.1 ("The programs are intended to assist low income customers conserve energy and reduce residential energy bills. The reduction in energy bills should decrease the incidence and risk of customer payment delinquencies and the attendant utility costs associated with uncollectible accounts expense, collection costs and arrearage carrying costs.").

[16] CAUSE-PA St. 1 at 40.

from a previous program year so that low income customers are able to sufficiently access LIURP services to improve energy efficiency and reduce monthly bills.[17]

Paragraphs 54 of the proposed Settlement includes increasing annual funding for Duquesne's Low Income Usage Reduction Program (LIURP) by $400,000 annually, which will be recovered through Rider No. 5 – Universal Services Charge, beginning January 1, 2022 and ending January 1, 2025. Paragraph 55 of the proposed Settlement provides that Duquesne will continue to use a competitive procurement process to select a vendor to administer LIURP and will invite member agencies of the Pennsylvania Weatherization Providers Task Force and other Community Based Organizations (CBOs) to participate in the competitive procurement process to select a LIURP vendor upon the expiration of the existing contract.

CAUSE-PA is supportive of increasing the Company's LIURP budget by $400,000. This increase does not fully address CAUSE-PA's concerns about the adequacy of Duquesne's LIURP budget, but we believe it represents a balanced compromise of the parties' varied and competing interests and will help to ensure that Duquesne is better able to serve unmet need for energy efficiency and usage reduction in its service territory. Increasing the Company's LIURP budget will also help mitigate the impact of the rate increase on low income customers – especially high usage customers. By requiring the Company to continue to use a competitive procurement process for selecting a vendor – with the PWPTF and other CBOs invited to participate in the process - the proposed Settlement will help to ensure equitable dissemination of LIURP services and to bring greater parity to the availability of LIURP services to low income households in Duquesne's service territory. Thus, CAUSE-PA believes that this proposal is in the public interest and should be approved.

[17] CAUSE-PA St. 1 at 42: 3-8.

iii. Improvements to Duquesne's Customer Assistance Program (CAP) (Paragraph 56)

In his direct testimony, Mr. Geller expressed concern that the Company's proposed rate increase would result in more CAP customers exceeding their maximum CAP threshold in a given program year, thus forcing them to pay full tariff rates which are categorically unaffordable for low income customers.[18] Mr. Geller recommended that the Company be required to take several affirmative steps to ensure that low income customers are able to remain in CAP through a program year, including requiring the Company to increase its maximum CAP credit threshold by an amount equal to the annual average increase in residential rates if any rate increase was approved, and requiring the Company to further increase the maximum CAP credit thresholds if more than 5% of CAP customers exceed 100% of their maximum CAP credit thresholds before the 11th month of a given program year so that no more than 5% of participants exceed their maximum CAP credit thresholds in a given year.[19]

Paragraph 56 of the proposed Settlement requires Duquesne to increase its maximum CAP credit thresholds by a percentage equal to the annual average increase in residential rates approved through this Settlement. CAUSE-PA supports increasing the maximum CAP credit threshold in line with the average increase in residential rates. The increased threshold will help low income CAP participants to remain to receive CAP bill savings throughout the program year, making it less likely that they will forced to pay the full tariff rates at some point during the program year. While the proposed Settlement does not adopt all of Mr. Geller's recommendations related to maximum CAP credit thresholds, CAUSE-PA believes that the proposed Settlement represents a

[18] CAUSE-PA St. 1 at 35-39.

[19] CAUSE-PA St. 1 at 38-39.

reasonable compromise between the parties that will help to mitigate effects of the Company's proposed rate increase on low income customers' ability to retain their CAP payment amounts and remain connected to vital basic electric services.

Paragraph 56.a. of the proposed Settlement also requires that Duquesne waive the high usage threshold for participation in LIURP for households that exceed the maximum CAP credit limit prior to the end of the program year. As Mr. Geller described in his direct testimony, LIURP can play an important role in mitigating unaffordability for low income consumers, and ultimately reduce levels of uncollectible expenses and involuntary terminations for non-payment.[20] Historically, however, the Company's LIURP has only reached a small proportion of customers in the Company's service area who may be eligible.[21] CAUSE-PA therefore supports this provision, as waiving the high usage threshold will allow more low income customers to take advantage of LIURP, improving both the energy efficiency in their homes and their bill affordability – and helping CAP customers who exceed their maximum CAP credits to access energy efficiency services, even if they do not otherwise reach Duquesne's high usage thresholds for LIURP. As improved energy conservation and utility affordability are squarely in the public interest, this provision should be approved without modification.

4. TRANSPORTATION ELECTRIFICATION PROGRAMS AND LOAD MANAGEMENT

a. Make Ready Pilot

In its initial filing, the Company proposed a Make-Ready Pilot, in which the Company would work with customers to provide all necessary supply infrastructure, including service

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[20] CAUSE-PA St. 1 at 40.

[21] CAUSE-PA St. 1 at 40.

connections and EV make ready "behind the meter for L2 and DCFC stations in public, workplace, and MUD settings."[22] Under the Company's initial proposal, customers would then be responsible for acquiring, installing, owning, and maintaining the charging station.[23]

In his direct testimony, Mr. Geller opposed the Make-Ready Pilot and raised concern that low income customers – who would share in the cost of the Make-Ready Pilot – are not able to realize direct benefits from the Make-Ready Pilot, given that the cost of owning electric vehicles (EVs) remain well outside the reach of the vast majority of low income families.[24]

Paragraph 57.a. of the proposed Settlement provides for the creation of a Make-Ready Pilot. CAUSE-PA asserts that this paragraph represents a reasonable compromise given the varied and competing interests of the Joint Petitioners. In particular, this paragraph requires that Duquesne equitably apportion the Make-Ready annual budget across its service territory, and to track the census tract and nine-digit zip code of Make-Ready infrastructure installed through the Make-Ready Pilot. Within 120 days of a final order in this proceeding, and at least once annually for the duration of Duquesne Light's approved EV programs, Duquesne Light will be required to convene a collaborative working group, including the parties to this proceeding and other interested stakeholders, to discuss aspects of the TE Programs including but not limited to: the results of the Company's equitable apportionment; the provision of the TE Programs to low

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[22] DLC St. 8 at 21: 15-20.

[23] DLC St. 8 at 21: 20-21.

[24] CAUSE-PA St. 1 at 47.

income communities and other historically disadvantaged communities; potential local impacts; and other related issues.

CAUSE-PA takes seriously "green gentrification"[25] – in which communities of color and low income families living in historically underserved areas which have suffered disproportionate effects of pollution and climate change – are displaced from their neighborhood and communities as higher income families look to take advantage of the green infrastructure investments and drive up rents in the process. While the costs of EVs have decreased in recent years, the average cost to purchase an EV remains high – estimated to be approximately $55,600 in 2019.[26] This is far more than the total gross annual income of low income families, even without the costs of maintenance, registration, insurance, and other associated costs involved with owning electric vehicles.

Requiring Duquesne to equitably apportion the Make-Ready annual budget across its service territory will help to ensure that low income communities and communities of color in Duquesne's service territory are able to more equitable access EV infrastructure. Moreover, by requiring Duquesne to track installed Make-Ready by census tract and nine-digit zip code, the Company, parties, and interested stakeholders will be able to more accurately assess which communities are accessing the benefits of the Make-Ready Pilot and to avoid the most harmful, if unintentional, outcomes for historically underserved areas. By requiring Duquesne to convene collaborative working group meetings, parties and interested stakeholders will be able to assess

[25] CAUSE-PA St. 1 at 47. Barcelona Laboratory for Urban Environmental Justice and Sustainability; Critical Sustainability Studies, available at: http://www.bcnuej.org/green-gentrification/.

[26] Hearst Autos Research, How Much Is an Electric Car?, Car and Driver, available at: https://www.caranddriver.com/research/a31544842/how-much-is-an-electric-car/.

collected Make-Ready data and address local impacts and continued barriers to EV ownership in historically underserved low income communities and communities of color.

On balance, CAUSE-PA supports the Company's Make- Ready Pilot proposal as a reasonable compromise given the varied and competing interests of the joint petitioners. Thus, CAUSE-PA believes that this proposal is in the public interest and should be approved.

b. Fleet and Transit Charging Pilot (Paragraph 57.b.)

Through the Fleet and Transit Charging Pilot, the Company proposes to install, own, and maintain EV infrastructure, including Make-Ready infrastructure and charging stations on behalf of fleet customers. In his direct testimony, Mr. Geller raised concerns that the Fleet and Transit Charging Pilot proposal was not sufficiently focused on electrification of mass transit that served Environmental Justice (EJ) Arears.[27] Mr. Geller recommended that Duquesne devote 100% of program budget to support projects sited in or that directly serve EJ areas, and that the Company further explain how it will prioritize mass transit and fleet electrification initiatives to serve the poorest communities in DLC's service territory and/or which serve other uniquely vulnerable populations – such as paratransit services for low income Seniors and people with a disability.[28]

In Paragraph 57.b. of the proposed Settlement, Duquesne commits to equitably apportioning the annual budget for the Fleet and Transit Charging Pilot across its service territory. This Paragraph also requires the Company to track the census tract and nine-digit zip code of Fleet and Transit Charging infrastructure installed through this pilot project. This information will be reported annually to stakeholders through a collaborative process and requires Duquesne to work

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[27] CAUSE-PA St. 1 at 49.

[28] CAUSE-PA St. 1 at 49-50.

with stakeholders to identify ways to ensure equitable delivery of these programs to unserved and underserved areas identified through this data tracking. This Paragraph also requires that the Company's outreach for the Fleet and Transit Charging Pilot will include outreach specifically targeted at low income communities, providers who service low income communities, and Title I schools (as defined at as defined at 20 U.S.C. § 6301 et. seq.).

Paragraph 57.c. of the proposed Settlement also provides that, within 120 days of a final order in this proceeding, and at least once annually for the duration of Duquesne Light's approved EV programs, Duquesne Light will convene a collaborative working group, including the parties to this proceeding and other interested stakeholders, to discuss aspects of the TE Programs including but not limited to: the results of the Company's equitable apportionment; the provision of the TE Programs to low income communities and other historically disadvantaged communities; potential local impacts; and other related issues.

As discussed above, CAUSE-PA and its expert witness raised concern that the Fleet and Transit Charging Pilot was not appropriately designed to sufficiently benefit historically unserved communities that have disproportionately suffered from the effects of pollution and climate change. CAUSE-PA is supportive of the Fleet and Transit Charging Pilot as set forth in the proposed Settlement and believes that its terms represent a balanced compromise between the Joint Petitioners that also helps to equitably apportion this Pilot across Duquesne's service territory and to meaningfully engage stakeholders and parties through a collaborative working group process and to report of the outcomes that are critical to determining if the Pilot is equitably serving communities. On balance, CAUSE-PA supports the proposed amendments to the Fleet and Transit Charging Pilot as a reasonable compromise given the varied and competing interests of the joint petitioners. Thus, CAUSE-PA believes that this proposal is in the public interest and should be approved.

c. Home Charging Pilot (Paragraph 57.d.)

In his direct testimony, Mr. Geller raised concerns about the proposed Home Charging Pilot, as the Cost of EV ownership and maintenance is out of reach of the average low income customers.[29] Paragraph 57.d. of the proposed Settlement withdraws without prejudice the Home Charging Pilot. CAUSE-PA supports this approach, especially given concerns raised by Mr. Geller enhanced home charging incentives without proper equity considerations could lead to increased gentrification within EJ areas.[30] CAUSE-PA asserts that this provision is in the public interest and should be approved without modification.

d. TE Program Reporting (Paragraph 57.j.)

Paragraph 57.j. of the proposed Settlement requires the Company to provide a report of its TE programs in its next base rate proceeding which includes: (i) the total number of installed charging stations and their location; (ii) total charging station and installation costs; (iii) revenues received from charging station hosts; (iv) a description of Awareness, Education, and Engagement efforts undertaken, including what programs are geared specifically at low income customers by year; (v) customer participation counts, including the total number of customers located in EJAs; (vi) the number of customers that participated in the EV Registration Incentive per year, broken down by FPL range and included information on confirmed low income customers; (vii) an evaluation, broken down by TE Program of customer participation – including low income

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[29] CAUSE-PA St. 1 at 51: 1-7.

[30] CAUSE-PA St. 1 at 51: 1-7.

customer participation – and feedback of the TE Programs; (viii) description of procedures to employed to procure products and services from third-party vendors; and (ix) aggregated EV charging load profile.

As a whole, the data tracking and reporting requirements in Paragraph 57.j. will provide the Joint Petitioners, interested stakeholders, and the Commission with data critical to evaluating the proposed TE pilot programs. By requiring the Company to provide specific information about how various TE programs are reaching and serving low income consumers in Duquesne's service territory, the Joint Petitioners and the Commission will be able to more accurately evaluate TE needs within low income and vulnerable communities that the Company serves, so that appropriate changes can be made in the context of future proceedings to ensure that low income communities and communities of color – including those who reside in environmental justice areas - are able to equitably share in the direct and co-benefits of TE improvements, such as cleaner air and community and economic development.

5. OTHER RIDERS AND TARIFF MODIFICATIONS (Paragraphs 60-66)

CAUSE-PA did not take a formal position as to Paragraphs 60-66 of the proposed Settlement.

6. REVENUE ALLOCATION AND RATE DESIGN (Paragraphs 67-71)

Mr. Geller described in his direct testimony how the ability to save money through energy efficiency is tied directly to a bill structure that bases costs on customer usage.[31] CAUSE-PA supports the revenue allocation set forth in Paragraph 67 and Appendix B of the proposed Settlement as a balanced compromise of the competing interests of the Joint Petitioners in this

[31] CAUSE-PA St. 1 at 28.

proceeding. CAUSE-PA further asserts that the parties' agreement under Paragraph 68 of the proposed Settlement, whereby universal service costs will continue to be recovered only from the residential rate class but allowing for future proposed changes to this allocation, represents a compromise of the parties' competing positions, and thus is a reasonable resolution given the other improvements to support low income customers found throughout the proposed Settlement.

In his direct testimony, Mr. Geller recommended that the Company's fixed monthly charge should not be increased.[32] Mr. Geller described how the substantial increase to the fixed charge initial proposed by the Company would undermined the ability of consumers to control costs through energy efficiency, conservation, and consumption reduction – and how this increase would be particularly problematic for low income customers who already struggle to pay for electric services and rely of careful conservation and usage reduction to control costs. [33] As further stated in Mr. Geller's testimony, maintaining the residential fixed charge is even more critical for households with income above 150% FPL but less than 200% FPL who are ineligible for CAP or LIHEAP, but are eligible for energy efficiency and conservation services through LIURP or the federal Weatherization Assistance Program – both of which have income guidelines up to 200% FPL.[34]

Paragraph 69 of the proposed Settlement provides that the Company's residential RS rate, RH rate, and RA rate customer charges will be maintained at $12.50, and that, for all other rate class customer charges, the proposed increases in customer charges will be scaled back in proportion to the scale back of the revenue requirement in this Settlement. By maintaining the current residential fixed charge $12.50, the Company's low income customers would retain the

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[32] CAUSE-PA St. 1 at 28: 1-7.

[33] CAUSE-PA St. 1 at 25.

[34] CAUSE-PA St. 1 at 29.

ability to reduce their monthly energy costs through adoption of comprehensive energy efficiency and conservation programming, specifically this preserves the effectiveness of LIURP at reducing customer bills and improving payment behavior.

As a whole, CAUSE-PA asserts that Section C of the proposed Settlement (Revenue Allocation and Rate Design) represents a reasonable balancing of the Joint Petitioner's competing interests, is in the public interest, and should be approved without modification.

III. THE SETTLMENT IS IN THE PUBLIC INTEREST

As indicated in Paragraph 72, the proposed Settlement was achieved after extensive investigation of Duquesne's filing, including extensive discovery and written testimony of the Joint Petitioners. The proposed Settlement represents a balanced and reasonable compromise of the Joint Petitioner's competing interests and provides critical, common-sense improvements to bill affordability to lessen the impact of the rate increase on low income households. While the proposed Settlement provides for a rate increase, the proposed terms and enhancements contained in the Settlement reasonably balance a range of interests in this proceeding and will help vulnerable low income consumers to access critical universal service programs. The proposed Settlement also helps preserve limited resources of the Company, the Commission, and the Joint Petitioners by narrowing the scope of litigation issues related to master-metering and submetering. Thus, CAUSE-PA asserts that the terms of the proposed Settlement are in the public interest and should be approved.

IV. ADDITIONAL TERMS AND CONDITIONS

Section IV of the proposed Settlement sets forth several additional terms and conditions related to the proposed Settlement, including but not limited to (1) providing that, if the

Commission modifies the Settlement, Joint Petitioners may elect to withdraw the Settlement and continue litigation; (2) reserving the issues of master-metering and submetering for briefing; (3) agreeing that the proposed Settlement, if approved, will have the same force and effect as if the Joint Petitioners fully litigated the proceeding to a Commission determination; (4) agreeing that the proposed Settlement does not establish precedent as to any parties position and is presented without prejudice to any parties' position in this case or in future cases, except to the extent necessary to effectuate the proposed Settlement; and (5) waiving the Joint Petitioners' right to file exceptions as to issues addressed in the Joint Settlement, if the proposed Settlement is adopted without modifications in the Recommended Decision.

As a whole, the additional terms and conditions set forth in the proposed Settlement represent a balanced compromise of the interests of the Joint Petitioners, and sets forth additional rights and obligations and the Joint Petitioners in a fair and reasonable manner that is in the public interest and should be approved.

V. CONCLUSION

The proposed Settlement was achieved by the Joint Petitioners after an extensive investigation of Duquesne's filing and negotiations amongst the parties. CAUSE-PA asserts that the proposed Settlement is a reasonable resolution to a variety of complex issues, is in the public interest, and should be approved. Acceptance of the Settlement avoids the necessity of further administrative and possible appellate proceedings about the settled issues – which would have been undertaken at a substantial cost to the Joint Petitioners. Accordingly, CAUSE-PA respectfully requests that ALJ Cheskis, ALJ Cogan and the Commission approve the Settlement without modification.

Respectfully submitted,
PENNSYLVANIA UTILITY LAW PROJECT
Counsel for CAUSE-PA

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Date: September 3, 2021

Appendix J

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3024750
	:	
Duquesne Light Company	:	

PENNSYLVANIA WEATHERIZATION PROVIDERS TASK FORCE INC.'S STATEMENT IN SUPPORT OF JOINT PETITION FOR APPROVAL OF SETTLEMENT

NOW COMES the Intervenor, the Pennsylvania Weatherization Providers Task Force, Inc. (Providers Task Force) and files this Statement in Support of the Joint Petition for Approval of Settlement in the above-captioned matter and agrees to its terms based upon the following:

1. The Pennsylvania Weatherization Providers Task Force, Inc. (Providers Task Force), is a Pennsylvania non-profit corporation and a statewide association of thirty-seven (37) organizations providing utility assistance and energy conservation services in each of the Commonwealth's sixty-seven counties

2. The Providers Task Force, through its member agencies, Pennsylvania community-based organizations, administers universal service programs for several utility companies in Pennsylvania.

3. Although the Providers Task Force joins in the settlement, this Statement in Support will address only those issues that the Providers Task Force addressed in its intervention and testimony.

4. The Providers Task Force intervened in this proceeding to address the Company's universal service programs, rate design proposals and the general need to provide relief to low-income ratepayers during the Covid-19 pandemic and resulting impact.

5. The Providers Task Force supports the Joint Petition for Approval of Settlement and believes that it is in compliance with the applicable laws and regulations and serves the public interest based upon the following:

A. The Settlement increases funding for the Company's LIURP program for the residential class. This increase will help low-income customers deal with the effect of the rate increase resulting from this Settlement;

B. In the Settlement the Company has agreed to increase shareholders' contributions to its Hardship Fund by $1,000,000 annually;

C. The Company proposed in its initial filing to increase its fixed monthly residential customer charge from $12.50 to $16.00. Such an increase in the fixed charge would have lessened the motive and ability of the residential class to conserve energy and reduce their monthly bill. The Settlement provides that the fixed monthly customer charge for residential customers will remain at $12.50;

D. This settlement is consistent with the Commission's obligation under the Electricity Generation Customer Choice and Competition Act to ensure that universal service programs are appropriately funded and available and that energy conservation measures are promoted and available to consumers, particularly low-income consumers. The increase in rates resulting from this case requires an examination of the Company's universal service programs to ensure that universal service programs remain appropriately funded and available. The Providers Task Force joins in the settlement because it believes that it adequately addresses the funding of the Company's universal service programs in light of this rate increase.

WHEREFORE, the Pennsylvania Weatherization Providers Task Force respectfully requests that the settlement be approved.

Respectfully submitted,

JOSEPH L. VULLO, ESQUIRE
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Burke Vullo Reilly Roberts
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Attorney for the Pennsylvania
Weatherization Providers Task Force

Appendix K

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Duquesne Light Company's Supplement No. 25 to Tariff Electric – No. 25 to Tariff Electric – Pa. P.U.C. 25	Docket No. R-2021-3024750

STATEMENT IN SUPPORT OF JOINT PETITION FOR SETTLEMENT OF THE NATURAL RESOURCES DEFENSE COUNCIL

The Natural Resources Defense Council, by and through undersigned counsel, submits that the Joint Petition for Approval of Settlement ("Joint Petition" or "Settlement"), filed in the above-captioned proceeding with the Commission on September 3, 2021, reflects a settlement among each of the Joint Petitioners with respect to the issues identified therein, as raised by Duquesne Light Company (the "Company" or "DLC") in its *Supplement No. 25 to Tariff Electric Pa. P.U.C. No. 25,* filed on April 16, 2021. NRDC submits that the Partial Settlement is in the public interest and should be approved for the following reasons:

1. NRDC is a membership-based environmental organization and not-for-profit corporation with more than 1.4 million members nationwide, including more than 16,900 in the state of Pennsylvania and 1,600 in the Company's Service Area. NRDC's top institutional priority is building an equitable clean energy future in which the impacts of extracting and combusting fossil fuels are minimized, if not eliminated.[1]

[1] NRDC Petition to Intervene and Answer, 1 (May 14, 2021).

2. The Joint Petition comprehensively sets forth the procedural history of the case, the issues that have been resolved, and the issue that has been reserved for litigation.[2] NRDC herein incorporates by reference the procedural history set forth in the Joint Petition.

3. NRDC advanced its interests in this proceeding by filing a Petition to Intervene and Answer,[3] conducting discovery,[4] and submitting preserved direct, rebuttal, and surrebuttal written testimony.[5]

4. NRDC intervened in this case to address (1) the adequacy of the Company's proposal to recover incremental uncollectible expenses resulting from the Commission's COVID-19 moratorium on utility shutoffs, (2) the sufficiency of the Company's proposed COVID-19 customer assistance initiatives, and (3) the appropriate scope and design of the Company's proposed transportation electrification initiatives. As set forth below, the Joint Petition fully resolves the need for litigation on these issues.

COVID-related cost recovery

5. With respect to the Company's proposal to recover COVID-related incremental uncollectible amounts (*i.e*., customer delinquencies) and nonrecurring incremental costs (*i.e.,* expenses other than customer delinquencies), NRDC emphasized the need for the Company to comprehensively and accurately account for any and all cost savings the Company realized as a

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[2] Joint Petition, ¶¶ 1-33.
[3] NRDC Petition To Intervene and Ans. (May 14, 2021) .
[4] *See* Certificate of Service, Set I Interrogatories of NRDC (June 4, 2021); Certificate of Service, Set II Interrogatories of NRDC (June 11, 2021).
[5] NRDC Stmnt. 1 – Dir. Test. of Amanda Levin (June 30, 2021); NRDC Stmnt. 2 – Dir. Test of Kathleen Harris (June 30, 2021); NRDC Stmnt. 2-R – Rebuttal Test. of Kathleen Harris (July 26, 2021); NRDC Stmnt. 1-SR – Surrebuttal Test. of Amanda Levin (Aug. 10, 2021); NRDC Stmnt. 2-SR – Surrebuttal Test. of Kathleen Harris (Aug.10, 2021).

result of the pandemic.[6] NRDC also suggested that the Company's proposal to amortize the recovery of COVID-related costs over three years be extended to a longer timeframe.[7]

6. Other parties also staked out positions on the Company's request to recover COVID-related expenses, variously suggesting the Company's claims be reduced, amortized over a longer timeframe, or eliminated.[8] The parties also disputed whether the Company should be permitted to continue tracking nonrecurring, extraordinary COVID-related expenses as a regulatory asset moving forward.[9]

7. The Settlement provides that the Company will be permitted to recover expenses associated with uncollectible accounts as a result of COVD-19 in the amount of $6.1 million incurred from March, 2020 through June 30, 2021, amortized over a three-year period.[10] The Settlement also resolves the Company's claim for COVID-19 costs and lost revenues other than those associated with uncollectible accounts.[11] Finally, the Settlement grants leave to the Company to create a regulatory assets for expenses for COVID-related uncollectible accounts incurred between July 1, 2021 and January 4, 2022.[12]

8. The Settlement's terms related to the recovery of COVID-19 related expenses reflect a careful and considered compromise of NRDC's litigation position and the litigation positions of other parties.

9. Approval of the Settlement serves the public interest by balancing the Company's need to recover costs and provide safe and reliable electric service to its customers against the need to

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[6] NRDC Stmnt. 1, 15-20.
[7] *Id.* at 20-21.
[8] *See, e.g.,* I&E Stmnt. 1 – Dir. Test. of Christine Wilson (June 30, 2021), 2-21; OCA Stmnt. 1 – Dir. Test of Lafayette Morgan (Jun. 30, 2021), 24-27.
[9] *See supra,* n. 7.
[10] Joint Petition, ¶ 38.
[11] *Id.* at ¶ 39.
[12] *Id.* at ¶ 40.

ensure that the economic impacts of the pandemic be borne equitably by the various classes of ratepayers.

10. Approval of the Settlement would serve the public interest by obviating the need for additional litigation of these issues by the parties.

COVID-related debt relief

11. NRDC expressed support for the Company's proposed COVID-19 residential relief program, noting that the Company's proposal to create a new and COVID-specific program would afford relief to customers not traditionally served by existing customer assistance programs who were nevertheless presented with pandemic-related hardships.[13] However, NRDC expressed concerns with the proposed program's large allocation for administrative expenses, and suggested the program would be improved were the Company to waive late and reconnection fees, and if the Company were required to report additional pandemic-related data to the Commission.[14]

12. Other parties also staked out positions on the Company's residential COVID-related debt relief proposal, variously suggesting the program be approved with modifications, disallowed, or the range of targeted customers be adjusted.[15]

13. The Settlement withdraws the Company's proposed residential COVID-19 Relief Program without prejudice.[16] However, the Settlement also strengthens and expands the reach of certain existing programs in a manner that will benefit customers who would have benefited from the Company's COVID-19 residential debt relief proposal. Specifically, the Settlement

[13] NRDC Stmnt. 1, 22-23.
[14] *Id.* at 23-26.
[15] I&E Stmnt. 1, 33-35; OCA Stmnt. 4 – Dir, Test. of Roger Colton (June 30, 2021), 8-23; CAUSE-PA Stmnt. 1 – Dir. Test. of Harry Geller (June 30, 2020), 28-32.
[16] Joint Petition, ¶ 51.

expands eligibility for the Company's Hardship Fund from 200% to 300% of the Federal Poverty Level and provides for an annual $1 million shareholder contribution to the Hardship Fund from January 1, 2022 to December 31, 2022.[17] The Settlement also provides for a $400,000 annual increase in funding for the Company's Low Income Usage Reduction Program (LIURP) through the end of 2024.[18]

14. Accordingly, the Settlement's terms related to the customer relief and assistance programs reflect a careful and considered compromise of NRDC's litigation position and the litigation positions of the other parties.

15. Approval of the Settlement would serve the public interest by allowing the customer assistance programs modified by the settlement serve those customers affected by the pandemic, while also limiting the Company's need to incur new expenses to be recovered from ratepayers.

16. Approval of the Settlement would serve the public interest by obviating the need for additional litigation of these issues by the parties.

Transportation Electrification Proposals

17. NRDC generally expressed support for the Company's Transportation Electrification (TE) Proposals, and in particular supported the Company's proposed approach of utility-side deployment of make-ready infrastructure.[19] However, NRDC recommended that the Company provide solutions more "turnkey" in nature for customers in multi-unit dwellings,[20] that the Company better target program offerings to Environmental Justice Communities,[21] and that the Company significantly expand the overall size of its Fleet and Transit programs.[22] Moreover,

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[17] *Id.* at ¶ 53.
[18] *Id.* at ¶ 54.
[19] NRDC Stmnt. 2, 18.
[20] *Id.* at 20-22
[21] *Id.* at 22-24
[22] *Id.* at 24.

NRDC advocated for the Company's TE offerings to be modified such that pass-through price signals to end users would be the default arrangement, in order to better incentivize off-peak charging.[23] NRDC also recommended program modifications to strengthen the Company's outreach efforts and data-reporting.[24]

18. Other parties staked out both complementary and competing positions on the Company's proposed TE initiatives, indicating their desire to modify, expand, or reject various aspects of the Company's TE proposals.[25]

19. The settlement resolves the Company's TE proposals as follows:

a. The Public, Workplace, and Multi-Unit Dwelling Make-Ready Pilot is approved with modifications to ensure the equitable deployment of resources across the Company's service territory.[26]

b. The Fleet and Transit Pilot is approved with modifications to ensure the equitable deployment of resources across the Company's service territory.[27] The Settlement also provides for capped rebates for the cost of electric vehicle charging stations, caps the number of customers who may participate in the program, and reserves the parties' ability to challenge the Company's recovery of costs associated with the program in future rate proceedings.[28]

c. The Company agrees to hold annual stakeholder collaboratives whereby interested parties may discuss different aspects of the TE Programs, including,

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[23] *Id.* at 24-32.
[24] *Id.* at 32-35.
[25] *E.g.,* CAUSE-PA Stmnt. 1, 47-51; OCA Stmnt. 6 – Dir. Test. of Ron Nelson (June 30, 2021), 17-37; Chargepoint Stmnt. 1 – Dir. Test. of Matthew Deal (June 30, 2021), 4-6; I&E Stmnt. 5 – Dir. Test. of Ethan Cline (June 30, 2021), 2-5.
[26] Joint Pet., ¶ 57(a).
[27] *Id.* at ¶ 57(b)(i)-(iii).
[28] *Id.* at ¶ 57(b)(iv)-(vi).

without limitation, the equitable apportionment of TE initiatives throughout the company's service territory and ensuring the delivery of TE program benefits to historically disadvantaged communities.[29]

d. the Home Charging Pilot is withdrawn without prejudice.[30]

e. The Awareness, Education, and Engagement Programs, the Fleet Electrification Advisory Service, and the Registration Incentive are approved;[31]

f. The Company makes specified program reporting commitments, both in the interim and at the time of the Company's next base rate proceeding.[32]

20. Accordingly, the Settlement's terms related to the Transportation Initiatives reflects a careful and considered compromise of NRDC's litigation position and the litigation positions of the other parties.

21. Approval of the settlement serves the public interest by providing that at least some of the Company's TE proposals will move forward, ensuring that the Company's TE initiatives will proceed in an equitable manner that will help all of the Company's customers realize the benefits of increasing EV adoption, while also balancing the need to control the costs of the program in to reduce any burden on ratepayers.

22. Approval of the Settlement would serve the public interest by obviating the need for additional litigation of these issues by the parties.

CONCLUSION

For the foregoing reasons, NRDC submits that the Joint Petition serves the public interest and should be approved without modification.

[29] *Id.* at ¶ 57(c).
[30] *Id.* at ¶ 57(d).
[31] *Id.* at ¶ 57(e)-(g).
[32] *Id.* at ¶57 (h)-(j).

Respectfully submitted,

/s/ Andrew J. Karas
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DATED: September 3, 2021 *Counsel for Natural Resources Defense Counsel*

Appendix L

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	**Docket Number**
v.	:	**R-2021-3024750**
Duquesne Light Company	:	

ChargePoint's Statement in Support of Settlement

ChargePoint, Inc. (ChargePoint) joins the Joint Petition for Approval of Settlement (Settlement) in this proceeding and respectfully recommends that the Commission approve the Settlement without modification. ChargePoint largely supported Duquesne Light Company's (Duquesne Light) proposed Transportation Electrification Program (TE Program). ChargePoint believes the modifications made to the TE Program by the Settlement represent reasonable compromises among the various parties. The TE Program, as modified by the Settlement, will encourage EV adoption, support the competitive market for EV charging infrastructure and services, and provide benefits to Duquesne Light's customers. Though ChargePoint's interests in this proceeding were focused on the TE Program, ChargePoint supports the Settlement in its entirety and recommends that the Commission approve it.

/s/ Scott F. Dunbar
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Counsel to ChargePoint, Inc.

Appendix M

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September 3, 2021

Hon. Joel H. Cheskis
Hon. John M. Coogan
PA Public Utility Commission
400 North Street
Harrisburg, PA 17120

Re: Pa. Public Utility Commission v. Duquesne Light Company
Docket No. R-2021-3024750

Dear Judge Cheskis and Judge Coogan,

The purpose of this letter is to inform you that Peoples Natural Gas Company LLC does not oppose the Joint Petition for Approval of Settlement that is being submitted in the above-referenced matter.

Sincerely,

Karen O. Moury

Karen O. Moury

Appendix N

Buchanan
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September 1, 2021

VIA EFILING

Deputy Chief Administrative Law Judge Joel H. Cheskis
The Honorable John Coogan
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission, Office of Consumer Advocate, Office of Small Business Advocate v. Duquesne Light Company;
Docket No. R-2021-3024750, C-2021-3025538, C-2021-3025462, C-2021-3026057

Dear Judge Cheskis and Judge Coogan:

On behalf of Nationwide Energy Partners, LLC ("NEP") this is to advise the Administrative Law Judges and the Commission that NEP does not oppose the proposed Joint Petition for Approval of Settlement in the above-captioned proceeding. NEP's issues in this consolidated proceeding have been reserved for litigation in this case.

This letter is being served as indicated in the Certificate of Service.

Very truly yours,

John F. Povilaitis

JFP/tlg
Enclosure
cc: Rosemary Chiavetta, Secretary
Certificate of Service

Appendix O

Barry A. Naum
Direct Dial (717) 795-2742
bnaum@spilmanlaw.com

September 2, 2021

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

VIA ELECTRONIC FILING

Re: Pennsylvania Public Utility Commission v. Duquesne Light Company; Docket No. R-2021-3024750

Dear Secretary Chiavetta:

This letter is submitted on behalf of United States Steel Corporation ("U.S. Steel"), in order to formally indicate that U.S. Steel was a full participant in settlement discussions and does not object to the Joint Petition for Settlement filed by Duquesne Light Company, on behalf of itself and other parties, in the above-referenced proceeding.

All parties are being served a copy of this document in accordance with the enclosed Certificate of Service.

Please contact me if you have any questions concerning this filing.

Sincerely,

SPILMAN THOMAS & BATTLE, PLLC

By

Derrick Price Williamson
Barry A. Naum

BAN/sds
Enclosures