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**Via Electronic Filing**

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

**Re: Duquesne Light Company  
2021 Base Rate Case Compliance Filing – Modifications to Universal Services  
Programs  
Docket Nos. R-2021-3024750; M-2016-2534323; M-2019-3008227**

Dear Secretary Chiavetta:

By Order entered December 16, 2021, at Docket No. R-2021-3024750, the Pennsylvania Public Utility Commission (“Commission”) approved the parties’ Joint Petition for Settlement filed September 3, 2021 at that docket (“Settlement”). The Settlement provided for, *inter alia*, modifications to certain programs provided under Duquesne Light Company’s (“Company”) Universal Services and Energy Conservation Plan. By this Letter, the Company is providing notice to the parties to the above-captioned proceedings of these modifications and their effective dates.

**I. Customer Assistance Program (“CAP”)**

Pursuant to Settlement ¶ 56, effective January 15, 2022, the Company will increase its maximum CAP credit thresholds by a percentage equal to the average annual increase in residential rates approved through the Settlement. The Company’s current and new CAP thresholds are illustrated in the below table.

**Table 1 – Updated CAP Maximum Annual Credit Thresholds**

Income Category	Non-Heating Customers		Electric Heat Customers	
	Through 1/14/22	Effective 1/15/22	Through 1/14/22	Effective 1/15/22
Up to 50% FPL	\$1600	\$1700	\$2350	\$2500
51% to 100% FPL	\$1400	\$1500	\$1800	\$2000
101% to 150% FPL	\$900	\$1000	\$1300	\$1400

The Company’s updated CAP budget, incorporating these changes, is depicted in the below table. This updated budget is reflected in the Company’s Tariff Supplement No. 39, updating Rider No. 5 – Universal Services Charge rates effective January 15, 2022, which is being filed contemporaneously under a separate cover.

**Table 2 – Updated CAP Budget**

Year	CAP Participation	Admin	CAP Credits	Frozen Arrearage	TOTAL CAP Costs	IPA Converted to Frozen Arrearage: Shareholder	TOTAL Cost to Surcharge
2020	33,592	\$1,877,211	\$24,068,006	\$5,779,964	\$31,725,180		\$31,725,180
2021	35,222	\$1,933,527	\$25,901,492	\$7,737,250	\$35,572,269	(\$1,924,066)	\$33,648,203
2022	35,258	\$1,991,533	\$27,524,364	\$7,783,674	\$37,299,570	(\$1,924,066)	\$35,375,504
2023	35,458	\$2,051,279	\$27,678,793	\$5,137,225	\$34,867,297		\$34,867,297
2024	35,658	\$2,112,817	\$27,833,223	\$5,162,911	\$35,108,950		\$35,108,950
2025	35,858	\$2,176,202	\$27,987,652	\$5,188,725	\$35,352,579		\$35,352,579

## **II. Hardship Fund**

Pursuant to Settlement ¶ 53, for the period January 1, 2022 through December 31, 2023, (i) the maximum household income eligibility criterion for Duquesne Light’s Hardship Fund has been increased from 200% to 300% of the Federal Poverty Level; and (ii) Duquesne Light will 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.

## **III. Low Income Usage Reduction Program (“LIURP” or “Smart Comfort”)**

Pursuant to Settlement ¶ 54, effective January 1, 2022, until January 1, 2025, the Company has increased annual funding for LIURP by \$400,000 annually, which will be recovered through Rider No. 5 – Universal Services Charge.

Pursuant to Settlement ¶ 56(a), effective January 15, 2022, the Company 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.

The Company’s updated LIURP budget incorporating these changes, including projected job numbers and average costs, is depicted in the below table. This updated budget is also reflected in Tariff Supplement No. 39 updating the Universal Services Charge.

**Table 3 – Updated LIURP Budget**

	<b>Electric Heat: \$3,866 ea.</b>		<b>Baseload: \$589 ea.</b>		<b>TOTAL</b>	
	# Jobs	Budget (\$)	# Jobs	Budget \$	# Jobs	Budget (\$)
2022	310	1,198,500	2,790	1,642,500	3,100	2,841,000
2023	310	1,198,500	2,790	1,642,500	3,100	2,841,000
2024	310	1,198,500	2,790	1,642,500	3,100	2,841,000
2025	310	1,198,500	2,790	1,642,500	3,100	2,841,000

Finally, pursuant to Settlement ¶ 55, the Company 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 Community Based Organizations (“CBOs”) to participate in the competitive procurement process to select a LIURP vendor upon the expiration of the existing contract.

Should you have any questions, please feel free to contact me.

Respectfully Submitted,



Michael Zimmerman  
Senior Counsel, Regulatory

Cc: Certificate of Service

## **CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant):

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