



COMMONWEALTH OF PENNSYLVANIA

May 25, 2021

E-FILED

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

**Re: Pennsylvania Public Utility Commission v. Duquesne Light Company 1308(d)
Proceeding / Docket No. R-2021-3024750**

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Sharon E. Webb

Sharon E. Webb
Assistant Small Business Advocate
Attorney I.D. No. 73995

Enclosures

cc: Parties of Record
Robert D. Knecht

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
	:	
v.	:	Docket No. R-2021-3024750
	:	
Duquesne Light Company	:	
1308(d) Proceeding	:	

**OFFICE OF SMALL BUSINESS ADVOCATE
PREHEARING MEMORANDUM**

I. INTRODUCTION

The Office of Small Business Advocate (“OSBA”) is authorized to represent the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (“Commission”) pursuant to the provisions of the Small Business Advocate Act, Act 181 of 1988, 73 P.S. §§ 399.41 - 399.50 (“the Act”). In order to discharge this statutory duty, the Small Business Advocate deems it necessary to participate as a party to this proceeding. Representing the OSBA in this matter is Assistant Small Business Advocate Sharon E. Webb.

Please address all correspondence as follows:

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Office of Small Business Advocate
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Harrisburg, Pennsylvania 17101
(717) 783-2525
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II. FILING BACKGROUND

On April 16, 2021, Duquesne Light Company (“Duquesne” or the “Company”) filed Supplement No. 25 to Tariff Electric-PA PUC Tariff No. 25, a general base rate filing, which requested an increase in Duquesne’s total distribution rates of \$115 million per year, 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. On May 20, 2021, the Commission entered an Order at this docket which suspended the proposed increase for investigation. As such the filing was suspended by operation of law through January 15, 2022.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Robert D. Knecht
Industrial Economics Incorporated
2067 Massachusetts Avenue
Cambridge, MA 02140
(617) 354-0074
(617) 354-0463 – Fax
rdk@indecon.com

After an initial review of the materials submitted by Duquesne, the OSBA has identified the following issues:

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.
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.

The OSBA will participate in the case to assure that the interests of small business customers of Duquesne are adequately represented and protected.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Company and other parties through discovery, the cross-examination of witnesses appearing for those parties, and through briefing. The OSBA will particularly focus on any issue where the impact on the interests of Duquesne's small business consumers would be unjustifiably different than, or disproportionate to, the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SERVICE OF DOCUMENTS

The OSBA agrees to accept electronic delivery of documents on the due date as satisfying the in-hand requirement. The OSBA requests that all parties also serve the OSBA witness identified above.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VI. HEARING AND BRIEFING SCHEDULE

The OSBA has been in discussions with the Company and other parties to create a mutually acceptable procedural schedule.

Respectfully submitted,

/s/ Sharon E. Webb

Sharon E. Webb
Attorney ID No. 73995
Assistant Small Business Advocate

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Dated: May 25, 2021

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PENNSYLVANIA PUBLIC UTILITY COMMISSION

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v.

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Docket No. R-2021-3024750

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email only (*unless other noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

Deputy Chief Administrative Law Judge Joel

H. Cheskis

The Honorable John M. Coogan
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