April 1, 2016

VIA ELECTRONIC FILING
Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor
Harrisburg, PA 17120

Re: Duquesne Light Company Supplement No. 132 to Tariff Electric – Pa. P.U.C. No. 24
Docket No. M-2015-2515375

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company ("Duquesne Light") is Supplement No. 132 to Tariff Electric – Pa. P.U.C. No. 24 ("Supplement 132"), issued April 1, 2016 to become effective June 1, 2016. Supplement 132 adds language to implement the Phase III Energy Efficiency and Conservation Surcharge as a cost recovery mechanism associated with implementing Duquesne Light’s Phase III Energy Efficiency and Conservation Plan ("EE&C Phase III Plan") in effect from June 1, 2016, through May 31, 2021.

On November 25, 2015, Duquesne Light filed its EE&C Phase III Plan with the Pennsylvania Public Utility Commission ("Commission"). Duquesne Light’s EE&C Phase III Plan is a comprehensive plan designed to achieve the required energy savings within the allotted budget. On February 9, 2016, Duquesne submitted a revised Phase III Energy Efficiency and Conservation Plan ("Revised Plan"). Also on February 9, 2016, a Joint Petition for Full Settlement was filed by Duquesne Light, the Office of Consumer Advocate, the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, the Office of Small Business Advocate, Citizen Power, Inc., and the Duquesne Industrial Intervenors ("Joint Petition for Full Settlement"), seeking approval of Duquesne Light’s Revised Plan.

On March 10, 2016, the Commission issued an Opinion and Order approving the Joint Petition for Full Settlement and Duquesne Light’s Revised EE&C Phase III Plan. The enclosed tariff supplement institutes Duquesne Light’s Phase III Energy Efficiency and Conservation Surcharge as approved by the Commission. The supplement, at first revised page no. 100G, includes a detailed description of the allocation methodology that will be used to assign costs to
the various customer classes in its compliance tariff, as directed by the Commission its March 10, 2016 Order.

Please note that the final rates for the Phase III Energy Efficiency and Conservation Surcharge will not be available until early May, 2016. Duquesne Light will file a replacement page to reflect the actual rates when they become available, and to the extent necessary, request a waiver to allow those rates to become effective on June 1, 2016 on less than 60 days' notice pursuant to 52 Pa. Code § 53.102. Duquesne Light will submit the final Phase III Energy Efficiency and Conservation Surcharge rates to the Commission’s Bureau of Audits for review, prior to filing the replacement page reflecting those final rates.

Copies of the enclosed Supplement 132 are being served on the parties listed on the attached Certificate of Service. Should you have any questions regarding this filing, please do not hesitate to contact me.

Respectfully Submitted,

STEVENS & LEE

Michael A. Gruin

Enclosure

cc: Certificate of Service
    William V. Pfrommer, Manager of Rates and Tariff Services, Duquesne Light (via email)
    Pennsylvania Public Utility Commission, Bureau of Audits
SUPPLEMENT NO. 132
TO ELECTRIC – PA. P.U.C. NO. 24

Duquesne Light

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

Richard Riazzi
President and Chief Executive Officer

ISSUED: April 1, 2016

EFFECTIVE: June 1, 2016

Issued in compliance with the
Commission’s Orders entered June 19, 2015, at Docket No. M-2014-2424864

NOTICE

THIS TARIFF SUPPLEMENT DELETES AN EXISTING RIDER AND
REVISES THE TABLE OF CONTENTS, RIDER MATRIX AND AN EXISTING RIDER

See Page Two
LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGE

Table of Contents
Thirty-First Revised Page No. 3
Cancelling Thirtieth Revised Page No. 3

Rider Matrix
Fifth Revised Page No. 79A
Cancelling Fourth Revised Page No. 79A

Rider No. 15 – Energy Efficiency and Conservation and Demand Response Surcharge is being removed from Tariff No. 24 and, therefore, from the Table of Contents and Rider Matrix.

In accordance with the provisions of the Order entered June 19, 2015, at Docket No. M-2014-2424864, Rider No. 15A – Phase II Energy Efficiency and Conservation Surcharge is being renamed “Rider No. 15A – Phase III Energy Efficiency and Conservation Surcharge” and, therefore, is being renamed in the Table of Contents and the Rider Matrix.

Rider No. 15 – Energy Efficiency and Conservation and Demand Response Surcharge
Twelfth Revised Page No. 100
Cancelling Eleventh Revised Page No. 100
First Revised Page No. 100A
Cancelling Original Page No. 100A
Second Revised Page No. 100B
Cancelling First Revised Page No. 100B
Second Revised Page No. 100C
Cancelling First Revised Page No. 100C

Rider No. 15 – Energy Efficiency and Conservation and Demand Response Surcharge is being removed from Tariff No. 24 as it is no longer applicable.

Pages No. 100 through 100C will read “This Page Intentionally Left Blank.”

Rider No. 15A – Phase III Energy Efficiency and Conservation Surcharge
Third Revised Page No. 100D
Cancelling Second Revised Page No. 100D
First Revised Page No. 100E
Cancelling Original Page No. 100E
First Revised Page No. 100F
Cancelling Original Page No. 100F
First Revised Page No. 100G
Cancelling Original Page No. 100G

In accordance with the provisions of the Order entered June 19, 2015, at Docket No. M-2014-2424864 which states “that the Phase II and Phase III surcharges be combined into a single surcharge and tariff with implementation of Phase III,” Rider No. 15A has been renamed “Rider No. 15A – Phase III Energy Efficiency and Conservation Surcharge.”

Language in Rider No. 15A - Phase III Energy Efficiency and Conservation Surcharge has been revised to comply with the provisions of the Order entered June 19, 2015, at Docket No. M-2014-2424864.
# Table of Contents

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<td>List of Communities Served</td>
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<td>RULES AND REGULATIONS</td>
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<td>No. 3 School and Government Service Discount Period</td>
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**EFFECTIVE:** JUNE 1, 2016
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- Rider No. 1 — Retail Market Enhancement Surcharge
- Rider No. 2 — Untransformed Service
- Rider No. 3 — School and Government Service Discount Period
- Rider No. 4 — Budget Billing HUD Finance Multi-Family Housing
- Rider No. 5 — Universal Service Charge
- Rider No. 6 — Temporary Service
- Rider No. 7 — SECA Charge
- 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 III 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 — Intentionally Left Blank
- Rider No. 20 — Smart Meter Charge
- Rider No. 21 — Net Metering Service
- Appendix A — Transmission Service Charges

(C) – Indicates Change

**ISSUED:** APRIL 1, 2016  
**EFFECTIVE:** JUNE 1, 2016
STANDARD CONTRACT RIDERS - (Continued)

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STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 15A – PHASE III ENERGY EFFICIENCY AND CONSERVATION SURCHARGE

(Applicable to all Rates)

The Phase III Energy Efficiency and Conservation Surcharge ("EEC III") is instituted as a cost recovery mechanism to recover the costs associated with implementing Phase III of the Company’s Energy Efficiency and Conservation Plan in effect from June 1, 2016, through May 31, 2021. Act 129 of 2008 became law on October 15, 2008, requiring the Pennsylvania Public Utility Commission ("Commission") to develop an Energy Efficiency and Conservation Program applicable to electric distribution companies ("EDCs") with at least 100,000 customers. This EEC III is implemented in compliance with Docket No. M-2014-2424864 renaming the current Rider No. 15A – Phase II Energy Efficiency and Conservation Surcharge. The EEC III is a non-bypassable Surcharge and shall be applied to all customers' bills.

RATES

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\(^{(1)}\) Monthly Surcharge applicable to the customer's Peak Load Contribution.

CALCULATION OF SURCHARGE

The rate, calculated independently for each customer class in this Tariff, shall be applied to all customers served under the Tariff. The rate shall be determined in accordance with the formulas set forth below and shall be applied to all customers served during any part of a billing month:

**RESIDENTIAL CUSTOMER CLASS**

\[EEC\ (r) = \left[\frac{(B - e)}{S}\right] \times 100 \right] \times \left[\frac{1}{(1 - T)}\right]\]

Where: \(EEC\ (r)\) = The Energy Efficiency and Conservation Surcharge (residential) in one-hundredth of a cent which shall be added to the distribution rates for billing purposes for all residential customers.

(C) – Indicates Change

**ISSUED:** APRIL 1, 2016  
**EFFECTIVE:** JUNE 1, 2016
STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 15A -- PHASE III ENERGY EFFICIENCY AND CONSERVATION SURCHARGE - (Continued) (C)

(Applicable to all Rates)

CALCULATION OF SURCHARGE - (Continued)

RESIDENTIAL CUSTOMER CLASS - (Continued)

B = The projected costs of the EEC (r) Plan applicable to the residential customer class for the planning year June 1 through May 31. (C)

e = The over or under recovery for the reconciliation year. The reconciliation year shall be the twelve (12) months ended March 31. (C)

S = Projected distribution sales in kWh for the residential customer class for the planning year.

T = The Pennsylvania Gross Receipts Tax in effect during the billing month, expressed in decimal form.

SMALL AND MEDIUM COMMERCIAL & INDUSTRIAL, LIGHTING AND UNMETERED CUSTOMER CLASSES

$$EEC (s) = \left[ \left( \frac{B - e}{S} \right) \times 100 \right] \times \left[ \frac{1}{1 - T} \right]$$

Where: $EEC (s)$ = The Energy Efficiency and Conservation Surcharge (small commercial & industrial) in one-hundredth of a cent. This Surcharge shall be a separate line item for billing purposes for all small and medium C&I customers.

B = The projected costs of the EEC (s) Plan applicable to the small and medium C&I customer class for the planning year June 1 through May 31. (C)

e = The over or under recovery for the reconciliation year. The reconciliation year shall be the twelve (12) months ended March 31. (C)

S = Projected distribution sales in kWh for the small and medium C&I customer class for the planning year.

T = The Pennsylvania Gross Receipts Tax in effect during the billing month, expressed in decimal form.
STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 15A - PHASE III ENERGY EFFICIENCY AND CONSERVATION SURCHARGE — Continued

(Applicable to all Rates)

CALCULATION OF SURCHARGE — (Continued)

LARGE COMMERCIAL & INDUSTRIAL CUSTOMER CLASSES

\[
\text{EEC (l) (Fixed)} = \left[ \left( B_A - e_A \right) / C \right] \times \left[ \left( 1 / (1 - T) \right) \right] \\
\text{EEC (l) (Demand)} = \left[ \left( B_A - e_1 \right) / L \right] \times \left[ \left( 1 / (1 - T) \right) \right]
\]

Where: \( \text{EEC (l)} = \) The Energy Efficiency and Conservation Surcharge (large commercial & industrial) is a two-part Surcharge. \( \text{EEC (l) (Fixed)} \) is a monthly fixed Surcharge designed to recover projected program administrative costs and \( \text{EEC (l) (Demand)} \) is a monthly demand Surcharge designed to recover projected program incentive costs. Combined, the two components are designed to recover the total projected program costs. This Surcharge shall be shown separately for billing purposes for all large C&I customers.

\( B = \) The projected costs of the EEC (l) Plan applicable to the large C&I customer class for the planning year June 1 through May 31. \( B_A \) is the projected administrative costs applicable to each customer class and \( B_1 \) is the projected incentive costs applicable to each customer class.

\( e = \) The over or under recovery for the reconciliation year. \( e_A \) is the over or under recovery of program administrative costs for the reconciliation year. \( e_1 \) is the over or under recovery of program incentive costs for the reconciliation year. The reconciliation year shall be the twelve (12) months ended March 31.

\( C = \) Projected distribution customers for the planning year.

\( L = \) Projected Peak Load Contribution (PLC) in kilowatts (kW) for the large C&I customer class for the planning year.

\( T = \) The Pennsylvania Gross Receipts Tax in effect during the billing month, expressed in decimal form.

ANNUAL UPDATE

The Surcharges defined herein will be updated effective June 1 of each year. On or about May 1 of the filing year, the Company will file revised EEC III rates with the Commission defining rates in effect from June 1 to May 31 of the following year. The reconciliation year shall be the twelve (12) months beginning April 1 of the previous year and ending March 31 of the current year. The rates for EEC (r) and EEC (s) shall be determined based on the projected costs and sales for the planning year and the over or under collection of expenses based on actual EEC (r) and EEC (s) revenue and expense incurred for the reconciliation year.
STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 15A – PHASE III ENERGY EFFICIENCY AND CONSERVATION SURCHARGE – Continued

(Continued)

ANNUAL UPDATE –

The rates for EEC (I) shall be determined based on the projected costs and the projected Peak Load Contribution for the planning year and the over or under collection of expenses based on actual EEC (I) revenue and expense incurred for the reconciliation year. In accordance with 66 Pa. C.S. § 1307(e), a reconciliation statement filing will be made with the Commission by April 30 of each year. A final reconciliation statement will be filed with the Commission within thirty (30) days after the completion of the final over or under collection refund/recovery period.

Upon determination that any EEC III, if left unchanged, would result in material over- or under-collection of costs incurred or expected to be incurred during the twelve (12) month period ending March 31, the Company may request that the Commission authorize interim revisions to the EEC III to become effective upon no less than ten (10) days’ notice from the date of filing on Commission approval.

MISCELLANEOUS

Rider No. 10 – State Tax Adjustment Surcharge (STAS) shall be applicable to the Surcharges defined in this Rider.

The EEC III shall be subject to review and audit by the Commission.

There shall be no interest applicable to over or under collections for the reconciliation period.

Customer class programs are designed to achieve reduction mandates in a cost effective manner using developed delivery channels. The projected program costs for the Residential, Small and Medium C&I and Large C&I customer classes are developed in proportion to their approximate annual energy consumption. Projected program costs are first directly assigned to customer classes based on eligibility and those costs applicable to more than one class are allocated according to their electric loads and history of program participation. Actual program costs will be assigned to customer classes based on customer class program participation. Non-direct program administrative costs are allocated to programs based on projected energy savings for the programs in that customer class. The Company will only recover actual program costs for each customer class based on customer participation in each program.

In compliance with Commission Order M-2014-2424864, the EEC III effective June 1, 2016, will include a reconciliation component for the Energy Efficiency and Conservation Phase II program costs, ending March 31, 2016. The total actual recoverable EEC Phase II Plan expenditures incurred for the ten (10) months ended March 31, 2016, will be reconciled with actual EEC Phase II Plan revenues received for the ten (10) months ended March 31, 2016. The net over- or under-recovered amount shall be reflected as a separate line item, without interest, as an E-factor adjustment of the EEC Phase III rates effective June 1, 2016. In addition, as a separate line item, the Phase III rates effective June 1, 2016, shall include projections of the expenses to finalize any measures installed and commercially operable on or before May 31, 2016; expenses to finalize any contracts; and other Phase II administrative obligations. The reconciliation of actual Phase II expenses with actual EEC Phase II surcharge revenue for April and May 2016 shall be reconciled with EEC Phase III revenue and expense for the twelve (12) months ending March 31, 2017.

In order to facilitate the termination of this Rider, the Company may propose a rate adjustment to become effective on no less than ten (10) days’ notice to achieve a zero (-0-) balance at calendar year end. This interim filing will adjust the E-factor in effect June 1, 2021, for reconciliation of actual revenue and expense in April and May 2021.

This Rider will remain in effect until the final reconciliation statement is approved and all charges are fully recovered or refunded or until otherwise directed by the Commission.

(C) – Indicates Change

ISSUED: APRIL 1, 2016
EFFECTIVE: JUNE 1, 2016
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for Approval of its Act 129 Phase III Energy Efficiency and Conservation Plan

Docket No. M-2015-2515375

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing Tariff Supplement 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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April 1, 2016

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