**BEFORE THE**

**PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company : P-2016-2540046

for Approval of its Long-Term :

Infrastructure Improvement Plan :

:

and :

:

Petition of Duquesne Light Company : P-2016-2540046

for Approval of a Distribution :

System Improvement Charge :

**POST-HEARING ORDER**

**Suspend Litigation Schedule**

Duquesne Light Company (DLC or Duquesne Light) filed two separate petitions: one, on April 15, 2016 which seeks to accelerate the repair, improvement and replacement of aging infrastructure beginning January 1, 2017; and one on May 26, 2016 which seeks approval of a Distribution System Improvement Charge. Both petitions were docketed at P-2016-2540046.

Duquesne Light, which is a wholly owned subsidiary of Duquesne Light Holdings, Inc., as an Electric Distribution Company (EDC), provides electric distribution, transmission, and provider of last resort services to approximately 588,000 customers in a certified service territory that spans approximately 817 square miles to include the City of Pittsburgh and portions of Allegheny and Beaver Counties in western Pennsylvania. As part of its distribution network, Duquesne Light operates and maintains approximately 5,900 miles of overhead lines, 1,400 miles of underground lines, and 182 substations.

On April 15, 2016, Duquesne Light filed a Petition for Approval of its Long-Term Infrastructure Improvement Plan (LTIIP Petition), with copies being served upon the statutory advocates and all active parties in Duquesne Light’s most recent base rate case[[1]](#footnote-1), in accordance with the Commission’s *Implementation of Act 11 of 2012*, Docket No. M‑2012‑2293611, dated August 2, 2012, and often referred to as the Final Implementation Order.

Then, on May 26, 2016, Duquesne Light filed its Petition of Duquesne Light Company for Approval of a Distribution System Improvement Charge (DSIC Petition) which included a ProForma Supplement No. XXX to Electric – Pa. P.U.C. No. 24 to introduce the DSIC Rider into the Company’s tariff with an effective date of October 1, 2016. The filing was made pursuant to 66 Pa.C.S.A. § 1353 and the Final Implementation Order.

On October 6, 2016, the Office of Administrative Law Judge issued a Notice scheduling the prehearing conference for yesterday. On the same date, the presiding officer issued a Prehearing Conference Order notifying the parties of the obligation to file prehearing memoranda prior to the prehearing conference.

On October 13, 2016, the Administrative Law Judge conducted the prehearing conference with the following parties represented: DLC, BIE, OCA, OSBA and CAAP. At the prehearing conference, the parties considered issues raised by the Petitions, discussed discovery provisions and established a litigation schedule. The parties advocated for the two Petitions to be held in abeyance until after DLC files a petition concerning the MicroGrid on March 31, 2017, and after a final disposition in ongoing litigation involving the First Energy companies is issued which would provide guidance concerning how income tax deductions and credits related to the costs included in the DSIC rate must be included in the DSIC calculation.

The presiding officer denied the parties’ request to hold the matters in general abeyance for an indeterminate period. Therefore, after much discussion, the parties agreed to a litigation schedule, and the evidentiary hearing was set to begin at 9:00 a.m. on Tuesday, January 24, 2017. The presiding officer issued the Prehearing Order on October 19, 2016.

Following the prehearing conference, the parties served written testimonies and exhibits upon each other and the presiding officer, and participated in informal discussions with each other. As a result, on January 19, 2017, counsel for the utility informed the presiding officer that the parties had reached an agreement to resolve all issues.

On behalf of all the parties, the utility requested a suspension of the procedural schedule, pending receipt of the signed settlement agreement, with the proviso the evidentiary hearing scheduled would proceed as scheduled in order to give the parties an opportunity to submit their written testimonies and exhibits into the hearing record.

On January 24, 2017, the presiding officer conducted the evidentiary hearing at which Duquesne Light, BIE, OCA and OSBA participated. Duquesne Light, BIE and OCA moved to admit various written testimonies and exhibits into the hearing record, which motions were granted. The parties which were present requested permission to file the fully-executed settlement agreement, with all statements in support attached, on or before Wednesday, March 1, 2017.

AND NOW THEREFORE,

IT IS ORDERED:

1. That the litigation schedule established on October 19, 2016 is suspended;
2. That the request of Duquesne Light Company to suspend these proceedings is granted;
3. That a fully-executed settlement agreement, with detailed statements in support, shall be filed with the Secretary’s Bureau on or before Wednesday, March 1, 2017;
4. That the settlement agreement and statements in support shall include substantive explanations concerning how the settlement agreement is in the public interest, why the settlement agreement should be approved; and
5. That the settlement agreement and statements in support shall indicate how the parties answered the questions listed by the Commission in its Order and Opinion dated September 15, 2016, including citing to the hearing record where the applicable facts are reflected.

Date: January 26, 2017 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Katrina L. Dunderdale

Administrative Law Judge

**P-2016-2540046 - Petition of Duquesne Light Company for Approval of Its Long-Term Infrastructure Improvement Plan for period January 1, 2017 through December 31, 2022.**

***Revised 10/26/16***

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1. *See* Docket No. R-2013-2372129. [↑](#footnote-ref-1)