

CITIZEN POWER

Public Policy Research Education and Advocacy

November 10, 2009

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

Re: *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period January 1, 2011 through May 31, 2013*, Docket No. P-2009-2135500

Dear Secretary McNulty:

Enclosed for filing in the referenced proceeding is the Prehearing Memorandum on behalf of Citizen Power. Copies have been served as indicated on the Certificate of Service.

If there are any problems with this filing, please contact the undersigned at 412-421-7029. Thank you.

Respectfully Yours,

/s/ Theodore S. Robinson
Theodore S. Robinson
Staff Attorney
Citizen Power
2121 Murray Avenue
Pittsburgh, PA 15217

Enclosures

cc: The Honorable John H. Corbett, Jr. (w/ enclosures)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company :
for Approval of Default Service Plan : **Docket No. P-2009-2135500**
for the Period January 1, 2011 through :
May 31, 2013 :

PREHEARING MEMORANDUM OF CITIZEN POWER, INC.

Pursuant to Section 333 of the Public Utility Cod, 66 Pa.C.S. § 333, and in response to the October 20, 2009 prehearing conference order issued in the above-captioned matter, Citizen Power, Inc. (“Citizen Power”) provides the following information:

I. INTRODUCTION

On October 9, 2009, Duquesne Light filed its Petition for Approval of its Default Service Plan (“POLR V Plan”) for the Period January 1, 2011 through May 31, 2013 with the Pennsylvania Public Utility Commission. Duquesne Light’s POLR V Plan proposes setting a flat rate of 7.86 cents per kWh for the generation portion of all residential service. This represents an increase in generation costs of over 10% for the average residential customer and a total bill increase of over 5% for the average residential customer. Duquesne Light proposes to procure power for residential service through a managed portfolio of bilateral contracts along with some spot market purchases from the PJM Market. The Company anticipates that power will be procured from between 6 and 12 different suppliers and has committed to not contract with any of their affiliates in connection with this procurement. As part of Duquesne Light’s POLR V Plan, the Company proposes conducting an RFP for up to 5 MW of new solar-power generation and to conduct a competitive procurement of up to 100 MW of new Pennsylvania Tier 1

facilities. Citizen Power filed their Petition to Intervene on November 6, 2009. A Prehearing Conference has been scheduled for November 12, 2009.

II. ISSUES

Citizen Power is a non-profit, 501(c)(3), public policy research, education and advocacy organization with a focus on consumer and environmental protection. The initial list of issues that we have identified are:

1. The proposed rate design, a fixed and non-reconcilable charge, may not reflect actual costs. Citizen Power will investigate the proposed rates and whether the non-reconcilable aspect of the charges is in the best interest of customers.
2. The proposed solar and Tier 1 resources should be reasonably priced for consumers.
3. The proposed mix of energy products should provide residential customers with a reliable supply at a reasonable cost.

III. WITNESSES

At this time, Citizen Power has not decided whether they will offer testimony in this matter.

IV. SCHEDULE

Citizen Power is flexible and will work with Administrative Law Judge Corbett and the other Parties to determine a schedule.

V. SERVICE

All documents and correspondence related to this proceeding should be addressed to:

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Respectfully Submitted,

Citizen Power, Inc.

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Dated: November 10, 2009

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company :
for Approval of Default Service Plan : **Docket No. P-2009-2135500**
for the Period January 1, 2011 through :
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the Prehearing Memorandum of Citizen Power, Inc. upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code Section 1.54 (relating to service by a participant), in the manner an upon the persons listed below:

Dated this 10th day of November, 2009.

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