



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

December 23, 2010

Secretary Rosemary Chiavetta
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265

Re: Duquesne Light Company Universal Service and Energy Conservation Plan
for 2011-2013

Docket No. M-2010-2161220

Dear Secretary Chiavetta:

Enclosed please find an original and five (5) copies of the Office of Trial Staff's
(OTS) **Comments** in the above-captioned proceeding.

Copies are being served on all active parties of record. If you have any questions,
please contact me at (717) 783-6155.

Sincerely,

Adeolu A. Bakare
Prosecutor
Office of Trial Staff
PA Attorney I.D. #208541

Enclosure
AAB/edc

cc: Parties of Record
Grace McGovern, Bureau of Consumer Services
Stephanie Wimer, Law Bureau
Cyndi Page, Office of Communications

PA PUC
SECRETARY'S BUREAU

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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company :
For Approval of Smart Meter : Docket No. M-2010-2161220
Procurement and Installation Plan :

**COMMENTS OF THE
OFFICE OF TRIAL STAFF**

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I. INTRODUCTION

The Office of Trial Staff (“OTS”) hereby respectfully submits these Comments for consideration by the Pennsylvania Public Utility Commission (“Commission”). In the comments below, OTS seeks to reconcile the Commission’s final adoption of the Tentative Order issued in the above-captioned docket with relevant developments in Duquesne Light Company’s (“Duquesne”) ongoing base rate proceeding.

II. PROCEDURAL HISTORY

A. Universal Services and Energy Conservation Plan

On February 25, 2010 Duquesne Light Company filed its Universal Service and Energy Conservation Plan for 2011-2013 in compliance with the Commission’s regulations at 52 Pa. Code §§ 54.71-78. OTS filed a Notice of Appearance on March 9, 2010. On March 24, 2010, OTS filed a letter indicating that it had no further issues

pending the filing of an Amended USEC Plan addressing certain concerns that had been discussed with the Company.

On March 31, 2010, the Company filed an amendment to the Plan pursuant to discussions with OTS. Accordingly, OTS withdrew its Notice of Appearance in the proceeding. Duquesne subsequently filed two further Amendments to the Plan on May 13 and August 5, 2010. On November 23, 2010, the Commission issued a Tentative Order in the above-captioned docket approving Duquesne's Universal Service and Energy Conservation Plan pending the submission of adverse comments from parties within 30 days of the entry date.

A. Base Rate Case

On July 23, 2010, Duquesne filed Supplement No. 35 to Duquesne Light's Tariff-Electric Pa. P.U.C. No. 24 ("Supplement No. 35") at Docket No. R-2010-2179522 with an effective date of September 21, 2010. On September 16, 2010, the Commission issued an Order suspending the effective date of Supplement No. 35 until April 21, 2011 unless permitted by the Commission to become effective on an earlier date. The Commission also instituted an investigation to determine the lawfulness, justness and reasonableness of Duquesne's proposed rate increase.

Administrative Law Judges Mark A. Hoyer and Conrad A. Johnson were assigned to preside over hearings and issue a Recommended Decision. The ALJs convened a prehearing conference and, *inter alia*, scheduled hearings in Harrisburg on December 7-9, 2010.

At the December 7 hearing, parties to the proceeding informed the ALJs that a settlement had been reached on the revenue requirement between Duquesne, OTS, the Office of Consumer Advocate, the Office of Small Business Advocate, the Duquesne Industrial Intervenors, and NRG Energy Center Pittsburgh (collectively “Joint Petitioners”). After further discussions, the parties informed the ALJs on December 8, 2010 that they had reached a Settlement in Principle on all issues. The non-signatory parties, Citizen Power, Inc. and the International Brotherhood of Electrical Workers, Local 29, do not oppose the Settlement in Principle.

III. COMMENTS

In addition to approving a modified revenue requirement, the unanimous Settlement in Principle in the base rate case includes several provisions relating to Duquesne’s Universal Services Plan, particularly its administration of the Customer Assistance Program (“CAP”). As a matter of procedural practicality, OTS submits that the Commission should delay adoption of the Tentative Order pending its opportunity to review the forthcoming Settlement Agreement following the ALJ’s issuance of a Recommended Decision.

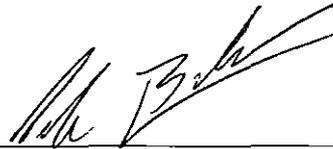
The Commission should afford itself an opportunity to review the full evidentiary record of the CAP issues presented by various parties throughout the base rate proceeding and agreed to by the Joint Petitioners, including Duquesne, in the Settlement in Principle. This course will ensure that the Final Orders in both the base rate proceeding and the Universal Service and Energy Conservation Plan proceeding reflect the current status of

Duquesne's CAP program. Accordingly, the Commission should delay final action on the Tentative Order pending its review of the forthcoming Settlement Agreement.

IV. CONCLUSION

WHEREFORE, for the reasons stated herein, the Office of Trial Staff respectfully requests that the Pennsylvania Public Utility Commission delay final action on the Tentative Order in accordance with the recommendation identified above.

Respectfully submitted,



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Prosecutor
PA Attorney ID #208541

Charles Daniel Shields
Senior Prosecutor
PA Attorney ID #29363

Office of Trial Staff
Pennsylvania Public Utility Commission
Post Office 3265
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Dated: December 23, 2010

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Duquesne Light Company Universal :
Service and Energy Conservation Plan for : Docket No. M-2010-2161220
2011-2013 :

CERTIFICATE OF SERVICE

I hereby certify that I am serving the foregoing **Comments**, dated December 23, 2010, either personally, by first class mail, electronic mail, express mail and/or by fax upon the persons listed below, in accordance with the requirements of § 1.54 (relating to service by a party):

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