

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	Docket Nos. R-2010-2179522
Office of Small Business Advocate	:	C-2010-2193322
Office of Consumer Advocate	:	C-2010-2194660
Linda L. Sullivan	:	C-2010-2153066
Janet Vento	:	C-2010-2196479
Mary M. Chestnut	:	C-2010-2196790
Donald W. Killmeyer	:	C-2010-2199926
Sarah Divilly	:	C-2010-2199945
Delores D. White	:	C-2010-2200548
Vicki Courie	:	C-2010-2201179
Rebecca Nesvet	:	C-2010-2202732
Marie Rubottom	:	C-2010-2202837
Duquesne Industrial Intervenors	:	C-2010-2203197
Carolina Ursitti	:	C-2010-2203912
Donald J. Gilbert	:	C-2010-2204100
NRG Energy Center Pittsburgh, LLC	:	C-2010-2206586
Jay Folkens	:	C-2010-2213076
Joim and Sherry Urban	:	C-2010-2214197
	:	
Complainants,	:	
	:	
v.	:	
	:	
Duquesne Light Company,	:	
	:	
Respondent	:	

JOINT PETITION FOR SETTLEMENT OF ALL ISSUES

TO ADMINISTRATIVE LAW JUDGES MARK A. HOYER AND CONRAD A. JOHNSON:

Duquesne Light Company (“Duquesne Light” or “Company”), the Office of Trial Staff (“OTS”) of the Pennsylvania Public Utility Commission (“Commission”), the Office of Consumer Advocate (“OCA”), the Office of Small Business Advocate (“OSBA”), the Duquesne

Industrial Intervenors (“DII”)¹, and NRG Energy Center Pittsburgh LLC (“NRG”), parties to the above captioned proceeding (hereinafter collectively referred to as “Joint Petitioners”), hereby join in this Joint Petition for Settlement of All Issues (“Settlement”) and respectfully request that Administrative Law Judges Mark A. Hoyer and Conrad A. Johnson (the “ALJs”) recommend and the Commission approve all terms and conditions of this Settlement set forth below.² The Settlement has been agreed to or not opposed by all non-customer complainants in this proceeding.³

As fully set forth and explained below, the Joint Petitioners have agreed to a settlement of all issues in this proceeding. The Settlement provides for increases in rates, as set forth in the form of tariff supplement attached as Appendix “A”⁴ and the proof of revenues attached as Appendix “B” to this Petition, designed to produce a net increase in annual distribution operating revenues of \$45.7 million, based upon the level of operations for the twelve months ending March 31, 2011, as adjusted for ratemaking purposes, to become effective for service rendered on and after April 21, 2011.⁵ The Settlement also provides for approval of a reconcilable Universal Service Rider and recovery of all consumer education costs through the Company’s Consumer Education Surcharge, to become effective April 21, 2011.

¹ For purposes of this proceeding, DII consists of the following members: Allegheny Ludlum Corporation, Bayer Corporation, Giant Eagle, Inc., Horsehead Corporation, The Linde Group, United States Steel Corporation, Universal Stainless and Alloy Products, Inc., and University of Pittsburgh.

² Citizen Power, Inc. (“Citizen Power”) and the International Brotherhood of Electrical Workers, Local 29 (“IBEW”), parties in this proceeding, do not oppose this Settlement and will submit letters of non-opposition contemporaneously with the filing of this Settlement.

³ As explained below, Duquesne Light is serving a copy of this settlement on all of the customer complainants.

⁴ Appendix “A” includes both clean and red-lined versions of the form of tariff supplement. The red-lined version is a red-line of the tariff in effect at the time of the rate filing in July 2010.

⁵ The Settlement rates reflect a roll-in of 2010 state taxes and tax rates into base rates. Any change in state tax rates that becomes effective on or after January 1, 2011 will be reflected in the State Tax Adjustment Surcharge (“STAS”) Rider No. 10 of the Company’s tariff. Duquesne Light St. No. 14, p. 20.

I. PROCEDURAL HISTORY

In support of this Settlement, Joint Petitioners state the following:

1. Duquesne Light provides electric distribution and transmission services to approximately 580,000 customers in Allegheny and Beaver Counties, Pennsylvania. Duquesne Light is a “public utility” and an “electric distribution company” as defined under the Public Utility Code, *see* 66 Pa. C.S. §§ 102 & 2803, serving customers within its certificated service territory approved by this Commission and subject to the regulatory jurisdiction of this Commission. Duquesne Light also serves as Provider of Last Resort (“POLR” or “Default Service”) to customers that are not being served by an electric generation supplier (“EGS”).

2. On July 23, 2010, Duquesne Light filed Supplement No. 35 to Duquesne Light’s Tariff – Electric Pa. P.U.C. No. 24 (“Supplement No. 35”) to become effective September 21, 2010. Therein, Duquesne Light requested approximately \$87.3 million in additional annual distribution rate revenues based upon data for a *pro forma* future test year ending March 31, 2011. The filing was made in compliance with the Commission’s regulations and contains all supporting data and testimony required to be submitted in conjunction with a tariff change seeking a general rate increase.

3. On August 3, 2010, a Petition to Intervene was filed by IBEW.

4. On August 12, 2010, the OSBA filed a Notice of Appearance and Formal Complaint, which was docketed at No. C-2010-2193322.

5. On August 20, 2010, the OCA filed a Notice of Appearance, Formal Complaint and Public Statement, which was docketed at No. C-2010-2194660.

6. On September 16, 2010, the OTS filed a Notice of Appearance.

7. Duquesne Light has been served with Formal Complaints by the following customers: Linda L. Sullivan, Docket No. C-2010-2153066; Janet Vento, Docket No. C-2010-

2196479; Mary M. Chestnut, Docket No. C-2010-2196790; Donald Killmeyer, Docket No. C-2010-2199926; Sarah Divilly, Docket No. C-2010-2199945; Delores D. White, Docket No. C-2010-2200548; Vicki Courie, Docket No. C-2010-2201179; Rebecca Nesvet, Docket No. C-2010-2202732; Marie Rubottom, Docket No. C-2010-2202837; Carolina Ursitti, Docket No. C-2010-2203912; Donald J. Gilbert, Docket No. C-2010-2204100; Jay Folkens, Docket No. C-2010-2213076; and John and Sherry Urban, Docket No. C-2010-2214197.

8. By Order entered September 16, 2010, the Commission instituted an investigation into the lawfulness, justness and reasonableness of Duquesne Light's proposed rate increase and suspended the effective date of Supplement No. 35 until April 21, 2011, unless permitted by Commission Order to become effective at an earlier date ("Suspension Order"). In the Suspension Order, the Commission also identified several matters to be addressed in the proceeding.

9. On September 17, 2010, the ALJs issued a Prehearing Order, scheduling a prehearing conference.

10. On or about September 21, 2010, Citizen Power filed a Petition to Intervene.

11. On September 23, 2010, DII filed a Complaint.

12. A prehearing conference was scheduled for September 24, 2010. Parties participating in the prehearing conference filed their respective prehearing memoranda identifying potential issues and their expected witnesses.

13. On September 24, 2010, a Prehearing Conference was convened with ALJs Mark A. Hoyer and Conrad A. Johnson presiding. Present at the Conference were counsel for Duquesne Light, OCA, OSBA, OTS, DII, IBEW and Citizen Power. Mary M. Chestnut, a customer complainant, attended the conference and represented herself. At the prehearing

conference, the parties agreed to a procedural schedule, and the time and location of public input hearings.

14. On October 4, 2010, the ALJs issued a Prehearing Order. In the Prehearing Order, the ALJs listed the matters identified by the Commission in its September 16, 2010 Order, and directed the parties to address those matters in the rate proceeding. The ALJs also noted that the OCA requested modifications of the Commission's procedures for formal discovery, which were agreed to by all parties present at the prehearing conference. The ALJs also granted the Petitions to Intervene filed by the IBEW and Citizen Power.

15. On or about October 21, 2010, NRG filed a Petition to Intervene and a Notice of Complaint.

16. Two public input hearings were conducted on October 26, 2010. The first hearing was held in Beaver Falls, Pennsylvania at 2:00 p.m. The second hearing was held at the Allegheny County Courthouse, Pittsburgh, Pennsylvania at 7:00 p.m.

17. On October 8, 2010, Duquesne Light submitted Supplemental Direct Testimony addressing the matters identified by the Commission in its Suspension Order.

18. OTS, OCA, OSBA and DII served their direct testimony on October 22, 2010.

19. Duquesne Light, the OCA, OSBA, and DII submitted rebuttal testimony on November 17, 2010.

20. On December 1, 2010, OTS, OCA, OSBA and DII submitted surrebuttal testimony.

21. The Joint Petitioners undertook substantial formal and informal discovery in this proceeding. The parties asked and the Company responded to over 435 interrogatories and requests for production of documents, many of which had multiple subparts. The Joint

Petitioners also held multiple settlement conferences to attempt to amicably resolve all outstanding issues in the case.

22. A hearing was held before the ALJs on December 7, 2010. At the hearing, the parties informed the ALJs that they had reached a Settlement on all revenue requirement issues and that they were close to achieving a Settlement on all remaining issues. In light of the ongoing Settlement discussions, the ALJs accepted the parties' proposal to waive cross-examination on revenue requirement, and admitted all parties' testimony and exhibits subject to potential cross examination on revenue allocation and class cost of service matters. The ALJs canceled the hearing scheduled for December 8, 2010, and reserved the hearing scheduled for December 9, 2010 to conduct cross-examination on issues not settled.

23. The parties conducted further Settlement discussions and achieved a Settlement in principle of all issues on December 8, 2010. Thereafter, the ALJs canceled the hearing scheduled for December 9, 2010. The parties waived cross-examination on issues reserved for the December 9, 2010 hearing.

24. The Joint Petitioners have been able to agree to the instant Settlement covering all issues. Joint Petitioners have agreed to a base rate increase and have also agreed to a rate design to implement said increase. The Joint Petitioners are in full agreement that the Settlement is in the public interest.

25. The effect upon the average residential default service customer's total monthly bill as a result of the Settlement is as follows:⁶

	Effective on Date of Rate Filing	Proposed	As Settled
Residential Customer (600 kWh/mo.)	\$82.83	\$90.60	\$87.10

⁶ The estimated monthly bills set forth in Paragraph 24 are based on the Company's default service rates and surcharges as of July 23, 2010, the date of the Company's filing.

II. SETTLEMENT PROVISIONS

The Joint Petitioners agree as follows:

A. REVENUE REQUIREMENT

26. Duquesne Light will be permitted to increase rates by amounts designed to produce an increase in distribution revenues of \$45.7 million annually, which includes future test year universal service costs that will be recovered under the Company's Universal Service Charge Rider ("Rider No. 5") and consumer education costs to be recovered through the Consumer Education Surcharge. These rates will become effective for service rendered on and after April 21, 2011. Specifically, the revenue requirement agreed to in this Settlement includes a total of \$21,613,815, including gross receipts tax, in Universal Service Costs for the future test year ending March 31, 2011 (inclusive of \$2.4 million of arrearage forgiveness for CAP customers) that will be recovered through the reconcilable Universal Service Charge Rider provided for in this Settlement and \$895,507 of consumer education costs that will be recovered through the Consumer Education Surcharge, as shown in Appendix "B."⁷

27. The Company agrees to withdraw/remove its proposed adjustment to book reserve, addition to rate base and depreciation expense characterized as an unrecovered adjustment for amortization.

B. REVENUE ALLOCATION AND RATE DESIGN

28. Under the Settlement, the Joint Petitioners agreed to eliminate the proposed rate decreases to mitigate the burden on those rate schedules subject to a rate increase. The proposed rate increases for all other rate schedules were generally scaled back proportionally from the Company's originally proposed rates. The Joint Petitioners agreed to re-allocate the scaled back

⁷ In other words, the Company's Universal Service Costs will be recovered (prospectively) via Rider No. 5, rather than in base rates.

increases among the small and medium general service commercial and industrial rate schedules (GS, GM and GMH) to provide greater movement toward cost of service. In addition, rates for lighting rate schedule SM were increased slightly by approximately \$500,000, or 5.3%.⁸ This agreed upon revenue allocation is for settlement purposes only and does not represent any parties' particular position or acceptance of the Company's class cost of service study.

29. The customer charge for Rates RS, RH and RA will be the current rate of \$7.00 per month, as opposed to the requested customer charge of \$8.50 per month.

30. The customer charge for Rate GS will be the current rate of \$7.00 per month. The customer charge for Rate GM will be \$30.00 per month for customers with monthly demands less than 25 kW and \$43.00 per month for those customers with monthly demands greater than or equal to 25 kW.

31. Current Rate L demand charges will be increased by the same percentage to achieve the base distribution revenues for that rate schedule as set forth in Appendix "B."

32. Current Rate GL demand charges will be increased by the same percentage to achieve the base distribution revenue for that rate schedule as set forth in Appendix "B."

33. Rate GLH will include a monthly customer charge of \$43.00 per month.

34. The Untransformed Service Credit under Rate L will be increased by the amount of the percentage increase to Rate L distribution rates.

35. All consumer education costs will be recovered through the Consumer Education Surcharge ("Rider No. 1"). Commencing April 21, 2011, all consumer education costs will be removed from base rates. In order to avoid customer confusion associated with multiple changes to Rider No. 1 rates, the current Rider No. 1 rates will remain in effect through May 31, 2011

⁸ Appropriately, the SM increase is less than 0.5 times the system average increase of 11.7%, since the class is providing a present rate of return above the system average.

pursuant to the schedule set forth in Rider No. 1. The Company will submit its annual Consumer Education Surcharge reconciliation filing on April 1, 2011 for proposed rates effective on June 1, 2011. Rates to become effective on June 1, 2011 will reflect the Company's projected consumer education costs for June 1, 2011 through May 31, 2012, any net over or under collection for the prior calendar year, and removal of consumer education costs from base rates as of April 21, 2011.

36. The Company will retain tariff Rule 4, which enables the Company to enter into special contracts with industrial and commercial customers having load of at least 100 kW to address changing business needs.

C. PENSIONS

37. Commencing with calendar year 2011, Duquesne Light will deposit into its pension trusts an amount equal to \$55,000,000 per year; provided, however, that contribution(s) in any year in excess of the foregoing may be used on a cumulative basis to satisfy future contribution obligations under this Settlement. The Settlement provides for recovery of the expense component of \$27,500,000 (50% of the average cash contributions) of projected future pension contributions. Additionally, Duquesne Light will be permitted to include the other 50% of actual pension contributions from January 1, 2007, forward, net of related accumulated deferred income taxes, in rate base for rate making purposes. The rate base adjustment for pensions shall be the amount necessary to adjust the SFAS 87 capitalized pension amounts to equal accumulated capitalized pension contributions, net of applicable deferred income taxes, from January 1, 2007 forward. The depreciation expense for book and ratemaking purposes will be based on the SFAS 87 capitalized amounts. The adjusted amounts will be used for reporting rate base in reports to the Commission. Duquesne Light will meet these contribution requirements unless it applies for and receives authority from the Commission to contribute a

lesser amount. Duquesne Light shall provide a report and affidavit attesting to the actual contributions to pension trusts during each calendar year. The report and affidavit shall be filed with the Commission, with copies provided to OTS, OCA and OSBA on or before January 31 of the following calendar year, with the first report and affidavit due on or before January 31, 2012. If the required contribution under this Paragraph is not made, OTS, OCA and/or OSBA has the right to take action to enforce this Settlement and request penalties.

D. UNIVERSAL SERVICE

38. Duquesne Light's proposed Rider No. 5 – Universal Service Charge is approved as filed, subject to the revisions proposed in Duquesne Light St. No. 14-R and the further revisions provided in this Settlement.

39. In Duquesne Light's proposed Rider No. 5, the fourth sentence in the description of Customer Assistance Program ("CAP") has been revised to read as follows: "The projected customer additions to the CAP program during the Computational Year will be based on the number of CAP customers receiving a discount at the end of the Reconciliation Year plus a projection of the average monthly number of CAP customers during the Computational Year."

40. In Duquesne Light's proposed Rider No. 5, the fifth sentence in the description of Customer Assistance Program ("CAP") has been revised to read as follows: "The projected number of CAP customers will include net additions to the program (additions minus exits), an estimate of the average monthly number of auto-enrolled customers receiving a discount, and a projection of customers enrolled through expected changes in policy (e.g., changes in the definition of poverty, changes in regulatory mandates)."

41. Duquesne Light's Rider 5 has been revised to contain the following language: "An auto-enrolled customer is not considered to be a CAP participant for purposes of this Tariff unless and until the customer has completed the CAP enrollment process."

42. Duquesne Light's Rider 5 has been revised to provide a credit to reduce CAP customer discounts included in the Rider 5 charge to the extent that the monthly CAP enrollment level exceeds 35,700 customers. Specifically, the recoverable CAP discounts will be reduced by the number of CAP participants in excess of 35,700 times the average CAP credit and arrearage forgiveness costs times 10.43%. The participation level above which the offset shall be applied will be reset in each distribution rate case.

43. Forgiven pre-program arrearages under Duquesne Light's CAP will be included in Rider No. 5. The Company's initial calculation of the rate under Rider No. 5 in its compliance filing will include its future test year universal service costs referenced in Paragraph No. 25 above as well as projected increases in universal service costs for the period April 1, 2011 through December 31, 2011.

44. Prior to the time that Duquesne Light files its next universal service plan, the Company will review its CAP auto-enrollment process to determine what impacts auto-enrollment had on program costs and participation levels and whether modifications should be made. The Company will engage in a specific review of the auto-enrollment process prior to filing its next three-year universal service plan, submit that review as part of the universal service plan filing, and present it to the Commission for determination of whether (and how) the auto-enrollment process should continue,

45. Duquesne Light will implement a CAP Plus Plan, upon receipt of approval from the Commission, designed to adjust CAP customer payments to avoid an increase in the total discounts offered to all CAP customers after consideration of LIHEAP grants applied to individual CAP customers' accounts. Duquesne Light will consult with the OCA, the Bureau of Consumer Services, and the OTS to discuss its proposed CAP Plus Plan and file its proposed

CAP Plus Plan with the Commission no later than April 1, 2011. The above stated conditions that are contained in this Paragraph will not be applicable in the event that the Department of Public Welfare changes its current policy and allows Duquesne Light to apply LIHEAP grants to CAP credits.

46. Duquesne Light agrees to follow Commission guidelines and limit eligibility for its CAP program to customers with income at or below 150% of the Federal Poverty Level, except as provided in this paragraph, and will not extend CAP eligibility to seniors with income above 150% of the Federal Poverty Level. Duquesne Light shall be permitted to grandfather its existing senior customers so that they will not be removed from the current benefit programs, as long as their income levels are at or below 200% of the Federal Poverty Level.

47. Upon implementation of the necessary computer programming changes, Duquesne Light will ensure that CAP customers: (1) pay at least the minimum amounts specified in the Commission's CAP policy statement, and (2) receive no more than the maximum CAP shortfall amounts specified in the Commission's CAP policy statement, unless the customer meets exceptions set forth in the policy statement.

E. SMART METERS

48. In order to meet the Commission's smart meter surcharge requirements in *Petition of Duquesne Light Company for Approval of Smart Meter Technology Procurement and Installation Plan*, Docket No. M-2009-2123948, and for that purpose only, Duquesne Light will use a 10% return on common equity and a capital structure with no more than a 46% common equity ratio. The 10% return on common equity and capital structure ratios are limited solely to establishing the Company's smart meter surcharge for a three-year period following the effective date of rates in this proceeding consistent with the Commission's Smart Meter Order at Docket No. M-2009-2123948 entered on May 11, 2010 or until the return on equity percentage and

capital structure ratios are reset in the Company's next base rate case, whichever is sooner. It is understood and agreed that this Settlement is the result of compromise and does not reflect any Party's position with respect to the current cost of common equity or capital structure for Duquesne Light. The Commission's approval of this Settlement shall not be construed to represent approval of any Party's position on these issues.

F. OPEBS

49. The Company's rate allowance for OPEBs is based upon the estimated SFAS 106 cost for the Future Test Year of approximately \$5.035 million, which reflects a two-year normalization of the expected Net Periodic Benefit Cost for 2011 and 2012. The expense component included in rates is approximately 50% of this estimated cost (\$2.5175 million). The remaining 50% of actual SFAS 106 cost will be the amount to be capitalized on the Company's books. The actual labor capitalization ratio will be used to determine the split between capitalized and expensed amounts. The Company accounts for and funds OPEBs through a Voluntary Employees Beneficiary Associated (VEBA) trust, into which it will deposit the full amount of annual costs calculated by the Company's actuary pursuant to SFAS 106. Retiree OPEBs and administrative costs of maintaining the trusts and/or accounts are paid from amounts deposited in the trust. The Company accounts for the difference between the net periodic post-retirement benefit expense determined annually by the actuary in accordance with SFAS 106 and the amount of SFAS 106 post-retirement benefit expense used to establish rates. That difference is recorded as a regulatory asset or liability and will be expensed or credited in future rate proceedings in determining OPEB expense included in rates.

G. IRS REPAIR ALLOWANCE

50. If the Company implements changes in income tax accounting for repairs pursuant to proposed IRS regulations issued in March 2008 and Revenue Procedure 2009-39, the

Company will record the “catch-up” (representing the refund for the cumulative effect of the election, also referred to as the Section 481(a) adjustment) reduction to its income tax liability in account 282 on its regulated books of account, when such catch up refund amount is received. This will increase the ADIT which results in a decrease in rate base. As to the on-going current deduction, the Company will likewise record the annual reduction in its income tax liability from adoption of changes in income tax accounting for repairs pursuant to proposed IRS regulations issued in March 2008 and Revenue Procedure 2009-39 in account 282 on its regulated books of account each year which will also result in a reduction to its rate base (by increasing its ADIT). Finally, the Company will reflect all adjustments to the foregoing as a result of IRS adjustments in the amounts originally claimed by the Company in account 282 on its regulated books of account for reporting and ratemaking purposes as such adjustments occur. It is understood that subsequent adjustments by the IRS could increase or decrease the amounts recorded in account 282 on the Company’s regulated books of account and thereby increase or decrease the ADIT deducted from rate base.

H. OTHER ISSUES

51. Duquesne Light’s jurisdictional separation study of distribution and transmission costs and assets shall be approved for purposes of this case only and shall hold no precedential value. All parties reserve the right to challenge the jurisdictional separation study in future matters.

I. THE PUBLIC INTEREST

52. This Settlement was achieved by the Joint Petitioners after an extensive investigation of Duquesne Light’s filing, including extensive informal and formal discovery and the filing of direct, rebuttal and surrebuttal testimony by a number of the Joint Petitioners.

53. Acceptance of the Settlement will avoid the necessity of further administrative and potential appellate proceedings at what would have been a substantial cost to the Joint Petitioners and Duquesne Light's customers.

54. The Settlement rates will allocate the agreed upon revenue increase to each customer class in a manner that is reasonable given the rate structure and cost of service positions advanced in the testimony and exhibits of the various parties.

55. Attached to this Settlement Petition are the respective Statements in Support of the Joint Petitioners setting forth the basis upon which they consider the Settlement to be in the public interest. The Joint Petitioners' respective Statements in Support are attached hereto as Appendices C through H.

J. SETTLEMENT CONDITIONS

56. The Settlement is conditioned upon the Commission's approval of the terms and conditions contained herein without modification. If the Commission modifies the Settlement, then any Joint Petitioner may elect to withdraw from this Settlement and may proceed with litigation and, in such event, this entire Settlement shall be void and of no effect. Such election to withdraw must be made in writing, filed with the Secretary of the Commission and served upon all parties within five (5) business days after the entry of an Order modifying the Settlement.

57. This Settlement is proposed by the Joint Petitioners to settle all issues in the instant proceeding. If the Commission does not approve the Settlement and the proceedings continue to further hearings, the Joint Petitioners reserve their respective rights to present additional testimony and to conduct full cross-examination, briefing and argument. The Settlement is made without any admission against, or prejudice to, any position which any Joint

Petitioner may adopt in the event of any subsequent litigation of this proceeding or in any other proceeding.

58. The Joint Petitioners acknowledge and agree that this Settlement, if approved, shall have the same force and effect as if the Joint Petitioners had fully litigated this proceeding resulting in the establishment of rates that are Commission-made, just and reasonable.

59. The Parties acknowledge that this Settlement reflects a compromise and does not necessarily reflect any Party's position with respect to any issues raised in this proceeding. The Parties agree that this Settlement shall not constitute or be cited as precedent in any other proceeding, except to the extent required to implement this Settlement.

60. This Settlement is being presented only in the context of this proceeding in an effort to resolve the proceeding in a manner which is fair and reasonable. The Settlement is presented without prejudice to any position which any of the parties may have advanced and without prejudice to the position any of the parties may advance in the future on the merits of the issues in future proceedings except to the extent necessary to effectuate the terms and conditions of the Settlement. This Settlement does not preclude the parties from taking other positions in proceedings of other public utilities under Section 1308 of the Public Utility Code, 66 Pa.C.S. § 1308, or any other proceeding.

61. A copy of the Settlement will be served upon the customer complainants.

62. If the ALJs adopt this Settlement without modification in their Recommended Decision, the Joint Petitioners waive their rights to file exceptions.

III. CONCLUSION

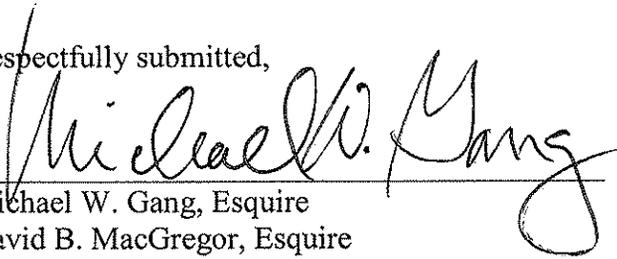
WHEREFORE, the Joint Petitioners, by their respective counsel, respectfully request as follows:

1. That Administrative Law Judges Mark A. Hoyer and Conrad A. Johnson and the Commission approve this Settlement, including all the terms and conditions thereof, without modification;

2. That the Commission's proceedings at PUC Docket Nos. R-2010-2179522; the Office of Small Business Advocate, C-2010-2193322; the Office of Consumer Advocate, C-2010-2194660; Linda L. Sullivan, Docket No. C-2010-2153066; Janet Vento, Docket No. C-2010-2196479; Mary M. Chestnut, Docket No. C-2010-2196790; Donald Killmeyer, Docket No. C-2010-2199926; Sarah Divilly, Docket No. C-2010-2199945; Delores D. White, Docket No. C-2010-2200548; Vicki Courie, Docket No. C-2010-2201179; Rebecca Nesvet, Docket No. C-2010-2202732; Marie Rubottom, Docket No. C-2010-2202837; Duquesne Industrial Intervenors, Docket No. C-2010-2203197; Carolina Ursitti, Docket No. C-2010-2203912; Donald J. Gilbert, Docket No. C-2010-2204100; NRG Energy Center of Pittsburgh, LLC, Docket No. C-2010-2206586; Jay Folkens, Docket No. C-2010-2213076; and John and Sherry Urban, Docket No. C-2010-2214197 be marked closed; and

3. That the Commission enter an Order terminating the proceedings, and authorizing Duquesne Light Company to file the tariff attached as Appendix A to become effective for service rendered on and after April 21, 2010.

Respectfully submitted,



Michael W. Gang, Esquire
David B. MacGregor, Esquire
Anthony D. Kanagy, Esquire
Gary A. Jack, Esquire
Counsel for Duquesne Light Company.

Date:

1/07/11



Charles Daniel Shields, Esquire
Adeolu A. Bakare, Esquire
For: *Counsel for Office of Trial Staff*

Date:

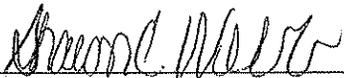
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Michelle M. Skjoldal, Esquire
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Christopher C. O'Hara, Esquire
Counsel for NRG Energy Center Pittsburgh, LLC

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