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Andrew S. Tubbs

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File #: 146634

March 25, 2011

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**RE: Joint Application for All of the Authority and the Necessary Certificate(s) of Public Convenience to Transfer the Interests and Shares in DQE Holdings LLC, currently owned by DUET Investment Holdings Limited, to Epsom Investment Pte Ltd, a subsidiary of GIC Infra Holdings Pte Ltd, and to Approve the Resulting Change in Control of Duquesne Light Company and DQE Communications Network Services LLC - Docket Nos. A-2010-2213369 & A-2011-2221461**

Dear Secretary Chiavetta:

Enclosed is the Prehearing Memorandum on behalf of Duquesne Light Company and DQE Communications Network Services, LLC in the above-referenced proceeding.

Copies will be provided to the persons in the manner indicated on the certificate of service.

Respectfully Submitted,

Andrew S. Tubbs

AST/jl

Enclosures

cc: Honorable Mark M. Hoyer (*via e-mail & first class mail*)  
Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

### VIA E-MAIL & FIRST CLASS MAIL

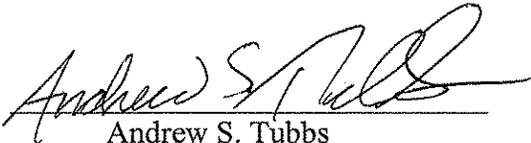
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Brian Kalcic  
Excel Consulting  
225 S. Meramec Avenue, Suite 720-T  
St. Louis, MO 63105

Date: March 25, 2011

  
Andrew S. Tubbs

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Joint Application for All of the Authority and	:	
the Necessary Certificate(s) of Public	:	
Convenience to Transfer the Interests and	:	Docket Nos. A-2010-2213369
Shares in DQE Holdings LLC, currently	:	A-2011-2221461
owned by DUET Investment Holdings	:	
Limited, to Epsom Investment Pte Ltd, a	:	
subsidiary of GIC Infra Holdings Pte Ltd, and	:	
to Approve the Resulting Change in Control	:	
of Duquesne Light Company and DQE	:	
Communications Network Services LLC	:	

**PREHEARING MEMORANDUM**

**TO ADMINISTRATIVE LAW JUDGE MARK A. HOYER:**

Duquesne Light Company (“Duquesne Light”) and DQE Communications Network Services LLC (“Network Services”) hereby submit this Prehearing Memorandum in compliance with the Prehearing Conference Order issued by Administrative Law Judge Mark A. Hoyer (“ALJ”) on March 4, 2011.

**I. BACKGROUND**

On December 2, 2010, Duquesne Light, Network Services, Epsom Investment Pte Ltd (“Epsom”), DUET Investment Holdings Limited (“DUET”) and Diversified Utility and Energy Trust No. 3 (“DUET3”), (hereinafter, collectively the “Applicants”) filed with the Pennsylvania Public Utility Commission (“Commission”) a Joint Application for all of the authority and the necessary certificate(s) of public convenience to transfer the interests and shares in DQE Holdings LLC, currently owned by DUET, to Epsom, a subsidiary of GIC Infra Holdings Pte Ltd, and to approve the resulting change in control of Duquesne Light and Network Services

("Proposed Transaction").<sup>1</sup> Specifically, the Applicants requested that the Commission issue certificates of public convenience, pursuant to Section 1102(a)(3) of the Public Utility Code, 66 Pa.C.S. § 1102(a)(3), evidencing the Commission's approval of the Proposed Transaction and grant all other approvals as may be appropriate, customary or necessary to carry out the Proposed Transaction contemplated in this Application in a lawful manner.

## II. COUNSEL

The Applicants' counsel in this proceeding are Gary A. Jack, Esquire, Michael W. Gang, Esquire, David B. MacGregor, Esquire and Andrew S. Tubbs, Esquire. The Applicants request that Michael W. Gang be listed as the recipient for service. Mr. Gang's contact information is provided below:

Michael W. Gang (ID # 25670)  
Post & Schell, P.C.  
17 North Second Street  
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Fax: 717-731-1985  
E-mail: [mgang@postschell.com](mailto:mgang@postschell.com)

The Applicants also requests that Mr. Jack and Mr. Tubbs be added to any informal e-mail distribution lists in this proceeding. Mr. Jack's e-mail address is [gjack@duqlight.com](mailto:gjack@duqlight.com) and Mr. Tubbs' e-mail address is [atubbs@postschell.com](mailto:atubbs@postschell.com).

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<sup>1</sup> On January 20, 2011, the Applicants filed an Amendment to the Joint Application to add DQE Communications Network Services, LLC as an applicant. DQE Communications Network Services LLC is a certificated competitive access provider throughout the Commonwealth of Pennsylvania. *Application of DQE Communications Network Services LLC for approval to offer, render, furnish or supply telecommunication services as a Competitive Access Provider to the Public in the Commonwealth of Pennsylvania*, Docket No. A-311233 (Order entered on November 23, 2004).

### III. WITNESSES

Below is a list of the witnesses and the areas of their testimony comprising the Applicants' direct case in this proceeding. The subject matters listed below represent as complete a statement of issues that the Applicants can provide at this stage of the proceeding. Further definition of contested issues by the parties will develop within the scope of the subject matters listed below during the course of the proceeding.

The Applicants presently intends to offer the following witnesses to testify in the this proceeding on the following subject matters:

<b>Statement Number(s)</b>	<b>Witness</b>	<b>Subject Matter</b>
1 1-Supp	Richard Riazzi President and Chief Executive Officer Duquesne Light Company 411 Seventh Avenue Pittsburgh, PA 15219	(a) Overview of Duquesne Light and its current ownership structure. (b) Respond to the identified issues and areas of concern set forth in the Commission's January 21, 2011 Secretarial Letter. (c) Address the benefits of the Proposed Transaction.
2	David J. Bartholomew Chief Operating Officer DUET Investment Holdings Limited 1 Martin Place, Level 11 Sydney NSW 2000, Australia	(a) Overview of the DUET Group. (b) Explain the DUET Group's reasons for entering into the Proposed Transaction.
3	Christopher Curtain Vice President Infrastructure Group, GIC Special Investments Pte Ltd 1 <sup>st</sup> Floor, York House 45 Seymour Street W1H 7 LX London, United Kingdom	(a) Overview of GIC and its affiliates, its investment philosophy and expertise in infrastructure investments. (b) Describe the Proposed Transaction and the expected benefits for Duquesne Light and its customers.

4 Andrew M. Chapman  
Senior Managing Director  
Macquarie Infrastructure and Real  
Assets Inc.  
125 West 55<sup>th</sup> Street  
New York, NY 10019

- (a) Overview of the structure and operations of the Board of Managers of DQE.
- (b) Overview of Macquarie Group Limited and its affiliated companies relative to their investment in DQE.

The testimony and exhibits fully support the Applicant's Joint Application and the issuance of certificates of public convenience and all other approvals as may be appropriate, customary or necessary to carry out the Proposed Transaction.

#### IV. PROCEDURAL SCHEDULE

The Applicants propose the following schedule<sup>2</sup>:

Prehearing Conference	March 29, 2011
Other Parties' Direct Testimony	April 19, 2011*
Rebuttal Testimony	May 13, 2011*
Surrebuttal Testimony	May 24, 2011*
Hearings	June 2-3, 2011
Main Brief	June 17, 2011*
Reply Brief	July 1, 2011*

#### V. DISCOVERY

The Applicants have received and responded to all interrogatories served by the parties.

The Applicants are not aware of any discovery difficulty, or any need to enter any special order regarding discovery.

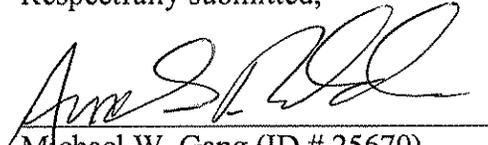
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<sup>2</sup> Each date marked with a \* is a date on which documents are due. For parties accepting electronic service, the documents are to be served electronically on the date indicated, by 4:00 p.m. unless otherwise indicated. Hard copies will follow by first class mail or by express service. For parties not accepting electronic service and not located in Harrisburg, documents are due in hand on the following business day.

**VI. SETTLEMENT**

To date, no settlement discussions have been held. However, the Applicants will be working with the parties in an effort to resolve this proceeding through settlement.

Respectfully submitted,



Michael W. Gang (ID # 25670)

Andrew S. Tubbs (ID #80310)

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Of Counsel:

Post & Schell, P.C.

Date: March 25, 2011

Attorneys for Duquesne Light Company &  
DQE Communications Network Services LLC