



411 Seventh Avenue
16th Floor
Pittsburgh, PA 15219

Tel 412-393-1541
Fax 412-393-1418
gjack@duqlight.com

Gary A. Jack
Assistant General Counsel

December 7, 2011

VIA OVERNIGHT MAIL

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, Pennsylvania 17120

RECEIVED

DEC -7 2011

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

**RE: Supplement No. 52 to Tariff Electric - PA. P.U.C. No. 24
Duquesne Light Company – Rider No. 5 - Universal Service Charge
Docket No. – M-2011-2276315**

Dear Secretary Chiavetta:

Enclosed for filing please find an original and eight (8) copies of a correction to Supplement No. 52 to Duquesne Light Company's Tariff Electric, PA. P.U.C. No. 24 filed December 1, 2011. Specifically we include a corrected page No. 84 and corrected supporting Schedules 1 through 6 which we request replace the earlier version filed December 1, 2011. We inadvertently did not remove gross receipts tax as part of the calculation for the November and December 2011 months in the earlier December 1 filing and have corrected that error. We apologize for any inconvenience this amendment may have caused.

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,

Gary A. Jack
Assistant General Counsel

Enclosures

c: Certificate of Service

STANDARD CONTRACT RIDERS - (Continued)

RECEIVED**RIDER NO. 5 – UNIVERSAL SERVICE CHARGE**
(Applicable to Rate Schedules RS, RH and RA)

DEC -7 2011

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAUAPPLICABILITY

The Universal Service Charge ("USC") is instituted as a cost recovery mechanism to recover the costs incurred by the Company to provide its Commission approved Universal Service and Energy Conservation Plan. The USC shall be applicable to all residential customers who take distribution service under Rate Schedules RS, RH and RA except for residential customers in the Company's Customer Assistance Program ("CAP"). The USC provides for the recovery of the costs, excluding internal administrative costs, associated with universal service programs provided by the Company to residential customers. The USC shall be determined to the nearest one-thousandth of one (1) cent per kilowatt-hour ("kWh") in accordance with the formula set forth below and shall be applied to all kilowatt-hours delivered during the billing month. The USC is a non-bypassable charge.

RATE

In addition to the charges provided in this Tariff, an amount of 0.371 cents per kilowatt-hour shall be added to the distribution energy charges per kilowatt-hour of each applicable rate schedule to determine the total per kilowatt-hour charge. The USC shall not be applicable to customers enrolled in the Company's CAP. (D)

CALCULATION OF CHARGE

$$USC = [(US_c - Cr - E) / S_{Res}] * 100 * [1 / (1 - T)]$$

Where: USC = The charge, in cents per kilowatt-hour, to be applied to each kilowatt-hour delivered to all applicable non-CAP customers who take distribution service under the residential retail rate schedules under this Tariff.

US_c = Universal Service Program costs, which are the estimated direct and external administrative costs to be incurred by the Company to provide Universal Service to customers for the USC Computational Year. Such costs shall include, but are not limited to, preparation of the Needs Assessment, Universal Service Plan development, Impact Evaluation and educational materials. Universal Service Programs include the following programs which may change from time to time:

- Customer Assistance Program ("CAP"): CAP costs will be calculated to include the projected CAP discount and CAP program costs for the Computational Year. The total CAP discount will be based on the annual average discount from the previous year, the Reconciliation Year, multiplied by the projected average number of CAP program participants during the Computational Year. The CAP discount shall be reduced by the annual Low Income Home Energy Assistance Program ("LIHEAP") funds received by CAP customers during the previous LIHEAP program year. The annual average discount from the previous year will be calculated as the difference between the bill at current rates and the CAP payment from customers during the

SCHEDULE 1

Duquesne Light Company
 Rider No. 5 - Universal Service Charge
 Proposed Charge Effective January 1, 2012

Reconciliation of Revenue and Expense

1	Universal Service Charge Revenue	\$16,087,169	Schedule 2
2	Universal Service Charge Revenue Less GRT	\$15,138,026	Schedule 2
3	Reconciliation Period Expense	\$10,773,125	Schedule 2
4	(Over) / Under Collection - April 21, 2011 through October 31, 2011	(\$4,364,901)	Line 3 - Line 2
5	Interest	(\$255,067)	Schedule 2
6	Total (Over) / Under Collection	(\$4,619,968)	Line 4 + Line 5
7	Projected (Over) / Under Collection, November-December 2011	(\$2,037,846)	Schedule 5
8	<u>Net (Over) / Under Collection</u>	<u>(\$6,657,813)</u>	Line 6 + Line 7
9	Forecast Residential Sales (kWh)	4,305,304,823	Schedule 6
10	Less Forecast CAP Sales (kWh)	324,515,765	Schedule 6
11	Non-CAP Forecast Sales (kWh)	3,980,789,059	Line 9 - Line 10
12	Charge - \$/kWh	(0.001672)	Line 8 / Line 11
13	Charge - ¢/kWh	(0.1672)	Line 12 * 100
14	T= Pennsylvania Gross Receipts Tax (GRT):	5.9%	
15	<u>E-Factor (Over) / Under Collection Rate (¢/kWh)</u>	<u>(0.178)</u>	Line 13 * 1 / (1 - Line 14)

SCHEDULE 2

Duquesne Light Company
 Rider No. 5 - Universal Service Charge
 Proposed Charge Effective January 1, 2012

Monthly Summary of Residential (Rate Classes RS, RH & RA) Revenue and Expense for the Reconciliation Period - April 21, 2011 through October 31, 2011

	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>Total</u>
1 Surcharge Revenue	\$145,077	\$2,268,161	\$2,975,935	\$3,726,456	\$2,950,952	\$2,168,027	\$1,852,561	\$16,087,169
2 Actual Surcharge Revenue Less GRT	\$136,517	\$2,134,339	\$2,800,355	\$3,506,595	\$2,776,845	\$2,040,114	\$1,743,260	\$15,138,026
3 Expense	\$548,083	\$1,769,652	\$1,573,257	\$1,711,433	\$1,869,984	\$1,772,474	\$1,528,242	\$10,773,125
4 (Over) / Under Collection	\$411,566	(\$364,687)	(\$1,227,098)	(\$1,795,162)	(\$906,861)	(\$267,640)	(\$215,018)	(\$4,364,901)
5 Interest	\$30,867	(\$25,528)	(\$79,761)	(\$107,710)	(\$49,877)	(\$13,382)	(\$9,676)	(\$255,067)
6 <u>Total (Over) / Under Collection</u>	<u>\$442,433</u>	<u>(\$390,216)</u>	<u>(\$1,306,859)</u>	<u>(\$1,902,872)</u>	<u>(\$956,739)</u>	<u>(\$281,022)</u>	<u>(\$224,694)</u>	<u>(\$4,619,968)</u>

SCHEDULE 3

Duquesne Light Company
 Rider No. 5 - Universal Service Charge
 Proposed Charge Effective January 1, 2012

Universal Service Surcharge Expense for the Reconciliation Period - April 21, 2011 through October 31, 2011

	<u>April (1)</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>Total</u>
1 CAP Revenue Deficiency	\$411,260	\$1,388,464	\$1,178,420	\$1,353,901	\$1,468,981	\$1,389,327	\$1,136,219	\$8,326,571
2 CAP Frozen Arrearage	\$79,411	\$221,922	\$217,594	\$207,010	\$249,546	\$229,010	\$228,702	\$1,433,195
3 CAP Administrative Costs	\$22,448	\$67,343	\$67,343	\$67,343	\$75,354	\$72,560	\$72,484	\$444,876
4 Smart Comfort	\$31,492	\$81,505	\$99,483	\$72,763	\$65,687	\$71,161	\$80,420	\$502,510
5 CARES	\$3,472	\$10,417	\$10,417	\$10,417	\$10,417	\$10,417	\$10,417	\$65,972
6 Hardship Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 Total	\$548,083	\$1,769,652	\$1,573,257	\$1,711,433	\$1,869,984	\$1,772,474	\$1,528,242	\$10,773,125

(1) USC effective April 21, 2011. Expense reflects pro-rated actual expense.

SCHEDULE 4

Duquesne Light Company
 Rider No. 5 - Universal Service Charge
 Proposed Charge Effective January 1, 2012

Universal Service Calculation of Interest and Total (Over) / Under Collection for the Reconciliation Period - April 21, 2011 through October 31, 2011

	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>Total</u>
1 Revenue Less GRT	\$136,517	\$2,134,339	\$2,800,355	\$3,506,595	\$2,776,845	\$2,040,114	\$1,743,260	\$15,138,026
2 Expense	\$548,083	\$1,769,652	\$1,573,257	\$1,711,433	\$1,869,984	\$1,772,474	\$1,528,242	\$10,773,125
3 (Over) / Under Collection	\$411,566	(\$364,687)	(\$1,227,098)	(\$1,795,162)	(\$906,861)	(\$267,640)	(\$215,018)	(\$4,364,901)
4 Interest Rate	6%	6%	6%	6%	6%	6%	6%	
5 Interest Weight	15/12	14/12	13/12	12/12	11/12	10/12	9/12	
6 Interest	\$30,867	(\$25,528)	(\$79,761)	(\$107,710)	(\$49,877)	(\$13,382)	(\$9,676)	(\$255,067)
7 <u>Total (Over) / Under Collection</u>	<u>\$442,433</u>	<u>(\$390,216)</u>	<u>(\$1,306,859)</u>	<u>(\$1,902,872)</u>	<u>(\$956,739)</u>	<u>(\$281,022)</u>	<u>(\$224,694)</u>	<u>(\$4,619,968)</u>

Duquesne Light Company
 Rider No. 5 - Universal Service Charge
 Proposed Charge Effective January 1, 2012

Universal Service Estimated (Over) / Under Collection for the Period - November through December 2011

	<u>Billing Unit</u>	Effective April 21, 2011 <u>Rate</u>	Forecast Nov.-Dec. <u>Billing Units</u>	Forecast Nov.-Dec. <u>Revenue</u>	Forecast Nov.-Dec. <u>Revenue Less GRT</u>	Forecast Nov.-Dec. <u>Expense</u>	Forecast Nov.-Dec. <u>(Over) / Under</u>	
1	Total Residential (RS, RH & RA)	Non-CAP kWh	\$0.00743	686,895,686	\$5,103,635	\$4,802,520	\$2,764,675	(\$2,037,846)

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2012

SCHEDULE 6

Calculation of the Projected Universal Service Charge

Universal Service Program Costs:

1	CAP Revenue Deficiency	\$15,457,558	
2	CAP Frozen Arrearage	\$2,627,966	
3	CAP Administration Cost	\$898,775	
4	Smart Comfort	\$1,461,600	
5	CARES	\$125,000	
6	Hardship Fund	\$75,000	
7	Projected Universal Service Program Costs	\$20,645,900	

Credit (Bad Debt Offset):

8	CAP Customer Participation Level	35,700	Per USC tariff Rider 5 page 85
9	Actual Enrollment as of October 31, 2011	37,700	
10	Difference	2,000	Line 9 - Line 8
11	Average Discount per Customer per Year	\$445	See Footnote 1
12	Discount With Excess Customers	\$890,000	Line 10 * Line 11
13	Bad Debt Offset	10.43%	Per USC Tariff, Rider 5
14	Adjustment to USC for Bad Debt	\$92,827	Line 12 * Line 13
15	Total Projected Universal Service Program Costs	\$20,553,073	Line 7 - Line 14

Projected Non-CAP Sales:

16	Forecast Residential Sales (kWh)	4,305,304,823	
17	Less Forecast CAP Sales (kWh)	324,515,765	
18	Non-CAP Forecast Sales (kWh)	3,980,789,059	Line 16 - Line 17

19	Charge - \$/kWh	\$0.005163	Line 15 / Line 18
20	Charge - ¢/kWh	0.5163	Line 19 * 100

21	T= Pennsylvania Gross Receipts Tax (GRT):	5.9%	
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22	Projected Universal Service Charge (USC) (¢/kWh)	0.549	Line 22 * 1 / (1 - line 24)
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23	E-Factor (Over)/ Under Collection (¢/kWh)	(0.178)	Schedule 1
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24	Universal Service Charge (USC) (¢/kWh) - Effective January 1, 2012	0.371	Line 22 + Line 23
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(1) Calculated as follows:

Projected 2012 CAP Deficiency and Arrearages (Line 1 + Line 2)	\$	18,085,525
Projected Enrollment as of December 31, 2012		40,600
Average Discount per Customer per Year	\$	445

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of an amendment to Duquesne Light Company's Universal Service Charge Rider Annual Rate Change has been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant):

VIA FIRST-CLASS MAIL AND/OR E-MAIL

Sharon E. Webb, Esquire
Office of Small Business Advocate
300 North Second Street – Suite 1102
Harrisburg, PA 17101
swebb@state.pa.us

Theodore S. Robinson, Esq.
Citizen Power
2121 Murray Avenue
Pittsburgh, PA 15217
robinson@citizenpower.com

Tanya J. McCloskey, Esquire
David T. Evrard, Esquire
Candis A. Tunilo, Esquire
Barrett C. Sheridan, Esquire
Office of Consumer Advocate
555 Walnut Street – 5th Floor
Harrisburg, PA 17101
tmccloskey@paoca.org
devrard@paoca.org
ctunilo@paoca.org
bsheridan@paoca.org

Pamela C. Polacek, Esq.
McNees, Wallace & Nurick
P. O. Box 1166
100 Pine Street
Harrisburg, PA 17101-1166
ppolacek@mwn.com

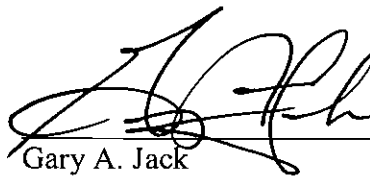
Scott J. Rubin, Esquire
333 Oak Lane
Bloomsburg, PA 17815
scott.j.rubin@gmail.com

Charles Daniel Shields, Esquire
PA PUC – Office of Trial Staff
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265
chshields@state.pa.us

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**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**



Gary A. Jack
Assistant General Counsel
Duquesne Light Company
411 Seventh Avenue, 16th Floor
Pittsburgh, PA 15219
412-393-1541 (phone)/412-393-1418 (fax)
gjack@duqlight.com

Dated: December 7, 2011

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