

**DUQUESNE STATEMENT NO. 4**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition Of Duquesne Light** :  
**Company For Approval Of Default** : **Docket No. P-\_\_\_\_\_**  
**Service Plan For The Period June** :  
**1, 2013 Through May 31, 2015** :

**DIRECT TESTIMONY OF  
WILLIAM V. PFROMMER**

Dated: April 27, 2012

1 **Q. Please state your full name and business address.**

2 A. My name is William V. Pfrommer. My business address is Duquesne Light  
3 Company, 411 Seventh Avenue, Pittsburgh, PA 15219.

4

5 **Q. What is your position at Duquesne Light Company?**

6 A. I am employed by Duquesne Light Company (“Duquesne Light”, “Duquesne” or  
7 “Company”) as the Manager, Rates and Tariff Services.

8

9 **Q. What are your current responsibilities?**

10 A. I am responsible for overseeing the Company’s retail rates and wholesale  
11 transmission rates, which includes supervising the implementation of the default  
12 service rates proposed in this proceeding. In addition, it is my responsibility to  
13 ensure the rates are properly applied to customer bills.

14

15 **Q. Please provide your educational background and describe your professional  
16 experience.**

17 A. I received a Bachelor of Science Degree in Mechanical Engineering from Grove  
18 City College in 1978 and a Masters in Business Administration from the  
19 University of Pittsburgh in 1989. I was employed by Westinghouse Air Brake  
20 Company in 1978 and performed various duties as a staff engineer. I began my  
21 career at the Company in 1982 as a Project Engineer in the Engineering and  
22 Construction Division at the Beaver Valley Power Station. Over the last 30 years,  
23 I have held staff, supervisory and managerial positions in engineering, nuclear

1 construction, customer technical services, marketing and rates. In the Rate  
2 Department at Duquesne, I was responsible for the calculations to unbundle the  
3 rates to support the implementation of electric utility restructuring and customer  
4 choice in Pennsylvania. As General Manager of Rates at AquaSource, Inc., the  
5 previous water and wastewater subsidiary of DQE, Inc., I was responsible for  
6 providing direction to regional controllers on all regulatory matters, and  
7 maintaining the tariffs in the 12 states where AquaSource had utility operations. I  
8 have testified on rate design matters before the Pennsylvania Public Utility  
9 Commission (“Commission”) and Federal Energy Regulatory Commission  
10 (“FERC”). A list of proceedings in which I have submitted testimony is provided  
11 in Appendix A. I am a licensed professional engineer in the Commonwealth of  
12 Pennsylvania.

13

14 **Q. What is the purpose of your direct testimony?**

15 A. The purpose of my testimony is to address the following items regarding the  
16 Company’s proposed default service plan:

- 17 1. Describe the proposed rates for residential, lighting, and small and medium  
18 commercial and industrial (“C&I”) customers obtained through competitive  
19 requests for proposal (“RFP”).
- 20 2. Describe the proposed rate design for large C&I customers.
- 21 3. Describe the Company’s plans to implement time-of-use (“TOU”) rates.
- 22 4. Describe the Company’s plan to recover the cost of implementing the  
23 proposed default service plan.

- 1           5. Describe the reconciliation process.
- 2           6. Describe development and presentation of the price to compare (“PTC”).
- 3           7. Describe the proposed changes to the Company’s retail tariff necessary to
- 4           implement the proposed default service plan.
- 5           8. Describe the proposed changes to the Company’s Electric Generation
- 6           Supplier (“EGS”) Coordination Services tariff necessary to implement the
- 7           proposed default service plan.

8

9   **Q.    Are you sponsoring any exhibits as part of your direct testimony?**

10  **A.    Yes. I am sponsoring the following exhibits:**

- 11           • Exhibit WVP-1 - Derivation of Factors for Class Rate Determination
- 12           • Exhibit WVP-2 - Illustrative Rate Design Example Using Class Rate Factors
- 13           • Exhibit WVP-3 - Estimated Default Service Plan Related Costs
- 14           • Exhibit WVP-4 - Proposed Retail Tariff Supplement (clean version)
- 15           • Exhibit WVP-5 - Proposed Retail Tariff Supplement (red-line version)
- 16           • Exhibit WVP-6 - Proposed EGS Tariff Supplement (clean version)
- 17           • Exhibit WVP-7 - Proposed EGS Tariff Supplement (red-line version)

18

19  **Q.    Please explain how these exhibits were prepared.**

20  **A.    These exhibits were prepared either by me or under my direct supervision. They**

21           **were prepared, to the best of my knowledge, in accordance with Commission**

22           **requirements and practice.**

23

1 **Q. How is your testimony organized?**

2 A. I will first discuss the proposed default service rates for the various customer  
3 classes as well as the Company's plan for TOU rates. I will then describe the  
4 costs associated with implementing the proposed default service plan, the  
5 reconciliation process and the PTC. Finally, I will describe the proposed changes  
6 to the Company's tariffs necessary to implement the proposed default service  
7 plan.

8

9 **I. RESIDENTIAL AND LIGHTING CUSTOMER CLASS RATES**

10 **Q. What rate schedules apply to the residential and lighting customer classes?**

11 A. Residential customers are served under rate schedules RS, RH and RA. Lighting  
12 customers are primarily unmetered service and are served under rate schedules  
13 AL, SE, SM, SH, and PAL.

14

15 **Q. Please describe the current default service rates applicable to the residential  
16 and lighting customer classes.**

17 A. The current default service rates for these rate schedules were established in the  
18 Company's POLR V proceeding (Docket No. P-2009-2135500) and are in effect  
19 from January 1, 2011 to May 31, 2013. Residential default service rates are a  
20 fixed rate, non-reconcilable, flat supply charge per kWh. Lighting default service  
21 rates are a fixed rate, non-reconcilable, flat supply charge per kWh and billed

1 based on the fixture wattage and fixed monthly kWh usage per lamp, adjusted to  
2 reflect the nature of the load profile of those rate classes.<sup>1</sup>

3

4 **Q. Please describe the default service rates the Company is proposing for the**  
5 **residential and lighting rate schedules.**

6 A. The Company is proposing to retain the current rate structure for the default  
7 service supply component of the rates for these rate schedules. The Company is  
8 proposing to obtain default service supply through multiple RFPs as discussed by  
9 Duquesne Light witness James E. Wilson in Duquesne Statement No. 2. These  
10 competitive solicitations will seek full requirements service for the residential and  
11 lighting rate classes. Full requirements service will include the cost of energy,  
12 capacity, congestion and congestion management charges, alternative energy  
13 requirements, ancillary services, and PJM grid management charges.

14

15 **Q. Please describe how the retail rates will be determined.**

16 A. Winning bids will be determined through the RFP process as described by witness  
17 Wilson. In general, a single weighted average price will be calculated from the  
18 winning bids necessary to fill the applicable tranches in accordance with the  
19 guidelines of the RFP process. The weighted average price from the RFP process  
20 will then be adjusted to recover costs incurred by the Company. The Company  
21 proposes to adjust the weighted average winning bid price to recover the cost of  
22 line losses, to recover administrative costs to conduct the RFP, to recover costs

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<sup>1</sup> The majority of lighting customers pay a flat rate per fixture per month based on the lamp wattage and nominal monthly kWh usage specific to each fixture. This is equivalent to a flat supply charge per kWh.

1 for the market monitor, to recover current and prior period over/under collections  
2 with interest, and to recover Pennsylvania gross receipts tax (“GRT”). In  
3 developing the residential rates, the Company also proposes to include an  
4 adjustment to recover the administrative costs of its current residential TOU pilot  
5 program.<sup>2</sup>

6

7 **Q. How will you allocate the market monitoring costs and other costs of the**  
8 **RFPs among residential/lighting, small C&I and medium C&I customers?**

9 A. The Company proposes to allocate market monitoring costs on a pro rata share of  
10 forecasted load. For example, if the residential default service load is forecast to  
11 be 40% of the entire load associated with all RFPs, then 40% of those costs will  
12 be allocated for recovery in the residential/lighting rate design.

13

14 **Q. Why is it appropriate to make the adjustment to the residential rate class to**  
15 **recover TOU costs?**

16 A. In its Order entered June 23, 2010 at Docket No. P-2009-2149807, the  
17 Commission stated:

18 With regard to the issue of cost recovery, the Commission does not view  
19 Duquesne’s Consumer Education Surcharge as an appropriate mechanism  
20 for the recovery of market research, development, and implementation  
21 costs specific to an EDC’s default service rate options, including TOU  
22 pilots. Further, the Commission disagrees with the OCA that such TOU  
23 costs should be recovered within a base rate proceeding. Base rate  
24 proceedings address costs related to distribution service, not default  
25 service. The Commission believes that costs incurred strictly to facilitate  
26 an EDC’s default service rates should be collected within default service

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<sup>2</sup> The administrative costs to be recovered include the cost of program literature, customer solicitation and invitation mailings, customer research and surveys, data collection and presentation, and customer participation incentives.

1 rates themselves. Therefore, the Commission will permit Duquesne to  
2 recover market research, development, and implementation costs of its  
3 TOU plan through its default service rates. (Order, page 11-12).  
4

5 The Company interprets this language to mean the Company is permitted to  
6 recover the current TOU pilot program administrative costs through the  
7 residential default service rates effective over the period June 1, 2013 through  
8 May 31, 2014.  
9

10 **Q. Is the Company recovering these TOU pilot program costs through its**  
11 **current residential default service rates?**

12 A. No. The current residential default service rates were established by Commission  
13 Order entered June 21, 2010 at Docket No. P-2009-2135500. The current  
14 residential default service rates do not include recovery of TOU pilot program  
15 administrative costs because the TOU cost treatment and costs were not known  
16 during the POLR V proceeding nor was an estimate for the TOU pilot programs  
17 included in the development of the residential default service rates.  
18

19 **Q. Do you have an estimate of the current TOU pilot program costs?**

20 A. Yes. Actual administrative costs incurred to date are \$412,000. Estimated  
21 administrative costs to complete the TOU pilot program are \$416,000 through  
22 April 2013 for a total project cost estimate of \$828,000. This equates to about  
23 0.05 cents/kWh at 1,601,000 MWh forecasted residential POLR sales for the  
24 period June 1, 2013 to May 31, 2014.  
25

1 **Q. Do the current default service rates for the residential and lighting rate**  
2 **classes include recovery of the costs for ancillary services and PJM grid**  
3 **management charges?**

4 A. No. Ancillary services and PJM grid management charges associated with  
5 residential and lighting default service customers are currently recovered through  
6 the Company's retail transmission rates.<sup>3</sup> The retail transmission rates are defined  
7 in Appendix A, Transmission Service Charges ("TSC"), of the retail tariff.

8  
9 **Q. Is the Company proposing to change the method for recovery of ancillary**  
10 **services and PJM grid management charges?**

11 A. Yes. Under the proposed default service plan, these services will be the  
12 obligation of the winning bidders in the RFPs. Therefore, as part of this  
13 proceeding, the Company proposes to modify Appendix A to remove recovery of  
14 ancillary services and PJM grid management charges through the TSC and  
15 include recovery of these charges through the default service rates obtained  
16 through the RFP process. Other PJM costs the Company incurs that are not part  
17 of default service will continue to be recovered through the TSC. Examples of  
18 these PJM costs include Schedule 12, Transmission Enhancement Charges and  
19 Schedule 13, Expansion Cost Recovery Charges.

20  
21 **Q. Will this change in how ancillary services and PJM grid management**  
22 **charges are recovered affect the price-to-compare ("PTC")?**

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<sup>3</sup> PJM grid management charges are in general Schedule 9 and Schedule 10 charges defined in the PJM Open Access Transmission Tariff.

1 A. No. This change will have no effect on the PTC since default service charges and  
2 TSC charges are both elements of the PTC.

3

4 **Q. What adjustments will be made to weighted average price of the winning**  
5 **bids for rate design purposes for the residential and lighting customer**  
6 **classes?**

7 A. Consumption by the lighting customer class is very small (59,700 MWh annual  
8 control area sales in 2011) compared to the consumption of the residential  
9 customer class (4,231,600 MWh annual control area sales in 2011). The  
10 Company does not believe it can obtain reasonable, load shaped bids for the  
11 lighting customer class because of such a small off-peak load and relatively small  
12 consumption. The Company will include the lighting class load in the residential  
13 RFP. Once the weighted average of the winning bid prices is determined, the  
14 Company proposes to adjust the price to first recover costs common to both  
15 customer classes, then use class rate factors to derive residential and lighting class  
16 rates based on their respective energy consumption patterns and capacity  
17 requirements.

18

19 **Q. Have you prepared an exhibit showing the derivation of the class rate**  
20 **factors?**

21 A. Yes. Exhibit WVP-1 shows the derivation of the class rate factors the Company  
22 proposes to use for the 2013-2014 and 2014-2015 effective rate periods. As  
23 shown on Exhibit WVP-1, a capacity price per MWh was determined based on

1 the results of the PJM base residual auctions and the customer class load shapes.  
2 Since the capacity obligation of the lighting class is zero, there is no adjustment  
3 for capacity in \$/MWh.

4 A load weighted locational marginal price (“LMP”) was then calculated based on  
5 2011 data. The average lighting class LMP reflects the off-peak nature of the  
6 load.

7 Combining capacity and LMP per MWh, factors were derived relative to the  
8 weighted average capacity and LMP per MWh for the residential and lighting  
9 class load combined.

10

11 **Q. Have you prepared an exhibit showing the derivation of the residential and**  
12 **lighting customer class rates using these class rate factors?**

13 A. Yes. Exhibit WVP-2 is an illustrative example using hypothetical RFP results  
14 and costs and the proposed class rate factors. The weighted average bid price is  
15 first grossed-up to recover the cost of line losses, RFP administrative costs,  
16 over/under collection, and market monitor costs. The class rate factors are then  
17 applied to the grossed-up weighted average bid price. The residential price is then  
18 adjusted to recover the cost of the TOU pilot program. Both adjusted wholesale  
19 prices are then adjusted to recover GRT to arrive at a retail rate.

20

21 **Q. Will these class rate factors affect payment to the winning bidders in the**  
22 **RFP?**

1 A. No. Winning bidders will be paid their bid price without these adjustments. In  
2 aggregate, the two adjusted prices multiplied by the respective forecasted  
3 residential and lighting sales will result in the same total revenue.

4

5 **II. SMALL & MEDIUM C&I CUSTOMER CLASS RATES**

6 **Q. What rate schedules apply to the small and medium C&I customer classes?**

7 A. Small and medium C&I customers are those customers served under rate  
8 schedules GS/GM and GMH. Small C&I customers are those customers with  
9 monthly metered demand less than 25 kW as described under general service rate  
10 schedules GS/GM and GMH. Medium C&I customers are those customers also  
11 on general service rate schedules GS/GM and GMH but with monthly metered  
12 demand equal to or greater than 25 kW but less than 300 kW. Small unmetered  
13 C&I customers are served under rate schedule Unmetered Service (“UMS”).<sup>4</sup>

14

15 **Q. Please describe the current default service rates applicable to small and**  
16 **medium C&I customers.**

17 A. Default service supply is procured through a competitive RFP solicitation process  
18 approved in the Company’s POLR V proceeding and described in retail tariff  
19 Rider No. 8, Default Service Supply. The RFP is for full requirements service.  
20 Small and Medium C&I default service rates are a reconcilable, flat supply charge  
21 per kWh. Small C&I customer default service rates are updated effective June 1  
22 each year and Medium C&I default service rates are updated effective June 1 and

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<sup>4</sup> Municipal traffic signals are an example of UMS customers.

1 December 1 of each year. UMS customers are currently served under a fixed rate,  
2 flat supply charge per kWh through May 31, 2013, similar to the rate design for  
3 the lighting customer classes.

4

5 **Q. Please describe the default service rates the Company is proposing for rate**  
6 **schedules GS/GM, GMH and UMS.**

7 A. As discussed by witness Wilson, the Company is proposing to continue to obtain  
8 default service supply through multiple RFPs. These competitive solicitations  
9 will seek full requirements service that will include the cost of energy, capacity,  
10 congestion and congestion management charges, alternative energy requirements,  
11 ancillary services, and PJM grid management charges. As previously discussed  
12 for the residential and lighting rate design, ancillary services and PJM grid  
13 management charges will now be the responsibility of the winning bidders in the  
14 RFP solicitations.

15

16 **Q. Please describe how the retail rates will be determined for rate schedules**  
17 **GS/GM, GMH and UMS.**

18 A. Winning bids will be determined from the RFP process as described by witness  
19 Wilson. In general, a single weighted average price will be calculated from the  
20 winning bids necessary to fill the applicable tranches in accordance with the  
21 guidelines of the RFP process. Like the development of the residential and  
22 lighting rates, the Company proposes to adjust the weighted average winning bid  
23 price to recover the cost of line losses, to recover administrative costs to conduct

1 the RFP, to recover costs for the market monitor, to recover prior period  
2 over/under collection, and to recover GRT. These are the same adjustments that  
3 are made in developing the rates currently in effect.

### 4 5 **III. LARGE C&I CUSTOMER CLASS RATES**

6 **Q. What rate schedules apply to the large C&I customer classes?**

7 A. Large C&I customers are those customers served under rate schedules GL, GLH,  
8 L and HVPS.

9  
10 **Q. Please describe the current default service rates applicable to large C&I  
11 customers.**

12 A. Large C&I customers are served under Rider No. 9, Day-Ahead Hourly Price  
13 Service.

14  
15 **Q. Please describe the default service rates the Company is proposing for the  
16 large C&I rate schedules.**

17 A. The Company proposes to continue to offer the same day-ahead hourly price  
18 service default option for these customers as described in the current tariff rider  
19 without change.

### 20 21 **IV. PLANS FOR TIME-OF-USE RATE OFFERINGS**

22 **Q. What is your understanding of how TOU rates should be provided?**

1 A. Act 129 of 2008 (“Act”) required electric distribution companies (“EDCs”) with  
2 at least 100,000 customers to implement TOU plans, among other requirements,  
3 and to evaluate these pricing plans as an option for customers to manage their  
4 electricity costs. Specifically Section 2807(f)(5) provides with respect to TOU  
5 and RTP as follows:

6 By January 1, 2010, or at the end of the applicable generation rate cap period,  
7 whichever is later, a default service provider shall submit to the commission  
8 one or more proposed time-of-use rates and real-time price plans. The  
9 commission shall approve or modify the time-of-use rates and real-time price  
10 plan within six months of submittal. The default service provider shall offer  
11 the time-of-use rates and real-time price plan to all customers that have been  
12 provided with smart meter technology under paragraph (2)(iii). Residential or  
13 commercial customers may elect to participate in time-of-use rates or real-  
14 time pricing. The default service provider shall submit an annual report to the  
15 price programs and the efficacy of the programs in affecting energy demand  
16 and consumption and the effect on wholesale market prices.  
17

18 Recently, the Commission’s Order regarding the Investigation of Pennsylvania’s  
19 Retail Electricity Market: Recommendations Regarding Upcoming Default  
20 Service Plans, entered December 16, 2011, at Docket No. I-2011-2237952 states:

21 After review of the comments, the Commission will maintain its  
22 recommendation that EDCs contemplate contracting with an EGS in order to  
23 satisfy their TOU requirement. The Commission does wish to clarify that this  
24 recommendation is not, in and of itself, a rejection of the other proposals  
25 raised, such as instituting peak time rebate offers or creating a separate  
26 wholesale auction for TOU rates. Such ideas may indeed have merit, and we  
27 will allow the EDCs to evaluate these proposals for possible inclusion in their  
28 next default service filings. (Order, page 47)  
29

30 **Q. How is the Company complying with Act 129 and these orders in regard to**  
31 **offering TOU rates?**

32 A. The Company filed its TOU Plan (“TOU Plan”) on December 28, 2009. The Plan  
33 proposed a four-step process to integrate TOU rates into practice and complement

1 the Company's Energy Efficiency and Conservation and Demand Response Plans  
2 ("EECDR") as well as its Smart Meter Implementation Plan. The four-step  
3 residential plan includes:

- 4 Step 1 - (2010) Conduct Market Analysis
  - 5 Step 2 - (2011) Implement Residential Pilot Program Infrastructure
  - 6 Step 3 - (2012) Implement Residential Pilot Programs
  - 7 Step 4 - (2013) Implement TOU Pricing Programs to Smart Meter Customers
- 8

9 By order entered June 23, 2010 at Docket No. P-2009-2149807, the Commission  
10 approved the TOU Plan requiring, among other items, supplemental filings to be  
11 submitted November 30 of 2011, 2012 and 2013.<sup>5</sup>

12 The Company proposed three residential pilot programs in its TOU Plan. In the  
13 spring of 2011, the Company pre-enrolled customers in two of its pilot programs  
14 and began collecting baseline data from the participants. The Company filed its  
15 first supplemental filing November 30, 2011, proposing final pilot program design  
16 for the programs to become effective June 1, 2012 through September 30, 2012.

17 The Commission approved the Company's TOU-1 and TOU-2 pilot programs and  
18 the rates for the programs that take effect June 1, 2012 by Order entered April 26,  
19 2012 at Docket Nos. R-2012-2294694 and P-2012-2295300. The proposed rates  
20 are modifications to the current residential default service rates and will have no  
21 impact with respect to procurement.

22  
23 **Q. How many residential customers are pre-enrolled in the TOU pilot**  
24 **programs?**

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<sup>5</sup> The Commission initially ordered that the supplemental filings be submitted September 30 of each year. Since customer data would not be available until after that date each year, the Company petitioned and the Commission approved that the supplemental filings be submitted by November 30 each year.

1 A. Approximately 1,200 customers are pre-enrolled in the Time-of-Week program  
2 that is designed to encourage customers to reduce weekday consumption.  
3 Approximately 100 customers are pre-enrolled in the Time-of-Day program that  
4 encourages customers to manage their electricity costs in response to on-peak and  
5 off-peak default service pricing.

6

7 **Q. Are the TOU pilot programs part of the Company's Energy Efficiency and  
8 Conservation program?**

9 A. No. The TOU pilot programs are stand-alone programs.

10

11 **Q. Does the Company currently have in effect any TOU rates other than those  
12 for the TOU pilot programs?**

13 A. No. The Company has no other TOU tariff rates.

14

15 **Q. Will the proposed TOU pilot program rates be reconciled?**

16 A. No. The Company does not propose to reconcile these rates. These residential  
17 rates will be in effect during the Company's current POLR V plan that terminates  
18 May 31, 2013. Since the current residential rates are a fixed rate, non-  
19 reconcilable, flat supply charge per kWh, the proposed TOU rates will not be  
20 reconciled.

21

22 **Q. Is the Company proposing TOU rates in this proceeding?**

1 A. No, primarily for two reasons. First, because of the timing of the current TOU  
2 pilot programs and the results from those pilot programs, the Company is not in a  
3 position to make a well-formed proposal at this time.  
4 Second, there is very little opportunity to offer TOU rates through 2013 because  
5 of the limited capabilities of the current meter reading infrastructure to support  
6 TOU rates. Under the current smart meter plan, 3,000 smart meters are estimated  
7 to be installed by year end 2013 and an additional 53,000 in 2014 for a total of  
8 56,000 smart meters installed by year end 2014. The Company believes a  
9 meaningful number of smart meters must be installed to attract and obtain  
10 reasonable proposals for TOU rate offerings from EGSs.

11

12 **Q. What action is the Company proposing in this proceeding in regard to TOU**  
13 **rates?**

14 A. The Company believes that input and guidance from the customer is essential for  
15 TOU rates to be accepted in the market. While the Company has submitted a  
16 proposed TOU program design based on market research, it is only in the early  
17 stages of testing how customers actually respond to the program design and rate  
18 design. The Company will not be able to evaluate customer response to the two  
19 pilot programs until the fourth quarter of this year. It may be determined that  
20 customers have no interest in TOU rates, or may have interest in other options  
21 (e.g. peak time rebates).  
22 Accordingly, the Company proposes a step-by-step plan to evaluate TOU options  
23 based on the input it receives from various initiatives:

- 1           • Evaluation of the TOU pilot programs from June 2012 to September 2012.  
2           Customer response to communications and prices as well as their feedback  
3           once the pilot programs are complete will be used to develop plans for future  
4           TOU programs.
- 5           • The Company will be submitting its Smart Meter Implementation Plan report  
6           by June 30, 2012. That report will provide more detail on the deployment of  
7           smart meters and the capabilities of the smart meter infrastructure. Plans for  
8           TOU rates will be aligned with the final deployment schedule defined in that  
9           filing.
- 10          • The Company believes TOU rate offerings should be provided by EGSs and  
11          therefore EGSs should have a role in TOU design. In that regard, the  
12          Company will evaluate TOU procurement options through an RFP with EGSs  
13          as one option as it proceeds with its fall 2012 procurement plan for residential  
14          customers. Accordingly, the Company has included a provision in the SMA  
15          to address potential TOU rate offerings during the term of this default service  
16          plan through May 31, 2015.<sup>6</sup>
- 17          • The second TOU Plan supplemental filing will be submitted November 30,  
18          2012. In addition to submitting customer response to the first two pilot  
19          programs in effect June 1, 2012 to September 30, 2012, that filing will also  
20          include plans, if appropriate, for a third TOU pilot beginning in June 2013.

21

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<sup>6</sup> Currently, Duquesne Light plans to have wholesale default service suppliers provide the supply for the TOU program. In addition, Duquesne Light has retained the option to put the TOU supply out for competitive bid to EGSs.

1 The outcome of these four initiatives will provide additional clarity for future  
2 TOU plans. As a practical matter, given limited smart meter deployment, the  
3 Company does not anticipate a robust TOU residential plan until the second  
4 quarter of 2014 at the earliest, just prior to the start of the second year of the  
5 proposed default service plan. Similarly, the Company is only just beginning  
6 research into small C&I customer interest in TOU rates and does not anticipate  
7 TOU rates until the second quarter of 2015 at the earliest.

8

9

## V. COST RECOVERY

10 **Q. What types of costs does the Company anticipate it will incur in this**  
11 **proceeding?**

12 A. The Company expects to incur four types of costs related to this proceeding.  
13 These costs include:

- 14 1. The default service plan filing costs.
- 15 2. The cost to conduct the RFPs.
- 16 3. The cost to implement the Opt-In EGS Service Program.
- 17 4. The cost to implement the Standard Offer Customer Referral Program.

18

19 **Q. How does the Company propose to recover the default service plan filing**  
20 **costs?**

21 A. The default service plan filing costs are consulting fees and counsel fees  
22 necessary to prepare, defend, obtain Commission approval and implement the  
23 Company's proposed plan. The Company proposes to recover these costs as an

1           amortized expense through its distribution rates. This is the same method by  
2           which the Company is recovering the filing costs of its current POLR V default  
3           service plan.

4  
5   **Q.    How does the Company propose to recover the costs associated with**  
6   **conducting the RFPs for each of the customer classes?**

7   A.    As described above in Section I, the Company will recover the costs associated  
8           with conducting the RFPs in the build-up of the retail rates for each of the  
9           procurement groups. Costs and revenue will be tracked separately for each  
10          procurement group to ensure no cross-subsidy occurs.

11  
12   **Q.    How does the Company propose to recover the costs associated with**  
13   **implementing the Opt-In EGS Service Program?**

14   A.    The Company's high level cost estimate to implement this program \$355,000.  
15           This cost estimate assumes a June 2013 start-up, a one-time offer, no new hires,  
16           mailing costs and an estimate for Technology O&M costs. The cost estimate for  
17           the Opt-In EGS Service Program excludes an estimate for the cost of changes  
18           associated with Technology capital, IVR, and facilities charges. The Company  
19           proposes to recover all costs to implement the Opt-In EGS Service Program  
20           directly from the winning EGSs. If there are no winning bidders, the Company  
21           proposes to recover all costs incurred through May 31, 2013 to offer the Opt-In

1 EGS Service Program through an increase to the purchase of receivables (“POR”)  
2 administrative discount for the residential customer class.<sup>7</sup>

3

4 **Q. How does the Company propose to recover the costs associated with**  
5 **implementing the Standard Offer Customer Referral Program (“Standard**  
6 **Offer Program”)?**

7 A. The Company estimates the cost to implement this program to be \$2,056,000.  
8 This cost estimate assumes a June 2014 start-up, a monthly recurring offer into  
9 2015 and 20 new full time hires to support the program. The cost estimate for the  
10 Standard Offer Program excludes an estimate for the cost of changes associated  
11 with Technology, IVR, mailings and facilities charges. The Company proposes to  
12 recover all costs incurred to implement and maintain the Standard Offer Program  
13 through an increase to the POR administrative discount applicable to the  
14 residential customer class.

15

16 **Q. Why does the Company propose to recover the costs associated with**  
17 **implementing the Standard Offer Program through the POR discount rather**  
18 **than charge the winning EGS?**

19 A. The Company will incur significant costs to implement the Standard Offer  
20 Program. The Company is concerned that there may be no winning EGS or that  
21 EGSs may decline to bid if they are required to absorb the entire cost incurred by  
22 the Company to implement the program. Recovering the costs through the POR

---

<sup>7</sup> This cost estimate is intended only to provide an order of magnitude of Opt-In EGS Service Program costs. A detailed cost estimate will be developed once final Program scope and design are determined.

1 administrative discount will result in a smaller adjustment across all EGSs  
2 supplying the residential customer class segment. Also, Standard Offer Program  
3 suppliers could potentially enter and exit the program during the course of the  
4 program, making it more difficult to allocate costs over time. I note that the  
5 Commission's March 2 Final Order encourages EDCs to recover standard offer  
6 program costs through the POR discount. *Investigation of Pennsylvania's Retail*  
7 *Electricity Market's Intermediate Work Plan*, Docket No. I-2011-2237952, Order  
8 entered March 2, 2012, p. 32.

9  
10 **Q. Is the Company proposing to recover New/Moving Customer Referral**  
11 **Program ("New/Moving Program") costs in this proceeding?**

12 A. In the Commission's Order adopted March 1, 2012 at Docket No. I-2011-  
13 2237952, the New/Moving Program is expected to be implemented no later than  
14 the fourth quarter of 2012 (Order, page 20 and paragraph 7, page 104). The  
15 Company will incur costs considerably earlier than the start of the proposed  
16 default service plan, June 1, 2013. The Company requests approval to defer  
17 recovery of the costs associated with the New/Moving Program, and recover any  
18 costs it incurs in 2012 and 2013 for this program in its next distribution rate case  
19 proceeding. The Company proposes to amortize recovery of these costs over the  
20 same period used to recover the default service plan filing costs. After 2013, the  
21 incremental costs will be recovered through base rates. This is consistent with the  
22 Commission's Order that incremental costs should be recovered via the normal  
23 EDC call center cost recovery mechanism (Order, page 19).

1

2 **Q. Have you prepared an exhibit that summarizes the cost estimates and the**  
3 **cost recovery associated with the proposed default service plan?**

4 A. Yes. Exhibit WVP-3 provides a summary of the scope, estimated cost and cost  
5 recovery mechanism for each item. As noted, these are preliminary cost estimates  
6 that are subject to change based on final plan design and implementation.

7

8 **Q. What are the current discount rates for the POR program?**

9 A. The POR program is described in rule 12.1.7 of the EGS tariff. The current  
10 discount rates are as follows:

- 11 • Residential and small C&I customers (<25 kW): 0.52% comprised of 0.42%  
12 for uncollectible expenses and 0.10% for ongoing operating and administrative  
13 expenses.
- 14 • Medium C&I customers (>25 kW up to 300 kW): 0.28% comprised of 0.18%  
15 for uncollectible expenses and 0.10% for ongoing operating and administrative  
16 expenses.

17

18 **Q. Is the Company proposing adjustments to the POR rules at this time?**

19 A. Yes. Since the Company is proposing to recover the residential standard offer  
20 EGS referral program expense from EGSs serving residential customers, it is  
21 necessary to adjust the categories of POR customer groups. It is also necessary to  
22 adjust the POR administrative discount for the residential customer group to  
23 recover the cost of the Standard Offer Customer Referral Program. The Company

1 proposes to increase the residential POR administrative discount from 0.10% to  
2 1.10% for the two year period of the default service plan to recover the cost of the  
3 Standard Offer Customer Referral Program.

4 The Company proposes to split the residential and small C&I discount rate into  
5 two categories effective June 1, 2013. The Company has revised the EGS tariff  
6 Rule 12.1.7.2 to separately identify POR discounts for residential, small C&I and  
7 medium C&I customer classes as follows:

- 8 • Residential: 1.52% comprised of 0.42% for uncollectible expenses and 1.10%  
9 for ongoing operating and administrative expenses.
- 10 • Small C&I customers (<25 kW): 0.52% comprised of 0.42% for uncollectible  
11 expenses and 0.10% for ongoing operating and administrative expenses.
- 12 • Medium C&I customers ( $\geq$  25 kW up to 300 kW): 0.28% comprised of 0.18%  
13 for uncollectible expenses and 0.10% for ongoing operating and administrative  
14 expenses.

15  
16 **Q. How did the Company determine the proposed residential administrative**  
17 **discount?**

18 A. The current administrative discount was established in the settlement for the  
19 current default service plan (Joint Petition for Settlement, Docket No. P-2009-  
20 2135500, paragraph 24, page 8). Since the Company will incur costs prior to the  
21 June 2014 standard offer referral program start date, the Company proposes to  
22 recover the cost of the Standard Offer Customer Referral Program over the two  
23 year default service plan. The Company proposes to add an incremental

1 percentage discount to the pre-established discount to recover the cost of the  
2 Standard Offer Customer Referral Program. The incremental percentage discount  
3 would be derived by dividing total program costs by two, then dividing by  
4 residential EGS consolidated billing revenue. Residential EGS consolidated  
5 billing was \$104.7M for the 12 months ending January 2012. Therefore, the  
6 incremental discount would be  $[(\$2.056\text{M}/2)/\$104.7\text{M}] = 1.0\%$ . This would  
7 make the total residential administrative discount 1.10% (0.1% + 1.0%). The  
8 Company proposes to submit an adjusted residential POR administrative discount  
9 in the EGS tariff supplement for Commission approval as part of the compliance  
10 filing in this proceeding when final costs for the Standard Offer Customer  
11 Referral Program are known. The Company would leave this incremental  
12 administrative discount in place until all Standard Offer Customer Referral  
13 Program costs are recovered, at which time the administrative discount would be  
14 changed to 0.1%.<sup>8</sup>

## 16 **VI. RECONCILIATION**

17 **Q. What is your understanding of the requirements in the Commission's Order**  
18 **in regard to reconciliation of default service rates?**

19 A. The Commission's Order regarding Investigation of Pennsylvania's Retail  
20 Electricity Market: Recommendations Regarding Upcoming Default Service  
21 Plans, entered December 16, 2011, at Docket No. I-2011-2237952 states:

---

<sup>8</sup> As previously described, the Company would also recover Opt-In EGS Referral Program costs through the POR administrative discount if necessary. The incremental discount would remain in place until Opt-In EGS Referral Program costs are fully recovered.

1 The Commission recognizes the argument that semi-annual rate  
2 adjustment may create rates that are less market-reflective. Further, the  
3 Commission agrees that longer reconciliation periods may help to smooth  
4 out over/under collections and therefore keep default rates more market-  
5 reflective. Therefore, the Commission will consider quarterly, as well as  
6 semi-annual or annual reconciliation periods in future default service  
7 proceedings.

8  
9 The Commission also finds merit in the comments that the method of  
10 calculation of reconciled amounts may also have contributed to the  
11 volatility of reconciliation adjustment amounts to the generation and  
12 transmission bills. Therefore, EDCs are asked to include in their default  
13 service filings a clear description of how quarterly changes in supply  
14 charges will be calculated, adjusted, reconciled, and how various  
15 components of the default service costs will be allocated among default  
16 service customer rate classes.

17  
18 Based on our review of the comments, we will amend our tentative  
19 recommendation to only encompass reconciliations. As such, the  
20 Commission recommends that EDCs contemplate the incorporation of  
21 quarterly, semi-annual and/or annual default service rate over/under  
22 collection reconciliations within their next default service plans, and  
23 include more detailed information on how supply charges will be  
24 calculated for default service customers. (Order, page 54-55)  
25

26 **Q. What reconciliation period is the Company proposing in its Default Service**  
27 **Plan?**

28 A. The Company proposes a one year period from March 1 through February 28 (or  
29 29<sup>th</sup> for a leap year) of the following year as the reconciliation period for default  
30 service supply for all procurement groups. The annual reconciliation period  
31 would compare the actual default service revenues and expenses for the period  
32 March through February with the resulting over/under collection to be reflected in  
33 rates in the subsequent June through May period. In addition, the Company will  
34 estimate its over or undercollections for the March through May period and  
35 include this estimate in rates to become effective on June 1 of each year. This is

1 the same period and same process used for reconciliation of the Transmission  
2 Service Charges (“TSC”). The TSC is the other element of the PTC and would  
3 allow the Company to align the over/under collection recovery with the PJM  
4 planning year as well as the default service periods. As with the TSC, the  
5 Company would submit the reconciliation filing by March 31 each year to allow  
6 time for the adjustment to be reflected in the build-up of the default service rates  
7 effective June 1 of each year.<sup>9</sup>

8  
9 **Q. What timing does Duquesne propose for the over/under reconciliation?**

10 A. If the proposed annual reconciliation period is approved, then Duquesne’s first  
11 reconciliation would be based on the period of June 1, 2013 through February 28,  
12 2014 for the residential class customers. The small and medium C&I  
13 reconciliation periods will be one month longer from May 1, 2013 through  
14 February 28, 2014 to synchronize current period reconciliation with the next  
15 default service plan.

16  
17 **Q. Does the Company have any transition issues between its current and  
18 proposed default service plan as it relates to over/under collections?**

19 A. No. For the residential and lighting classes, the current default service rates are a  
20 fixed price, flat supply charge per kWh through May 31, 2013. Therefore, there is  
21 no transition issue with regard to the over/under amounts from the current default  
22 service plan. The initial reconciliation period in this proceeding is proposed to be

---

<sup>9</sup> Large C&I rate class rates are a pass through of day ahead hourly price rates and will continue with reconciliation handled through the PJM process.

1 less than twelve months (June 2013 to February 2014) in order to synchronize the  
2 reconciliation process with the June through May PJM planning year.

3 Small and medium C&I default service rates are currently procured through full  
4 requirements RFPs. Reconciliation of actual revenue and expense under the  
5 current default service plan will end April 2013. The Company proposes to  
6 continue this current reconciliation process through the end of the current default  
7 service period. Similar to the process for residential and lighting class rates, the  
8 first reconciliation period for actual revenue and expense will be less than a 12  
9 month period, from May 2013 to February 2014, to synchronize with the PJM  
10 planning year.

11  
12 **Q. Would a more frequent reconciliation have a meaningful impact and make  
13 the PTC closer to market prices?**

14 A. No. The over/under collection component of the rate has ranged +/- 0.03  
15 cents/kWh since the Company started the RFP process for medium C&I  
16 customers. The Company does not anticipate meaningful variations since default  
17 service supply will be obtained through full requirements contracts.

18  
19 **VII. MARKET ENHANCEMENT ISSUES**

20 **Q. What is your understanding of how the PTC should be presented on  
21 customer bills?**

22 A. In its order adopted March 1, 2012 at Docket No. I-2011-2237952, the  
23 Commission provided the following disposition on PTC:

1 To summarize our guidance, the Commission expects EDCs to present  
2 PTC information on the bills of all customers in the following manner:

- 3
- 4 • The PTC for the customer’s rate class; or a customer-specific PTC for  
5 those EDCs and rate classes where the EDC has previously committed to  
6 provide a customer-specific PTC. The price should be labeled “Price To  
7 Compare.” If the PTC varies within a rate class as a function of usage  
8 characteristics, a customer-specific PTC should be provided;
  - 9 • A statement indicating that the PTC will vary with an indication of the  
10 frequency of the variability;
  - 11 • A reference to [www.PAPowerSwitch.com](http://www.PAPowerSwitch.com) and [www.oca.state.pa.us](http://www.oca.state.pa.us) as a  
12 source for more information (space permitting).
- 13

14 The following examples illustrate how this information could be presented  
15 on a customer’s bill:

16  
17 **Your Price To Compare for your rate class is X.XXX per kWh through**  
18 **\_/\_/\_. This will change quarterly. For more information and supplier**  
19 **offers visit [www.PAPowerSwitch.com](http://www.PAPowerSwitch.com) and [www.oca.state.pa.us](http://www.oca.state.pa.us).”**

20  
21 **Your Price To Compare for your rate class is X.XXX per kWh. This will**  
22 **change in March, June, October and January. For more information and**  
23 **supplier offers visit [www.PAPowerSwitch.com](http://www.PAPowerSwitch.com) and [www.oca.state.pa.us](http://www.oca.state.pa.us).”**  
24 **(Order, page 93-94)**

25 **Q. How does the Company currently present the PTC on customer bills?**

26 A. The Company presents a rate class average PTC on all customer bills it generates  
27 except for large C&I customers. Residential PTC is customer-specific as there is  
28 no difference between rate class average and customer specific PTCs. Small and  
29 Medium C&I customer PTCs do vary by customer because of the demand charges  
30 in the transmission rates in the TSC, and the Company notes this on the customers  
31 bills. Large C&I customers do not have a PTC because they are on day-ahead  
32 hourly price service and the supply charges change hourly. The Company  
33 currently does not have the ability to prepare customer-specific PTCs. The  
34 following message is presented on a residential customer bill:

1 For comparison to other electric suppliers—your supply/generation and  
2 transmission Price to Compare is X.XX cents/kWh.

3  
4 The following message is presented on small and medium C&I customer bills:

5 Small C&I Customers: Your class average Price to Compare is X.XX  
6 cents/kWh. Your actual Price to Compare may differ based on your specific  
7 demand and usage patterns.

8  
9 Medium C&I Customers: Your class average Price to Compare is X.XX  
10 cents/kWh. Your actual Price to Compare may differ based on your specific  
11 demand and usage patterns.  
12

13 **Q. How does the Company plan to present the PTC customer bills in the**  
14 **proposed default service plan?**

15 A. Effective June 1, 2013, the Company proposes to include the following on  
16 customer bills for each procurement group:

17 Residential & Lighting: “The Price to Compare for your rate class is X.XX  
18 cents per kWh. This will change every June. For more information and  
19 supplier offers visit [www.PAPowerSwitch.com](http://www.PAPowerSwitch.com) and [www.oca.state.pa.us](http://www.oca.state.pa.us).”  
20

21 Small & Medium C&I: “The Price to Compare for your rate class is X.XX  
22 cents per kWh. This will change every June and December. Your actual Price  
23 to Compare may differ based on your specific demand and usage patterns. For  
24 more information and supplier offers visit [www.PAPowerSwitch.com](http://www.PAPowerSwitch.com)”  
25

26 Large C&I: “A Price to Compare for your rate class is not calculated because  
27 the supply rates change hourly and the charges are dependent on your load in  
28 those hours. Please see Rider No. 9, Day-Ahead Hourly Price Service in our  
29 tariff. The tariff may be found at [www.duquesnelight.com](http://www.duquesnelight.com).”  
30

31 **Q. Will the Company present customer-specific PTCs on customer bills?**

32 A. Since the class average and customer-specific PTCs are the same for its 530,000  
33 residential customers, Duquesne Light will effectively provide customer-specific  
34 PTCs for the vast majority of its customers. However, as noted in the Company’s  
35 comments to the Commission in the RMI Investigation, the Company believes

1 that inclusion of customer-specific PTCs for Small and Medium C&I customers is  
2 too burdensome (March 2 Intermediate Work Plan Order, page 88). The  
3 requirement for customer-specific PTC would affect approximately 32,000 Small  
4 and Medium C&I customers subject to transmission demand charges stated in  
5 Appendix A, Transmission Service Charges, of the Company's retail tariff. For  
6 these reasons, the Company plans to use a class average PTC and the above  
7 language for small and medium C&I customers.

## 8 9 **VIII. TARIFF CHANGES**

10 **Q. Have you prepared a form of retail tariff supplement that contains changes**  
11 **necessary to implement the Company's proposed default service plan?**

12 A. Yes. Exhibit WVP-4 contains the necessary changes to the rate schedules and  
13 applicable riders to implement the proposed default service plan. Exhibit WVP-5  
14 is a red-line version of the current retail tariff reflecting the proposed changes in  
15 Exhibit WVP-4.

16  
17 **Q. In general, what are the changes the Company is proposing to the tariff?**

18 A. These proposed changes are necessary to implement the proposed default service  
19 plan and recover costs. In general, the Company proposes to refine two rules and  
20 a rider to reflect current business operation; change the presentation of supply  
21 charges in the residential and lighting rate schedules as well as in Rider No. 8,  
22 Default Service Supply, to reflect the RFP procurement; eliminate of Rider No.

1 19, Off-Peak Water Heating; and revised the content of Appendix A,  
2 Transmission Service Charges, to reflect the proposed procurement process.

3  
4 **Q. Please describe the proposed changes to the rules in the retail tariff to reflect**  
5 **business operation.**

6 A. The language in Rule No. 4 has been revised to eliminate legacy charges of past  
7 special contracts that were entered into prior to customer choice and are no longer  
8 in effect. In addition, the Company has not billed these charges for over four  
9 years. The language in Rule 21.2 has been refined to reflect payment priority of  
10 partial payments. Rider 21 has been revised to clarify the procedures for net  
11 metering when a customer shops and has a net metering arrangement with an  
12 EGS.

13  
14 **Q. Please describe the proposed changes to the residential and lighting rate**  
15 **schedules.**

16 A. The residential and lighting rate schedules include RS, RH, RA, AL, SE, SM, SH  
17 and PAL. Supply Charges are moved from each rate schedule to Rider No. 8,  
18 Default Service Supply. This change is proposed to reflect that default service  
19 supply for these rate schedules will be obtained through competitive RFPs.  
20 Changes to the language in the “Electric Charges” section of each rate schedule  
21 are made to support the removal of supply charges. These changes make the  
22 language in these rate schedules consistent with the language in rate schedules

1 GS/GM and GMH since default service supply is obtained through competitive  
2 RFPs.

3

4 **Q. Please describe the proposed changes to Rider No. 8, Default Service Supply.**

5 A. Rider No. 8 currently defines the default service rates and process for customers  
6 on rate schedules GS/GM and GMH. Several changes are proposed for Rider No.  
7 8 to implement the Company's proposed default service plan. First, Rider No. 8  
8 is revised to reflect the addition of the residential and lighting classes to this rider  
9 and the timing of the changes in rates resulting from competitive RFPs. Second,  
10 revisions are necessary to reflect recovery of ancillary services and PJM grid  
11 management charges through default service rates rather than through retail  
12 transmission rates. Finally, changes are made to reflect the reconciliation period  
13 of March through February for all procurement groups as described above.

14

15 **Q. Please describe the proposed changes to Rider No. 19, Off-Peak Water  
16 Heating Service.**

17 A. Rider No. 19, Off-Peak Water Heating Service was created in the 1990s as a  
18 means to offer residential customers an off-peak water heating alternative. The  
19 Company created an off-peak rate for a prescribed number of kWh deemed  
20 appropriate for the size of tank installed. The off-peak peak period was created  
21 prior to restructuring, prior to the Company joining PJM, and prior to interval  
22 metering being an option for residential customers. The timer for the heating  
23 elements of the tank was programmed to operate during the off-peak period.

1 While the tank had a lifetime warranty, the controls did not and since inception,  
2 most timers have broken and replacement alternatives are not available.  
3 Approximately 133 customers are on this rider. Since the Company is moving to  
4 rates through an RFP and since most of the timers are inoperable, the Company is  
5 proposing to eliminate Rider No. 19, In addition, the Company feels that a more  
6 appropriate approach would be to implement such a program when TOU rates are  
7 available.

8

9 **Q. Please describe the proposed changes to Appendix A, Transmission Service**  
10 **Charges.**

11 A. The TSC is revised to reflect that ancillary services and PJM grid management  
12 (administrative) charges will be the responsibility of the winning bidders in the  
13 RFP and recovered through default service supply rates described in Rider No. 8  
14 instead of through transmission rates.

15

16 **Q. Have you prepared a form of an Electric Generation Supplier Coordination**  
17 **Tariff (“EGS Tariff”) supplement that contains changes necessary to**  
18 **implement the Company’s proposed default service plan?**

19 A. Yes. Exhibit WVP-6 contains the necessary changes to the rules in the tariff to  
20 implement the proposed default service plan. Exhibit WVP-7 is a red-line version  
21 of the current EGS tariff reflecting the proposed changes in Exhibit WVP-6.

22 **Q. In general, what are the changes the Company is proposing to the EGS**  
23 **Tariff?**

1 A. The Company is proposing administrative changes to update language to align  
2 with current business operation and for the changes to the POR discount described  
3 above.

4

5 **Q. Please describe the proposed changes to the rules in the EGS Tariff to reflect**  
6 **business operation.**

7 A. The administrative changes may be summarized as follows. Definitions and  
8 language in the rules such as Rule 5.1 in regard to operation with PJM have been  
9 updated to align and be consistent with current PJM business practice. All  
10 references to “POLR” have been changed to “default service”. The language in  
11 several rules such as Rule 3.1, 4.14 and 5.2, has been revised to eliminate  
12 language pertaining to initial customer choice and to address Y2K issues. Finally,  
13 Rule 14.5 has been eliminated to delete reference to language in effect during past  
14 default service plans regarding a Generation Rate Adjustment.

15

16 **Q. Please describe the proposed changes to the rules in the EGS Tariff update to**  
17 **the Purchase of Receivables rules.**

18 A. Rule 12.1.7 describes the details of the proposed POR program and has been  
19 revised to eliminate provisions of past POR programs.  
20 Rule 12.1.7.2, Purchase Price Discount, is revised to reflect the three customer  
21 groups and address recovery of retail market enhancements for the standard offer  
22 referral program costs as discussed above.

1 Rule 12.1.7.5, Transfer of Collection Responsibilities and Rights, is revised to  
2 reflect full collection activities for consolidated billing customers. The current  
3 tariff language allows the Company to conduct collection activities and terminate  
4 service, if necessary, for the non-payment of the EGS receivables up to the  
5 amount the customer would have been billed if the customer had received POLR  
6 supply from Duquesne Light. Duquesne Light is proposing as part of this filing to  
7 revise the tariff to allow for the termination of service for the entire portion of the  
8 EGS receivable. This change allows the Company to mitigate any risk associated  
9 with the non-payment of an accounts receivable it purchases. Additionally, this  
10 change is consistent with the tariffs of the gas and electric utilities that offer a  
11 purchase of receivables program.

12  
13 **Q. Does this conclude your direct testimony?**

14 **A. Yes, it does.**

1 **Appendix A**

2  
3 **William V. Pfrommer**

**Rate and Regulatory Proceedings**

4 **Pennsylvania Public Utility Commission:**

5 Docket No. R-2010-2179522 – Distribution Base Rate Case

6 Docket No. P-2009-2135500 - Provider of Last Resort (POLR V)

7 Docket No. M-2009-2093217 - Act 129 Energy Efficiency and Conservation and  
8 Demand Response Plan

9 Docket No. M-2009-2123948 - Act 129 Smart Meter Procurement and Installation  
10 Plan

11 Docket No. P-00072247 - Provider of Last Resort (POLR IV)

12 Docket No. R-00061346 – Distribution Base Rate Case

13 Docket No. P-00032071 - Provider of Last Resort (POLR III)

14  
15 **Federal Energy Regulatory Commission:**

16 Docket No. ER08-1309-000 – Changes to the MISO Open Access Transmission  
17 Tariff to integrate the Company into the Midwest Independent System  
18 Operator, Inc.

19 Docket No. ER05-85-000 – Changes to the PJM Open Access Transmission Tariff  
20 to integrate the Company into the PJM Interconnection, L.L.C.

21  
22 **Other:**

23 Cause No. 42416, Filed April 14, 2003, Indiana Utility Regulatory Commission –  
24 Petition of Utility Center, Inc., d/b/a AquaSource

25 Cause No. 41968, Filed March 30, 2001, Indiana Utility Regulatory Commission –  
26 In the Matter of Utility Center, Inc., d/b/a AquaSource

27 Docket Nos. 2000-1074-UCR and 2000-1075-UCR, Filed June 15, 2000 – Texas  
28 Natural Resource Conservation Commission, Applications of AquaSource  
29 Utility, Inc. to Change its Water and Sewer Tariffs and Rates

**Duquesne Light Exhibit WVP – 1**

**Duquesne Light Company  
 Default Service Supply Plan - June 1, 2013 to May 31, 2015  
 Derivation of Factors for Class Rate Determination**

<b>Capacity</b>		<u>Residential</u>	<u>Lighting</u>
1	2011 Capacity Obligation (MW-day)	464,166	0
2	2011 Load (MWH)	4,541,569	64,384
3	Capacity Price (\$/MW-day) (1)	2013-2014	\$27.73
4		2014-2015	\$125.94
5	Capacity Price (\$/MWH)	2013-2014	\$2.83
6		2014-2015	\$12.87

<b>Energy</b>		<u>Residential</u>	<u>Lighting</u>
7	2011 Load-Weighted LMP (\$/MWH)	\$42.60	\$34.84

<b>Capacity + Energy</b>		<u>Residential</u>	<u>Lighting</u>	<u>Total</u>
8	2013-2014	\$45.43	\$34.84	\$45.28
9	2014-2015	\$55.47	\$34.84	\$55.18

<b>Rate Factors</b>		<u>Residential</u>	<u>Lighting</u>
10	2013-2014	<b>1.0033</b>	<b>0.7693</b>
11	2014-2015	<b>1.0052</b>	<b>0.6313</b>

1/ From base residual auction.

**Duquesne Light Exhibit WVP – 2**

**Duquesne Light Company  
Default Service Supply Plan - June 1, 2013 to May 31, 2015  
Illustrative Rate Design Example Using Class Rate Factors (1)**

				<u>Comment</u>
1	RFP Weighted Average Bid Price (\$/MWh)		\$50.00	For illustrative purposes.
2	Line Losses - T & D			
3	Price Adjustment for Losses (\$/MWh)	6.90%	\$3.45	Residential and lighting class line losses per EGS tariff.
4	Wholesale Price Adjusted for Losses (\$/MWh)		\$53.45	
5	Forecast POLR Sales (MWh)	2,000,000		Forecast residential and lighting sales June 2013-May 2014. for illustrative purposes.
6	Outside Services Fees Outside Services Adder (\$/MWh)	\$20,000	\$0.010	Fees to conduct RFP's. Illustrative amount.
7	Market Monitor Fees			
8	Market Monitor Adder (\$/MWh)	\$30,000	\$0.015	Allocated fees. Illustrative amount.
9	(Over)/Under Reconciliation (\$/MWh)		\$0.00	
10	Adjusted Wholesale Price (\$/MWh)		\$53.48	
11	Adjusted Wholesale Price (\$/MWh)		\$53.48	
12	Rate Factor		1.0000	
13	Adjusted Wholesale Price for Rate Factor (\$/MWh)		\$53.48	
14	TOU Adjustment	\$828,000		
15	TOU Adder		\$0.414	For residential class only.
16	Rate Factor Adjusted Price (\$/MWh)		\$53.89	
17	PA GRT @ 5.9%		\$3.38	
18	Total Retail Rate (\$/MWh)		\$57.27	
19	RFP Retail Supply Rate (Cents/kWh)		5.727	

1/ Example shown for 2013-2014 effective rate period. The 2014-2015 rate factors in Exhibit WVP-1 will be used for the 2014-2015 rate effective period.

**Duquesne Light Exhibit WVP – 3**

**Duquesne Light Company**

**Default Service Plan June 1, 2013 to May 31, 2015**

**Estimated Default Service Program Costs (1)**

**Exhibit WVP-3**

<u>Line</u>	<u>Item</u>	<u>Scope of Work</u>	<u>Recovery Mechanism</u>	<u>Estimated Costs</u>
1	Filing Preparation	Consulting services and outside counsel to prepare filing	Distribution Rates	\$2,500,000
2	Conduct RFP	Consulting services to conduct RFP (recurring)	Default Service Rates	\$50,000
3	Market Monitor	Consulting services for RFP evaluation (recurring)	Default Service Rates	\$50,000
4	Opt-In EGS Service Program	June 2013 start-up; 3 minutes per call; use part time resources, mailing (2)	Winning EGS Bidders	\$355,000
5	Standard Offer Customer Referral Program	June 2014 start-up; 6 minutes per call; 20 FTE new hires (3)	POR (Residential Administrative Discount)	\$2,056,000

1/ All costs subject to change depending on final order and implementation costs.

2/ Excludes costs associated with changes to Technology capital, IVR, HR and facilities charges.

3/ Excludes costs associated with changes to Technology, IVR, mailings, HR and facilities charges.

**Duquesne Light Exhibit WVP – 4**

Exhibit WVP-4

SUPPLEMENT NO. XX  
TO ELECTRIC – PA. P.U.C. NO. 24



# SCHEDULE OF RATES

For Electric Service in Allegheny and Beaver Counties

(For List of Communities Served, see Pages No. 4 and 5)

Issued By

**DUQUESNE LIGHT COMPANY**

411 Seventh Avenue  
Pittsburgh, PA 15219

**Richard Riazzi**  
President and Chief Executive Officer

ISSUED: XXXXX XX, XXXX

EFFECTIVE: June 1, 2013

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# NOTICE

**THIS TARIFF SUPPLEMENT MAKES CHANGES TO THE TABLE OF CONTENTS, RULES AND REGULATIONS, RATE SCHEDULES, RIDERS AND AN APPENDIX**

See Page Two

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**LIST OF MODIFICATIONS MADE BY THIS TARIFF****CHANGES****Table of Contents****Nineteenth Revised Page No. 3  
Cancelling Eighteenth Revised Page No. 3**

Page No. 2A, Page No. 2B, Page No. 2C, Page No. 2D and Page No. 2E were added to the Tariff.

Original Page No. 88D was added to the Tariff.

Original Page No. 112A was added to the Tariff.

Rider No. 19 – Off-Peak Water Heating Service. This Rider is being removed from the Tariff in-line with the Company's move to a competitive procurement process for default supply service.

**Rules and Regulations – Contracts, Deposits and Advance Payments  
4. Contracts****Second Revised Page No. 9A  
Cancelling First Revised Page No. 9A**

Language in Rule No. 4 has been modified to reflect current business practice in regard to the eliminate stated charges for ancillary services that were legacy charges of past special contracts no longer in effect.

**Rules and Regulations – Bills and Net Payment Periods  
21.2. Partial Payment of bills****Third Revised Page No. 24  
Cancelling Second Revised Page No. 24**

Language in Rule No. 21.2 has been modified to reflect current business practice in regard to payment priority of partial payments.

**Rate RS – Residential Service****Fifth Revised Page No. 32  
Cancelling Fourth Revised Page No. 32****Rate RH – Residential Service Heating****Fifth Revised Page No. 34  
Cancelling Fourth Revised Page No. 34****Rate RA – Residential Service Add-On Heat Pump****Fifth Revised Page No. 37  
Cancelling Fourth Revised Page No. 37****Rate AL – Architectural Lighting Service****Fifth Revised Page No. 61  
Cancelling Fourth Revised Page No. 61****Rate SE – Street Lighting Energy****Fifth Revised Page No. 64  
Cancelling Fourth Revised Page No. 64****Rate SM – Street Lighting Municipal****Fifth Revised Page No. 68  
Cancelling Fourth Revised Page No. 68****Rate SH – Street Lighting Highway****Fifth Revised Page No. 71  
Cancelling Fourth Revised Page No. 71**

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LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rate UMS – Unmetered Service  
Fifth Revised Page No. 74  
Cancelling Fourth Revised Page No.74

Rate PAL – Private Area Lighting  
Fifth Revised Page No. 76  
Cancelling Fourth Revised Page No. 76

Rider No. 8 – Default Service Supply  
Eleventh Revised Page No. 88  
Cancelling Tenth Revised Page No. 88

Second Revised Page No. 88A  
Cancelling First Revised Page No. 88A

Second Revised Page No. 88B  
Cancelling First Revised Page No. 88B

Second Revised Page No. 88C  
Cancelling First Revised Page No. 88C

Original Page No. 88D

Language has been modified in Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS, Rate PAL and Rider No. 8 to reflect the inclusion of residential customers, lighting customers and unmetered customers in the competitive procurement process for default supply service.

Rate RS – Residential Service  
Fifth Revised Page No. 32  
Cancelling Fourth Revised Page No. 32

Rate RH – Residential Service Heating  
Fifth Revised Page No. 34  
Cancelling Fourth Revised Page No. 34

Rate RA – Residential Service Add-On Heat Pump  
Fifth Revised Page No. 37  
Cancelling Fourth Revised Page No. 37

Rate AL – Architectural Lighting Service  
Fifth Revised Page No. 61  
Cancelling Fourth Revised Page No. 61

Rate SE – Street Lighting Energy  
Fifth Revised Page No. 64  
Cancelling Fourth Revised Page No. 64

Rate SM – Street Lighting Municipal  
Fifth Revised Page No. 68  
Cancelling Fourth Revised Page No. 68

Rate SH – Street Lighting Highway  
Fifth Revised Page No. 71  
Cancelling Fourth Revised Page No. 71

Rate UMS – Unmetered Service  
Fifth Revised Page No. 74  
Cancelling Fourth Revised Page No.74

## LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES**Rate PAL – Private Area Lighting**Fifth Revised Page No. 76  
Cancelling Fourth Revised Page No. 76

Language has been modified in the “Electric Charges” section of Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS and Rate PAL to reflect and support the removal of supply charges.

**Rate RS - - Residential Service**Third Revised Page No. 33  
Cancelling Second Revised Page No. 33**Rate RH – Residential Service Heating**Fourth Revised Page No. 35  
Cancelling Third Revised Page No. 35**Rate RA – Residential Service Add-On Heat Pump**Fourth Revised Page No. 38  
Cancelling Third Revised Page No. 38**Rate AL – Architectural Lighting Service**Fourth Revised Page No. 62  
Cancelling Third Revised Page No. 62**Rate SE – Street Lighting Energy**Second Revised Page No. 66  
Cancelling First Revised Page No. 66**Rate SM – Street Lighting Municipal**Fifth Revised Page No. 69  
Cancelling Fourth Revised Page No. 69**Rate SH – Residential Lighting Highway**Second Revised Page No. 72  
Cancelling First Revised Page No. 72**Rate UMS – Unmetered Service**Second Revised Page No. 75  
Cancelling First Revised Page No. 75**Rate PAL – Private Area Lighting**Fourth Revised Page No. 77  
Cancelling Third Revised Page No. 77

Language has been modified in Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS, and Rate PAL to reflect current business practice in regard to collection of late payment charges with respect to Purchase of Receivables (POR) and EGS consolidated billing.

**Standard Contract Riders  
Rider Matrix**First Revised Page No. 79A  
Cancelling Original Page No. 79A

The Rider Matrix has been modified to indicate that Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS and Rate PAL are now subject to Rider No. 8 – Default Service Supply.

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Standard Contract Riders  
Rider Matrix**

**First Revised Page No. 79A  
Cancelling Original Page No. 79A**

The Rider Matrix has been modified to indicate that Rider No. 19 – Off-Peak Water Heating Service has been removed from the Tariff.

**Rider No. 8 – Default Service Supply**

**Eleventh Revised Page No. 88  
Cancelling Tenth Revised Page No. 88**

**Second Revised Page No. 88A  
Cancelling First Revised Page No. 88A**

**Second Revised Page No. 88B  
Cancelling First Revised Page No. 88B**

**Second Revised Page No. 88C  
Cancelling First Revised Page No. 88C**

**Original Page No. 88D**

Due to the modifications to this Rider, information from the preceding page was moved from page to page respectively. Original Page No. 88D was created to accommodate the modifications.

**Rider No. 8 – Default Service Supply**

**Eleventh Revised Page No. 88  
Cancelling Tenth Revised Page No. 88**

This page has been modified to include Rate RS, Rate RH, Rate RA, Rate UMS, Rate AL, and Rate SE, and the corresponding “Application Period” and “Supply Charge - ¢/kWh for each, respectively.

The “Application Period” has been modified for Rate GS/GM and GMH – small Commercial and Industrial customers with monthly metered demand less than 25 kW.

The “Application Period” has been updated for Rate GS/GM and GMH – small Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW.

**Rider No. 8 – Default Service Supply**

**Second Revised Page No. 88A  
Cancelling First Revised Page No. 88A**

This page has been modified to include Rate SM, Rate SH, and Rate PAL and the corresponding “Application Period” and “Supply Charge - ¢/kWh for each, respectively.

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LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

**Rider No. 8 – Default Service Supply**

**Second Revised Page No. 88B  
Cancelling First Revised Page No. 88B**

Language has been modified to reflect recovery of ancillary services and PJM grid management charges through default service rates.

Language has been modified to reflect how each RFP solicitation will be handled for each customer procurement group.

**Rider No. 8 – Default Service Supply**

**Second Revised Page No. 88C  
Cancelling First Revised Page No. 88C**

Language and formula were modified to define how the rates will be calculated for the residential and lighting customer groups.

**Rider No. 8 – Default Service Supply**

**Original Page No. 88D**

Original Page No. 88D was created to accommodate the modifications to the Rider.

Language and formula were modified to define how the rates will be calculated for the residential and lighting customer groups.

Language has been modified to reflect the reconciliation period of March through February for all procurement groups.

**Rider No. 11 – Street Railway Service**

**Third Revised Page No. 95  
Cancelling Second Revised Page No. 95**

Language has been modified to reflect that there are no demand charges associated with supply charges.

**Rider No. 19 – Off-Peak Water Heating Service**

**Ninth Revised Page No. 106  
Cancelling Eighth Revised Page No. 106**

**Third Revised Page No. 107  
Cancelling Second Revised Page No. 107**

Rider No. 19 is being removed from the Tariff in-line with the Company's move to a competitive procurement process for default supply. The Pages now read: "THIS PAGE INTENTIONALLY LEFT BLANK."

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Rider No. 21 – Net Metering Service**

**Fourth Revised Page No. 111  
Cancelling Third Revised Page No. 111**

Language has been modified to clarify the procedures for crediting and/or compensating customer-generators consistent with Commission regulations.

**Rider No. 21 – Net Metering Service**

**Third Revised Page No. 112  
Cancelling Second Revised Page No. 112**

**Original Page No. 112A**

Original Page No. 112A was created to accommodate the modifications to the Rider.

Language has been modified to clarify the procedures for net metering when a customer shops and has a net metering arrangement with an EGS.

**Appendix A – Transmission Service Charges**

**Fourth Revised Page No. 114  
Cancelling Third Revised Page No. 114**

**Fourth Revised Page No. 115  
Cancelling Third Revised Page No. 115**

**Fifth Revised Page No. 116  
Cancelling Fourth Revised Page No. 116**

Language has been modified to reflect that ancillary services and PJM grid management (administrative) charges will be the responsibility of the winning bidders in the RFP and recovered through default service supply rates instead of transmission rates.

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(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**THE ELECTRIC SERVICE TARIFF - (Continued)**

**CONTRACTS, DEPOSITS AND ADVANCE PAYMENTS**

**4. CONTRACTS – (Continued)**

**(C)**

For contracts that contain provisions governing the customer's rights under direct access, the Company will unbundle the customer's contract and the customer will be eligible to obtain electricity from an EGS only in accordance with the terms and conditions of the customer's contract. Upon expiration of their contract, special contract customers will default to Rider No. 9 - Hourly Price Service.

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**RULES AND REGULATIONS - (Continued)****BILLS AND NET PAYMENT PERIODS – (Continued)**

**21.2 PARTIAL PAYMENT OF BILLS** For customers who submit payments which are insufficient to cover all of the charges billed by the Company, including EGS charges for those customers who have selected consolidated billing, the Company will apply the payment based upon their outstanding balance, if any, and their current bill, as follows: (1) past due deposit; (2) past-due distribution charges; (3) past-due transmission and supply charges; (4) past due non-basic charges; (5) current deposit; (6) current distribution charges; (7) current transmission and supply charges; and (8) current non-basic charges. (C)

**21.3 RETURNED CHECK OR ACCESS DENIED CHARGE** If a check or access device as defined by Pennsylvania law received in payment of a Customer's account is returned to the Company unpaid by the Customer's bank and cannot be re-deposited by the Company for payment, a \$20.00 charge for the returned check will be added to the Customer's account.

**COMPANY PROPERTY ON CUSTOMER'S PREMISES**

**22. ACCESS TO PREMISES** Company representatives, who are properly identified, shall have full and free access to the customer's premises at all reasonable times for the purpose of reading Company meters, for inspection and repairs, for removal of Company property, or for any other purpose incident to the service. The customer should immediately communicate with the Company in case of any question as to the authority or credentials of Company representatives.

**23. CUSTOMER'S RESPONSIBILITY** The customer shall protect the property of the Company on the premises and shall not permit access thereto except by authorized representatives of the Company.

**24. TAMPERING** Where evidence is found that the service wires, meters, switch box or other appurtenances on the customer's premises have been tampered with, the customer shall be required to bear all costs incurred by the Company for investigations and inspections, and for such protective equipment as, in the judgment of the Company, may be necessary (including the relocation of inside metering equipment to an accessible outside location); and in addition, where the tampering has resulted in improper measurement of the electricity delivered, the customer shall be required to pay for such electric delivery service, and any Company supplied electricity, including interest at the Late Payment Charge rate, as the Company may estimate, from available information to have been used but not registered by the Company's meters.

**25. REPAIRS OR LOSSES** The customer shall pay the Company for any repairs to or any loss of the Company's property on the premises when such repairs are necessitated, or loss occasioned, by negligence on the part of the customer or failure to comply with the rules and regulations under which service is furnished.

**DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE**

**26. ARREARS** The Company upon reasonable notice may terminate electric service and remove its equipment from the premises for nonpayment of undisputed Company service charges, Company charges as the default service charges or EGS receivables purchased by the Company up to the amount that the customer would have paid under Default Service rates during the non-payment period, pursuant to Duquesne's Electric Generation Supplier Coordination Tariff Rule No. 12.1.7. When a residential customer or a residence is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service" and 66 Pa.C.S. § 1406, "Termination of Utility Service."

**RATE RS - RESIDENTIAL SERVICE**

**AVAILABILITY**

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, and general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge ..... \$7.00  
Energy Charge ..... 4.3657 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

(C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(C)

**(C) – Indicates Change**

**RATE RS - RESIDENTIAL SERVICE - (Continued)**

**MONTHLY RATE - (Continued)**

**ELECTRIC CHARGES – (Continued)**

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before twenty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period. A Late Payment Charge on a disputed bill may be reduced or eliminated by the Company, or upon order by the Commission, to facilitate payment by the disputing customer.

(C)

**SPECIAL PROVISIONS**

**RESIDENTIAL GARAGE**

A separately metered 240 volt (or less) single phase service to a detached residential garage utilized solely for storing a residential customer's vehicle(s) and that is located on the same property as the residential customer's dwelling unit will be considered residential use and may be serviced under the terms of this rate.

**RATE RH - RESIDENTIAL SERVICE HEATING**

**AVAILABILITY**

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and as the sole primary method of space heating except that the space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge ..... \$7.00

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ..... 3.2174 cents per kilowatt hour

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ..... 4.3657 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

(C)

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

**RATE RH - RESIDENTIAL SERVICE HEATING - (Continued)**

**MONTHLY RATE - (Continued)**

**ELECTRIC CHARGES – (Continued)**

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before twenty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period. A Late Payment Charge on a disputed bill may be reduced or eliminated by the Company, or upon order by the Commission, to facilitate payment by the disputing customer. (C)

**RATE RA - RESIDENTIAL SERVICE ADD-ON HEAT PUMP**

**AVAILABILITY**

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and an add-on heat pump for space heating. Other energy sources may be used to supplement the add-on heat pump provided that the supplemental energy source is thermostatically controlled to operate only when the outdoor temperature falls to at least 40<sup>0</sup> F and the add-on heat pump cannot provide the total heating requirements.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge ..... \$7.00

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ..... 0.9039 cents per kilowatt hour

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ..... 4.3657 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

(C)

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

**(C) – Indicates Change**

**RATE RA - RESIDENTIAL SERVICE ADD-ON HEAT PUMP - (Continued)**

**MONTHLY RATE - (Continued)**

**ELECTRIC CHARGES – (Continued)**

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before twenty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period. A Late Payment Charge on a disputed bill may be reduced or eliminated by the Company, or upon order by the Commission, to facilitate payment by the disputing customer. (C)

**RATE AL - ARCHITECTURAL LIGHTING SERVICE**

**AVAILABILITY**

Available for separately metered circuitry connected solely to outdoor architectural lighting equipment, with demand of 5 kilowatts or greater, to be operated during non-peak periods.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge .....	\$7.49
Demand Charge .....	\$1.40 per kilowatt
Energy Charge .....	0.1987 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

The Supply Charges for Rate AL – Architectural Lighting Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to Rate AL customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

(C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**(C) – Indicates Change**

RATE AL - ARCHITECTURAL LIGHTING SERVICE - (Continued)

MONTHLY RATE - (Continued)

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(C)

**DETERMINATION OF DEMAND**

Individual demand, except in unusual cases, will be determined by measurement of the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the billing period. Individual demands which may exceed 30 kilowatts will be adjusted for power factor by multiplying by

$$\left\{ 0.8 + \left[ 0.6 \frac{\text{Reactive Kilovolt - ampere hours}}{\text{Kilowatt - hours}} \right] \right\}$$

where such multiplier will be not less than 1.00 or more than 2.00. The Billing Demand will be the sum of the individual demands of each metered service adjusted for power factor as defined above.

**RATE SE - STREET LIGHTING ENERGY**

**AVAILABILITY**

Available for the entire electric energy requirements of municipal street lighting systems where the municipality has not less than 15,000 street lamp installations and provides for the ownership, operation, and maintenance of its own street lamp installations and takes its entire energy requirements for street lighting under this rate.

**MONTHLY RATE**

**DISTRIBUTION CHARGE**

Monthly charge per lamp.....\$3.16

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

The Supply Charges for Rate SE – Street Lighting Energy customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to Rate SE customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

(C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

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**RATE SE - STREET LIGHTING ENERGY - (Continued)****MONTHLY RATE - (Continued)****LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(C)

**SPECIAL PROVISIONS**

1. Ballasts for multiple mercury vapor street lights, when installed by the customer, shall be power factor corrected, having a power factor of not less than 90 percent. For ballasts not so corrected, the wattage of each lamp plus ballasts shall be increased by the following ratio: 90% divided by the actual power factor, expressed in percent, of the lamp plus the ballast.
2. Series street lighting circuits will be energized and de-energized in accordance with an agreed upon schedule of burning hours, except where such circuits are controlled by photo electric cells. During other hours, circuits will not be energized except upon sufficient notice to the customer.
3. On all poles, except ornamental poles used exclusively for street lighting purposes, the Company will terminate its facilities at the bracket to which the lighting fixture is attached. On ornamental poles, used exclusively for street lighting purposes, the Company will terminate its facilities at the top of the pole if served from overhead circuits or at the bottom of the pole if served from the underground system.
4. The Company, to protect continuity of service, the general public, and the safety of men engaged in work on poles, reserves the right to install insulating transformers between the Company's circuit and the wiring of the customer's installation. Where insulating transformers are installed, charges will be made therefore as herein before specified.
5. The customer upon request shall supply the Company periodically, but not more often than at six month intervals, with certified tests made by the Electrical Testing Laboratories, Inc. of New York, or a similar accredited organization, showing the mean life input in watts for each size and type of lamp, and the wattage and power factor for each size and type of mercury vapor ballast used by the customer in street lamp installations served under this rate.
6. Energy will normally be supplied under this rate by overhead circuits, but if the Company is required to supply or the customer requests delivery service from underground facilities, the specified unit charges for underground facilities will apply.

**RATE SM - STREET LIGHTING MUNICIPAL**

**AVAILABILITY**

Available for mercury vapor and high pressure sodium lighting of public streets, highways, bridges, parks and similar public places, for normal dusk to dawn operation of approximately 4,200 hours per year.

(Available for mercury vapor street lighting only where served prior to January 30, 1983, and continuously thereafter at the same location.)

**MONTHLY RATE**

**DISTRIBUTION CHARGE**

(C)  
(C)

**Monthly Rate Per Unit**

(C)

<u>Nominal Lamp Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>Distribution Charge per Unit</u>
<b>Mercury Vapor</b>		
100	44	\$13.18
175	74	\$13.46
250	102	\$13.72
400	161	\$14.26
1,000	386	\$16.41
<b>Sodium Vapor</b>		
70	29	\$13.62
100	50	\$13.73
150	71	\$13.92
250	110	\$14.29
400	170	\$14.86
1,000	387	\$17.09

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

(C)

The Supply Charges for Rate SM – Street Lighting Municipal customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to Rate SM customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

(C) – Indicates Change

**RATE SM - STREET LIGHTING MUNICIPAL - (Continued)**

**MONTHLY RATE – (Continued)**

**ELECTRIC CHARGES – (Continued)**

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**POLES**

No charge is made for wood poles used jointly for street lighting and the support of the Company's general distribution system or for tubular steel poles, trolley type, used jointly for street lighting and the support of trolley span wires.

Where the installation of one (1) or more wood poles is required to serve the customer, the customer has the option to install the pole(s) at his own expense in accordance with SPECIAL TERM AND CONDITION NO. 2 or the Company will install, own and maintain the pole(s) and bill the customer at the monthly rate of \$10.80 for each pole required.

**RATE SH - STREET LIGHTING HIGHWAY**

**AVAILABILITY**

Available for high intensity discharge lighting of state highways for normal dusk to dawn operation of approximately 4,200 hours per year where the highway lighting system acceptable to Duquesne Light Company is installed by the State and ownership of the entire highway lighting system has been transferred to the Company for a nominal consideration.

**MONTHLY RATE**

**DISTRIBUTION CHARGE**

(C)  
(C)

**Monthly Rate Per Unit**

(C)

<u>Nominal Lamp Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>Distribution Charge per Unit</u>
<b>Sodium Vapor</b>		
100	50	\$13.01
150	71	\$13.19
200	95	\$13.37
400	170	\$14.08

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

The Supply Charges for Rate SH – Street Lighting Highway customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to Rate SH customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

(C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

**(C) – Indicates Change**

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**RATE SH - STREET LIGHTING HIGHWAY - (Continued)****MONTHLY RATE - (Continued)****ELECTRIC CHARGES - (Continued)**

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**SPECIAL TERMS AND CONDITIONS**

1. The above charges include operation, normal maintenance and replacement of the entire highway lighting system including conduit, cable, wire, ornamental poles, brackets, fixtures, lamps and photo electric controls.
2. Energy shall be supplied at a standard 120/240 or 230/460 volts from a single point or multiple points of supply satisfactory to the Company. Fixtures operating at higher voltages will not be acceptable.
3. The highway lighting system design shall include proper control devices to energize the system, such as individual photo electric controls.
4. If additional highway lighting is to be added to an existing highway lighting system, it shall be installed completely by the customer or the Company will install such facilities at the customer's expense with ownership transferred to the Company for a nominal consideration.
5. In accepting conduit, junction boxes, etc. installed by the State or other governmental agency in bridges, and bridge approaches, the Company accepts no liability for damage to concrete due to deteriorating conduit or junction boxes.

**RATE UMS – UNMETERED SERVICE**

**AVAILABILITY**

Available to customers using unmetered standard service at each point of connection for customer-owned and maintained equipment such as traffic signals, communication devices and billboard lighting.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge .....	\$9.98
Energy Charge .....	2.5551 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

(C)

The Supply Charges for Rate UMS – Unmetered Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to Rate UMS customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

(C)

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charges, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RATE UMS – UNMETERED SERVICE - (Continued)**

**MONTHLY RATE - (Continued)**

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(C)

**SPECIAL TERMS AND CONDITIONS**

Energy usage for customers using this service shall be estimated by the Company on the basis of equipment wattage and operating hours. The customer shall notify the Company whenever any change is made in the equipment or the operating hours, so that the Company may revise the estimated energy usage.

**RATE PAL - PRIVATE AREA LIGHTING**

**AVAILABILITY**

Available for high pressure sodium lighting and flood lighting of residential, commercial and industrial private property installations including parking lots, for normal dusk to dawn operation of approximately 4,200 hours per year.

**MONTHLY RATE**

**DISTRIBUTION CHARGE**

(C)

**DUQUESNE LIGHT COMPANY OWNED AND MAINTAINED EQUIPMENT**

(C)

**Monthly Rate Per Unit**

(C)

<u>Nominal Lamp Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>Distribution Charge per Unit</u>
<b>High Pressure Sodium</b>		
70	29	\$12.91
100	50	\$13.01
150	71	\$13.19
250	110	\$13.54
400	170	\$14.08
<b>Flood Lighting</b>		
100	46	\$14.32
250	100	\$14.90
400	155	\$15.49

**UNMETERED ENERGY FOR CUSTOMER OWNED AND MAINTAINED EQUIPMENT**

70	29	\$3.16
100	46	\$3.16
150	67	\$3.16
250	100	\$3.16
400	155	\$3.16

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

RATE PAL - PRIVATE AREA LIGHTING - (Continued)

MONTHLY RATE - (Continued)

**ELECTRIC CHARGES**

The Supply Charges for Rate UMS – Unmetered Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the “Calculation of Rate” section in Rider No. 8. Applicability of the Supply rate to Rate UMS customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. (C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the EGS becomes unavailable or during which the customer has not chosen an EGS, the Company will supply electricity at the above Distribution Charge, the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**POLES**

No charge is made for wood poles used jointly for street lighting and the support of the Company's general distribution system or for tubular steel poles, trolley type, used jointly for street lighting and the support of trolley span wires.

**STANDARD CONTRACT RIDERS – (Continued)**

**RIDER MATRIX**

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 1	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 2				X	X	X	X								
Rider No. 3				X	X	X	X	X							
Rider No. 4				X	X	X	X								
Rider No. 5	X	X	X												
Rider No. 6				X											
Rider No. 7	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 8	X	X	X	X	X					X	X	X	X	X	X
Rider No. 9						X	X	X	X						
Rider No. 10	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 11				X		X									
Rider No. 12				X	X										
Rider No. 13				X											
Rider No. 14	X														
Rider No. 15	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 16				X	X	X	X	X							
Rider No. 17						X	X	X	X						
Rider No. 18	X	X	X	X	X	X	X								
Rider No. 20	X	X	X	X	X	X	X	X	X	X					
Rider No. 21	X	X	X	X	X	X									
Appendix A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

(C)

(C)

(C)

Rider Titles:

- Rider No. 1 — Consumer Education Surcharge
- Rider No. 2 — Untransformed Service
- Rider No. 3 — School and Government Service Discount Period
- Rider No. 4 — Budget Billing HUD Finance Multi-Family Housing
- Rider No. 5 — Universal Service Charge
- Rider No. 6 — Temporary Service
- Rider No. 7 — SECA Charge
- Rider No. 8 — Default Service Supply
- Rider No. 9 — Day-Ahead Hourly Price Service
- Rider No. 10 — State Tax Adjustment
- Rider No. 11 — Street Railway Service
- Rider No. 12 — Billing Option – Volunteer Fire Companies and Nonprofit Senior Citizen Centers
- Rider No. 13 — General Service Separately Metered Electric Space Heating Service
- Rider No. 14 — Residential Service Separately Metered Electric Space and Water Heating
- Rider No. 15 — Energy Efficiency and Conservation and Demand Response Surcharge
- Rider No. 16 — Service to Non-Utility Generating Facilities
- Rider No. 17 — Emergency Energy Conservation
- Rider No. 18 — Rates for Purchase of Electric Energy from Customer-Owned Renewable Resources Generating Facilities
- THESE PAGES INTENTIONALLY LEFT BLANK
- Rider No. 20 — Smart Meter Charge
- Rider No. 21 — Net Metering Service
- Appendix A — Transmission Service Charges

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

**RIDER NO. 8 – DEFAULT SERVICE SUPPLY**

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL) (C)

Default Service Supply (“DSS”) provides residential, commercial, industrial and lighting customers on the applicable rate schedules with a default service supply rate that is determined based on a request for proposal to acquire the energy to serve the load of customers taking service under the provisions of this Rider. Commercial and industrial customers are defined in Rate Schedules GS/GM and GMH, and, in general, are those customers with a monthly metered demand that is less than 300 kW in a twelve (12) month period. (C)

**DEFAULT SERVICE SUPPLY RATE**

Residential (Rate Schedules RS, RH and RA) (C)

<b>Application Period</b>	<b>Supply Charge - ¢/kWh</b>
June 1, 2013 through May 31, 2014	X.XXXX
June 1, 2014 through May 31, 2015	X.XXXX

Small Commercial and Industrial customers with monthly metered demand less than 25 kW.  
 (Rate Schedules GS/GM and GMH and Rate Schedule UMS) (C)

<b>Application Period</b>	<b>Supply Charge - ¢/kWh</b>
June 1, 2013 through November 30, 2013	X.XXXX
December 1, 2013 through May 31, 2014	X.XXXX
June 1, 2014 through November 30, 2014	X.XXXX
December 1, 2014 through May 31, 2015	X.XXXX

Medium Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW.  
 (Rate Schedules GS/GM and GMH) (C)

<b>Application Period</b>	<b>Supply Charge - ¢/kWh</b>
June 1, 2013 through November 30, 2013	X.XXXX
December 1, 2013 through May 31, 2014	X.XXXX
June 1, 2014 through November 30, 2014	X.XXXX
December 1, 2014 through May 31, 2015	X.XXXX

Lighting (Rate Schedules AL and SE) (C)

<b>Application Period</b>	<b>Supply Charge - ¢/kWh</b>
June 1, 2013 through May 31, 2014	X.XXXX
June 1, 2014 through May 31, 2015	X.XXXX

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

**RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)**

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

(C)

**DEFAULT SERVICE SUPPLY RATE – (Continued)**

Lighting (Rate Schedules SM, SH and PAL) — Lamp wattage as available on applicable rate schedule.

(C)

<b>Application Period</b>	<b>Supply Charge - ¢/kWh</b>
June 1, 2013 through May 31, 2014	X.XXXX
June 1, 2014 through May 31, 2015	X.XXXX

<b>Wattage</b>	<b>Nominal kWh Energy Usage per Unit per Month</b>	<b>June 1, 2013 through May 31, 2014 Fixture Charge \$ per month</b>	<b>June 1, 2014 through May 31, 2015 Fixture Charge \$ per month</b>
<b>Mercury Vapor</b>			
100	44	X.XXXX	X.XXXX
175	74	X.XXXX	X.XXXX
250	102	X.XXXX	X.XXXX
400	161	X.XXXX	X.XXXX
1000	386	X.XXXX	X.XXXX
<b>High Pressure Sodium</b>			
70	29	X.XXXX	X.XXXX
100	50	X.XXXX	X.XXXX
150	71	X.XXXX	X.XXXX
200	95	X.XXXX	X.XXXX
250	110	X.XXXX	X.XXXX
400	170	X.XXXX	X.XXXX
1000	387	X.XXXX	X.XXXX
<b>Flood Lighting - Unmetered</b>			
70	29	X.XXXX	X.XXXX
100	46	X.XXXX	X.XXXX
150	67	X.XXXX	X.XXXX
250	100	X.XXXX	X.XXXX
400	155	X.XXXX	X.XXXX

The Company will provide default service supply under this Rider by obtaining the requirements from suppliers through competitive procurements using a Request for Proposal (“RFP”) process. The charges for DSS calculated based on the results of the RFP process for service under this Rider will be effective as defined above.

**(C) – Indicates Change**

ISSUED: XXXXX XX, XXXX

EFFECTIVE: JUNE 1, 2013

**STANDARD CONTRACT RIDERS - (Continued)**

**RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)**

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

(C)

**DEFAULT SERVICE SUPPLY RATE – (Continued)**

DSS obtained through the RFP process includes energy, capacity, transmission and distribution line losses, congestion and congestion management costs, Alternative Energy Credits (“AECs”), ancillary services, PJM grid management charges and other such services or products that are required to provide default service to the Company’s commercial and industrial customers including Auction Revenue Rights and Financial Transmission Rights (“ARRs/FTRs”). DSS shall not include transmission service within Duquesne’s zone. Duquesne will be responsible for and continue to provide network integration transmission service. The applicable charges for transmission service are defined in Appendix A of this Tariff.

(C)

Service under this Rider No. 8 – Default Service Supply shall commence in accordance with the switching protocols in Rule No. 45.1.

**PROCUREMENT PROCESS**

The Company will conduct separate RFP solicitations for DSS for each customer procurement group under this Rider. The customer procurement groups for the RFP solicitations are defined as residential and lighting, small commercial and industrial and medium commercial and industrial. The small commercial and industrial group includes those customers with monthly metered demand less than 25 kW. The medium commercial and industrial group includes those customers with monthly metered demand equal to or greater than 25 kW and less than 300 kW. The RFP process will be bid separately to ensure that there is no cross subsidization.

(C)

The Company will update the rates for the DSS according to the schedule in the above tables. The Company will issue RFPs prior to the beginning of each Application Period to update the default service supply rates. The updated rates will be based on the new price(s) available from the winning suppliers through the RFP process. The rates will include a reconciliation adjustment as described in the “Calculation of Rate” section of this Rider. In the month prior to the beginning of each Application Period, the Company will file new DSS charges with the Pennsylvania Public Utility Commission (“Commission”) for the subsequent Application Period, and, upon Commission approval, these charges shall become effective on the first day of the following month.

(C)

The load of the customer procurement group for the RFP will be divided into Tranches. Winning suppliers will provide DSS for the percentage of DSS load corresponding to the number of Tranches won in the RFP. Duquesne seeks to procure all Tranches in the RFP process pursuant to the RFP schedule approved by the Commission.

(C)

The selection of bids will be submitted to the Commission for its approval or rejection within one business day after submittal. If the bids are not acted on by the Commission within one business day, the Company may proceed on the basis that they are approved and award the bids pursuant to 52 Pa. Code § 54.188(d).

**STANDARD CONTRACT RIDERS - (Continued)**

**RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)**

**(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL) (C)**

**CONTINGENCY PLAN**

In the event Duquesne receives bids for less than all Tranches or the Commission does not approve all or some of the submitted bids or in the event of supplier default, then Duquesne will provide the balance of the default supply for commercial and industrial customers through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. Duquesne will submit to the Commission within 10 days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

**CALCULATION OF RATE**

DSS rates shall be determined based on the formula described in this section. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The DSS shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour in accordance with the formula set forth below and shall be applied to all kilowatt-hours billed for default service provided during the billing month: (C)

$$DSS = [(RFP + DSS_a - E)/S] * F * [1/(1 - T)] \quad (C)$$

Where:

- DSS = Default Service Supply rate, converted to cents per kilowatt-hour, to be applied to each kilowatt-hour supplied to customers taking default service from the Company under this Rider.
- RFP = The weighted average of the winning bids received in a competitive request for proposal for each customer class identified above and described in the "Default Service Supply Rate" section and adjusted for customer class transmission and distribution line losses. The request for proposal shall be conducted as described in "Procurement Process." (C)
- DSS<sub>a</sub> = The total estimated direct and indirect costs incurred by the Company to acquire DSS from any source on behalf of customers described above in the "Procurement Process." The Application Period shall be for each period over which the DSS, as computed, will apply. Projections of the Company's costs to acquire default supply for the Application Period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated default service supply-related procurement and administration costs.
- E = Experienced net over or undercollection of costs associated with the acquisition of supply for applicable customers for the reconciliation period, including applicable interest. Estimated costs will be included for the final months of the Application Period due to timing of the filings, with full reconciliations in the subsequent filing. Interest shall be computed monthly at the rate provided for in Section 52 Pa. Code §54.187(f), from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. (C)

**STANDARD CONTRACT RIDERS - (Continued)**

(C)

**RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)**

**(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)**

(C)

**CALCULATION OF RATE – (Continued)**

S = The Company's default service retail kWh sales to customers in the applicable Customer Class, projected for the Application Period.

F = Rate Factor only for the residential and lighting customer groups. The Rate Factor shall be 1.0 for all other customer groups. DSS for residential and lighting customer groups will be obtained in the same RFP. The Rate Factor adjustment reflects the load shape of the residential and lighting classes. The Rate Factor will be as follows for each Application Period.

(C)

Application Period	Residential	Lighting
June 1, 2013 through May 31, 2014	1.0033	0.7693
June 1, 2014 through May 31, 2015	1.0052	0.6313

T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

The DSS shall be filed with the Commission on or about the fifteenth day of the month prior to the start of the next Application Period. The rate shall become effective for default supply service rendered on and after the beginning of the Application Period unless otherwise ordered by the Commission, and shall remain in effect for the effective periods defined above, unless revised on an interim basis subject to the approval of the Commission. Pursuant to 52 Pa. Code §69.1809(c), upon determination that the DSS, if left unchanged, would result in a material over or undercollection of supply-related costs incurred or expected to be incurred during the effective period, the Company may file with the Commission for an interim revision of the DSS to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

On or about April 1 of each year, the Company will submit a reconciliation filing to the Commission pursuant to 66 Pa.C.S. § 1307(e) for the twelve (12) months ending February 28 or 29, the reconciliation period. The revenue billed during each Application Period of the reconciliation period will be compared to the actual expenses incurred to provide DSS during the reconciliation period. The over or under collection of revenue during the reconciliation period will be recouped or refunded, as appropriate, with interest, commencing on June 1.

(C)

Minimum bills shall not be reduced by reason of the DSS. DSS charges shall not be a part of the monthly rate schedule minimum nor be subject to any credits or discounts.

Application of the DSS shall be subject to continuous review and audit by the Commission at intervals it shall determine.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 11 - STREET RAILWAY SERVICE

(Applicable to Rates GS/GM and GL)

Where service is supplied at 11,500 volts or higher at two or more interconnected points of delivery to any street railway system for the purpose of conversion to direct current energy for the operation of such system, the Billing Demand in kilowatts of such service for distribution charges shall be reduced by 7.20% for Rate GS/GM customers and 7.25% for Rate GL customers for the purpose of computation of the delivery charges of the bill under the applicable rate and any other applicable rider. (C)

STANDARD CONTRACT RIDERS - (Continued)

(C)

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STANDARD CONTRACT RIDERS - (Continued)

(C)

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**STANDARD CONTRACT RIDERS - (Continued)****RIDER NO. 21 – NET METERING SERVICE – (Continued)****(Applicable to Rates RS, RH, RA, GS/GM, GMH and GL)****METERING PROVISIONS - (Continued)**

1. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense. Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.
2. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis.

**BILLING PROVISIONS**

The following billing provisions apply to customer-generators in conjunction with service under applicable Rate Schedule RS, RH, RA, GS/GM, GMH and GL:

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by the Company to the customer-generator during the preceding year at the Company's Price To Compare consistent with Commission regulations. For customer-generators on Rate GL, the Price To Compare shall be determined as an average for the twelve (12) month period in accordance with Rider No. 9. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. (C)

**(C) – Indicates Change****ISSUED: XXXXX XX, XXXX****EFFECTIVE: JUNE 1, 2013**

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**STANDARD CONTRACT RIDERS - (Continued)****RIDER NO. 21 – NET METERING SERVICE – (Continued)****(Applicable to Rates RS, RH, RA, GS/GM, GMH and GL)****BILLING PROVISIONS - (Continued)**

2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

**NET METERING PROVISIONS FOR SHOPPING CUSTOMERS****(C)**

1. Customer-generators may take net metering services from EGSs that offer such services.
2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by the customer-generator, up to the total amount of kilowatt-hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. Any excess kilowatt hours at the end of the 12 month period will not carry over to the next year for distribution charge purposes. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. If the Company delivers more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt-hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

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STANDARD CONTRACT RIDERS - (Continued)

(C)

**RIDER NO. 21 – NET METERING SERVICE – (Continued)**

(Applicable to Rates RS, RH, RA, GS/GM, GMH and GL)

**NET METERING PROVISIONS FOR SHOPPING CUSTOMERS – (Continued)**

(C)

4. Pursuant to Commission regulations, the credit or compensation terms for excess electricity produced by customer-generators who are customers of EGSs shall be stated in the service agreement between the customer-generator and the EGS. The Company will provide the customer-generator with a statement of monthly kilowatt hour usage for the 12 month period ending May 31 for the purpose of the customer-generator seeking credit or compensation from the EGS.
5. If a customer-generator switches electricity suppliers, the Company shall treat the end of the service period as if it were the end of the year.

**APPLICATION**

Customer-generators seeking to receive service under the provisions of this Rider must submit a written application to the Company demonstrating compliance with the Net Metering Rider provisions and quantifying the total rated generating capacity of the customer-generator facility.

**MINIMUM CHARGE**

The Minimum Charges under Rate Schedule RS, RH, RA, GS/GM, GMH and GL apply for installations under this Rider.

**RIDERS**

Bills rendered by the Company under this Rider shall be subject to charges stated in any other applicable Rider.

## APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

**BILLING DEMAND**

Billing Demand subject to Transmission Service Charges for customers taking service under Rate Schedules GS/GM and GMH shall be the same as that determined for distribution and supply charges under the applicable rate schedules.

Billing Demand subject to Transmission Service Charges for Customers taking service under Rate Schedules GL, GLH, L, HVPS and UMS shall be the customer's daily network service coincident peak load contribution in MW. This quantity is determined based on the customer's load coincident with the annual peak of the Duquesne Zone (single coincident peak) as defined in the PJM Tariff Section 34.1.

ANNUAL UPDATE

The Transmission Service Charges (TSC) defined herein will be updated effective June 1<sup>st</sup> of each calendar year or more often upon determination that the rates then in effect would result in a significant over or under collection. On or about May 1<sup>st</sup>, the Company will file revised TSC rates with the PA Public Utility Commission (Commission) defining rates in effect from June 1 to May 31 of the following year, the computation year. These rates shall be determined based on the projected revenue requirement for the computation year, the projected cost of PJM charges and the over or under collection of expenses based on actual TSC revenue and expense incurred up to March 1 of each filing year. The revenue requirement and over or under collection shall be allocated to each rate class based on the class contribution to the Company's coincident peak load (1CP) and Default Service share of the 1CP load from the previous calendar year. The costs for ancillary services and PJM administrative expenses are included in the Default Service Supply rates defined in Rider No. 8. The costs for ancillary services and PJM administrative expenses for rate classes GL, GLH, L and HVPS will be billed in accordance with Rider No. 9. The rates applicable to each Rate Schedule shall be determined in accordance with the following formulas. (C)

**For Rate Schedules RS, RH, RA and applicable Riders:**

$$\text{TSC-kWh} = \left\{ \left( \text{RCRR} - "e" \right) / \text{RCSales} \right\} * \left\{ 1 / (1-T) \right\} \quad (C)$$

**For Rate Schedules GS/GM and GMH with monthly Billing Demand less than 25 kW:**

Non-Demand Metered:

$$\text{TSC-kWh} = \left\{ \left( \text{RCRR} - "e" \right) / \text{RCSales} \right\} * \left\{ 1 / (1-T) \right\} \quad (C)$$

Demand Metered:

$$\text{TSC-kW} = \left\{ \left( \left( \text{RCRR} - "e" \right) * 50\% \right) / \text{RCDemand} \right\} * \left\{ 1 / (1-T) \right\}$$

**(C) – Indicates Change**

ISSUED: XXXXX XX, XXXX

EFFECTIVE: JUNE 1, 2013

## APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

ANNUAL UPDATE - (Continued)**For Rate Schedules GS/GM and GMH with monthly Billing Demand less than 25 kW: - (Continued)**

Demand Metered: - (Continued)

$$\text{TSC-kWh} = \{ ((\text{RCRR} - "e") \times 50\%) / \text{RCSales} \} * \{ 1/(1-T) \} \quad (\text{C})$$

**For Rate Schedules GS/GM and GMH with monthly Billing Demand equal to or greater than 25 kW:**

$$\text{TSC-kW} = \{ ((\text{RCRR} - "e") \times 50\%) / \text{RCDemand} \} * \{ 1/(1-T) \}$$

$$\text{TSC-kWh} = \{ ((\text{RCRR} - "e") \times 50\%) / \text{RCSales} \} * \{ 1/(1-T) \} \quad (\text{C})$$

**For Rate Schedules GL, GLH, L, HVPS:**

$$\text{TSC-kW} = \{ (\text{RCRR} - "e") / (\text{RC1CP} \times 12) \} * \{ 1/(1-T) \}$$

**For Rate Schedule UMS:**

$$\text{TSC-kW} = \{ (\text{RCRR} - "e") / (\text{RC1CP} \times 12) \} * \{ 1/(1-T) \} \quad (\text{C})$$

**For Rate Schedules AL, SE, SM, SH and PAL:**

The annual revenue requirement and over or under collection shall be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load from the previous calendar year. PJM charges that are load based will also be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load. PJM charges that are energy based will be billed on a per kWh basis. All such charges will be adjusted for Pennsylvania gross receipts tax. For rate schedules SM, SH and PAL, a kWh charge will be determined to recover the allocated revenue requirement and PJM charges. An equivalent fixed monthly charge will be determined based on the monthly kWh usage applicable for each fixture. (C)

Where:

TSC = Transmission service charge to be applied to all Transmission billing units (either kWh or kW, as indicated.)

RCRR = Projected total revenue requirement is established for the computation year of June 1<sup>st</sup> through May 31<sup>st</sup>, corresponding to the PJM planning year. The revenue requirement shall then be allocated to the specific rate classes by applying the ratio of the RC1CP to the Duquesne Zone 1CP for the prior year.

**(C) – Indicates Change**

ISSUED: XXXXX XX, XXXX

EFFECTIVE: JUNE 1, 2013

## APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

ANNUAL UPDATE - (Continued)

- “e” = Total over or under collection calculated by comparing total TSC revenues billed to the specific rate class during the reconciliation year of the twelve month period ending February 28<sup>th</sup> or 29<sup>th</sup> to the total charges billed by PJM under its OATT as approved or accepted by FERC and allocated to the specific rate class based upon its Default Service share of the Duquesne Zone 1CP for the prior year, including applicable interest. Interest shall be computed monthly at the statutory rate, from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped.
- RCSales = Projected kWh sales for the specific rate class for the computation year.
- RCDemand = Projected kW billing demand for the specific rate class for the computation year.
- RC1CP = Rate Class load coincident with the peak hour of the peak day of the Duquesne Zone during the calendar year prior to the computation year.
- T = The total Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

(C)

**MISCELLANEOUS**

Minimum bills shall not be reduced by reason of the TSC, nor shall charges hereunder comprise any portion of a monthly rate schedule minimum. The TSC shall not be subject to any credits or discounts and shall not be affected by the State Tax Adjustment Surcharge (STAS).

The Company shall file a report of TSC collections within thirty days following the conclusion of each computation-year quarter. These reports will be in a form prescribed by the Commission.

Application of the TSC shall be subject to review and audit by the Commission at intervals it shall determine. The Commission shall review the level of charges produced by the TSC and the costs included therein.

**Duquesne Light Exhibit WVP – 5**

SUPPLEMENT NO. XX  
TO ELECTRIC – PA. P.U.C. NO. 24



# SCHEDULE OF RATES

For Electric Service in Allegheny and Beaver Counties

(For List of Communities Served, see Pages No. 4 and 5)

Issued By

**DUQUESNE LIGHT COMPANY**

411 Seventh Avenue  
Pittsburgh, PA 15219

**Richard Riazzi**  
President and Chief Executive Officer

ISSUED: XXXXX XX, XXXX

EFFECTIVE: June 1, 2013

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# NOTICE

**THIS TARIFF SUPPLEMENT MAKES CHANGES TO THE TABLE OF CONTENTS, RULES AND REGULATIONS, RATE SCHEDULES, RIDERS AND AN APPENDIX**

**See Page Two**

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

**Table of Contents**

**Nineteenth Revised Page No. 3  
Cancelling Eighteenth Revised Page No. 3**

Page No. 2A, Page No. 2B, Page No. 2C and Page No. 2D were added to the Tariff.

Rider No. 19 – Off-Peak Water Heating Service. This Rider is being removed from the Tariff in-line with the Company’s move to a competitive procurement process for default supply service.

**Rules and Regulations – Contracts, Deposits and Advance Payments  
4. Contracts**

**Second Revised Page No. 9A  
Cancelling First Revised Page No. 9A**

Language in Rule No. 4 has been modified to reflect current business practice in regard to the eliminate stated charges for ancillary services that were legacy charges of past special contracts no longer in effect.

**Rules and Regulations – Bills and Net Payment Periods  
21.2. Partial Payment of bills**

**Third Revised Page No. 24  
Cancelling Second Revised Page No. 24**

Language in Rule No. 21.2 has been modified to reflect current business practice in regard to payment priority of partial payments.

**Rate RS – Residential Service**

**Fifth Revised Page No. 32  
Cancelling Fourth Revised Page No. 32**

**Rate RH – Residential Service Heating**

**Fifth Revised Page No. 34  
Cancelling Fourth Revised Page No. 34**

**Rate RA – Residential Service Add-On Heat Pump**

**Fifth Revised Page No. 37  
Cancelling Fourth Revised Page No. 37**

**Rate AL – Architectural Lighting Service**

**Fifth Revised Page No. 61  
Cancelling Fourth Revised Page No. 61**

**Rate SE – Street Lighting Energy**

**Fifth Revised Page No. 64  
Cancelling Fourth Revised Page No. 64**

**Rate SM – Street Lighting Municipal**

**Fifth Revised Page No. 68  
Cancelling Fourth Revised Page No. 68**

**Rate SH – Street Lighting Highway**

**Fifth Revised Page No. 71  
Cancelling Fourth Revised Page No. 71**

**Rate UMS – Unmetered Service**

**Fifth Revised Page No. 74  
Cancelling Fourth Revised Page No.74**

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LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rate PAL – Private Area Lighting

Fifth Revised Page No. 76  
Cancelling Fourth Revised Page No. 76

Rider No. 8 – Default Service Supply

Eleventh Revised Page No. 88  
Cancelling Tenth Revised Page No. 88

Second Revised Page No. 88A  
Cancelling First Revised Page No. 88A

Second Revised Page No. 88B  
Cancelling First Revised Page No. 88B

Second Revised Page No. 88C  
Cancelling First Revised Page No. 88C

Language has been modified in Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS, Rate PAL and Rider No. 8 to reflect the inclusion of residential customers, lighting customers and unmetered customers in the competitive procurement process for default supply service.

Rate RS – Residential Service

Fifth Revised Page No. 32  
Cancelling Fourth Revised Page No. 32

Rate RH – Residential Service Heating

Fifth Revised Page No. 34  
Cancelling Fourth Revised Page No. 34

Rate RA – Residential Service Add-On Heat Pump

Fifth Revised Page No. 37  
Cancelling Fourth Revised Page No. 37

Rate AL – Architectural Lighting Service

Fifth Revised Page No. 61  
Cancelling Fourth Revised Page No. 61

Rate SE – Street Lighting Energy

Fifth Revised Page No. 64  
Cancelling Fourth Revised Page No. 64

Rate SM – Street Lighting Municipal

Fifth Revised Page No. 68  
Cancelling Fourth Revised Page No. 68

Rate SH – Street Lighting Highway

Fifth Revised Page No. 71  
Cancelling Fourth Revised Page No. 71

Rate UMS – Unmetered Service

Fifth Revised Page No. 74  
Cancelling Fourth Revised Page No. 74

Rate PAL – Private Area Lighting

Fifth Revised Page No. 76  
Cancelling Fourth Revised Page No. 76

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**LIST OF MODIFICATIONS MADE BY THIS TARIFF****CHANGES**

Language has been modified in the "Electric Charges" section of Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS and Rate PAL to reflect and support the removal of supply charges.

<b>Rate RS - - Residential Service</b>	<b>Third Revised Page No. 33 Cancelling Second Revised Page No. 33</b>
<b>Rate RH – Residential Service Heating</b>	<b>Fourth Revised Page No. 35 Cancelling Third Revised Page No. 35</b>
<b>Rate RA – Residential Service Add-On Heat Pump</b>	<b>Fourth Revised Page No. 38 Cancelling Third Revised Page No. 38</b>
<b>Rate AL – Architectural Lighting Service</b>	<b>Fourth Revised Page No. 62 Cancelling Third Revised Page No. 62</b>
<b>Rate SE – Street Lighting Energy</b>	<b>Second Revised Page No. 66 Cancelling First Revised Page No. 66</b>
<b>Rate SM – Street Lighting Municipal</b>	<b>Fifth Revised Page No. 69 Cancelling Fourth Revised Page No. 69</b>
<b>Rate SH – Residential Lighting Highway</b>	<b>Second Revised Page No. 72 Cancelling First Revised Page No. 72</b>
<b>Rate UMS – Unmetered Service</b>	<b>Second Revised Page No. 75 Cancelling First Revised Page No. 75</b>
<b>Rate PAL – Private Area Lighting</b>	<b>Fourth Revised Page No. 77 Cancelling Third Revised Page No. 77</b>

Language has been modified in Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS, and Rate PAL to reflect current business practice in regard to collection of late payment charges with respect to Purchase of Receivables (POR) and EGS consolidated billing.

<b>Standard Contract Riders Rider Matrix</b>	<b>First Revised Page No. 79A Cancelling Original Page No. 79A</b>
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The Rider Matrix has been modified to indicate that Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS and Rate PAL are now subject to Rider No. 8 – Default Service Supply.

<b>Standard Contract Riders Rider Matrix</b>	<b>First Revised Page No. 79A Cancelling Original Page No. 79A</b>
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The Rider Matrix has been modified to indicate that Rider No. 19 – Off-Peak Water Heating Service has been removed from the Tariff.

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**LIST OF MODIFICATIONS MADE BY THIS TARIFF****CHANGES****Rider No. 8 – Default Service Supply****Eleventh Revised Page No. 88  
Cancelling Tenth Revised Page No. 88**

This page has been modified to include Rate RS, Rate RH, Rate RA, Rate AL, Rate SE, Rate SM, Rate SH, Rate UMS and Rate PAL and the corresponding "Application Period" and "Supply Charge - ¢/kWh for each, respectively.

The "Application Period" has been modified for Rate GS/GM and GMH – small Commercial and Industrial customers with monthly metered demand less than 25 kW.

The "Application Period" has been updated for Rate GS/GM and GMH – small Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW.

Language has been modified to reflect the reconciliation period of March through February for all procurement groups.

Language has been modified to reflect recovery of ancillary services and PJM grid management charges through default service rates.

**Rider No. 8 – Default Service Supply****Second Revised Page No. 88B  
Cancelling First Revised Page No. 88B**

Language and formula were modified to define how the rates will be calculated for the residential and lighting customer groups.

**Rider No. 11 – Street Railway Service****Third Revised Page No. 95  
Cancelling Second Revised Page No. 95**

Language has been modified to reflect that there are no demand charges associated with supply charges.

**Rider No. 19 – Off-Peak Water Heating Service****Eighth Revised Page No. 106  
Cancelling Seventh Revised Page No. 106****Second Revised Page No. 107  
Cancelling First Revised Page No. 107**

Rider No. 19 is being removed from the Tariff in-line with the Company's move to a competitive procurement process for default supply.

**Rider No. 21 – Net Metering Service****Fourth Revised Page No. 111  
Cancelling Third Revised Page No. 111**

Language has been modified to clarify the procedures for crediting and/or compensating customer-generators consistent with Commission regulations.

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Rider No. 21 – Net Metering Service**

**Third Revised Page No. 112  
Cancelling Second Revised Page No. 112**

Language has been modified to clarify the procedures for net metering when a customer shops and has a net metering arrangement with an EGS.

**Appendix A – Transmission Service Charges**

**Fourth Revised Page No. 114  
Cancelling Third Revised Page No. 114**

**Fourth Revised Page No. 115  
Cancelling Third Revised Page No. 115**

**Fifth Revised Page No. 116  
Cancelling Fourth Revised Page No. 116**

Language has been modified to reflect that ancillary services and PJM grid management (administrative) charges will be the responsibility of the winning bidders in the RFP and recovered through default service supply rates instead of transmission rates.

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(C)

(C)

## RULES AND REGULATIONS - (Continued)

THE ELECTRIC SERVICE TARIFF - (Continued)CONTRACTS, DEPOSITS AND ADVANCE PAYMENTS4. CONTRACTS – (Continued)

(C)

- ~~○ The Company will calculate the PJM capacity and ancillary service charges described in Rider No. 9 excluding Pennsylvania gross receipts taxes.~~
- ~~○ The Company will subtract the ancillary service charges for the applicable rate schedule embedded in the generation rates. The embedded charges are \$0.17/kW and \$0.000387/kWh for rate schedule GL.~~
- ~~○ This difference will be divided by (1 – Pennsylvania gross receipts tax rate) to determine the incremental PJM capacity and ancillary services charge.~~

For contracts that contain provisions governing the customer's rights under direct access, the Company will unbundle the customer's contract and the customer will be eligible to obtain electricity from an EGS only in accordance with the terms and conditions of the customer's contract. Upon expiration of their contract, special contract customers will default to Rider No. 9 - Hourly Price Service.

**RULES AND REGULATIONS - (Continued)**

**BILLS AND NET PAYMENT PERIODS – (Continued)**

**21.2 PARTIAL PAYMENT OF BILLS** For customers who submit payments which are insufficient to cover all of the charges billed by the Company, including EGS charges for those customers who have selected consolidated billing, the Company will apply the payment based upon their outstanding balance, if any, and their current bill, as follows: ~~(1) past due deposit;~~ ~~(1)(2)~~ past-due distribution charges; ~~(2)(3)~~ past-due transmission and supply charges; ~~(4) past due non-basic charges;~~ ~~(5) current deposit;~~ ~~(3)(6)~~ current distribution charges; ~~(4)(7)~~ current transmission and supply charges; ~~(5) past-due supply charges;~~ ~~(6) current supply charges;~~ and ~~(7)(8)~~ current non-basic ~~service~~ charges. (C)

**21.3 RETURNED CHECK OR ACCESS DENIED CHARGE** If a check or access device as defined by Pennsylvania law received in payment of a Customer's account is returned to the Company unpaid by the Customer's bank and cannot be redeposited by the Company for payment, a \$20.00 charge for the returned check will be added to the Customer's account.

**COMPANY PROPERTY ON CUSTOMER'S PREMISES**

**22. ACCESS TO PREMISES** Company representatives, who are properly identified, shall have full and free access to the customer's premises at all reasonable times for the purpose of reading Company meters, for inspection and repairs, for removal of Company property, or for any other purpose incident to the service. The customer should immediately communicate with the Company in case of any question as to the authority or credentials of Company representatives.

**23. CUSTOMER'S RESPONSIBILITY** The customer shall protect the property of the Company on the premises and shall not permit access thereto except by authorized representatives of the Company.

**24. TAMPERING** Where evidence is found that the service wires, meters, switch box or other appurtenances on the customer's premises have been tampered with, the customer shall be required to bear all costs incurred by the Company for investigations and inspections, and for such protective equipment as, in the judgment of the Company, may be necessary (including the relocation of inside metering equipment to an accessible outside location); and in addition, where the tampering has resulted in improper measurement of the electricity delivered, the customer shall be required to pay for such electric delivery service, and any Company supplied electricity, including interest at the Late Payment Charge rate, as the Company may estimate, from available information to have been used but not registered by the Company's meters.

**25. REPAIRS OR LOSSES** The customer shall pay the Company for any repairs to or any loss of the Company's property on the premises when such repairs are necessitated, or loss occasioned, by negligence on the part of the customer or failure to comply with the rules and regulations under which service is furnished.

**DISCONTINUANCE, CURTAILMENT OR INTERRUPTION OF ELECTRIC SERVICE**

**26. ARREARS** The Company upon reasonable notice may terminate electric service and remove its equipment from the premises for nonpayment of undisputed Company service charges, Company charges as the default service charges or EGS receivables purchased by the Company up to the amount that the customer would have paid under Default Service rates during the non-payment period, pursuant to Duquesne's Electric Generation Supplier Coordination Tariff Rule No. 12.1.7. When a residential customer or a residence is involved, the Company will comply with the provisions of 52 Pa. Code Chapter 56, "Standards and Billing Practices for Residential Utility Service" and 66 Pa.C.S. § 1406, "Termination of Utility Service."

**RATE RS - RESIDENTIAL SERVICE**

**AVAILABILITY**

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, and general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

**MONTHLY RATE**

**DISTRIBUTION CHARGES** (C)

Customer Charge .....	\$7.00
Energy Charge .....	4.3657 cents per kilowatt hour

**SUPPLY CHARGES** (C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**CUSTOMER CHARGE**

Customer Distribution Charge .....	\$7.00
------------------------------------	--------

**ENERGY CHARGES**

	<u>Distribution Charge</u> cents per kilowatt-hour	<u>Supply Charge</u> cents per kilowatt-hour	
All kilowatt-hours	4.3657	7.860	(H)

**ELECTRIC CHARGES**

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

~~Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.~~

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

**(C) – Indicates Change**

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier-EGS becomes unavailable or during which the customer has not chosen ~~a~~ an supplier-EGS, the Company will supply electricity at the above Distribution Charges, and the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

RATE RS - RESIDENTIAL SERVICE - (Continued)

MONTHLY RATE - (Continued)

**ELECTRIC CHARGES – (Continued)**

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before twenty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company ~~charges on the bill~~ including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the ~~Company~~ charges on the bill and shall not be charged against any sum that falls due during a current billing period. A Late Payment Charge on a disputed bill may be reduced or eliminated by the Company, or upon order by the Commission, to facilitate payment by the disputing customer.

(C)

SPECIAL PROVISIONS

**RESIDENTIAL GARAGE**

A separately metered 240 volt (or less) single phase service to a detached residential garage utilized solely for storing a residential customer's vehicle(s) and that is located on the same property as the residential customer's dwelling unit will be considered residential use and may be serviced under the terms of this rate.

(C)

**RATE RH - RESIDENTIAL SERVICE HEATING**

**AVAILABILITY**

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and as the sole primary method of space heating except that the space heating system may be supplemented with renewable energy sources such as solar, wind, wood, or hydro.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge ..... \$7.00

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ..... 3.2174 cents per kilowatt hour

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ..... 4.3657 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**CUSTOMER CHARGE**

Customer Distribution Charge ..... \$7.00

**WINTER MONTHLY RATE**

For the Billing Months of November through April:

**ENERGY CHARGES**

(C)

Distribution Charge  
cents per kilowatt-hour

Supply Charge  
cents per kilowatt-hour

(C) – Indicates Change

All kilowatt hours	3.2174	7.860	(D)
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**SUMMER MONTHLY RATE**

For the Billing Months of May through October:

**ENERGY CHARGES**

	<b><u>Distribution Charge</u></b> <b><u>cents per kilowatt-hour</u></b>	<b><u>Supply Charge</u></b> <b><u>cents per kilowatt-hour</u></b>	
All kilowatt hours	4.3657	7.860	(H)

**RATE RH - RESIDENTIAL SERVICE HEATING - (Continued)****MONTHLY RATE - (Continued)****ELECTRIC CHARGES**

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. (C)

~~Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.~~

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the ~~supplier~~ EGS becomes unavailable or during which the customer has not chosen ~~a~~ an ~~supplier~~ EGS, the Company will supply electricity at the above Distribution Charges, and the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before twenty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the ~~charges billed by the Company~~ ~~charges on the bill including EGS charges for those customers who have selected consolidated billing.~~ The Late Payment Charge shall be calculated on the overdue portion(s) of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period. A Late Payment Charge on a disputed bill may be reduced or eliminated by the Company, or upon order by the Commission, to facilitate payment by the disputing customer. (C)

**RATE RA - RESIDENTIAL SERVICE ADD-ON HEAT PUMP**

**AVAILABILITY**

Available to residential or combined residential and farm customers using the Company's standard low voltage service for lighting, appliance operation, general household purposes and for commercial or professional activity where associated consumption represents less than 25% of the total monthly usage at the premise, and an add-on heat pump for space heating. Other energy sources may be used to supplement the add-on heat pump provided that the supplemental energy source is thermostatically controlled to operate only when the outdoor temperature falls to at least 40<sup>0</sup> F and the add-on heat pump cannot provide the total heating requirements.

Available only when supplied at 240 volt (or less) single phase service through a single meter directly by the Company to a single family dwelling or to an individual dwelling unit in a multiple dwelling structure. For the purposes of this rate, a dwelling unit is defined as one or more rooms arranged for the use of one or more individuals for shelter, sleeping, dining, and with permanent provisions for cooking and sanitation.

**MONTHLY RATE**

**DISTRIBUTION CHARGES**

(C)

Customer Charge ..... \$7.00

Winter Monthly Rate — For the Billing Months of November through April:

Energy Charge ..... 0.9039 cents per kilowatt hour

Summer Monthly Rate — For the Billing Months of May through October:

Energy Charge ..... 4.3657 cents per kilowatt hour

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**CUSTOMER CHARGE**

Customer Distribution Charge ..... \$7.00

**WINTER MONTHLY RATE**

For the Billing Months of November through April:

**ENERGY CHARGES**

(C)

**Distribution Charge**  
**cents per kilowatt-hour**

**Supply Charge**  
**cents per kilowatt-hour**

(C) – Indicates Change

All kilowatt-hours	0.9039	7.860	(D)
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SUMMER MONTHLY RATE

For the Billing Months of May through October:

**ENERGY CHARGES**

	<u>Distribution Charge</u> cents per kilowatt-hour	<u>Supply Charge</u> cents per kilowatt-hour	
All kilowatt-hours	4.3657	7.860	(H)

**RATE RA - RESIDENTIAL SERVICE ADD-ON HEAT PUMP - (Continued)**

**MONTHLY RATE - (Continued)**

**ELECTRIC CHARGES**

The Supply Charges for residential customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to residential customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. (C)

~~Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.~~

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the ~~supplier~~ EGS becomes unavailable or during which the customer has not chosen ~~a~~ an ~~supplier~~ EGS, the Company will supply electricity at the above Distribution Charges, ~~and the~~ Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before twenty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company ~~charges on the bill~~ including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the ~~Company~~ charges on the bill and shall not be charged against any sum that falls due during a current billing period. A Late Payment Charge on a disputed bill may be reduced or eliminated by the Company, or upon order by the Commission, to facilitate payment by the disputing customer. (C)

RATE AL - ARCHITECTURAL LIGHTING SERVICE

AVAILABILITY

Available for separately metered circuitry connected solely to outdoor architectural lighting equipment, with demand of 5 kilowatts or greater, to be operated during non-peak periods.

MONTHLY RATE

DISTRIBUTION CHARGES (C)

Customer Charge .....	\$7.49
Demand Charge .....	\$1.40 per kilowatt
Energy Charge .....	0.1987 cents per kilowatt hour

SUPPLY CHARGES (C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

CUSTOMER CHARGE

Customer Distribution Charge .....	\$7.49	(D)
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DEMAND CHARGES

	<u>Distribution Charge</u> <u>\$ per kilowatt</u>
All kilowatts of Demand	1.40

ENERGY CHARGES

	<u>Distribution Charge</u> <u>cents per kilowatt-hour</u>	<u>Supply Charge</u> <u>cents per kilowatt-hour</u>	
All kilowatt-hours	0.1987	5.8400	(D)

ELECTRIC CHARGES (C)

The Supply Charges for Rate AL – Architectural Lighting Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate AL customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.

(C) – Indicates Change

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company, and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

**RATE AL - ARCHITECTURAL LIGHTING SERVICE - (Continued)**

**MONTHLY RATE - (Continued)**

**ELECTRIC CHARGES – (continued)**

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the ~~supplier-EGS~~ becomes unavailable or during which the customer has not chosen ~~a supplier~~ an EGS, the Company will supply electricity at the above Distribution Charges, and the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**MINIMUM CHARGE**

The Minimum Charge shall be the Customer Distribution Charge.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before fifteen days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company ~~charges on the bill~~ including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the ~~Company~~ charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**DETERMINATION OF DEMAND**

Individual demand, except in unusual cases, will be determined by measurement of the average kilowatts during the fifteen-minute period of greatest kilowatt-hour use during the billing period. Individual demands which may exceed 30 kilowatts will be adjusted for power factor by multiplying by

$$\left\{ 0.8 + \left[ 0.6 \frac{\text{Reactive Kilovolt - ampere hours}}{\text{Kilowatt - hours}} \right] \right\}$$

where such multiplier will be not less than 1.00 or more than 2.00. The Billing Demand will be the sum of the individual demands of each metered service adjusted for power factor as defined above.

RATE SE - STREET LIGHTING ENERGY

AVAILABILITY

Available for the entire electric energy requirements of municipal street lighting systems where the municipality has not less than 15,000 street lamp installations and provides for the ownership, operation, and maintenance of its own street lamp installations and takes its entire energy requirements for street lighting under this rate.

MONTHLY RATE

**DISTRIBUTION CHARGE**

Monthly charge per lamp..... \$3.16

SUPPLY CHARGES

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**SUPPLY CHARGE**

~~All kilowatt-hours~~ ..... ~~5.8400 cents per kWh~~

**ELECTRIC CHARGES**

The Supply Charges for Rate SE – Street Lighting Energy customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SE customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. ~~Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.~~

(C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the ~~supplier~~ EGS becomes unavailable or during which the customer has not chosen ~~a~~ an ~~supplier~~ EGS, the Company will supply electricity at the above Distribution ~~Charge, and the~~ Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

(C) – Indicates Change

RATE SE - STREET LIGHTING ENERGY - (Continued)MONTHLY RATE - (Continued)**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company ~~charges on the bill~~ including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the ~~Company~~ charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**SPECIAL PROVISIONS**

1. Ballasts for multiple mercury vapor street lights, when installed by the customer, shall be power factor corrected, having a power factor of not less than 90 percent. For ballasts not so corrected, the wattage of each lamp plus ballasts shall be increased by the following ratio: 90% divided by the actual power factor, expressed in percent, of the lamp plus the ballast.
2. Series street lighting circuits will be energized and de-energized in accordance with an agreed upon schedule of burning hours, except where such circuits are controlled by photo electric cells. During other hours, circuits will not be energized except upon sufficient notice to the customer.
3. On all poles, except ornamental poles used exclusively for street lighting purposes, the Company will terminate its facilities at the bracket to which the lighting fixture is attached. On ornamental poles, used exclusively for street lighting purposes, the Company will terminate its facilities at the top of the pole if served from overhead circuits or at the bottom of the pole if served from the underground system.
4. The Company, to protect continuity of service, the general public, and the safety of men engaged in work on poles, reserves the right to install insulating transformers between the Company's circuit and the wiring of the customer's installation. Where insulating transformers are installed, charges will be made therefore as herein before specified.
5. The customer upon request shall supply the Company periodically, but not more often than at six month intervals, with certified tests made by the Electrical Testing Laboratories, Inc. of New York, or a similar accredited organization, showing the mean life input in watts for each size and type of lamp, and the wattage and power factor for each size and type of mercury vapor ballast used by the customer in street lamp installations served under this rate.
6. Energy will normally be supplied under this rate by overhead circuits, but if the Company is required to supply or the customer requests delivery service from underground facilities, the specified unit charges for underground facilities will apply.

**RATE SM - STREET LIGHTING MUNICIPAL**

**AVAILABILITY**

Available for mercury vapor and high pressure sodium lighting of public streets, highways, bridges, parks and similar public places, for normal dusk to dawn operation of approximately 4,200 hours per year.

(Available for mercury vapor street lighting only where served prior to January 30, 1983, and continuously thereafter at the same location.)

**MONTHLY RATE**

~~Bills shall be rendered monthly according to the following rates:~~

(C)

**DISTRIBUTION CHARGE**

(C)

**Monthly Rate Per Unit**

(C)

<u>Nominal Lamp Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>Distribution Charge per Unit</u>	<u>Supply Charge per Unit</u>
<b>Mercury Vapor</b>			
100	44	\$13.18	\$2.57
175	74	\$13.46	\$4.32
250	102	\$13.72	\$5.96
400	161	\$14.26	\$9.40
1,000	386	\$16.41	\$22.54
<b>Sodium Vapor</b>			
70	29	\$13.62	\$1.69
100	50	\$13.73	\$2.92
150	71	\$13.92	\$4.15
250	110	\$14.29	\$6.42
400	170	\$14.86	\$9.93
1,000	387	\$17.09	\$22.60

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

The Supply Charges for Rate SM – Street Lighting Municipal customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SM customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.

(C)

~~Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.~~

(C) – Indicates Change

RATE SM - STREET LIGHTING MUNICIPAL - (Continued)

MONTHLY RATE – (Continued)

**ELECTRIC CHARGES – (Continued)**

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier-EGS becomes unavailable or during which the customer has not chosen a-an supplier EGS, the Company will supply electricity at the above Distribution Charge, and the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company-charges on the bill including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the Company-charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**POLES**

No charge is made for wood poles used jointly for street lighting and the support of the Company's general distribution system or for tubular steel poles, trolley type, used jointly for street lighting and the support of trolley span wires.

Where the installation of one (1) or more wood poles is required to serve the customer, the customer has the option to install the pole(s) at his own expense in accordance with SPECIAL TERM AND CONDITION NO. 2 or the Company will install, own and maintain the pole(s) and bill the customer at the monthly rate of \$10.80 for each pole required.

**RATE SH - STREET LIGHTING HIGHWAY**

**AVAILABILITY**

Available for high intensity discharge lighting of state highways for normal dusk to dawn operation of approximately 4,200 hours per year where the highway lighting system acceptable to Duquesne Light Company is installed by the State and ownership of the entire highway lighting system has been transferred to the Company for a nominal consideration.

**MONTHLY RATE**

Bills shall be rendered monthly according to the following rates:

(C)

**DISTRIBUTION CHARGE**

(C)

**Monthly Rate Per Unit**

(C)

<u>Nominal Lamp Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>Distribution Charge per Unit</u>	<u>Supply Charge per Unit</u>
<b>Sodium Vapor</b>			
100	50	\$13.01	\$2.92
150	71	\$13.19	\$4.15
200	95	\$13.37	\$5.55
400	170	\$14.08	\$9.93

**SUPPLY CHARGES**

(C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**ELECTRIC CHARGES**

The Supply Charges for Rate SH – Street Lighting Highway customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate SH customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.

(C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45.

(C)

**(C) – Indicates Change**

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the ~~supplier~~ EGS becomes unavailable or during which the customer has not chosen ~~a~~ an ~~supplier~~ EGS, the Company will supply electricity at the above Distribution Charge, and ~~the~~ Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A.

(C)

**RATE SH - STREET LIGHTING HIGHWAY - (Continued)****MONTHLY RATE - (Continued)****ELECTRIC CHARGES - (Continued)**

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company charges on the bill including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portion(s) of the ~~Company~~ charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**SPECIAL TERMS AND CONDITIONS**

1. The above charges include operation, normal maintenance and replacement of the entire highway lighting system including conduit, cable, wire, ornamental poles, brackets, fixtures, lamps and photo electric controls.
2. Energy shall be supplied at a standard 120/240 or 230/460 volts from a single point or multiple points of supply satisfactory to the Company. Fixtures operating at higher voltages will not be acceptable.
3. The highway lighting system design shall include proper control devices to energize the system, such as individual photo electric controls.
4. If additional highway lighting is to be added to an existing highway lighting system, it shall be installed completely by the customer or the Company will install such facilities at the customer's expense with ownership transferred to the Company for a nominal consideration.
5. In accepting conduit, junction boxes, etc. installed by the State or other governmental agency in bridges, and bridge approaches, the Company accepts no liability for damage to concrete due to deteriorating conduit or junction boxes.

RATE UMS – UNMETERED SERVICE

AVAILABILITY

Available to customers using unmetered standard service at each point of connection for customer-owned and maintained equipment such as traffic signals, communication devices and billboard lighting.

MONTHLY RATE

DISTRIBUTION CHARGES (C)

Customer Charge .....	\$9.98
Energy Charge .....	2.5551 cents per kilowatt hour

SUPPLY CHARGES (C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

CUSTOMER CHARGE (C)

Customer Distribution Charge .....	\$9.98
------------------------------------	--------

ENERGY CHARGES

	<u>Distribution Charge</u> cents per kilowatt-hour	<u>Supply Charge</u> cents per kilowatt-hour
All kilowatt-hours	2.5551	7.027

ELECTRIC CHARGES (C)

The Supply Charges for Rate UMS – Unmetered Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate UMS customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8.  
~~Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges.~~

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

(C) – Indicates Change

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the ~~supplier~~ **EGS** becomes unavailable or during which the customer has not chosen a ~~an~~ **supplier** **EGS**, the Company will supply electricity at the above Distribution **Charges**, and ~~the~~ Supply Charges **in Rider No. 8** and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may elect Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

RATE UMS – UNMETERED SERVICE - (Continued)

MONTHLY RATE - (Continued)

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company—charges on the bill including EGS charges for those customers who have selected consolidated billing. The Late Payment Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period.

(C)

SPECIAL TERMS AND CONDITIONS

Energy usage for customers using this service shall be estimated by the Company on the basis of equipment wattage and operating hours. The customer shall notify the Company whenever any change is made in the equipment or the operating hours, so that the Company may revise the estimated energy usage.

RATE PAL - PRIVATE AREA LIGHTING

AVAILABILITY

Available for high pressure sodium lighting and flood lighting of residential, commercial and industrial private property installations including parking lots, for normal dusk to dawn operation of approximately 4,200 hours per year.

MONTHLY RATE

DISTRIBUTION CHARGE (C)

Bills shall be rendered monthly according to the following rates: (C)

DUQUESNE LIGHT COMPANY OWNED AND MAINTAINED EQUIPMENT

Monthly Rate Per Unit (C)

<u>Nominal Lamp Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>Distribution Charge per Unit</u>	<u>Supply Charge per Unit</u>
<b>High Pressure Sodium</b>			
70	29	\$12.91	\$1.69
100	50	\$13.01	\$2.92
150	71	\$13.19	\$4.15
250	110	\$13.54	\$6.42
400	170	\$14.08	\$9.93
<b>Flood Lighting</b>			
100	46	\$14.32	\$2.69
250	100	\$14.90	\$5.84
400	155	\$15.49	\$9.05

UNMETERED ENERGY FOR CUSTOMER OWNED AND MAINTAINED EQUIPMENT

70	29	\$3.16	\$1.69
100	46	\$3.16	\$2.69
150	67	\$3.16	\$3.91
250	100	\$3.16	\$5.84
400	155	\$3.16	\$9.05

SUPPLY CHARGES (C)

Customers who elect to purchase their electric supply requirements from the Company will do so under the provisions of Rider No. 8 – Default Service Supply and will be billed in accordance with the terms contained therein.

**RATE PAL - PRIVATE AREA LIGHTING - (Continued)**

**MONTHLY RATE - (Continued)**

**ELECTRIC CHARGES**

The Supply Charges for Rate UMS – Unmetered Service customers will be updated through competitive requests for proposal as described in Rider No. 8 – Default Service Supply. The Supply rate shall be determined based on the formula described in the "Calculation of Rate" section in Rider No. 8. Applicability of the Supply rate to Rate UMS customers shall be as described in Rider No. 8 and for the effective period defined in Rider No. 8. Customers who elect to purchase their electric supply requirements from the Company will be charged according to the above charges. (C)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission for customers who receive Default Service from the Company. The Transmission Service Charges are included, for informational purposes, in Appendix A of this Tariff.

Customers who elect to purchase their electric energy supply requirements from an EGS will be charged the Distribution Charges by the Company and must purchase their transmission and supply requirements from their selected EGS. Customers may change suppliers or return to the Company for electric supply requirements as defined in Rule No. 45. (C)

For customers who elect to purchase their supply from an EGS, the customer is responsible for any other charges from the EGS. Any month in which the supplier-EGS becomes unavailable or during which the customer has not chosen a-an EGS supplier, the Company will supply electricity at the above Distribution Charge, and the Supply Charges in Rider No. 8 and the Transmission Service Charges in Appendix A. (C)

Customers who choose an EGS may select Consolidated Billing or Separate Billing as defined in Rule No. 20.1.

**RIDERS**

Bills rendered under this schedule are subject to the charges stated in any applicable rider.

**LATE PAYMENT CHARGE**

Bills will be calculated on the rates stated herein, and are due and payable on or before thirty days from the date of mailing of the bill to the ratepayer. The bill is overdue when not paid on or before the due date indicated on the bill. An overdue bill is subject to a Late Payment Charge of 1.25% interest per month on the full unpaid and overdue balance of the charges billed by the Company ~~charges on the bill including EGS charges for those customers who have selected consolidated billing.~~ The Late Payment Charge shall be calculated on the overdue portions of the Company charges on the bill and shall not be charged against any sum that falls due during a current billing period. (C)

**POLES**

No charge is made for wood poles used jointly for street lighting and the support of the Company's general distribution system or for tubular steel poles, trolley type, used jointly for street lighting and the support of trolley span wires.

**STANDARD CONTRACT RIDERS – (Continued)**

**RIDER MATRIX**

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 1	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 2				X	X	X	X								
Rider No. 3				X	X	X	X	X							
Rider No. 4				X	X	X	X								
Rider No. 5	X	X	X												
Rider No. 6				X											
Rider No. 7	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 8	X	X	X	X	X					X	X	X	X	X	X
Rider No. 9						X	X	X	X						
Rider No. 10	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 11				X		X									
Rider No. 12				X	X										
Rider No. 13				X											
Rider No. 14	X														
Rider No. 15	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. 16				X	X	X	X	X							
Rider No. 17						X	X	X	X						
Rider No. 18	X	X	X	X	X	X	X								
Rider No. 19	X	X	X	X											
Rider No. 20	X	X	X	X	X	X	X	X	X	X					
Rider No. 21	X	X	X	X	X	X									
Appendix A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

(C)

(C)

Rider Titles:

- Rider No. 1 — Consumer Education Surcharge
- Rider No. 2 — Untransformed Service
- Rider No. 3 — School and Government Service Discount Period
- Rider No. 4 — Budget Billing HUD Finance Multi-Family Housing
- Rider No. 5 — Universal Service Charge
- Rider No. 6 — Temporary Service
- Rider No. 7 — SECA Charge
- Rider No. 8 — Default Service Supply
- Rider No. 9 — Day-Ahead Hourly Price Service
- Rider No. 10 — State Tax Adjustment
- Rider No. 11 — Street Railway Service
- Rider No. 12 — Billing Option – Volunteer Fire Companies and Nonprofit Senior Citizen Centers
- Rider No. 13 — General Service Separately Metered Electric Space Heating Service
- Rider No. 14 — Residential Service Separately Metered Electric Space and Water Heating
- Rider No. 15 — Energy Efficiency and Conservation and Demand Response Surcharge
- Rider No. 16 — Service to Non-Utility Generating Facilities
- Rider No. 17 — Emergency Energy Conservation
- Rider No. 18 — Rates for Purchase of Electric Energy from Customer-Owned Renewable Resources Generating Facilities
- Rider No. 19 — ~~Off-Peak Water Heating Service~~ THIS PAGE INTENTIONALLY LEFT BLANK
- Rider No. 20 — Smart Meter Charge
- Rider No. 21 — Net Metering Service
- Appendix A — Transmission Service Charges

(C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY

(Applicable to Rate Schedules RS, RH, RA, GS/GM, AND GMH, AL, SE, SM, SH, UMS and PAL) (C)

Default Service Supply (“DSS”) provides residential, commercial, and industrial and lighting customers on the applicable rate schedules with a default service supply rate that is determined based on a request for proposal to acquire the energy to serve the load of customers taking service under the provisions of this Rider. Commercial and industrial customers are defined in Rate Schedules GS/GM and GMH, and, in general, are those customers with a monthly metered demand that is less than 300 kW in a twelve (12) month period. (C)

DEFAULT SERVICE SUPPLY RATE

Residential (Rate Schedules RS, RH and RA) (C)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
<u>June 1, 2013 through May 31, 2014</u>	<u>X.XXXX</u>
<u>June 1, 2014 through May 31, 2015</u>	<u>X.XXXX</u>

Small Commercial and Industrial cCustomers with monthly metered demand less than 25 kW.  
 (Rate Schedules GS/GM and GMH and Rate Schedule UMS) (C)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
<u>June 1, 2013 through November 30, 2013</u>	<u>X.XXXX</u>
<u>December 1, 2013 through May 31, 2014</u>	<u>X.XXXX</u>
<u>June 1, 2014 through November 30, 2014</u>	<u>X.XXXX</u>
<u>December 1, 2014 through May 31, 2015</u>	<u>X.XXXX</u>

Medium Commercial and Industrial cCustomers with monthly metered demand equal to or greater than 25 kW.  
 (Rate Schedules GS/GM and GMH) (C)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
<u>June 1, 2013 through November 30, 2013</u>	<u>X.XXXX</u>
<u>December 1, 2013 through May 31, 2014</u>	<u>X.XXXX</u>
<u>June 1, 2014 through November 30, 2014</u>	<u>X.XXXX</u>
<u>December 1, 2014 through May 31, 2015</u>	<u>X.XXXX</u>

Lighting (Rate Schedules AL and SE) (C)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
<u>June 1, 2013 through May 31, 2014</u>	<u>X.XXXX</u>
<u>June 1, 2014 through May 31, 2015</u>	<u>X.XXXX</u>

Lighting (Rate Schedules SM, SH and PAL) — Lamp wattage as available on applicable rate schedule.

(C)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2013 through May 31, 2014	X.XXXX
June 1, 2014 through May 31, 2015	X.XXXX

<u>Wattage</u>	<u>Nominal kWh Energy Usage per Unit per Month</u>	<u>June 1, 2013 through May 31, 2014 Fixture Charge \$ per month</u>	<u>June 1, 2014 through May 31, 2015 Fixture Charge \$ per month</u>
<u>Mercury Vapor</u>			
100	44	X.XXXX	X.XXXX
175	74	X.XXXX	X.XXXX
250	102	X.XXXX	X.XXXX
400	161	X.XXXX	X.XXXX
1000	386	X.XXXX	X.XXXX
<u>High Pressure Sodium</u>			
70	29	X.XXXX	X.XXXX
100	50	X.XXXX	X.XXXX
150	71	X.XXXX	X.XXXX
200	95	X.XXXX	X.XXXX
250	110	X.XXXX	X.XXXX
400	170	X.XXXX	X.XXXX
1000	387	X.XXXX	X.XXXX
<u>Flood Lighting - Unmetered</u>			
70	29	X.XXXX	X.XXXX
100	46	X.XXXX	X.XXXX
150	67	X.XXXX	X.XXXX
250	100	X.XXXX	X.XXXX
400	155	X.XXXX	X.XXXX

The Company will provide default service supply under this Rider by obtaining the requirements from suppliers through competitive procurements using a Request for Proposal (“RFP”) process. The charges for DSS calculated based on the results of the RFP process for service under this Rider will be effective as defined above.

DSS obtained through the RFP process includes energy, capacity, transmission and distribution line losses, congestion and congestion management costs, Alternative Energy Credits (“AECs”), ancillary services, PJM grid management charges and other such services or products that are required to provide default service to the Company’s ~~commercial and industrial~~ customers including Auction Revenue Rights and Financial Transmission Rights (“ARRs/FTRs”). DSS shall not include transmission service within Duquesne’s zone ~~or ancillary services~~. Duquesne will be responsible for and continue to provide network integration transmission service. The applicable charges for ~~these transmission services~~ are defined in Appendix A of this Tariff.

(C)

Service under this Rider No. 8 – Default Service Supply shall commence in accordance with the switching protocols in Rule No. 45.1.

(C) – Indicates Change

ISSUED: XXXXX XX, XXXX

EFFECTIVE: JUNE 1, 2013

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL) (C)  
(Applicable to Rate Schedules ~~GS/GM AND GMH~~)

PROCUREMENT PROCESS

~~The Company will conduct separate RFP solicitations for DSS under this Rider approximately every six (6) months. The RFP process will be bid out separately for customers with monthly metered demand less than 25 kW and for customers with monthly metered demand equal to or greater than 25 kW to ensure that there is no cross subsidization.~~ (C)

The Company will conduct separate RFP solicitations for DSS for each customer procurement group under this Rider. The customer procurement groups for the RFP solicitations are defined as residential and lighting, small commercial and industrial and medium commercial and industrial. The small commercial and industrial group includes those customers with monthly metered demand less than 25 kW. The medium commercial and industrial group includes those customers with monthly metered demand equal to or greater than 25 kW and less than 300 kW. The RFP process will be bid separately to ensure that there is no cross subsidization. (C)

The Company will update the rates for the DSS according to the schedule in the above tables. The Company will issue RFPs prior to the beginning of each Application Period to update the default service supply rates. The updated rates will be based on the new price(s) available from the winning suppliers through the RFP process. The rates will include a reconciliation adjustment ~~for the prior period~~ as described in the "Calculation of Rate" section of this Rider. In the month prior to the beginning of each Application Period, the Company will file new DSS charges with the Pennsylvania Public Utility Commission ("Commission") for the subsequent Application Period, and, upon Commission approval, these charges shall become effective on the first day of the following month. (C)

~~The commercial and industrial load~~ of the customer procurement group for the RFP will be divided into Tranches. Winning suppliers will provide DSS for the percentage of DSS load corresponding to the number of Tranches won in the RFP. Duquesne seeks to procure all Tranches in the RFP process pursuant to the RFP schedule approved by the Commission. (C)

The selection of bids will be submitted to the Commission for its approval or rejection within one business day after submittal. If the bids are not acted on by the Commission within one business day, the Company may proceed on the basis that they are approved and award the bids pursuant to 52 Pa. Code § 54.188(d).

CONTINGENCY PLAN

In the event Duquesne receives bids for less than all Tranches or the Commission does not approve all or some of the submitted bids or in the event of supplier default, then Duquesne will provide the balance of the default supply for commercial and industrial customers through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. Duquesne will submit to the Commission within 10 days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

CALCULATION OF RATE

DSS rates shall be determined based on the formula described in this section. The rates shall include an adjustment to reconcile revenue and expense ~~for the previous~~ each application period. The DSS shall be (C)

(C) – Indicates Change

ISSUED: XXXXX XX, XXXX

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determined to the nearest one-thousandth of one (1) mill per kilowatt-hour in accordance with the formula set forth below and shall be applied to all kilowatt-hours billed for default service provided during the billing month:

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL) (C)  
~~(Applicable to Rate Schedules GS/GM AND GMH)~~

CALCULATION OF RATE – (Continued)

$$DSS = \frac{((DSS_a - E) / (1 - T))}{S}$$

(C)

$$DSS = [(RFP + DSS_a - E) / S] * F * [1 / (1 - T)]$$

Where:

DSS = Default Service Supply rate, converted to cents per kilowatt-hour, to be applied to each kilowatt-hour supplied to customers taking default service from the Company under this Rider.

~~RFP =~~ The weighted average of the winning bids received in a competitive request for proposal for each customer class identified above and described in the "Default Service Supply Rate" section and adjusted for customer class transmission and distribution line losses. The request for proposal shall be conducted as described in "Procurement Process." (C)

DSS<sub>a</sub> = The total estimated direct and indirect costs incurred by the Company to acquire DSS from any source on behalf of customers described above in the "Procurement Process." The Application Period shall be for each period over which the DSS, as computed, will apply. Projections of the Company's costs to acquire default supply for the Application Period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated default service supply-related procurement and administration costs.

E = Experienced net over or undercollection of costs associated with the acquisition of supply for applicable customers for the reconciliation period ~~ending one month prior to the end of the preceding Application Period~~, including applicable interest. Estimated costs will be included for the final months of the Application Period due to timing of the filings, with full reconciliations in the subsequent filing. Interest shall be computed monthly at the rate provided for in Section 52 Pa. Code §54.187(f), from the month the over or undercollection occurs to the month in which the overcollection is refunded or the undercollection is recouped. (C)

S = The Company's default service retail kWh sales to customers in the applicable Customer Class, projected for the Application Period.

~~F =~~ Rate Factor only for the residential and lighting customer groups. The Rate Factor shall be 1.0 for all other customer groups. DSS for residential and lighting customer groups will be obtained in the same RFP. The Rate Factor adjustment reflects the load shape of the residential and lighting classes. The Rate Factor will be as follows for each Application Period. (C)

Application Period	Residential	Lighting
June 1, 2013 through May 31, 2014	1.0033	0.7693
June 1, 2014 through May 31, 2015	1.0052	0.6313

T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

**STANDARD CONTRACT RIDERS - (Continued)**

**RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)**

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL) (C)  
 (Applicable to Rate Schedules ~~GS/GM AND GMH~~)

**CALCULATION OF RATE – (Continued)**

The DSS shall be filed with the Commission on or about the fifteenth day of the month prior to the start of the next Application Period. The rate shall become effective for default supply service rendered on and after the beginning of the Application Period unless otherwise ordered by the Commission, and shall remain in effect for the effective periods defined above, unless revised on an interim basis subject to the approval of the Commission. Pursuant to 52 Pa. Code §69.1809(c), upon determination that the DSS, if left unchanged, would result in a material over or undercollection of supply-related costs incurred or expected to be incurred during the effective period, the Company may file with the Commission for an interim revision of the DSS to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

~~The Company will file with the Commission by the fifteenth day of the month prior to the next Application Period a reconciliation of the DSS revenue recovery during the immediately preceding Application Period pursuant to 66 Pa. C.S. §1307. The reconciliation shall become effective for service rendered on and after the beginning of the next calendar month and shall remain in effect until new DSS rates are approved by the Commission.~~ (C)

On or about April 1 of each year, the Company will submit a reconciliation filing to the Commission pursuant to 66 Pa.C.S. § 1307(e) for the twelve (12) months ending February 28 or 29, the reconciliation period. The revenue billed during each Application Period of the reconciliation period will be compared to the actual expenses incurred to provide DSS during the Reconciliation Period. The over or under collection of revenue during the reconciliation period will be recouped or refunded, as appropriate, with interest, commencing on June 1. (C)

Minimum bills shall not be reduced by reason of the DSS. DSS charges shall not be a part of the monthly rate schedule minimum nor be subject to any credits or discounts.

Application of the DSS shall be subject to continuous review and audit by the Commission at intervals it shall determine.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 11 - STREET RAILWAY SERVICE

(Applicable to Rates GS/GM and GL)

| Where service is supplied at 11,500 volts or higher at two or more interconnected points of delivery to any street railway system for the purpose of conversion to direct current energy for the operation of such system, the Billing Demand in kilowatts of such service for distribution ~~and supply charges, if purchased from the Company,~~ shall be reduced by 7.20% for Rate GS/GM customers and 7.25% for Rate GL customers for the purpose of computation of the delivery charges of the bill under the applicable rate and any other applicable rider. (C)

STANDARD CONTRACT RIDERS - (CONTINUED)

RIDER NO. 19 - OFF-PEAK WATER HEATING SERVICE

(Applicable to Rates RS, RH, RA and GS/GM)

AVAILABILITY

Available to customers on the applicable rates utilizing electric storage water heaters equipped with timing devices that control water heating to defined off-peak hours as the sole source of water heating.

MONTHLY RATE

ENERGY CHARGE

All kilowatt-hours of water heating usage at ..... 3.70 cents per kWh

(†)

The energy charge per kilowatt-hour of water heating usage shall be revised annually each March 17<sup>th</sup> to reflect the average PJM Duquesne Zone off-peak price for the preceding calendar year, adjusted for transmission and distribution line losses.

DETERMINATION OF MONTHLY WATER HEATING USAGE

For customers who have installed a storage water heating system that limits water heating to the defined off-peak hours specified and stores hot water for use during on-peak periods, the monthly water heating usage will be determined based upon the heating unit capacities as follows and subject to the limitation listed below:

Unit Capacity	Monthly Water Heating Allowance
30 to 39 gallons	Next 150 kWh of usage after the first 200 kWh
40 to 59 gallons	Next 200 kWh of usage after the first 200 kWh
60 to 99 gallons	Next 300 kWh of usage after the first 200 kWh
100 to 119 gallons	Next 400 kWh of usage after the first 200 kWh
120 gallons or greater	Next 500 kWh of usage after the first 200 kWh

(†) - Indicates Increase

**STANDARD CONTRACT RIDERS (Continued)****RIDER NO. 19 — OFF-PEAK WATER HEATING SERVICE (Continued)****(Applicable to Rates RS, RH, RA and GS/GM)****ON-PEAK AND OFF-PEAK HOURS**

The following hours will be designated as on-peak hours:

Monday through Friday  
10:00 A.M. TO 9:00 P.M.

The remaining hours including the generally observed holidays of New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day shall be designated as off-peak hours. The Company may, upon written notice to customers taking service under this rider and upon filing same with the Pennsylvania Public Utility Commission, make such changes in the on-peak hours as it may from time to time deem necessary.

**SPECIAL TERMS AND CONDITIONS**

To be eligible for this rider, the customer must agree to the following terms and conditions:

- ~~1. The electric storage water heaters must be approved by the Company as capable of meeting the usage control requirements of this rider.~~
- ~~2. The Company reserves the right to inspect at all reasonable times the energy storage and usage control devices that qualify the customer for this rider and to ascertain by any reasonable means that the time differentiated load characteristics of such devices meet Company specifications.~~
- ~~3. If the Company finds that in its sole judgment the conditions of this rider are being violated, it may discontinue billing the customer under the provisions of this rider and all usage will be billed at the applicable rate.~~

**PROVISIONS UNDER DIRECT ACCESS**

For customers purchasing their electric supply from an EGS, the customer will be billed the Distribution Charges of the applicable rate based on energy consumption net of the water heating allowance.

(C)

## STANDARD CONTRACT RIDERS - (Continued)

**RIDER NO. 21 – NET METERING SERVICE – (Continued)**

(Applicable to Rates RS, RH, RA, GS/GM, GMH and GL)

**METERING PROVISIONS - (Continued)**

1. If the customer-generator's existing electric metering equipment does not meet the requirements under option (1) above, the Company shall install new metering equipment for the customer-generator at the Company's expense. Any subsequent metering equipment change necessitated by the customer-generator shall be paid for by the customer-generator. The customer-generator has the option of utilizing a qualified meter service provider to install metering equipment for the measurement of generation at the customer-generator's expense. Additional metering equipment for the purpose of qualifying alternative energy credits owned by the customer-generator shall be paid for by the customer-generator. The Company shall take title to the alternative energy credits produced by a customer-generator where the customer-generator has expressly rejected title to the credits. In the event that the Company takes title to the alternative energy credits, the Company will pay for and install the necessary metering equipment to qualify the alternative energy credits. The Company shall, prior to taking title to any alternative energy credits, fully inform the customer-generator of the potential value of those credits and options available to the customer-generator for their disposition.
2. Meter aggregation on properties owned or leased and operated by a customer-generator shall be allowed for purposes of net metering. Meter aggregation shall be limited to meters located on properties within two (2) miles of the boundaries of the customer-generator's property. Meter aggregation shall only be available for properties located within the Company's service territory. Physical meter aggregation shall be at the customer-generator's expense. The Company shall provide the necessary equipment to complete physical aggregation. If the customer-generator requests virtual meter aggregation, it shall be provided by the Company at the customer-generator's expense. The customer-generator shall be responsible only for any incremental expense entailed in processing his account on a virtual meter aggregation basis. (C)

**BILLING PROVISIONS**

The following billing provisions apply to customer-generators in conjunction with service under applicable Rate Schedule RS, RH, RA, GS/GM, GMH and GL:

1. The customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If a customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the full retail rate. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours received from the customer-generator in excess of the kilowatt hours delivered by the Company to the customer-generator during the preceding year at the ~~full retail value~~ Company's Price To Compare for all energy produced consistent with Commission regulations. For customer-generators on Rate GL, the Price To Compare shall be determined as an average for the twelve (12) month period in accordance with Rider No. 9. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. (C)

**(C) – Indicates Change**

ISSUED: XXXXX XX, XXXX

EFFECTIVE: JUNE 1, 2013

## STANDARD CONTRACT RIDERS - (Continued)

**RIDER NO. 21 – NET METERING SERVICE – (Continued)**

(Applicable to Rates RS, RH, RA, GS/GM, GMH and GL)

**BILLING PROVISIONS - (Continued)**

2. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

**NET METERING PROVISIONS FOR SHOPPING CUSTOMERS****(C)**

1. Customer-generators may take net metering services from EGSs that offer such services.
2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by the customer-generator, up to the total amount of kilowatt-hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. Any excess kilowatt hours at the end of the 12 month period will not carry over to the next year for distribution charge purposes. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
3. If the Company delivers more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt-hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.
4. Pursuant to Commission regulations, the credit or compensation terms for excess electricity produced by customer-generators who are customers of EGSs shall be stated in the service agreement between the customer-generator and the EGS. The Company will provide the customer-generator with a statement of monthly kilowatt hour usage for the 12 month period ending May 31 for the purpose of the customer-generator seeking credit or compensation from the EGS.

5. If a customer-generator switches electricity suppliers, the Company shall treat the end of the service period as if it were the end of the year.

**APPLICATION**

Customer-generators seeking to receive service under the provisions of this Rider must submit a written application to the Company demonstrating compliance with the Net Metering Rider provisions and quantifying the total rated generating capacity of the customer-generator facility.

**MINIMUM CHARGE**

The Minimum Charges under Rate Schedule RS, RH, RA, GS/GM, GMH and GL apply for installations under this Rider.

**RIDERS**

Bills rendered by the Company under this Rider shall be subject to charges stated in any other applicable Rider.

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

**BILLING DEMAND**

Billing Demand subject to Transmission Service Charges for customers taking service under Rate Schedules GS/GM and GMH shall be the same as that determined for distribution and supply charges under the applicable rate schedules.

Billing Demand subject to Transmission Service Charges for Customers taking service under Rate Schedules GL, GLH, L, HVPS and UMS shall be the customer's daily network service coincident peak load contribution in MW. This quantity is determined based on the customer's load coincident with the annual peak of the Duquesne Zone (single coincident peak) as defined in the PJM Tariff Section 34.1.

ANNUAL UPDATE

The Transmission Service Charges (TSC) defined herein will be updated effective June 1<sup>st</sup> of each calendar year or more often upon determination that the rates then in effect would result in a significant over or under collection. On or about May 1<sup>st</sup>, the Company will file revised TSC rates with the PA Public Utility Commission (Commission) defining rates in effect from June 1 to May 31 of the following year, the computation year. These rates shall be determined based on the projected revenue requirement for the computation year, the projected cost of PJM charges and the over or under collection of expenses based on actual TSC revenue and expense incurred up to March 1 of each filing year. ~~In addition, the projected expense for the computation year will include the costs for ancillary services and PJM administrative costs.~~ The revenue requirement and over or under collection shall be allocated to each rate class based on the class contribution to the Company's coincident peak load (1CP) and Default Service share of the 1CP load from the previous calendar year. The costs for ancillary services and PJM administrative expenses are included in the Default Service Supply rates defined in will be charged to each Rate Schedule using a flat charge per kWh as defined in the formulas below. ~~PJM administrative expenses for customers on Rate Schedule GS/GM and Rate Schedule GMH with billing demand equal to or greater than 25 kW will be billed in accordance with~~ Rider No. 8. The costs for ancillary services and PJM administrative expenses for rate classes GL, GLH, L and HVPS will be billed in accordance with Rider No. 9. The rates applicable to each Rate Schedule shall be determined in accordance with the following formulas.

(C)

**For Rate Schedules RS, RH, RA and applicable Riders:**

$$TSC-kWh = \{ (RCRR - "e") / RCSales + AS + PJM_{AC} \} * \{ 1/(1-T) \}$$

(C)

**For Rate Schedules GS/GM and GMH with monthly Billing Demand less than 25 kW:**

Non-Demand Metered:

$$TSC-kWh = \{ (RCRR - "e") / RCSales + AS + PJM_{AC} \} * \{ 1/(1-T) \}$$

(C)

Demand Metered:

$$TSC-kW = \{ ((RCRR - "e") \times 50\%) / RCDemand \} * \{ 1/(1-T) \}$$

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

ANNUAL UPDATE - (Continued)

For Rate Schedules GS/GM and GMH with monthly Billing Demand less than 25 kW: - (Continued)

Demand Metered: - (Continued)

$$TSC-kWh = \{ ((RCRR - "e") \times 50\%) / RCSales + AS + PJM_{AC} \} * \{ 1/(1-T) \}$$

(C)

For Rate Schedules GS/GM and GMH with monthly Billing Demand equal to or greater than 25 kW:

$$TSC-kW = \{ ((RCRR - "e") \times 50\%) / RCDemand \} * \{ 1/(1-T) \}$$

$$TSC-kWh = \{ ((RCRR - "e") \times 50\%) / RCSales + AS \} * \{ 1/(1-T) \}$$

(C)

For Rate Schedules GL, GLH, L, HVPS:

$$TSC-kW = \{ (RCRR - "e") / (RC1CP \times 12) \} * \{ 1/(1-T) \}$$

For Rate Schedule UMS:

$$TSC-kW = \{ (RCRR - "e") / (RC1CP \times 12) + AS + PJM_{AC} \} * \{ 1/(1-T) \}$$

(C)

For Rate Schedules AL, SE, SM, SH and PAL:

(C)

The annual revenue requirement and over or under collection shall be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load from the previous calendar year. PJM charges that are load based will also be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load. PJM charges that are energy based will be billed on a per kWh basis. All such charges will be adjusted for Pennsylvania gross receipts tax. For rate schedules SM, SH and PAL, a kWh charge will be determined to recover the allocated revenue requirement and PJM charges. An equivalent fixed monthly charge will be determined based on the monthly kWh usage applicable for each fixture.

(C)

~~Ancillary service and PJM administrative charges shall apply to these rate schedules. As defined below, ancillary service and PJM administrative charges are billed on a cents per kWh basis. For rate schedules SM, SH and PAL, the ancillary service and administrative rate defined in the following section shall be billed for each fixture based on the kWh usage defined for that fixture in each rate schedule. The rates in the preceding section are based on monthly usage per fixture.~~

Where:

TSC = Transmission service charge to be applied to all Transmission billing units (either kWh or kW, as indicated.)

RCRR = Projected total revenue requirement is established for the computation year of June 1<sup>st</sup> through May 31<sup>st</sup>, corresponding to the PJM planning year. The revenue requirement shall then be allocated to the specific rate classes by applying the ratio of the RC1CP to the Duquesne Zone 1CP for the prior year.

(C) – Indicates Change

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

ANNUAL UPDATE - (Continued)

- "e" = Total over or under collection calculated by comparing total TSC revenues billed to the specific rate class during the reconciliation year of the twelve month period ending February 28<sup>th</sup> or 29<sup>th</sup> to the total charges billed by PJM under its OATT as approved or accepted by FERC and allocated to the specific rate class based upon its Default Service share of the Duquesne Zone 1CP for the prior year, including applicable interest. Interest shall be computed monthly at the statutory rate, from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped.
- RCSales = Projected kWh sales for the specific rate class for the computation year.
- RCDemand = Projected kW billing demand for the specific rate class for the computation year.
- RC1CP = Rate Class load coincident with the peak hour of the peak day of the Duquesne Zone during the calendar year prior to the computation year.
- ~~AS = Ancillary service charge of 0.3804 cents per kWh. Ancillary services include, but are not limited to, spinning reserves, operating reserves, regulation, synchronous condensing charges, schedule 1 A and black start service, as well as other related charges defined in the PJM Open Access Transmission Tariff.~~ (C)
- ~~PJM<sub>AC</sub> = PJM administrative charge of 0.0323 cents per kWh. PJM administrative expenses include and are based on the stated rates in Schedule 9 and Schedule 10 of the PJM Open Access Transmission Tariff ("OATT").~~ (C)
- T = The total Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

**MISCELLANEOUS**

Minimum bills shall not be reduced by reason of the TSC, nor shall charges hereunder comprise any portion of a monthly rate schedule minimum. The TSC shall not be subject to any credits or discounts and shall not be affected by the State Tax Adjustment Surcharge (STAS).

The Company shall file a report of TSC collections within thirty days following the conclusion of each computation-year quarter. These reports will be in a form prescribed by the Commission.

Application of the TSC shall be subject to review and audit by the Commission at intervals it shall determine. The Commission shall review the level of charges produced by the TSC and the costs included therein.

**Duquesne Light Exhibit WVP – 6**

Exhibit WVP-6

SUPPLEMENT NO. X  
TO ELECTRIC – PA. P.U.C. NO. 3S

# **DUQUESNE LIGHT COMPANY**

## **ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF**

Issued By

**DUQUESNE LIGHT COMPANY**

411 Seventh Avenue  
Pittsburgh, PA 15219

**Richard Riazzi**

**President and Chief Executive Officer**

Issued: XXXXX XX, XXXX

Effective: June 1, 2013

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# **NOTICE**

**THIS TARIFF SUPPLEMENT MAKES CHANGES TO THE TABLE OF CONTENTS,  
DEFINITIONS, RULES AND REGULATIONS, PROCEDURES AND RIDERS**

**See Page Two**

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Table of Contents**

**Third Revised Page No. 3  
Cancelling Second Revised Page No. 3**

Page No. 2A, Page No. 2B, Page No. 2C, Page No. 2D, Page No. 2E and Page No. 2F were added to the Tariff and the Table of Contents to accommodate the "List of Modifications Made By This Tariff."

Original Page No. 5A was added to the Tariff to accommodate language modifications to the "Definition of Terms and Explanation of Abbreviations."

Page No. 13A and Page No. 13B were removed from the Tariff as they are no longer necessary.

**Definition of Terms and Explanation of Abbreviations**

**Second Revised Page No. 4  
Cancelling First Revised Page No. 4**

**Third Revised Page No. 5  
Cancelling Second Revised Page No. 5**

**Third Revised Page No. 6  
Cancelling Second Revised Page No. 6**

**Third Revised Page No. 6A  
Cancelling Second Revised Page No. 6A**

**Rules and Regulations – 2. Scope and Purpose of Tariff  
2.3.1 Credit Requirements**

**Second Revised Page No. 8  
Cancelling First Revised Page No. 8**

**Rules and Regulations – 3. Commencement of EDC/EGS Coordination  
3.1 Registration for Coordination Services**

**First Revised Page No. 9  
Cancelling Original Page No. 9**

**Rules and Regulations – 3. Commencement of EDC/EGS Coordination  
3.8 Approval of Registration  
3.9 Identification Numbers**

**First Revised Page No. 10  
Cancelling Original Page No. 10**

**Rules and Regulations – 4. Coordination Obligations  
4.3 Duty of Cooperation  
4.7.1 Transmission Losses  
4.9 Determination of Load and Location**

**Third Revised Page No. 11  
Cancelling Second Revised Page No. 11**

**Rules and Regulations – 5. Direct Access Procedures  
5.1.3 B. Methodology for calculating Peak Load  
Contributions Used in Determination of Capacity  
Obligations and Network Transmission Service  
Peak Load Contributions**

**Second Revised Page No. 15  
Cancelling First Revised Page No. 15**

- 1) Network Transmission Service Peak Load Contribution (1 CP)**

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

Rules and Regulations – 5. Direct Access Procedures  
2) Peak Load Contribution (5 CP) Second Revised Page No. 15A  
Cancelling First Revised Page No. 15A

Rules and Regulations – 5. Direct Access Procedures  
5.4.3 Customer Obligations First Revised Page No. 20  
Cancelling Original Page No. 20

Rules and Regulations – 7. Day After Load Estimates and Supply  
Schedules Second Revised Page No. 24  
Cancelling First Revised Page No. 24  
7.2.1 Uploading Schedules  
7.2.3 Supply Schedules

Rules and Regulations – 8. Reconciliation Second Revised Page No. 25  
Cancelling First Revised Page No. 25  
8.2.1 Monthly or Daily Metered and Unmetered  
8.4 Consumption and Losses  
8.4.2 Unaccounted for Energy

Rules and Regulations – 14. Discontinuance of EGS Service  
To Particular Customers Second Revised Page No. 34  
Cancelling First Revised Page No. 34  
14.4 Customers Returning to Default Service  
14.4.1 Customer Must Initiate The Switch to Default Service

Language has been modified to align with the current business operation of the Company as well as current PJM business practice.

Definition of Terms and Explanation of Abbreviations Original Page No. 5A

Original Page No. 5A was added to the Tariff to accommodate language modifications to Third Revised Page No. 5 – Cancelling Second Revised Page No. 5.

Definition of Terms and Explanation of Abbreviations First Revised Page No. 6B  
Cancelling Original Page No. 6B

Rules and Regulations – 5. Direct Access Procedures  
5.3.5 First Revised Page No. 19  
Cancelling Original Page No. 19

Rules and Regulations – 8. Reconciliation Second Revised Page No. 25  
Cancelling First Revised Page No. 25  
8.4.1 Consumption Calculation  
8.4.2 Unaccounted for Energy  
8.5 Billing

Rules and Regulations – 12. Payment and Billing Third Revised Page No. 30  
Cancelling Second Revised Page No. 30  
12.1.1 Company Billing for EGS

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Rules and Regulations – 12. Payment and Billing**  
**12.1.7.1.1 Purchase Price Discount Adjustment for Individual EGS**

**Second Revised Page No. 30B**  
**Cancelling First Revised Page No. 30B**

**Rules and Regulations – 14. Discontinuance of EGS Service To Particular Customers**  
**14.4 Customers Returning to Default Service**  
**14.4.1 Customer Must Initiate The Switch to Default Service**

**Second Revised Page No. 34**  
**Cancelling First Revised Page No. 34**

**Rules and Regulations – 14. Discontinuance of EGS Service To Particular Customers**  
**14.5 Information Regarding Estimates of Load Returning to Default Service**  
**14.5.1 Information on Residential Load**  
**14.5.2 Information on Non-Residential Load**

**Second Revised Page No. 35**  
**Cancelling First Revised Page No. 35**

**Rules and Regulations – 17. Termination of Individual Coordination Agreement**  
**17.2 Effect of Termination**

**Second Revised Page No. 38**  
**Cancelling First Revised Page No. 38**

Language has been modified to reflect that all references to "POLR" have been changed to "default service."

**Rules and Regulations – 1. The Tariff**  
**1.1 Filing and Posting**

**First Revised Page No. 7**  
**Cancelling Original Page No. 7**

Language has been modified to explain that this tariff is also available on the Company's website ([www.duquesnelight.com](http://www.duquesnelight.com)), providing an alternative way for customers who have Internet access to view the latest Company information.

**Rules and Regulations – 2. Scope and Purpose of Tariff**  
**2.1 Scope and Purpose of Tariff**

**Second Revised Page No. 8**  
**Cancelling First Revised Page No. 8**

**Rules and Regulations – 5. Direct Access Procedures**  
**5.0 Generally**

**First Revised Page No. 14**  
**Cancelling Original Page No. 14**

**Rules and Regulations – 5. Direct Access Procedures**  
**5.2 Initial EGS Selection**  
**5.2.1 D.**

**First Revised Page No. 16**  
**Cancelling Original Page No. 16**

**Rules and Regulations – 5. Direct Access Procedures**  
**5.2 Initial EGS Selection**  
**5.2.2**  
**5.3 Switching Among EGSs or Between an EGS and the Company**

**First Revised Page No. 17**  
**Cancelling Original Page No. 17**

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rules and Regulations – 5. Direct Access Procedures  
5.3 Switching Among EGSs or Between an EGS  
and the Company

First Revised Page No. 18  
Cancelling Original Page No. 18

Rules and Regulations – 5. Direct Access Procedures  
5.3 Switching Among EGSs or Between an EGS  
and the Company

First Revised Page No. 19  
Cancelling Original Page No. 19

Language has been modified to eliminate the reference to language pertaining to initial customer choice.

Rules and Regulations – 3. Commencement of EDC/EGS Coordination  
3.1 Registration for Coordination Services

First Revised Page No. 9  
Cancelling Original Page No. 9

Rules and Regulations – 4. Coordination Obligations  
4.14 Data Exchange

Third Revised Page No. 13  
Cancelling Second Revised Page No. 13

Language has been modified to eliminate the reference to issues pertaining to Y2K.

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First Revised Page No. 13A  
Cancelling Original Page No. 13A

First Revised Page No. 13B  
Cancelling Original Page No. 13B

These pages have been removed from the Tariff as they are no longer necessary.

Rules and Regulations – 5. Direct Access Procedures  
5.1.1 Customer Method

First Revised Page No. 14  
Cancelling Original Page No. 14

5.1.2 EGS Method

Second Revised Page No. 15  
Cancelling First Revised Page No. 15

Language has been modified to reflect that the reference to “alternative generation supplier” has been changed to “EGS.”

Rules and Regulations – 5. Direct Access Procedures  
5.3.2 C.

First Revised Page No. 18  
Cancelling Original Page No. 18

Language has been modified to remove the word “business” in regard to the ten (10) day customer rescission procedure.

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Rules and Regulations – 5. Direct Access Procedures**  
**5.3.2 C.**

**First Revised Page No. 18**  
**Cancelling Original Page No. 18**

**5.3.5**

**First Revised Page No. 19**  
**Cancelling Original Page No. 19**

Language has been modified to reflect the change from sixteen (16) days to ten (10) days in regard to the number of day's prior notice that must be provided to the Company by an EGS to whom a customer requested to switch to or by a customer requesting to return to default service.

**Rules and Regulations – 12. Payment and Billing**  
**12.1.7 Purchase of EGS Receivables (POR) Program**  
**12.1.7.1 Eligibility Requirements**

**Second Revised Page No. 30A**  
**Cancelling First Revised Page No. 30A**

**Rules and Regulations – 12. Payment and Billing**  
**12.1.7.2.1 Purchase Price Discount Adjustment**

**First Revised Page No. 30A-1**  
**Cancelling Original Page No. 30A-1**

Language has been modified to describe the proposed POR Program and eliminate provisions of past POR Programs.

**Rules and Regulations – 12. Payment and Billing**  
**12.1.7.2 Purchase Price Discount**

**Second Revised Page No. 30A**  
**Cancelling First Revised Page No. 30A**

Language has been modified to reflect the three (3) customer groups and address recovery of retail market enhancements for the standard offer referral program costs.

**Rules and Regulations – 12. Payment and Billing**  
**12.1.7.5 Transfer of Collection Responsibilities**  
**and Rights**

**Second Revised Page No. 30B**  
**Cancelling First Revised Page No. 30B**

**Second Revised Page No. 30C**  
**Cancelling First Revised Page No. 30C**

Language has been modified to reflect full collection activities for consolidated billing customers.

**Rules and Regulations – 12. Payment and Billing**  
**12.1.7.6 Program Performance and Monitoring**

**Second Revised Page No. 30C**  
**Cancelling First Revised Page No. 30C**

Rule No. 12.1.7.6 – Program Performance Monitoring has been eliminated from the tariff. Language has been modified to eliminate Rule No. 12.1.7.6 as it is a provision of past POR Programs.

**LIST OF MODIFICATIONS MADE BY THIS TARIFF**

**CHANGES**

**Rules and Regulations – 12. Payment and billing  
12.1.7.6 Dispute Resolution**

**Second Revised Page No. 30C  
Cancelling First Revised Page No. 30C**

With the elimination of Rule No. 12.1.7.6 – Program Performance Monitoring in this proceeding, Rule No. 12.1.7.7 – Dispute Resolution has been renumbered to become 12.1.7.6 Dispute Resolution.

**Rules and Regulations – 14. Discontinuance of EGS Service  
To Particular Customers  
14.5 Non-Residential Customers Returning from POLR Service**

**Second Revised Page No. 35  
Cancelling First Revised Page No. 35**

Rule No. 14.5 – Non-Residential Customers Returning from POLR Service has been eliminated from the tariff. Language has been modified to eliminate Rule No. 14.5 as it is a provision of past default service plans regarding a Generation Rate Adjustment.

**Rules and Regulations – 14. Discontinuance of EGS Service  
To Particular Customers  
14.5 Information Regarding Estimates of Load Returning  
To Default Service**

**Second Revised Page No. 35  
Cancelling First Revised Page No. 35**

With the elimination of Rule No. 14.5 – Non-Residential Customers Returning from POLR Service in this proceeding, Rule No. 14.6 – Information Regarding Estimates of Load Returning to Default Service has been renumbered to become Rule No. 14.5.

**Rules and Regulations – 18. Alternative Dispute Resolution  
18.1 Informal Resolution of Disputes**

**First Revised Page No. 39  
Cancelling Original Page No. 39**

Language has been modified to update the Company's Supplier Service Center telephone number.

**Load Data Supply Charge  
Method of Payment**

**Second Revised Page No. 42A  
Cancelling First Revised Page No. 42A**

Language has been modified to update the Company's Supplier Service Center mailing address.

**Riders - Individual Coordination Agreement Rider  
7.0**

**Second Revised Page No. 44  
Cancelling First Revised Page No. 44**

Language has been modified to update the Company's contact information in respect to the Rider requirements.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Riders - Individual Coordination Agreement Rider  
8.0

Second Revised Page No. 45  
Cancelling First Revised Page No. 45

Language has been modified to update the Rider's signature page in respect to its requirements.

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(C) – Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS**

(C)

**Ancillary Services** - Those services that are necessary to support the Competitive Energy Supply from resources to loads while maintaining reliable operation of the Control Area in accordance with the PJM Tariff.

**Bad Credit** - An EGS has bad credit if it has a history of delinquent obligations or is insolvent (as evidenced by a credit report prepared by a reputable credit bureau or credit reporting agency or public financial data, liabilities exceeding assets or generally failing to pay debts as they become due) or has failed to pay Company invoices when they became due on two or more occasions within the last twelve (12) billing cycles.

**Bilateral Transaction** - An agreement between two entities (one or both being PJM Members) for the sale and delivery of a service.

**Charge** - Any fee or charge that is billable by the Company to an EGS under this tariff, including any Coordination Services Charge.

**Company** - Duquesne Light Company.

**Competition Act** - The Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §2801, et seq.

**Competitive Energy Supply** - Unbundled energy provided by an Electric Generation Supplier.

**Control Area** – An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

- (1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) maintain scheduled interchange with other control areas within reasonable limits of good utility practice;
- (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

**Coordination Activities** - All activities related to the provision of Coordination Services.

**Coordination Obligations** - All obligations identified in this tariff, relating to the provision of Coordination Services.

**Coordination Services** - Those services that permit the type of interface and coordination between an EGS and the Company in connection with the delivery of Competitive Energy Supply to serve customers located within the Company's service territory including: load forecasting, certain scheduling-related functions and reconciliation.

**(C) – Indicates Change**

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Coordination Services Charges** - All charges stated in the charges section of this tariff, that are billed by the Company for Coordination Services performed hereunder.

**Coordinated Supplier** - An Electric Generation Supplier that has appointed a Scheduling Coordinator as its designated agent for the purpose of submitting energy schedules to the PJM OI.

**Creditworthy** - A creditworthy EGS pays the Company's charges as and when due and otherwise complies with the Rules and Regulations of this tariff or the Pennsylvania Public Utility Commission. To determine whether an EGS is creditworthy, the Company will evaluate the EGS's record of paying Company charges, and may also take into consideration the EGS's credit history.

**Customer(s)** - Any person, municipality, partnership, association, or corporation receiving Competitive Energy Supply from an Electric Generation Supplier in accordance with the Competition Act.

**Customer Choice Internet Site** - A Company Internet site with a Uniform Resource Locator (URL) of <http://www.customer-choice.com>.

**Default Service** - The Company will provide electricity to the customer in the event that a customer: 1) elects not to obtain electricity from an EGS; 2) elects to have the Company supply electricity after having previously purchased electricity from an EGS; 3) contracts with an EGS who fails to supply electricity, or 4) has been returned to Default Service by the EGS under circumstances as described in Rule No. 45.2 of the Company's retail tariff. (C)

**Deliver** - To "deliver" a document or other item under this tariff shall mean to tender by certified mail, hand delivery, or overnight express package delivery service.

**Delivery** - The actual delivery of energy with respect to an energy schedule.

**Demand Response** - The process for arranging to have firm load become interruptible in accordance with criteria established by the PJM OI. (C)

**Direct Access** - "Direct Access" shall have the meaning set forth in the Competition Act.

**DLCO Zone** - The PJM defined area encompassing the franchised service territories of the Duquesne Light Company.

**DLCO Residual Zone** - The PJM defined area encompassing the aggregate of all load buses within the franchised service territories of the Duquesne Light Company minus all load that has been designated to be priced at a specific nodal location. (C)

**EDC Tariff** - The Company's currently Pennsylvania Public Utility Commission approved Electric Service Tariff.

**EGS Representative** - Any officer, director, employee, consultant, contractor, or other agent or representative of an EGS in connection with the EGS's activity solely as an EGS. To the extent an EGS is a division or group of a company, the term EGS Representative does not include any person in that company who is not part of the EGS division.

**Electric Distribution Company (EDC)** - A public utility that owns electric distribution facilities. At times, this term is used to refer to the role of the Company as a deliverer of Competitive Energy Supply in a direct access environment as contemplated in the Competition Act.

**(C) - Indicates Change**

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

(C)

**Electric Generation Supplier (EGS)** - A supplier of electric generation that has been certified or licensed by the Pennsylvania Public Utility Commission to sell electricity to retail customers within the Commonwealth of Pennsylvania in accordance with the Competition Act.

**Electronic Data Exchange Working Group (EDEWG)** - The Pennsylvania Public Utility Commission authorized working group established under the Proposed Standards for Electronic Data Transfer and Exchange Between EDCs and EGSs, Docket No. M-00960890F.0015.

**Electronic Data Interchange (EDI)** - The computer application to computer application exchange of business information in a standard format, as more fully described in Pennsylvania Public Utility Commission Docket No. M-00960890F.0015.

(C) – Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Electronic Exchange** - Approved methods of data exchange (either through a VAN mailbox or a method to be defined by the EDEWG and approved by the Pennsylvania Public Utility Commission).

**eMtr System** - Software program administered by the PJM OI that retrieves revenue meter data for PJM transmission and generation interconnection points and calculates Electric Distribution Companies' and Generation Owners' metered interchange energy amounts used for real-time energy market settlements.

**eSchedules** – Software program administered by the PJM OI through which energy schedules may be submitted.

**FERC** - The Federal Energy Regulatory Commission.

**Final Forecast** – The day ahead hourly forecast for energy to be supplied the next day.

**Individual Coordination Agreement (ICA)** – The agreement between the Company and the EGS to conduct business in the DLCO Zone. The ICA is attached as a Rider to this tariff. (C)

**Interest Index** - An annual interest rate determined by the average of 1-Year Treasury Bills for September, October and November of the previous year. (C)

**Interval Metering Data** - Data from electrical metering equipment that supplies hourly or sub-hourly readings of customer consumption. (C)

**Kilowatt or kW** – Unit of measurement of useful power equivalent to 1000 watts.

**Meter Read Date** - The date on which the Company reads a meter for purposes of producing a customer bill in accordance with the regularly scheduled billing cycles of the Company.

**Month** - A month, as defined under 52 PA Code § 56.2.

**Load Bus** – As used in this tariff, shall have the same meaning ascribed to the term in the PJM Tariff.

**Load Serving Entity (LSE)** – An entity that has been granted the authority or has an obligation pursuant to State or local law, regulation or franchise to sell electric energy to end-users located within the PJM Control Area as that term is defined by the PJM Tariff.

**Locational Marginal Price (LMP)** – The hourly-integrated marginal price to serve load at individual locations throughout PJM, calculated by the PJM OI as specified in the PJM Tariff.

**Megawatt or MW** – One thousand kilowatts.

**NERC** - The North American Electric Reliability Corporation. The agency given the authority by FERC to enforce reliability standards in the United States. (C)

**Network Integration Transmission Service Reservation** – A reservation under the PJM Tariff of Network Integration Transmission Service, which allows a transmission customer to integrate and economically dispatch generation resources located at one or more points in the PJM Control Area to serve its Network load as that term is defined by the PJM Tariff.

(C) – Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Peak Load Contributions (PLCs)** - A customer's contribution to the DLCO Zone's normalized summer peak load as calculated by the zone's Electric Distribution Company and used in determining a Load Serving Entity's Peak Load obligation.

**Pennsylvania Public Utility Commission or Commission** - The Pennsylvania Public Utility Commission.

**PJM** - PJM Interconnection, L.L.C.

**PJM Control Area** - The area encompassing electric systems recognized by the North American Electric Reliability Council as the "PJM Control Area."

**PJM Miscellaneous Charges** - PJM miscellaneous energy related allocations or charges or credits billed to the EDC and not to the LSE.

**PJM OI** - The PJM Office of Interconnection, the system operator for the PJM Control Area.

**PJM Tariff or OATT** - The PJM Open Access Transmission Tariff on file with the FERC and which sets forth the rates, terms and conditions of transmission service over transmission facilities located in the PJM Control Area.

**Preliminary Forecast** - The forecast per hour per LSE posted on the customer choice website based on business day-ahead.

**Retail Load Responsibility (RLR)** - For non-metered and monthly metered load, the sum total of the estimated hourly load plus transmission losses, distribution losses and the EGS's pro rata share of UFE within the service territory of the EDC, for which the EGS must provide energy to its customers. For hourly metered customers, the sum total of the hourly consumed load of all of an EGS' s customers, adjusted for transmission losses, distribution losses and the EGS's pro rata share of UFE within the service territory of the EDC , for which the EGS must provide energy to its customers.

**Scheduling Coordinator** - Entity that performs one or more of an EGS's Coordination Obligations, including the submission of energy schedules to the PJM OI, and that either is (1) a member of the PJM Interconnection, L.L.C. or (2) is the agent, for scheduling purposes, of one or more Electric Generation Suppliers that are members of the PJM Interconnection, L.L.C.

**Tariff** - This Electric Generation Supplier Coordination Tariff.

**Transmission Losses** - Real Power Transmission Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Transmission Loss factor is defined in Rule No. 4.7.

(C) – Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Unaccounted for Energy (UFE)** - Is the difference between the actual DLCO Zone's total hourly system load and the total hourly consumed power grossed up for transmission and distribution losses plus any PJM miscellaneous energy or energy related allocations to the EDC.

**Value Added Network (VAN)** - A method of data transfer that allows information to be sent and received electronically using an electronic mailbox. This method meets minimum criteria in the following areas:

- Security and/or encryption of transactions and customer information;
- Proof of transmission and receipt;
- Positive identity of sender and recipient (non-repudiation);
- Reliability;
- Data and file integrity;
- Network performance and availability; and
- Recoverability and archiving of data.

**Wholesale Load Responsibility (WLR)** – For non-metered and monthly metered load, the sum total of the estimated hourly load for all of the Company's default service customers plus transmission losses, distribution losses, and the wholesale supplier's pro rata share of UFE, within the service territory of the EDC, for which the Company's wholesale suppliers must provide energy to its default service under the EDC Retail Tariff. For hourly metered customers, the sum total of the hourly consumed load of all the Company's default service customers plus transmission losses, distribution losses and the wholesale supplier's pro rata share of UFE within the service territory of the EDC, for which the Company's wholesale suppliers must provide energy to its default service under the EDC Retail Tariff.

(C)

**Wholesale Supplier** – The Company's supplier of all generation resources necessary to meet the Company's default service obligations.

(C)

(C) – Indicates Change

## RULES AND REGULATIONS

### 1. THE TARIFF

**1.1 FILING AND POSTING** A copy of this tariff, comprising of the Definitions, Rules and Regulations, Charges and Riders, under which the Company will provide Coordination Services to Electric Generation Suppliers, is filed with the Pennsylvania Public Utility Commission ("PaPUC"). A copy of the Tariff may be obtained by calling, e-mailing or writing the Company's business office. The Tariff may also be accessed at [www.duquesnelight.com](http://www.duquesnelight.com) and is posted and open to inspection at the offices of the Company where payments are made by customers.

(C)

**1.2 REVISIONS** This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Pennsylvania Public Utility Code, and such changes, when effective, shall have the same force as the present tariff.

**1.3 APPLICATION** The tariff provisions apply to all EGSs providing Competitive Energy Supply to customers located in the Company's service territory, including an affiliate or division of the Company that provides Competitive Energy Supply, and with whom the Company has executed an Individual Coordination Agreement as required herein. In addition, the charges herein shall apply to anyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

**1.4 RULES AND REGULATIONS** The Rules and Regulations, filed as part of this tariff, are a part of every Individual Coordination Agreement entered into by the Company pursuant to this tariff and govern all Coordination Activities, unless specifically modified by a charge or rider provision. The obligations imposed on EGSs in the Rules and Regulations apply as well to everyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

**1.5 USE OF RIDERS** The terms governing the supply of Coordination Services under this tariff or a charge therein may be modified or amended only by the application of those standard riders, filed as part of this tariff.

**1.6 STATEMENT BY AGENTS** No Company representative has authority to modify a tariff rule or provision, or to bind the Company by any promise or representation contrary thereto.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**2. SCOPE AND PURPOSE OF TARIFF**

**2.1 SCOPE AND PURPOSE OF TARIFF** This tariff sets forth the basic requirements for interactions and coordination between the Company as the Electric Distribution Company and EGSs necessary for ensuring the delivery of Competitive Energy Supply from EGSs to their customers. (C)

**2.2 APPLICABILITY OF TERMS TO SCHEDULING COORDINATORS** As used in this tariff, the term "EGS" shall apply equally to a Scheduling Coordinator for an EGS's responsibilities and rights properly assigned to that Scheduling Coordinator by the EGS.

**2.3 FERC JURISDICTIONAL MATTERS** The inclusion of FERC-jurisdictional matters within the scope of this tariff is intended solely for informational purposes and is not intended to accord any jurisdictional authority over such matters to the Pennsylvania Public Utility Commission. Further, to the extent that anything stated herein is found by the FERC to conflict with or to be inconsistent with any provision of the Federal Power Act (FPA), or any rule, regulation, order or determination of the FERC under the (FPA), then such FERC rule, regulation, order or determination of the FPA shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company shall secure, from time to time, all necessary orders, approvals, and determinations from the FERC necessary to implement this tariff.

**2.3.1 CREDIT REQUIREMENTS** The Company does not intend to impose duplicate credit requirements as arising under this tariff and the PJM Tariff. (C)

**2.4 PA PUC JURISDICTIONAL MATTERS** This tariff operates and is subject to Pennsylvania Public Utility Commission Orders, rules and regulations.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**3. COMMENCEMENT OF EDC/EGS COORDINATION**

**3.1 REGISTRATION FOR COORDINATION SERVICES** An EGS seeking to obtain Coordination Services hereunder must deliver to the Company a completed registration, consisting of the following:

- A. An Individual Coordination Agreement, as contained in a rider hereto, fully executed in triplicate by a duly authorized representative of the EGS;
- B. A copy of the EGS's operating license or Pennsylvania Public Utility Commission order licensing the EGS to operate;
- C. The EGS's Pennsylvania sales tax identification number; and
- D. EGS proof of PJM membership.

(C)

**3.2 INCOMPLETE REGISTRATIONS** In the event the EGS submits an incomplete registration, the Company shall provide written notice to the EGS of the registration's deficiencies within ten (10) business days after the date of service, as determined under 52 Pa. Code § 1.56. The Company will not process an incomplete registration until the EGS corrects the deficiencies and the EGS delivers the registration to the Company.

**3.3 CREDIT CHECK** A registration for Coordination Services shall constitute authorization to the Company to conduct a background credit check on the EGS.

**3.4 PROCESSING OF REGISTRATIONS** The Company shall complete the processing of each registration for Coordination Services within ten (10) business days after the date of service of the registration, as determined under 52 Pa. Code § 1.56. The Company shall approve all completed registrations unless grounds for rejecting the registration, as defined below, exist.

**3.5 GROUNDS FOR REJECTING REGISTRATION** The Company may reject any registration for Coordination Services on any of the following grounds:

- A. The EGS has undisputed outstanding debts to the Company arising from its previous receipt of Coordination Services from the Company under this tariff;
- B. The EGS has failed to comply with credit requirements specified in Rule No. 12 of this tariff;
- C. The EDC has provided written notice to the EGS that a registration is deficient, pursuant to 52 Pa. Code § 1.56, and the EGS has failed to submit a completed registration within thirty (30) calendar days after the date of service of the registration.

The Company may also petition the Pennsylvania Public Utility Commission to reject the registration of an EGS with bad credit. The Company need not provide Coordination Services to the EGS pending the Pennsylvania Public Utility Commission's review of said petition unless the EGS has provided security to the Company as provided for in Rule No. 12.4.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**3. COMMENCEMENT OF EDC/EGS COORDINATION - (Continued)**

**3.6 OFFER OF CONDITIONAL ACCEPTANCE OF REGISTRATION** Where grounds for rejection of a registration exist due to an EGS's outstanding and undisputed debts to the Company arising from its previous receipt of Coordination Services from the Company under this tariff, the Company may offer the affected EGS a conditional acceptance if the EGS pays such debts before it receives Coordination Services. If the EGS rejects the Company's offer of conditional acceptance under this Rule, then its registration for Coordination Services will be deemed rejected.

**3.7 REJECTION OF REGISTRATION** Upon rejection of any registration, the Company shall provide the affected EGS with written notice of rejection within the time periods set forth in Section 3.4, and shall state the basis for its rejection.

**3.8 APPROVAL OF REGISTRATION** Upon its approval of a registration for Coordination Services, or pursuant to an Order of the Commission approving a registration, the Company shall execute the Individual Coordination Agreement tendered by the registrant, and shall provide one to the EGS by delivering such within the period set forth in Section 3.4 and shall maintain a copy for its own records. (C)

**3.9 IDENTIFICATION NUMBERS** Upon its approval of a registration for Coordination Services, the Company will use the Dun & Bradstreet number assigned to each EGS to be used in subsequent electronic information exchange between the EGS and the Company. (C)

**3.10 COMMENCEMENT OF COORDINATION SERVICES** Coordination Services shall commence within fifteen (15) days after the Company's acceptance of an EGS's registration for Coordination Services provided that all of the information necessary for the Company to provide Coordination Services has been provided to the Company and any conditions required under Rule No. 3.6 have been satisfied by the EGS.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**4. COORDINATION OBLIGATIONS**

**4.1 PROVISION OF COORDINATION SERVICES** The Company shall make available all Coordination Services, as provided herein, necessary for the delivery of an EGS's Competitive Energy Supply to serve retail access load located within the Company's service territory.

**4.2 TIMELINESS AND DUE DILIGENCE** EGSs shall exercise due diligence in meeting their obligations and deadlines under this tariff so as to facilitate direct access.

**4.3 DUTY OF COOPERATION** The Company and each EGS will cooperate in order to ensure delivery of Competitive Energy Supply to customers as provided for by this tariff, the EDC Tariff, the PJM Tariff and the Competition Act. (C)

**4.4 STATE LICENSING** An EGS must have and maintain in good standing a license from the Pennsylvania Public Utility Commission as an authorized EGS.

**4.5 ENERGY PROCUREMENT** An EGS must make all necessary arrangements for obtaining Competitive Energy Supply in a quantity sufficient to serve its own customers.

**4.6 PJM SERVICES AND OBLIGATIONS** An EGS is responsible for procuring those services provided by the PJM OI that are necessary for the Delivery of Competitive Energy Supply to its customers. In addition, an EGS must satisfy all obligations that are imposed on LSEs in the PJM Control Area. This includes the resource adequacy obligations as defined in the PJM RAA to which the LSE must be a signatory.

**4.7 ENERGY SCHEDULING** An EGS must make all necessary arrangements for scheduling the delivery of energy to the end use load busses for retail load supplied by the EGS within the DLCO Zone, including Real Power Transmission and Distribution Losses.

**4.7.1 Transmission Losses** will be calculated using a Transmission Loss factor of 0.8%. (C)

**4.7.2 Distribution Losses** will be calculated using Table 1 in this Tariff.

**4.8 RELIABILITY REQUIREMENTS** An EGS shall satisfy those reliability requirements issued by the Pennsylvania Public Utility Commission, or any other governing reliability council with authority over the EGS, that apply to EGSs.

**4.9 DETERMINATION OF LOAD AND LOCATION** The Company and EGS shall coordinate with the PJM OI to determine the magnitude and location of the EGS's actual or projected load, as required by the PJM OI, for the purpose of Calculating a Network Integration Transmission Service Reservation, an installed capacity obligation, or other requirements under the PJM Tariff. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**4. COORDINATION OBLIGATIONS - (Continued)**

**4.14 DATA EXCHANGE - (Continued)**

- E. In the event an EGS sends the Company the same erroneous data more than once, the Company hereby provides notice that the Company shall assess processing costs against that EGS.

(C)  
(C)

**4.15 CODE OF CONDUCT** The Code of Conduct approved by the Commission is incorporated herein by reference.

**4.16 STANDARDS OF CONDUCT AND DISCLOSURE FOR A LICENSED EGS** The Standards of Conduct and Disclosure for Licensees, pursuant to Pennsylvania Public Utility Commission regulations including, but not limited to, Docket No. L-970129, are incorporated herein by reference.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES**

**5.0 GENERALLY** The procedures for the selection of customers' EGS selection, switching among EGSs and other direct access procedures for obtaining Competitive Energy Supply shall occur in accordance with the direct access procedures set forth in the Enrollment Procedures Applicable to EDCs and EGSs, Docket No. M-00960890F.0014, Standards for Electronic Data Transfer and Exchange Between EDCs and EGSs, Docket No. M-00960890F.0015, and Standards for Changing a Customer's Electric Supplier, Docket No. L-00970121, as set forth in this tariff. (C)

**5.1 CUSTOMER ENROLLMENT**

**5.1.1 CUSTOMER METHOD** The Company will process Company-supplied enrollment cards that are sent to the Company's designated post office box, or are received by facsimile transmission. If customers wish to enroll telephonically, they may do so, and the Company will take special measures to determine whether the customer wishes to restrict the release of confidential information. If a customer wishes to use written forms other than enrollment cards, they shall contain the information required for enrollment cards (customer name, customer address, Duquesne Light account number, authorization to release telephone number and authorization to release historical usage information).

Enrollment cards shall include two check-off boxes by which customers may restrict the release of their telephone number and twelve (12) months of historical load data (defined as historical kWh usage and either typical load curve for applicable rate class, or for customers with hourly metering, specific load data). The enrollment cards provided to customers shall advise them of the potential benefits of having confidential information shared with licensed EGSs, and that such refusal may mean that the customer will not be able to be contacted directly by an EGS. (C)

Additionally, the enrollment cards shall advise customers that the basic enrollment information will be released to EGSs upon the EDC's determination of the customer's eligibility to participate.

**5.1.2 EGS METHOD** EGSs may enroll customers during the enrollment period by mailing or faxing an enrollment card or other written form containing the required enrollment information. Additionally, EGSs are encouraged to permit customers to enroll by telephone or by e-mail, but must send customer enrollments to the Company via properly formatted electronic files (customer name, customer address, Duquesne Light account number, and authorization to release telephone number and authorization to release historical usage information) via electronic exchange. An EGS must include within its electronic file an indication as to which of the customers it enrolls have consented to disclosure of customer-specific information as set forth below in Rule No. 5.1.5. EGSs shall forward the electronic files on a daily basis to the Company. The Company will acknowledge receipt of the enrollment file via electronic confirmation. The Company shall provide confirmation within one (1) business day of all electronic files received. Such confirmation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such confirmation shall also include information an EGS can use to identify rejected records.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.1 CUSTOMER ENROLLMENT - (Continued)**

**5.1.2 EGS METHOD - (Continued)**

Enrollment cards shall include two check-off boxes by which a customer may restrict the release of their telephone number and twelve (12) months of historical load data (defined as historical kWh usage and either typical load curve for applicable rate class or, for customers with hourly metering, specific load data). The enrollment cards provided to customers shall advise them of the potential benefits of having confidential information shared with licensed EGSs, and that such refusal may mean that the customer will not be able to be contacted directly by an EGS. (C)

Additionally, the enrollment cards shall advise customers that the basic enrollment information will be released to EGSs upon the EDC's determination of the customer's eligibility to participate.

**5.1.3 A. ELIGIBLE CUSTOMER LIST** In addition to the EDEWG Standard Eligibility List, Duquesne agrees to provide to EGSs, for all customers who have authorized the release of their information, the most recent available twelve (12) individual months of historical monthly electric usage and billed demand, transmission obligation, peak load contribution, per customer account, and the customer's service anniversary date. This information, which will be provided on Duquesne's web site in a downloadable format compatible for use with spreadsheet and database applications, will be updated monthly.

**B. Methodology for Calculating Peak Load Contributions Used in Determination of Capacity Obligations and Network Transmission Service Peak Load Contributions** Beginning January 1, 2005, until instructed otherwise by PJM, the Company will calculate the Peak Load Contributions and the Network Transmission Service Peak Load Contribution as follows: (C)

**1) Network Transmission Service Peak Load Contribution (1 CP)** (C)

To determine the customer's share of the Network Transmission Service Peak Load, the Company will first calculate the customer's transmission peak load contribution. The transmission peak load contribution is based on the customer's load coincident with Duquesne's transmission system zonal load during the one peak hour of the previous year. Second, the customer's load, adjusted for the Company's transmission and distribution line losses and the customer's share of unaccounted for energy (as provided by Rule No. 8 of this tariff), will be the customer's Network Transmission Service Peak Load Contribution. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.1 CUSTOMER ENROLLMENT - (Continued)**

**5.1.3 B. Methodology for Calculating Peak Load Contributions Used in Determination of Capacity Obligations and Network Transmission Service Peak Load Contributions – (Continued)**

**2) Peak Load Contribution (5 CP)**

The Company's capacity obligation will be calculated by PJM based on the Company's peak load contribution and will be the basis for the capacity obligation for the following calendar year.

In determining the customer's share of the capacity obligation, the Company will first calculate the customer's peak load contribution. The peak load contribution is based on the customer's load coincident with PJM's system load during the peak hour of the five peak days for the appropriate PJM Region as provided for in the PJM Manuals/Tariffs. The customer's load in each of these five (5) hours, adjusted for the Company's transmission and distribution line losses and the customer's share of unaccounted for energy in the applicable hours (as provided by Rule No. 8 of this Tariff), will be averaged and the customer's percentage (%) share of the average DLCO system load will then be calculated. The PJM approved forecasted peak for the year will then be multiplied by the customer's percentage (%) share of the average DLCO system load to derive the customer's peak load contribution. When appropriate, zonal loads and customer peak load obligations will be adjusted to account for Demand Response and significant loss of load events.

This information will be sent to PJM who will calculate each EGS's capacity obligation.

**5.1.4 DATA EXCHANGE**

- A.** The list of enrolled customers that the Company provides to all EGSs pursuant to Rule No. 5.1.3 above, shall contain information about customers that have consented to the release of customer information in a format to be consistent with that determined by the EDEWG.
- B.** The list of enrolled customers that the Company provides to all EGSs pursuant to Rule No. 5.1.3 above, shall contain the following information about customers that have not consented to the release of customer information in a format to be consistent with that determined by the EDEWG:
  - (i) Duquesne Light Company account number,
  - (ii) Rate class,
  - (iii) Customer's name, and
  - (iv) Customer's service address.

**5.1.5 MANNER OF CUSTOMER CONSENT** An EGS that enrolls a customer in accordance with Rules No. 5.1.1 or 5.1.2 of this tariff must ask the customer whether the customer consents to the disclosure to all EGSs by the Company of private customer information as defined by 52 Pa. Code Section 54.8. The EGS must retain a record indicating whether the customer consented to such disclosure. If the record is not itself a hard copy document, but rather an electronic or computer record, the EGS must be able to print or otherwise reproduce the record in hard copy.

**(C) – Indicates Change**

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.2 INITIAL EGS SELECTION** This Rule No. 5.2 delineates the process of customer selection of an EGS for the first time. The process for a customer's selection of an EGS thereafter is governed by Rule No. 5.3. (C)

**5.2.1**

- A. An EGS must notify its customers that by signing up for Competitive Energy Supply with the EGS, the customer is consenting to the disclosure by the Company to the EGS of certain basic information about the customer. At minimum, the notice shall inform the customer that the following information will be disclosed: the customer's name, address, Duquesne Light Company account number and rate class.
- B. If an enrolled customer or person authorized to act on the enrolled customer's behalf contacts the Company via telephone to select an EGS, the Company will direct the customer to contact that EGS and provide the telephone number of the EGS to the customer, if required.
- C. The EGS will obtain appropriate authorization from the customer, or from the person authorized to act on the customer's behalf, indicating the customer's choice of EGS. The authorization shall include the customer's acknowledgment that the customer has received the notice required by Rule No. 5.2.1(A). It is the EGS's responsibility to maintain records of the customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.
- D. The EGS shall provide an electronic file to the Company via electronic exchange. The required electronic file shall include, at a minimum, EGS ID, Duquesne Light Company account number, action (ADD), rate code, billing option, price plan (if single bill option is selected), transaction date and transaction time. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file via electronic exchange. Within one business day of receipt of the electronic file, the Company will validate the records contained in the file, and will provide an electronic validation, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records. (C)
- E. The Company will send one (1) business day thereafter a confirmation letter to all customers who have made an EGS selection. Included in this letter shall be notification of a ten (10) day waiting period in which the customer may cancel its selection of an EGS. The confirmation letter shall include the customer's name, address, Duquesne Light Company account number, selected EGS, selected billing option (i.e., single bill or two bills), service effective date and initial billing date. The waiting period shall begin on the day the letter is mailed to the customer. If the ten (10) day waiting period expires, and the customer has not contacted the Company to dispute the EGS selection, the EGS will become the EGS of record. If the customer elects to rescind its EGS selection, the Company will electronically notify the rejected EGS via electronic exchange. In the event the customer rescinds its EGS selection after the ten (10) day waiting period, the customer will be advised the rescission period has expired and the switch must be requested via the normal EGS selection process. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.2 INITIAL EGS SELECTION- (Continued)**

(C)

**5.2.2** If an enrolled customer contacts the Company by mail to inform the Company that it wishes to obtain Competitive Energy Supply from a particular EGS, the Company will inform the customer of the need to contact the EGS to select the EGS as supplier. The EGS will verify its desire to serve the customer and follow the process outlined in Rule No. 5.2.1.

(C)

**5.3 SWITCHING AMONG EGSs OR BETWEEN AN EGS AND THE COMPANY** Initial EGS selection by customers shall occur in accordance with the direct access procedures contained in this tariff, the EDC Tariff and as described in Rule No. 5.2.

(C)

**5.3.1** An EGS must notify its customers that by signing up for Competitive Energy Supply with the EGS, the customer is consenting to the disclosure by the Company to the EGS of certain basic information about the customer, as listed in Rule No. 4.14 (A). At minimum, the notice shall inform the customer that the following information will be disclosed: the customer's name, address, Duquesne Light Company account number, and rate class.

**5.3.2**

**A.** If a customer contacts, or is contacted by, a new EGS to request a change of EGS, and in turn, the new EGS agrees to serve the customer, the customer's new EGS shall obtain appropriate authorization from the customer or person authorized to act on the customer's behalf indicating the customer's choice of EGS. The authorization shall include the customer's acknowledgment that the customer has received the notice required by Rule No. 5.3.1. It is the EGS's responsibility to maintain records of the customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.

**B.** The customer's new EGS shall also submit the customer's information using a file format designated by the Company that complies with the Commission's electronic requirements. The required electronic files shall include, at a minimum, EGS ID, Duquesne Light Company account number, action (ADD), rate code, billing option, price plan (if single bill option is selected), transaction date and transaction time. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file via electronic exchange. Within one (1) business day of receipt of the electronic file, the Company will validate the records contained in the file, and will provide an electronic validation, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.3 SWITCHING AMONG EGSs OR BETWEEN AN EGS AND THE COMPANY - (Continued)**

(C)

**5.3.2 - (Continued)**

C. The Company will send the customer a confirmation letter within one business day notifying the customer of the right to rescind within ten (10) days. If the customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will process the selection. The selection will be effective as of the next scheduled meter read date and the EGS will become the EGS of record for delivery provided that: (1) the Company has received at least ten (10) days prior notice from the EGS and all customer information provided to the Company is accurate and complete; (2) the ten (10) day waiting period has expired; and (3) the customer has not contacted the Company to dispute the EGS selection. In such circumstances, the Company will send the new EGS an electronic file, via electronic exchange, containing information for the new customers of record for that particular EGS, in accordance with Rule No. 4.14 (A).

(C)

If, during the ten (10) day waiting period, the customer elects to rescind its new EGS selection, the Company will notify the rejected EGS of the rescission electronically via electronic exchange. In the event the customer rescinds its EGS selection after the ten (10) day waiting period, the customer will be advised the rescission period has expired and a switch must be requested via the normal EGS selection process.

(C)

D. Once the preceding process is complete, the Company will notify the customer's prior EGS, via electronic exchange, of the discontinuance of service to the customer from that prior EGS.

**5.3.3** If a customer contacts the Company to request a change of EGS, the Company will direct the customer to contact that EGS and provide the telephone number of the EGS to the customer, if requested.

**5.3.4** If an EGS wishes to obtain from the Company confidential customer-specific information about a customer with whom it is discussing the possibility of providing Competitive Energy Supply, the Company will only provide such information if the EGS provides to the Company a copy of written documentation indicating that the customer has authorized the release of customer information to the EGS or if the customer has agreed to release the information during the enrollment process. The customer also may request confidential treatment of customer-specific information, and the Company shall not release the customer-specific information to the EGS without receiving authorization from the customer to release the customer-specific information to the EGS.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.3 SWITCHING AMONG EGSs OR BETWEEN AN EGS AND THE COMPANY - (Continued)**

(C)

**5.3.5** Subject to Rules No. 14.4 and 14.5, if a customer contacts the Company to request a change of EGS to the Company's default service under the EDC Tariff, the Company will process the request as follows. The Company will send the customer a confirmation letter notifying the customer of the right to rescind. If the customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will process the request. The request will be effective as of the next scheduled meter read date and the Company will become the supplier of record for delivery provided that: (1) the Company has received at least ten (10) days prior notice from the customer; and (2) the ten (10) day waiting period has expired; and (3) the customer has not contacted the Company to rescind or dispute the switch to default service. Once the preceding process is complete, the Company will notify the customer's prior EGS, via electronic exchange, of the discontinuance of service to the customer from that prior EGS. The preceding process will not apply when an EGS discontinues a customer's service, no other EGS has agreed to provide such service and that customer is subsequently provided by default service.

(C)

**5.3.6**

- A.** If a customer contacts the Company to discontinue electric service at the customer's then current location, and initiates a request for service at a new location in the Company's service territory, the Company will notify the current EGS, via electronic exchange, of the customer's discontinuance of service for the account at the customer's prior location. Final bill(s) will be issued to the date of discontinuance of service. The Company will also notify, via electronic exchange, the customer's selected EGS for its new location, which may or may not be the current EGS, of the basic information described in Rule No. 4.14 (A). If the selected EGS is not the same EGS that served the customer at the old location, the Company will provide the EGS that served the customer at the old location with the customer's new mailing address or forwarding address. This process shall be updated as necessary pursuant to the Commission's standards for switching.
- B.** If a customer contacts the Company to discontinue electric service and indicates that the customer will be relocating outside of the Company's service territory, the Company will notify the current EGS, via electronic exchange, of the customer's discontinuance of service for the account at the customer's location. If available, the Company will provide the EGS that served the customer at the old location with the customer's new mailing address or forwarding address.

**5.3.7** If the Company elects to change the account number for a customer receiving generation service from an EGS, the Company will notify the EGS of the change in account number at the same customer location, via electronic exchange.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.4 PROVISIONS RELATING TO AN EGS'S CUSTOMERS**

**5.4.1 ARRANGEMENTS WITH EGS CUSTOMERS** EGSs shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement direct access consistent with all applicable laws, Pennsylvania Public Utility Commission requirements, and this tariff. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

**5.4.2 TRANSFER OF COST OBLIGATIONS BETWEEN EGSS AND CUSTOMERS** Nothing in this tariff is intended to prevent an EGS and a customer from agreeing to reallocate between them any charges that this tariff imposes on the EGS, provided that any such agreement shall not change in any way the EGS's obligation to pay such charges to the Company, and that any such agreement shall not confer upon the Company any right to seek recourse directly from the EGS's customer for any charges owed to the Company by the EGS.

**5.4.3 CUSTOMER OBLIGATIONS** Customers of an EGS remain bound by the rules and requirements of the applicable EDC Tariff under which they receive service from the Company.

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**7. DAY AFTER LOAD ESTIMATES AND SUPPLY SCHEDULES**

**7.1 TOTAL DAY AFTER LOAD ESTIMATES** The total load estimate for an EGS is expected to be equal to the aggregate hourly load estimates for all of the monthly metered and unmetered customer's usage plus load estimates for any Coordinated Suppliers that have designated that EGS as their Scheduling Coordinator. Load estimates, including distribution losses, transmission losses, and UFE are utilized for the day after eSchedules.

**7.2 DAILY LOAD SCHEDULING PROCESS (DAY AFTER LOAD OBLIGATIONS)**

**7.2.1 UPLOADING SCHEDULES** The Company will submit load estimates into eSchedules in the form of RLR (or WLR contracts) with view only privileges for the EGS (or municipalities or wholesale suppliers, as appropriate). The RLR (or WLR) contracts submitted by the Company in eSchedules will be auto-confirmed by the EGS (or municipalities or wholesale suppliers, as appropriate). The Company will upload the load estimates on each business day using the PJM eSchedules System according to PJM requirements. In accordance with the PJM eSchedules manual (m09), the PJM eSchedules application will accept scheduling and delivery of energy for up to three decimal places or one-thousandth (0.001) MWh. The schedule uploaded by the Company shall be binding on that EGS. The Company will provide these same load estimates on the Website by 10:00 AM Eastern Prevailing Time to assist the EGS.

(C)

**7.2.2 LOAD SCHEDULE CHANGES** If the EGS has a dispute, they may notify the Company by telephone. The Company will make reasonable efforts to review and, if the reason for the changes are determined by the Company to be operationally valid, confirm the load schedule changes using the PJM eSchedules System, prior to the PJM designated deadline. In the absence of confirmation by the Company, the prior supply schedule value will remain in effect. In light of deadlines imposed by the PJM OI for the submission of load schedule changes, an EGS should initiate any necessary changes and notify the Company well before the cut-off time to increase the likelihood that the changes will be accepted.

**7.2.3 SUPPLY SCHEDULES** The EGS is responsible for supplying generation to meet its load estimates uploaded by the Company in accordance with Rule No. 7.2.1.

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**8. RECONCILIATION**

**8.1 GENERAL DESCRIPTION** Reconciliation service accounts for mismatches between an EGS's load estimate as determined in Rule No. 7 for serving its Customers and the energy that was actually used by those Customers. This service differs from Energy Imbalance Service – a related service performed exclusively by the PJM OI under the PJM Tariff – because the latter accounts for differences between an EGS's actual load and the quantity of energy actually delivered by the EGS. Because at the absence of universal real-time metering, the calculation of reconciliation quantities typically must occur after the monthly reading of Customer's meters.

**8.1.1 THE COMPANY'S ROLE** The Company will assist PJM in accounting for Reconciliation quantities by (1) collecting all Customer usage data; (2) determining hourly reconciliation quantities for each EGS or Scheduling Coordinator; (3) calculating monthly reconciliation quantities for each EGS or Scheduling Coordinator; and (4) submitting the reconciliation quantities to the PJM OI.

**8.2 METER DATA COLLECTION** Meter data collected by the Company shall be utilized to calculate the quantity of energy actually consumed by an EGS's customers for a particular reconciliation period.

**8.2.1 MONTHLY OR DAILY METERED AND UNMETERED CUSTOMERS** The EDC collects daily customer reads for the majority of its customer base. The rate class profile is used to convert the actual daily consumption to equivalent hourly consumption. (C)

If a customer does not have daily reads available, the EDC collects monthly meter data, in subsets corresponding to customer billing cycles, which close on different days of the month. The EDC converts customer's actual monthly consumption to equivalent hourly consumption using the rate class load profiles.

**8.2.2 CUSTOMERS UTILIZING HOURLY OR SUB-HOURLY METERING DATA** Data from customers utilizing hourly or sub-hourly metering data is collected by the EDC on a daily or monthly basis.

**8.3 HOURLY CONSUMPTION** Hourly consumption for the customers of each EGS is determined by summing the consumption as described in Rules No. 8.2.1 and 8.2.2.

**8.4 CONSUMPTION AND LOSSES** Transmission and distribution losses are calculated based upon customer consumption consistent with Rule No. 8.4.1. These losses are added to the hourly energy consumed by customers and are included in the Consumption calculation. (C)

**8.4.1 CONSUMPTION CALCULATION** The Company will calculate default service load in the same manner in which EGS load is calculated. After meters are read, load profiles will be applied to all customers, including those on default service. When interval meter reading data for a specific customer is available for use, the Company shall use this information in determining load obligation. (C)

**8.4.2 UNACCOUNTED FOR ENERGY** To determine the proper allocation of losses, average losses by class will be applied to both EGS and default service loads, and unaccounted for energy) will be allocated pro rata among all suppliers, including the default service suppliers. (C)

**8.5 BILLING** The Company and the EGS will rely on PJM to perform calculations to determine the monetary value of reconciliation quantities and to bill and/or credit EGSs and the Company for oversupplies and undersupplies at an hourly price through the PJM grid accounting system. PJM Miscellaneous Charges will be allocated pro rata among all suppliers, including the default service suppliers. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING**

**12.1 CUSTOMER BILLING BY THE COMPANY** All EGS charges to customers, if billed by the Company, shall be billed in accordance with the EDC Tariff and the following provisions:

**12.1.1 COMPANY BILLING FOR EGS** The Company will bill price plans offered by the EGS which are based on fixed and variable charges similar to those the Company employs for billing distribution service and default service. Nothing in this rule shall require the Company to manually bill customers. Within this context, if the Company's billing system has the capability to bill the price plans offered by the EGS, the EGS may request the Company to do all or some of the billing for the EGS's customers based on the customers' preferences. In addition, the Company will include on its bill EGS late fees and payment arrangements as required by the Pennsylvania Public Utility Commission. However in no case shall the Company require the EGS to provide separate customer lists or perform unique scheduling and reconciliation services for customers billed directly by the Company.

(C)

**12.1.2 BILLING FILES** Where the EGS has requested the Company to act as the EGS's billing agent, the Company shall electronically transmit files of billing detail daily to the EGS. Such files shall include the Company account number, rate codes, usage information, demand and energy charges, sales tax, and other EGS charges. Billing files transmitted shall have control totals to assure all data was received by the EGS. Control totals include the number of records on the file and significant totals (e.g. total kWh billed, total amount billed, total tax). All billing files will be in a format consistent with standards developed by the EDEWG.

**12.1.3 BUDGET BILLING** The Company will develop dual tracking systems to administer budget billing and apply payments for EGS charges and Company charges.

**12.1.4 EGS TAX RESPONSIBILITY** The Company is not responsible for paying or remitting on behalf of an EGS taxes including, but not limited to, Pennsylvania Gross Receipts Tax, Pennsylvania Public Utility Realty Tax, Pennsylvania Capital Stock Tax and Pennsylvania Corporate Net Income Tax.

**12.1.4.1 SALES TAX EXEMPTION** With respect to customers receiving one bill from the Company, the EGS for whom the Company is billing must provide to the Company the applicable sales tax exemption percentage for each customer. The Company will use the sales tax exemption percentage provided by the EGS for billing the EGS's charges. The EGS is responsible for holding appropriate exemption certificates and is liable for the collection and remittance of sales tax on the EGS's charges. The Company will use a zero exemption percentage if no percentage is provided by an EGS.

**12.1.5 COMPANY REIMBURSEMENT TO EGS FOR CUSTOMER PAYMENTS** For EGSs electing consolidated billing and serving residential and small and medium C&I customers, defined as those on Rate Schedules RS, RH, RA, GS/GM and GMH, the Company shall forward payment in accordance with the provisions of Rule No. 12.1.7 below. For receivables associated with EGS sales to all other customers, the Company shall reimburse the EGS within 14 days of receipt of payment for all energy charges, late fees, sales taxes, and any other taxes and charges collected on behalf of the EGS from the customer consistent with Section 2807 (c) (3) of the Competition Act.

**12.1.6 EGS BILLING DATA** The EGS shall provide all necessary data in its possession for the timely computation of bills. A failure of the EGS to provide necessary data to the Company in a timely fashion may delay generation of a bill for the month to which the data pertains. In such instances, the EGS is responsible for all fines and violations, if any, arising as a consequence of the Company's inability to render a timely bill.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM** Duquesne will purchase the accounts receivable, without recourse, associated with EGS sales of retail electric commodity, comprised of generation and transmission services, to residential customers and commercial and industrial (“C&I”) customers with monthly metered demand less than 300 kW within Duquesne’s service territory. Eligible customers are those customers taking delivery service under the Company’s retail tariff Rate RS, RH, RA, GS/GM and GMH, and who purchase their electric commodity requirements from the EGS through consolidated billing with the Company. Commercial and industrial customers will be separated into two categories for purposes of the Purchase Price Discount discussed in Section 12.1.7.2. Small C&I customers will be those customers with monthly metered demand less than 25 kW and Medium C&I customers will be those customers with monthly metered demand equal to or greater than 25 kW. The classification of customers as less than or equal to or greater than 25 kW is discussed in detail in the Company’s retail tariff Rate GS/GM and Rate GMH. Under the POR program, Duquesne will reimburse EGSs for their customer billings regardless of whether Duquesne receives payment from the customer, subject to the limitations set forth below. Duquesne will seek to recover the EGS receivables from EGS customers consistent with Duquesne’s existing collection procedures for recovery of billings to default service customers, and incur any uncollectible costs related to billings for EGSs. The term of the POR program defined herein will become effective June 1, 2013, and will remain in effect as described through May 31, 2015 and will terminate on May 31, 2015. (C)

**12.1.7.1 ELIGIBILITY REQUIREMENTS** EGSs that choose Duquesne’s consolidated billing option for all or a portion of their eligible customer accounts will be required to sell their accounts receivable to Duquesne for those customers for whom Duquesne issues a consolidated bill. (EGSs may continue to issue their own bills [dual billing] for commodity service, for all or a portion of their customers, but will not be eligible to participate in the POR program for those customers that receive dual billing.) EGSs may choose to participate in the POR program with consolidated billing at any time during the term of the POR program as long as the EGS does not remove customer accounts from consolidated billing. A customer whose service is terminated or who voluntarily switches from the EGS’ service to another generation provider is not considered to have been removed by the EGS from consolidated billing and the POR program. (C)

EGSs participating in this POR program will agree not to reject for enrollment a new customer covered by the program based on credit-related issues. Any customer who wishes to be served by an EGS participating in the POR program will be accepted by the EGS if that EGS is actively serving the rate class to which that customer belongs.

**12.1.7.2 PURCHASE PRICE DISCOUNT** EGS’ electric commodity receivables will be purchased at a discount. The discount rate will be comprised of two components reflecting 1.) the costs related to the estimated incremental EGS uncollectible expenses which will remain fixed throughout the program, and 2.) recovery of incremental initial and incremental ongoing operating and administrative costs associated with the POR program. (C)

The discount rate for POR for residential customers shall be 1.52% comprised of 0.42% for uncollectible expenses and 1.10% for incremental ongoing operating and administrative expenses related to these customers as well as EGS referral programs in effect during the effective period of the POR program. The residential administrative discount will be adjusted to remove recovery of EGS referral program costs once all costs have been fully recovered. The discount rate for small C&I customers shall be 0.52% comprised of 0.42% for uncollectible expenses and 0.10% for incremental ongoing operating and administrative expenses related to these customers. The discount rate for POR for medium C&I customers shall be 0.28% comprised of 0.18% for uncollectible expenses and 0.10% for incremental ongoing operating and administrative expenses related to these customers. (C)

**(C) – Indicates Change**

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM –(Continued)**

**12.1.7.2.1 PURCHASE PRICE DISCOUNT ADJUSTMENT** During the term of the POR program beginning in June 2013, the discount rate may be adjusted to reflect Duquesne's most recent experiences of the total administrative discount cost to implement and operate the POR program (including actual incremental costs already incurred), less the actual total dollar amount of discounts from the prior calendar year(s) related to the recovery of administrative costs, divided by the number of years remaining in the recovery period, divided by the actual EGS consolidated billings for the most recent 12 month period.

(C)

Duquesne will provide the updated discount rates to EGSs authorized to serve customers in the Company's service territory 60 days before the effective date of the discount rate change.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM – (Continued)**

**12.1.7.2.2 PURCHASE PRICE DISCOUNT ADJUSTMENT FOR INDIVIDUAL EGS** Duquesne will monitor individual EGS uncollectible percentage rates (measured as any unpaid amounts sixty (60) days or older divided by that EGS's total annual consolidated billings), to determine whether any individual EGS is engaging in Unusual Business Behavior that results in an increase to the total uncollectible percentage rate for the Duquesne System. If, based on this monitoring, Duquesne finds that an individual EGS's uncollectible percentage rate exceeds 5%, then Duquesne, at its discretion, may increase the discount rate for that individual EGS's accounts to reflect the increased costs associated with the EGS's uncollectible accounts by the difference between the EGS's uncollectible percentage rate and two percent (2%). For purposes of this calculation, Duquesne shall rely on the most recent twelve (12) month period (or shorter if the EGS is new to the POR program) to calculate the EGS's uncollectible percentage rate. Duquesne, in its discretion, may opt to waive the imposition of the additional discount if the increase in the uncollectible rate results primarily from providing service to previously poor paying customers currently on default service and the individual EGS is able to provide a reasonable explanation for the significant increase in its uncollectible rate is not the result of a particular price offering, marketing strategy or other actions of the individual EGS. If, however, Duquesne determines that an additional discount is appropriate, the EGS may challenge that determination pursuant to the dispute resolution procedures discussed below. Should the result of those procedures uphold the EGS's position, Duquesne will refund to the EGS the additional discount withheld from their receivables. In the course of the dispute resolution, the EGS may be called upon to provide customer payment history for the customers it serves, commodity pricing, and other such information deemed appropriate, subject to confidentiality agreement. The discount will be lowered to the level applicable to other EGSs when and if the particular EGS's uncollectible percentage rate decreases to a level of two percent (2%) or below over a twelve (12) month period. If the particular EGS stops providing service to a customer under the POR program, the EGS must pay to Duquesne an amount equal to the increase to the discount multiplied by that customer's prior year's billings, to the extent that such amount has not already been paid on the date the EGS stops providing service to that customer.

(C)

**12.1.7.3 TIMING OF PAYMENTS** Payments to EGSs will occur electronically; thirty-five (35) days after consolidated bills are issued, and will continue throughout the billing cycle. If the thirty-fifth (35<sup>th</sup>) day falls on a weekend, Duquesne Light holiday or bank holiday, payments will occur on the next business day.

**12.1.7.4 OTHER PAYMENT PROVISIONS** If the EGS customer is on a budget or levelized payment plan, Duquesne shall only be obligated to purchase each month the amount of the monthly installment under the budget or levelized payment plan. Duquesne shall also purchase accounts receivable of EGS's customers based upon an estimated bill. Duquesne shall add to or deduct from any payments due to EGSs amounts that may result from reconciliations, adjustments or recalculations of budget or levelized plans, estimated readings, cancel and re-bills, or any applicable billing adjustment.

**12.1.7.5 TRANSFER OF COLLECTION RESPONSIBILITIES AND RIGHTS** Under the POR program, Duquesne is entitled to receive and retain all payments from customers. Duquesne is authorized to conduct collection activities and, if necessary, terminate its delivery service and EGS commodity service to customers whose accounts receivables were purchased and who fail to make payment of amounts due on the consolidated bill, including the amount of the purchased EGS. Any such termination of service shall be in accordance with the

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM –(Continued)**

**12.1.7.5 TRANSFER OF COLLECTION RESPONSIBILITIES AND RIGHTS - (Continued)**

service termination provisions contained herewith and consistent with the provisions of Chapter 14 of the Pennsylvania Public Utility Code and Chapter 56 (or a successor chapter) of the Commission's regulations. Duquesne shall be authorized to terminate commodity service to an EGS customer if the customer's payments do not cover the amount billed by the Company. A residential customer terminated from utility service under the POR program shall be reconnected to service upon the payment of the arrears that were subject to the termination or a lesser amount as set forth below. The required payment may include both delivery and EGS commodity charges.

(C)

An EGS customer in the POR program that has been terminated for non-payment may be reconnected upon paying the lesser of: a) the sum of unpaid distribution charges (plus any applicable reconnection fees or deposits) and the amount billed for EGS commodity service, (or a payment arrangement required by applicable law); or b) the sum of unpaid distribution charges (plus any applicable reconnection fees or deposits). At the time of reconnection, the customer will be reconnected to the EGS or the default service provider of record.

(C)

**12.1.7.6 DISPUTE RESOLUTION** To the extent concerns arise regarding the implementation of the provisions of the POR program, parties shall attempt to resolve such disputes according to the informal, internal and/or external dispute resolution procedures described in this tariff at Rule No. 18 – Alternative Dispute Resolution. Parties shall also have the right to resolve such disagreements in the Commission's dispute resolution process.

(C)

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**14. DISCONTINUANCE OF EGS SERVICE TO PARTICULAR CUSTOMERS**

**14.1 NOTICE OF DISCONTINUANCE TO THE COMPANY** An EGS shall provide electronic notice to the Company of all intended discontinuances of service to customers in accordance with applicable Pennsylvania Public Utility Commission rules.

**14.2 NOTICE TO CUSTOMERS** An EGS shall provide a minimum of ninety (90) days advance notice to any customer it intends to stop serving of such intended discontinuance in a manner consistent with the Pennsylvania Public Utility Commission's rulings in Docket Nos. L-00970126 and M-00960890 and any subsequent applicable Pennsylvania Public Utility Commission rulings. The application of this Rule No. 14.2 will, however, be limited to the classes of customers to which the referenced Pennsylvania Public Utility Commission rulings will apply. With respect to all other classes of customers, it will be the EGS's responsibility to provide notice to a customer of its intention to discontinue service in accordance with the EGS's contractual obligations with the customer.

**14.3 EFFECTIVE DATE OF DISCONTINUANCE** Any discontinuance will be effective on a meter read date and in accordance with the EGS switching rules in this tariff and the EDC Tariff.

**14.4 CUSTOMERS RETURNING TO DEFAULT SERVICE** An EGS shall give the customer and Duquesne at least (ninety) 90 days notice prior to the meter read date on which the EGS has a reasonable expectation that it will no longer be serving the customer, whether due to termination of a contract or pursuant to the terms of its contract. EGSs shall not utilize the flexibility afforded by these rules to propose price changes that are designed to economically force customers to return to default service during the Summer period. If an EGS has a reasonable expectation that it will no longer be serving a customer as of a meter read date, the EGS shall issue the notice required by the previous sentence within five (5) business days of determination, and such customers shall have a minimum of sixty (60) days in which to make the choices outlined in Section 45.2 of Duquesne's retail tariff, as appropriate. For Duquesne's purposes, this ninety (90) day notice to Duquesne is for informational and planning purposes only. (C)

**14.4.1 CUSTOMER MUST INITIATE THE SWITCH TO DEFAULT SERVICE** The Company will accommodate requests by customers to switch EGSs in accordance with 52 Pa. Code Chapter 57, Subchapter M "Standards for Changing a Customer's Electricity Generation Supplier." Customers are permitted to purchase electricity from only one EGS per billing cycle. Customers who elect to return to default service from an EGS will return at the charges of the applicable tariff rate schedule. Switching by customers shall occur in accordance with the direct access procedures, and in accordance with the provisions contained in this tariff and the retail tariff. No customer will be returned to default service for any reason without authorization by that customer, except as follows: the Company will permit a customer to return to default service in a switch initiated by the customer's EGS through standard EDI procedures in the following circumstances: (1) the complete abandonment of service in the Company's service territory by the customer's EGS, (2) to remedy a case of inadvertent slamming of the customer, and (3) the expiration of the term of the customer's contract with the EGS, provided that the customer's contract with the EGS is a standard one commonly used by the EGS to provide service to other customers with similar service requirements and the expiration dates of the contract are not otherwise designed to game supply around default service rates by returning the customer to default service when wholesale energy prices have increased and EGS service to the customer has become uneconomic. (C)

(C) -- Indicates Change

**RULES AND REGULATIONS - (Continued)**

**14. DISCONTINUANCE OF EGS SERVICE TO PARTICULAR CUSTOMERS – (Continued)**

**14.5 INFORMATION REGARDING ESTIMATES OF LOAD RETURNING TO DEFAULT SERVICE**

(C)  
(C)

**14.5.1 INFORMATION ON RESIDENTIAL LOAD** Duquesne may periodically request EGSs to furnish general updates of the information provided by the ninety (90) day notices described at Section 14.4, including total load represented by such notices, total load which has renewed with the EGS and estimated returning load. EGSs will cooperate by exercising reasonable efforts, using available resources, in responding to these inquiries. Duquesne shall provide that information only on an aggregate basis to the default service supplier.

(C)

**14.5.2 INFORMATION ON NON-RESIDENTIAL LOAD** Duquesne may periodically request EGSs to furnish general information regarding estimates of non-residential load that is expected to return to default service. EGSs will cooperate by exercising reasonable efforts, using available resources, to respond to these inquiries. Duquesne shall provide that information only on an aggregate basis to the default service supplier.

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**17. TERMINATION OF INDIVIDUAL COORDINATION AGREEMENT**

**17.1 TERMINATION** An Individual Coordination Agreement will or may be terminated as follows:

- A. WITHDRAWAL OF THE EGS FROM RETAIL SERVICE** In the event the EGS ceases to participate in or otherwise withdraws the provision of Competitive Energy Supply to customers in the Company's service territory, the Individual Coordination Agreement between the EGS and the Company shall terminate thirty (30) days following the date on which the EGS has no more active customers.
- B. THE COMPANY'S TERMINATION RIGHTS UPON DEFAULT BY EGS** In the event of a default by the EGS, the Company may terminate the Individual Coordination Agreement between the EGS and the Company by providing written notice to the EGS in default, without prejudice to any remedies at law or in equity available to the party not in default by reason of the default.

**17.2 EFFECT OF TERMINATION** Termination of Individual Coordination Agreements upon approval by the Commission will have the same effect on an EGS's customers as the EGS's discontinuance of supply to such customers described in the EDC Tariff. If a customer of a terminated EGS has not switched to another EGS prior to termination, said customer will receive default service pending its selection of another EGS. (C)

**17.3 SURVIVAL OF OBLIGATIONS** Termination of an Individual Coordination Agreement for any reason shall not relieve the Company or an EGS of any obligation accrued or accruing prior to such termination.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**18. ALTERNATIVE DISPUTE RESOLUTION**

**18.1 INFORMAL RESOLUTION OF DISPUTES** The Company and EGS shall use good faith and commercially reasonable efforts to informally resolve all disputes arising out of the implementation of this tariff and/or the conduct of coordination activities hereunder. The EGS's point of contact for all information, operations, questions, and problems regarding Coordination Activities shall be the Company's Supplier Service Center at (412) 393-6282 or the Customer Choice Internet Site, [www.customer-choice.com](http://www.customer-choice.com).

(C)

**18.2 INTERNAL DISPUTE RESOLUTION PROCEDURES** Any dispute between the Company and an EGS under this tariff or Individual Coordination Agreement shall be referred to a designated senior representative of each of the parties for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days (or such other period as the parties may agree upon) such dispute, by mutual agreement, may be referred to mediation in accordance with the Code of Conduct approved by the Pennsylvania Public Utility Commission or may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

**18.3 EXTERNAL ARBITRATION PROCEDURES** If the amount in dispute is five hundred thousand dollars (\$500,000) or less, the arbitration initiated under this tariff or any Individual Coordination Agreement shall be conducted before a single neutral arbitrator appointed by the parties. If the parties fail to agree upon a single arbitrator within twenty (20) days of the referral of the dispute to arbitration the parties shall request the American Arbitration Association to appoint a single neutral arbitrator. If the amount in dispute exceeds five hundred thousand dollars (\$500,000), each party shall choose one neutral arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall, within twenty (20) days of their selection, select a third arbitrator to chair the arbitration panel. In any case, the arbitrators chosen shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association.

**18.4 ARBITRATION DECISIONS** Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of their appointment and shall notify the parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this tariff and any Individual Coordination Agreement and shall have no power to modify or change any provisions in any manner. The decision of the arbitrator(s) shall be final and binding upon the parties, and judgment on the award may be entered in any court of competent jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in 42 Pa. C.S.A. § 7341. The final decision of the arbitrator must also be filed with FERC and the Pennsylvania Public Utility Commission, if it affects their respective jurisdictional rates, terms and conditions of service or facilities.

**18.5 COSTS** Each party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

A. The cost of the arbitrator chosen by the party to sit on the three member panel and a proportionate share of the cost of the third arbitrator chosen; or

B. A proportionate share of the cost of the single arbitrator jointly chosen by the parties.

**(C) – Indicates Change**

**LOAD DATA SUPPLY CHARGE**

**AVAILABILITY/APPLICABILITY**

The Company will fulfill a Customer's or its authorized representative's request for customer load information available on its information system once per calendar year for no charge. The Company will provide customer load information, with customer consent only to EGSs or other customer-authorized representatives, but will do so only for a charge after the initial request. The Company will provide customer load information on a 15 or 60-minute interval basis as specified by the customer, EGS or other customer-authorized representative.

**TABLE OF CHARGES**

An EGS or other customer-authorized representative must pay the charges stated below per request:

Any electronically available interval (hourly or 15 minute) load data will be charged at \$60 per request. If the Company has already provided load data to a Customer or its authorized representative for no charge in a calendar year, the Customer will be charged for subsequent requests in that year at \$60 per request.

**CONDITIONS**

No customer-specific information will be supplied to an EGS or other representative of the customer before the Company's receipt of a customer's written authorization to release such data to such EGS or other representative. EGSs who qualify as creditworthy as those terms are defined in this tariff will be billed for each request pursuant to the procedure identified in Rule No. 12.2.1 of this tariff. Payment by an EGS who does not qualify as creditworthy or has bad credit as those terms are defined in this tariff must be made before release of information.

**METHOD OF PAYMENT**

There are two (2) methods of payment:

A check made payable to Duquesne Light Company and sent to:

Duquesne Light Company  
Attn: Supplier Service Center  
411 Seventh Avenue (MD: 6-1)  
Pittsburgh, PA 15219

or through a wire/ACH transfer to:

Bank Name: Mellon Bank, Pittsburgh  
ABA: 043000261  
Account No: 000-8061  
Acct Name: Duquesne Light Company

(C) – Indicates Change

(C)

RIDERS - (Continued)

INDIVIDUAL COORDINATION AGREEMENT RIDER - (Continued)

(ii) This Agreement is a valid and binding obligation of the Party, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights generally or by general principles of equity.

4.0 The EGS shall provide notice to the Company via facsimile, with a copy delivered pursuant to overnight mail, at such time that the EGS learns that any of the representations, warranties, or covenants in Section 3.0 of this Agreement have been violated.

5.0 As consideration for Coordination Services provided by the Company, the EGS shall pay the Company those Coordination Services Charges billed to the EGS in accordance with the terms and conditions of the EGS Coordination Tariff.

6.0 Coordination Services between the Company and the EGS will commence on \_\_\_\_\_.

7.0 Any notice or request made to or by either Party regarding this Agreement shall be made to the representative of the other Party as indicated below.

To: Duquesne Light Company:

Duquesne Light Company  
2841 New Beaver Avenue, N3-ES  
Pittsburgh, PA 15233  
Attention: Supply & Load Coordination Analyst  
Telephone:  
Facsimile:

To the EGS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
Internet E-Mail: \_\_\_\_\_

(C)

(C) – Indicates Change

RIDERS- (Continued)

INDIVIDUAL COORDINATION AGREEMENT RIDER - (Continued)

8.0 The EGS Coordination Tariff is incorporated herein by reference and made a part hereof. All terms used in this Agreement that are not otherwise defined shall have the meaning provided in the EGS Coordination Tariff.

**IN WITNESS WHEREOF**, and intending to be legally bound thereby, Duquesne Light Company and the EGS identified above have caused this Coordination Agreement to be executed by their respective authorized officials.

**DUQUESNE LIGHT COMPANY**

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Please Print)

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**(C) – Indicates Change**

(C)

(C)

(C)

**Duquesne Light Exhibit WVP – 7**

Exhibit WVP-7

SUPPLEMENT NO. 8X  
TO ELECTRIC – PA. P.U.C. NO. 3S

# DUQUESNE LIGHT COMPANY

## ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

Issued By

**DUQUESNE LIGHT COMPANY**

411 Seventh Avenue  
Pittsburgh, PA 15219

**Richard Riazzi**

**President and Chief Executive Officer**

Issued: XXXXX XX, XXXX

Effective: **June 1, 2013**

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# NOTICE

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See Page Two

DUQUESNE LIGHT COMPANY  
411 SEVENTH AVENUE  
PITTSBURGH, PA. 15219

SUPPLEMENT NO. ~~8X~~  
TO ELECTRIC - PA. P.U.C. NO. 3S  
CANCELLING ~~FOURTH~~ FIFTH REVISED PAGE NO. 2  
~~THIRD~~ FOURTH REVISED PAGE NO. 2

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XXXXXXX

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(C) – Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS**

~~Active Load Management – Demand Response~~ the process for arranging to have firm load become interruptible in accordance with criteria established by the PJM OI. (C)

**Ancillary Services** - Those services that are necessary to support the Competitive Energy Supply from resources to loads while maintaining reliable operation of the Control Area in accordance with the PJM Tariff.

**Bad Credit** - An EGS has bad credit if it has a history of delinquent obligations or is insolvent (as evidenced by a credit report prepared by a reputable credit bureau or credit reporting agency or public financial data, liabilities exceeding assets or generally failing to pay debts as they become due) or has failed to pay Company invoices when they became due on two or more occasions within the last twelve (12) billing cycles.

**Bilateral Transaction** - An agreement between two entities (one or both being PJM Members) for the sale and delivery of a service.

**Charge** - Any fee or charge that is billable by the Company to an EGS under this tariff, including any Coordination Services Charge.

**Company** - Duquesne Light Company.

**Competition Act** - The Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §2801, et seq.

**Competitive Energy Supply** - Unbundled energy provided by an Electric Generation Supplier.

**Control Area** – An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

- (1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) maintain scheduled interchange with other control areas within reasonable limits of good utility practice;
- (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

**Coordination Activities** - All activities related to the provision of Coordination Services.

**Coordination Obligations** - All obligations identified in this tariff, relating to the provision of Coordination Services.

**Coordination Services** - Those services that permit the type of interface and coordination between an EGS and the Company in connection with the delivery of Competitive Energy Supply to serve customers located within the Company's service territory including: load forecasting, certain scheduling-related functions and reconciliation.

(C) – Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Coordination Services Charges** - All charges stated in the charges section of this tariff, that are billed by the Company for Coordination Services performed hereunder.

**Coordinated Supplier** - An Electric Generation Supplier that has appointed a Scheduling Coordinator as its designated agent for the purpose of submitting energy schedules to the PJM OI.

**Creditworthy** - A creditworthy EGS pays the Company's charges as and when due and otherwise complies with the Rules and Regulations of this tariff or the Pennsylvania Public Utility Commission. To determine whether an EGS is creditworthy, the Company will evaluate the EGS's record of paying Company charges, and may also take into consideration the EGS's credit history.

**Customer(s)** - Any person, municipality, partnership, association, or corporation receiving Competitive Energy Supply from an Electric Generation Supplier in accordance with the Competition Act.

**Customer Choice Internet Site** - A Company Internet site with a Uniform Resource Locator (URL) of <http://www.customer-choice.com>.

**Default Service** - The Company will provide electricity to the customer in the event that a customer: 1) elects not to obtain electricity from an EGS; 2) elects to have the Company supply electricity after having previously purchased electricity from an EGS; 3) contracts with an EGS who fails to supply electricity, or 4) has been returned to Default Service by the EGS under circumstances as described in Rule No. 45.2 of the Company's retail tariff. (C)

**Deliver** - To "deliver" a document or other item under this tariff shall mean to tender by certified mail, hand delivery, or overnight express package delivery service.

**Delivery** - The actual delivery of energy with respect to an energy schedule.

**Demand Response** - The process for arranging to have firm load become interruptible in accordance with criteria established by the PJM OI. (C)

**Direct Access** - "Direct Access" shall have the meaning set forth in the Competition Act.

**DLCO Zone** - The PJM defined area encompassing the franchised service territories of the Duquesne Light Company.

**DLCO Residual Zone** - The PJM defined area encompassing the aggregate of all load buses within the franchised service territories of the Duquesne Light Company minus all load that has been designated to be priced at a specific nodal location. (C)

**EDC Tariff** - The Company's currently Pennsylvania Public Utility Commission approved Electric Service Tariff.

**EGS Representative** - Any officer, director, employee, consultant, contractor, or other agent or representative of an EGS in connection with the EGS's activity solely as an EGS. To the extent an EGS is a division or group of a company, the term EGS Representative does not include any person in that company who is not part of the EGS division.

**Electric Distribution Company (EDC)** - A public utility that owns electric distribution facilities. At times, this term is used to refer to the role of the Company as a deliverer of Competitive Energy Supply in a direct access environment as contemplated in the Competition Act.

**Electric Generation Supplier (EGS)** - A supplier of electric generation that has been certified or licensed by the Pennsylvania Public Utility Commission to sell electricity to retail customers within the Commonwealth of Pennsylvania in accordance with the Competition Act.

**Electronic Data Exchange Working Group (EDEWG)** - The Pennsylvania Public Utility Commission authorized

DUQUESNE LIGHT COMPANY  
411 SEVENTH AVENUE  
PITTSBURGH, PA. 15219

SUPPLEMENT NO. ~~6~~X  
TO ELECTRIC - PA. P.U.C. NO. 3S  
SECOND-~~THIRD~~ REVISED PAGE NO. 5  
CANCELLING FIRST-~~SECOND~~ REVISED PAGE NO. 5

working group established under the Proposed Standards for Electronic Data Transfer and Exchange Between EDCs and EGSs, Docket No. M-00960890F.0015.

**Electronic Data Interchange (EDI)** - The computer application to computer application exchange of business information in a standard format, as more fully described in Pennsylvania Public Utility Commission Docket No. M-00960890F.0015.

**(C) – Indicates Change**

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Electronic Exchange** - Approved methods of data exchange (either through a VAN mailbox or a method to be defined by the EDEWG and approved by the Pennsylvania Public Utility Commission).

**eMtr System** - Software program administered by the PJM OI that retrieves revenue meter data for PJM transmission and generation interconnection points and calculates Electric Distribution Companies' and Generation Owners' metered interchange energy amounts used for real-time energy market settlements.

**eSchedules** - Software program administered by the PJM OI through which energy schedules may be submitted.

**FERC** - The Federal Energy Regulatory Commission.

**Final Forecast** - The day ahead hourly forecast for energy to be supplied the next day.

**Individual Coordination Agreement (ICA)** - The agreement between the Company and the EGS to conduct business in the DLCO Zone. The ICA is attached as a Rider to this tariff. (C)

**Interest Index** - An annual interest rate determined by the average of 1-Year Treasury Bills for September, October and November of the previous year.

~~**Internal Bilateral Transaction (IBT)** - eSchedules Service type IBT is used to designate all internal bilateral energy transactions, including supply transactions for parties serving retail load. This service type is used by PJM Market Settlements only to adjust a participant's interchange.~~ (C)

**Interval Metering Data** - Data from electrical metering equipment that supplies hourly or sub-hourly readings of customer consumption.

**Kilowatt or kW** - Unit of measurement of useful power equivalent to 1000 watts.

**Meter Read Date** - The date on which the Company reads a meter for purposes of producing a customer bill in accordance with the regularly scheduled billing cycles of the Company.

**Month** - A month, as defined under 52 PA Code § 56.2.

**Load Bus** - As used in this tariff, shall have the same meaning ascribed to the term in the PJM Tariff.

**Load Serving Entity (LSE)** - An entity that has been granted the authority or has an obligation pursuant to State or local law, regulation or franchise to sell electric energy to end-users located within the PJM Control Area as that term is defined by the PJM Tariff.

**Locational Marginal Price (LMP)** - The hourly-integrated marginal price to serve load at individual locations throughout PJM, calculated by the PJM OI as specified in the PJM Tariff.

**Megawatt or MW** - One thousand kilowatts.

~~**NERC TIS** - The North American Electric Reliability Corporation. The agency given the authority by FERC to enforce reliability standards in the United States. NERC Transaction Information System (TIS), which is defined and is available at the Internet site, <http://www.nerc.com/foi/tisform.html>. The TIS includes the tag and e-mail protocols.~~ (C)

**Network Integration Transmission Service Reservation** - A reservation under the PJM Tariff of Network Integration Transmission Service, which allows a transmission customer to integrate and economically dispatch generation resources located at one or more points in the PJM Control Area to serve its Network load as that term is defined by the PJM Tariff.

(C) - Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Peak Load Contributions (PLCs)** - A customer's contribution to the DLCO Zone's normalized summer peak load as calculated by the zone's Electric Distribution Company and used in determining a Load Serving Entity's Peak Load obligation.

**Pennsylvania Public Utility Commission or Commission** - The Pennsylvania Public Utility Commission.

~~**Pilot Customer(s)** - A customer participating in the Company's Customer Choice pilot program.~~

(C)

**PJM** - PJM Interconnection, L.L.C.

**PJM Control Area** - The area encompassing electric systems recognized by the North American Electric Reliability Council as the "PJM Control Area."

~~**PJM Miscellaneous Charges** - PJM miscellaneous energy related allocations or charges or credits billed to the LDC- EDC and not to the LSE, including but not limited to those related to PJM allocated "EGAR Automatic Reserve Sharing." PJM Grid Management, Transitional Market and Transitional costs collected through Rider No. 1 of the Retail Tariff are excluded from Miscellaneous Charges.~~

(C)

~~**PJM OOI** - The PJM Office of Interconnection, the system operator for the PJM Control Area.~~

(C)

~~**PJM Tariff or OATT** - The PJM Open Access Transmission Tariff on file with the FERC and which sets forth the rates, terms and conditions of transmission service over transmission facilities located in the PJM Control Area.~~

(C)

~~**Preliminary Forecast** - The week ahead hourly forecast for energy to be supplied the following week. The forecast per hour per LSE posted on the customer choice website based on business day-ahead.~~

(C)

~~**Residual Losses** - Residual Losses/Unaccounted for Energy - PJM Zonal Energy Requirement - ((summation of EGS consumption adjusted for Transmission and Distribution Losses) + (POLR consumption adjusted for Transmission and Distribution Losses)).~~

(C)

**Retail Load Responsibility (RLR)** - For non-metered and monthly metered load, the sum total of the estimated hourly load plus transmission losses, distribution losses and the EGS's pro rata share of UFE within the service territory of the EDC, for which the EGS must provide energy to its customers. For hourly metered customers, the sum total of the hourly consumed load of all of an EGS's customers, adjusted for transmission losses, distribution losses and the EGS's pro rata share of UFE within the service territory of the EDC, for which the EGS must provide energy to its customers.

**Scheduling Coordinator** - Entity that performs one or more of an EGS's Coordination Obligations, including the submission of energy schedules to the PJM OI, and that either is (1) a member of the PJM Interconnection, L.L.C. or (2) is the agent, for scheduling purposes, of one or more Electric Generation Suppliers that are members of the PJM Interconnection, L.L.C.

**Tariff** - This Electric Generation Supplier Coordination Tariff.

~~**Transmission Losses** - Real Power Transmission Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Transmission Loss factor is defined in Rule No. 4.7. -0.8%.~~

(C)

(C) - Indicates Change

**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Unaccounted for Energy (UFE)** - Is the difference between the actual DLCO Zone's total hourly system load and the total hourly consumed power grossed up for transmission and distribution losses plus any PJM miscellaneous energy or energy related allocations to the EDC.

**Value Added Network (VAN)** - A method of data transfer that allows information to be sent and received electronically using an electronic mailbox. This method meets minimum criteria in the following areas:

- Security and/or encryption of transactions and customer information;
- Proof of transmission and receipt;
- Positive identity of sender and recipient (non-repudiation);
- Reliability;
- Data and file integrity;
- Network performance and availability; and
- Recoverability and archiving of data.

**Wholesale Load Responsibility (WLR)** – For non-metered and monthly metered load, the sum total of the estimated hourly load for all of the Company's ~~POLR default service~~ customers plus transmission losses, distribution losses, and the wholesale supplier's pro rata share of UFE, within the service territory of the EDC, for which the Company's wholesale suppliers must provide energy to its ~~Provider of Last Resort (POLR) Service default service~~ under the EDC Retail Tariff. For hourly metered customers, the sum total of the hourly consumed load of all the Company's ~~POLR default service~~ customers plus transmission losses, distribution losses and the wholesale supplier's pro rata share of UFE within the service territory of the EDC, for which the Company's wholesale suppliers must provide energy to its ~~POLR Service default service~~ under the EDC Retail Tariff. (C)

**Wholesale Supplier** – The Company's supplier of all generation resources necessary to meet the Company's ~~POLR default service~~ obligations. (C)

(C) – Indicates Change

## RULES AND REGULATIONS

### 1. THE TARIFF

**1.1 FILING AND POSTING** A copy of this tariff, comprising of the Definitions, Rules and Regulations, Charges and Riders, under which the Company will provide Coordination Services to Electric Generation Suppliers, is filed with the Pennsylvania Public Utility Commission ("PaPUC"). A copy of the Tariff may be obtained by calling, e-mailing or writing the Company's business office. The Tariff may also be accessed at [www.duquesnelight.com](http://www.duquesnelight.com) and is posted and open to inspection at the offices of the Company where payments are made by customers. A copy of this tariff, which comprises the Charges, Rules and Regulations and Riders under which the Company will provide Coordination Services to Electric Generation Suppliers, is on file with the Commission and is posted and open to inspection at the offices of the Company.

(C)

**1.2 REVISIONS** This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Pennsylvania Public Utility Code, and such changes, when effective, shall have the same force as the present tariff.

**1.3 APPLICATION** The tariff provisions apply to all EGSs providing Competitive Energy Supply to customers located in the Company's service territory, including an affiliate or division of the Company that provides Competitive Energy Supply, and with whom the Company has executed an Individual Coordination Agreement as required herein. In addition, the charges herein shall apply to anyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

**1.4 RULES AND REGULATIONS** The Rules and Regulations, filed as part of this tariff, are a part of every Individual Coordination Agreement entered into by the Company pursuant to this tariff and govern all Coordination Activities, unless specifically modified by a charge or rider provision. The obligations imposed on EGSs in the Rules and Regulations apply as well to everyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

**1.5 USE OF RIDERS** The terms governing the supply of Coordination Services under this tariff or a charge therein may be modified or amended only by the application of those standard riders, filed as part of this tariff.

**1.6 STATEMENT BY AGENTS** No Company representative has authority to modify a tariff rule or provision, or to bind the Company by any promise or representation contrary thereto.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

**2. SCOPE AND PURPOSE OF TARIFF**

**2.1 SCOPE AND PURPOSE OF TARIFF** This tariff sets forth the basic requirements for interactions and coordination between the Company as the Electric Distribution Company and EGSs necessary for ensuring the delivery of Competitive Energy Supply from EGSs to their customers, ~~commencing on January 1, 1999.~~ (C)

**2.2 APPLICABILITY OF TERMS TO SCHEDULING COORDINATORS** As used in this tariff, the term "EGS" shall apply equally to a Scheduling Coordinator for an EGS's responsibilities and rights properly assigned to that Scheduling Coordinator by the EGS.

**2.3 FERC JURISDICTIONAL MATTERS** The inclusion of FERC-jurisdictional matters within the scope of this tariff is intended solely for informational purposes and is not intended to accord any jurisdictional authority over such matters to the Pennsylvania Public Utility Commission. Further, to the extent that anything stated herein is found by the FERC to conflict with or to be inconsistent with any provision of the Federal Power Act (FPA), or any rule, regulation, order or determination of the FERC under the (FPA), then such FERC rule, regulation, order or determination of the FPA shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company shall secure, from time to time, all necessary orders, approvals, and determinations from the FERC necessary to implement this tariff.

**2.3.1 CREDIT REQUIREMENTS** The Company does not intend to impose duplicate credit requirements as arising under this tariff and the PJM ~~OATT~~ Tariff. (C)

**2.4 PA PUC JURISDICTIONAL MATTERS** This tariff operates and is subject to Pennsylvania Public Utility Commission Orders, rules and regulations.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**3. COMMENCEMENT OF EDC/EGS COORDINATION**

**3.1 REGISTRATION FOR COORDINATION SERVICES** An EGS seeking to obtain Coordination Services hereunder must deliver to the Company a completed registration, consisting of the following:

- A. An Individual Coordination Agreement, as contained in a rider hereto, fully executed in triplicate by a duly authorized representative of the EGS;
- B. A copy of the EGS's operating license or Pennsylvania Public Utility Commission order licensing the EGS to operate;
- C. The EGS's Pennsylvania sales tax identification number; and
- D. ~~A representation letter signed by an EGS officer asserting that its computer systems are year 2000 compliant, or shall be year 2000 compliant on or before December 31, 1999.~~ EGS proof of PJM membership. (C)

**3.2 INCOMPLETE REGISTRATIONS** In the event the EGS submits an incomplete registration, the Company shall provide written notice to the EGS of the registration's deficiencies within ten (10) business days after the date of service, as determined under 52 Pa. Code § 1.56. The Company will not process an incomplete registration until the EGS corrects the deficiencies and the EGS delivers the registration to the Company.

**3.3 CREDIT CHECK** A registration for Coordination Services shall constitute authorization to the Company to conduct a background credit check on the EGS.

**3.4 PROCESSING OF REGISTRATIONS** The Company shall complete the processing of each registration for Coordination Services within ten (10) business days after the date of service of the registration, as determined under 52 Pa. Code § 1.56. The Company shall approve all completed registrations unless grounds for rejecting the registration, as defined below, exist.

**3.5 GROUNDS FOR REJECTING REGISTRATION** The Company may reject any registration for Coordination Services on any of the following grounds:

- A. The EGS has undisputed outstanding debts to the Company arising from its previous receipt of Coordination Services from the Company under this tariff;
- B. The EGS has failed to comply with credit requirements specified in Rule No. 12 of this tariff;
- C. The EDC has provided written notice to the EGS that a registration is deficient, pursuant to 52 Pa. Code § 1.56, and the EGS has failed to submit a completed registration within thirty (30) calendar days after the date of service of the registration.

The Company may also petition the Pennsylvania Public Utility Commission to reject the registration of an EGS with bad credit. The Company need not provide Coordination Services to the EGS pending the Pennsylvania Public Utility Commission's review of said petition unless the EGS has provided security to the Company as provided for in Rule No. 12.4.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**3. COMMENCEMENT OF EDC/EGS COORDINATION - (Continued)**

**3.6 OFFER OF CONDITIONAL ACCEPTANCE OF REGISTRATION** Where grounds for rejection of a registration exist due to an EGS's outstanding and undisputed debts to the Company arising from its previous receipt of Coordination Services from the Company under this tariff, the Company may offer the affected EGS a conditional acceptance if the EGS pays such debts before it receives Coordination Services. If the EGS rejects the Company's offer of conditional acceptance under this Rule, then its registration for Coordination Services will be deemed rejected.

**3.7 REJECTION OF REGISTRATION** Upon rejection of any registration, the Company shall provide the affected EGS with written notice of rejection within the time periods set forth in Section 3.4, and shall state the basis for its rejection.

**3.8 APPROVAL OF REGISTRATION** Upon its approval of a registration for Coordination Services, or pursuant to an Order of the Commission approving a registration, the Company shall execute the Individual Coordination Agreement tendered by the registrant ~~and shall file a copy with the Pennsylvania Public Utility Commission,~~ **and** shall provide one to the EGS by delivering such within the period set forth in Section 3.4 and shall maintain a copy for its own records. (C)

**3.9 IDENTIFICATION NUMBERS** Upon its approval of a registration for Coordination Services, the Company will use the Dun & Bradstreet number assigned to each EGS to be used in subsequent electronic information exchange between the EGS and the Company. ~~In addition, the Company may also assign to the EGS identification numbers that may be required by the Control Area Operator in connection with the submission and/or confirmation of load schedules for serving load in the Company's service territory.~~ (C)

**3.10 COMMENCEMENT OF COORDINATION SERVICES** Coordination Services shall commence within fifteen (15) days after the Company's acceptance of an EGS's registration for Coordination Services provided that all of the information necessary for the Company to provide Coordination Services has been provided to the Company and any conditions required under Rule No. 3.6 have been satisfied by the EGS.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**4. COORDINATION OBLIGATIONS**

**4.1 PROVISION OF COORDINATION SERVICES** The Company shall make available all Coordination Services, as provided herein, necessary for the delivery of an EGS's Competitive Energy Supply to serve retail access load located within the Company's service territory.

**4.2 TIMELINESS AND DUE DILIGENCE** EGSs shall exercise due diligence in meeting their obligations and deadlines under this tariff so as to facilitate direct access.

**4.3 DUTY OF COOPERATION** The Company and each EGS will cooperate in order to ensure delivery of Competitive Energy Supply to customers as provided for by this tariff, the EDC Tariff, the ~~QATT~~ PJM Tariff and the Competition Act. (C)

**4.4 STATE LICENSING** An EGS must have and maintain in good standing a license from the Pennsylvania Public Utility Commission as an authorized EGS.

**4.5 ENERGY PROCUREMENT** An EGS must make all necessary arrangements for obtaining Competitive Energy Supply in a quantity sufficient to serve its own customers.

**4.6 PJM SERVICES AND OBLIGATIONS** An EGS is responsible for procuring those services provided by the PJM OI that are necessary for the Delivery of Competitive Energy Supply to its customers. In addition, an EGS must satisfy all obligations that are imposed on LSEs in the PJM Control Area. This includes the resource adequacy obligations as defined in the PJM RAA to which the LSE must be a signatory.

**4.7 ENERGY SCHEDULING** An EGS must make all necessary arrangements for scheduling the delivery of energy to the end use load busses for retail load supplied by the EGS within the DLCO Zone, including Real Power Transmission and Distribution Losses.

**4.7.1 Transmission Losses** will be calculated ~~purcuant to the PJM Tariff~~ using a Transmission Loss factor of 0.8%. (C)

**4.7.2 Distribution Losses** will be calculated using Table 1 in this Tariff.

**4.8 RELIABILITY REQUIREMENTS** An EGS shall satisfy those reliability requirements issued by the Pennsylvania Public Utility Commission, or any other governing reliability council with authority over the EGS, that apply to EGSs.

**4.9 DETERMINATION OF LOAD AND LOCATION** The Company and EGS shall coordinate with the ~~Control Area Operator~~ PJM OI to determine the magnitude and location of the EGS's actual or projected load, as required by the PJM OI, for the purpose of Calculating a Network Integration Transmission Service Reservation, an installed capacity obligation, or other requirements under the PJM Tariff. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**4. COORDINATION OBLIGATIONS - (Continued)**

**4.14 DATA EXCHANGE - (Continued)**

~~E.~~ All EGS systems that send, receive or process data within the scope of this tariff shall be year 2000 compliant on or before December 31, 1999. (C)

**FE.** In the event an EGS sends the Company the same erroneous data more than once, the Company hereby provides notice that the Company shall assess processing costs against that EGS.

**4.15 CODE OF CONDUCT** The Code of Conduct approved by the Commission is incorporated herein by reference.

**4.16 STANDARDS OF CONDUCT AND DISCLOSURE FOR A LICENSED EGS** The Standards of Conduct and Disclosure for Licensees, pursuant to Pennsylvania Public Utility Commission regulations including, but not limited to, Docket No. L-970129, are incorporated herein by reference.

(C) – Indicates Change

DUQUESNE LIGHT COMPANY  
411 SEVENTH AVENUE  
PITTSBURGH, PA. 15219

SUPPLEMENT NO. 6  
TO ELECTRIC - PA. P.U.C. NO. 3S  
FIRST REVISED PAGE NO. 13A  
CANCELLING ORIGINAL PAGE NO. 13A

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DUQUESNE LIGHT COMPANY  
411 SEVENTH AVENUE  
PITTSBURGH, PA. 15219

SUPPLEMENT NO. 6  
TO ELECTRIC - PA. P.U.C. NO. 3S  
FIRST REVISED PAGE NO. 13B  
CANCELLING ORIGINAL PAGE NO. 13B

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**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES**

**5.0 GENERALLY** The procedures for the selection of customers' ~~initial~~ EGS selection, switching among EGSs and other direct access procedures for obtaining Competitive Energy Supply shall occur in accordance with the direct access procedures set forth in the Enrollment Procedures Applicable to EDCs and EGSs ~~during the phase-~~ ~~In implementation of direct access~~, Docket No. M-00960890F.0014, Standards for Electronic Data Transfer and Exchange Between EDCs and EGSs, Docket No. M-00960890F.0015, and Standards for Changing a Customer's Electric Supplier, Docket No. L-00970121, as set forth in this tariff.

(C)

**5.1 CUSTOMER ENROLLMENT**

**5.1.1 CUSTOMER METHOD** The Company will process Company-supplied enrollment cards that are sent to the Company's designated post office box, or are received by facsimile transmission. If customers wish to enroll telephonically, they may do so, and the Company will take special measures to determine whether the customer wishes to restrict the release of confidential information. If a customer wishes to use written forms other than enrollment cards, they shall contain the information required for enrollment cards (customer name, customer address, Duquesne Light account number, authorization to release telephone number and authorization to release historical usage information).

Enrollment cards shall include two check-off boxes by which customers may restrict the release of their telephone number and twelve (12) months of historical load data (defined as historical kWh usage and either typical load curve for applicable rate class, or for customers with hourly metering, specific load data). The enrollment cards provided to customers shall advise them of the potential benefits of having confidential information shared with licensed EGSs, and that such refusal may mean that the customer will not be able to be contacted directly by an ~~alternative generation supplier~~ EGS.

(C)

Additionally, the enrollment cards shall advise customers that the basic enrollment information will be released to EGSs upon the EDC's determination of the customer's eligibility to participate.

**5.1.2 EGS METHOD** EGSs may enroll customers during the enrollment period by mailing or faxing an enrollment card or other written form containing the required enrollment information. Additionally, EGSs are encouraged to permit customers to enroll by telephone or by e-mail, but must send customer enrollments to the Company via properly formatted electronic files (customer name, customer address, Duquesne Light account number, and authorization to release telephone number and authorization to release historical usage information) via electronic exchange. An EGS must include within its electronic file an indication as to which of the customers it enrolls have consented to disclosure of customer-specific information as set forth below in Rule No. 5.1.5. EGSs shall forward the electronic files on a daily basis to the Company. The Company will acknowledge receipt of the enrollment file via electronic confirmation. The Company shall provide confirmation within one (1) business day of all electronic files received. Such confirmation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such confirmation shall also include information an EGS can use to identify rejected records.

**(C) – Indicates Change**

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.1 CUSTOMER ENROLLMENT - (Continued)**

**5.1.2 EGS METHOD - (Continued)**

Enrollment cards shall include two check-off boxes by which a customer may restrict the release of their telephone number and twelve (12) months of historical load data (defined as historical kWh usage and either typical load curve for applicable rate class or, for customers with hourly metering, specific load data). The enrollment cards provided to customers shall advise them of the potential benefits of having confidential information shared with licensed EGSs, and that such refusal may mean that the customer will not be able to be contacted directly by an ~~alternative generation supplier~~ EGS. (C)

Additionally, the enrollment cards shall advise customers that the basic enrollment information will be released to EGSs upon the EDC's determination of the customer's eligibility to participate.

**5.1.3 A. ELIGIBLE CUSTOMER LIST** In addition to the EDEWG Standard Eligibility List, Duquesne agrees to provide to EGSs, for all customers who have authorized the release of their information, the most recent available twelve (12) individual months of historical monthly electric usage and billed demand, transmission obligation, peak load contribution, per customer account, and the customer's service anniversary date. This information, which will be provided on Duquesne's web site in a downloadable format compatible for use with spreadsheet and database applications, will be updated monthly.

**B. Methodology for Calculating Peak Load Contributions Used in Determination of Capacity Obligations and Network Transmission Service Peak Load Contributions** Beginning January 1, 2005, until instructed otherwise by PJM, the Company will calculate the Peak Load Contributions and the Network Transmission Service Peak Load Contribution as follows: (C)

**1) ~~1-CP~~ Network Transmission Service Peak Load Contribution (1 CP)** (C)

To determine the customer's share of the Network Transmission Service Peak Load, the Company will first calculate the customer's transmission peak load contribution. The transmission peak load contribution is based on the customer's load coincident with Duquesne's transmission system peak zonal load during the one peak hour of the previous year. Second, the customer's load, adjusted for the Company's transmission and distribution line losses and the customer's share of unaccounted for energy (as provided by Rule No. 8 of this tariff), will be the customer's Network Transmission Service Peak Load Contribution. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.1 CUSTOMER ENROLLMENT - (Continued)**

**5.1.3 B. Methodology for Calculating Peak Load Contributions Used in Determination of Capacity Obligations and Network Transmission Service Peak Load Contributions – (Continued)**

**2) 5 CP PJM Capacity Obligation Peak Load Contribution (5 CP)**

The Company's capacity obligation will be calculated by PJM based on the Company's peak load contribution ~~system load~~ and will be the basis for the capacity obligation for the following calendar year. (C)

In determining the customer's share of the capacity obligation, the Company will first calculate the customer's peak load contribution. The peak load contribution is based on the customer's load coincident with PJM's system load during the peak hour of the five peak days for the appropriate PJM Region as provided for in the PJM Manuals/Tariffs, ~~except for the planning period ending May 31, 2005 Duquesne Light Company coincident peak hours for 2004 will be utilized in place of those of the appropriate PJM Region. Second, t~~he customer's load in each of these five (5) hours, adjusted for the Company's transmission and distribution line losses and the customer's share of unaccounted for energy in the applicable hours (as provided by Rule No. 8 of this Tariff), will be averaged and the customer's percentage (%) share of the average DLCO system load will then be calculated. The PJM approved forecasted peak for the year will then be multiplied by the customer's percentage (%) share of the average DLCO system load to derive the customer's peak load contribution. When appropriate, zonal loads and customer peak load obligations will be adjusted to account for ALM Demand Response and significant loss of load events. (C)

This information will be sent to PJM who will calculate each EGS's capacity obligation.

**5.1.4 DATA EXCHANGE**

- A. The list of enrolled customers that the Company provides to all EGSs pursuant to Rule No. 5.1.3 above, shall contain information about customers that have consented to the release of customer information in a format to be consistent with that determined by the EDEWG.
- B. The list of enrolled customers that the Company provides to all EGSs pursuant to Rule No. 5.1.3 above, shall contain the following information about customers that have not consented to the release of customer information in a format to be consistent with that determined by the EDEWG:
  - (i) Duquesne Light Company account number,
  - (ii) Rate class,
  - (iii) Customer's name, and
  - (iv) Customer's service address.

**5.1.5 MANNER OF CUSTOMER CONSENT** An EGS that enrolls a customer in accordance with Rules No. 5.1.1 or 5.1.2 of this tariff must ask the customer whether the customer consents to the disclosure to all EGSs by the Company of private customer information as defined by 52 Pa. Code Section 54.8. The EGS must retain a record indicating whether the customer consented to such disclosure. If the record is not itself a hard copy document, but rather an electronic or computer record, the EGS must be able to print or otherwise reproduce the record in hard copy.

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

5. DIRECT ACCESS PROCEDURES - (Continued)

5.2 **INITIAL EGS SELECTION FOR 1998** This Rule No. 5.2 delineates the process of customer selection of an EGS for the first time ~~during the initial enrollment period~~. The process for a customer's selection of an EGS ~~for the first time~~ thereafter is governed by Rule No. 5.3. (C)

5.2.1

- A. An EGS must notify its customers that by signing up for Competitive Energy Supply with the EGS, the customer is consenting to the disclosure by the Company to the EGS of certain basic information about the customer. At minimum, the notice shall inform the customer that the following information will be disclosed: the customer's name, address, Duquesne Light Company account number and rate class.
- B. If an enrolled customer or person authorized to act on the enrolled customer's behalf contacts the Company via telephone to select an EGS, the Company will direct the customer to contact that EGS and provide the telephone number of the EGS to the customer, if required.
- C. The EGS will obtain appropriate authorization from the customer, or from the person authorized to act on the customer's behalf, indicating the customer's choice of EGS. The authorization shall include the customer's acknowledgment that the customer has received the notice required by Rule 5.2.1(A). It is the EGS's responsibility to maintain records of the customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.
- D. The EGS shall provide an electronic file to the Company via electronic exchange. The required electronic file shall include, at a minimum, EGS ID, Duquesne Light Company account number, action (ADD), rate code, billing option, price plan (if single bill option is selected), transaction date and transaction time. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file via electronic exchange. Within one business day of receipt of the electronic file, the Company will validate the records contained in the file, and will provide an electronic validation, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records. ~~If a customer selects more than one EGS, the EGS that submitted the EGS selection record with the latest valid EGS contract date to the Company before the end of the EGS selection period will be eligible to become the EGS of record on the customer's regularly scheduled meter read date in January, 1999.~~ (C)
- E. The Company will send one business day thereafter a confirmation letter to all customers who have made an ~~initial~~ EGS selection. Included in this letter shall be notification of a 10-day waiting period in which the customer may cancel its selection of an EGS. The confirmation letter shall include the customer's name, address, Duquesne Light Company account number, selected EGS, selected billing option (i.e., single bill or two bills), service effective date and initial billing date. The waiting period shall begin on the day the letter is mailed to the customer. If the 10-day waiting period expires, and the customer has not contacted the Company to dispute the EGS selection, the EGS will become the EGS of record ~~for delivery in January, 1999~~. If the customer elects to rescind its EGS selection, the Company will electronically notify the rejected EGS via electronic exchange. In the event the customer rescinds its EGS selection after the 10-day waiting period, the customer will be advised the rescission period has expired and the switch must be requested via the normal EGS selection process. (C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.2 INITIAL EGS SELECTION ~~FOR 1998~~ - (Continued)**

(C)

5.2.2 If an enrolled customer contacts the Company by mail to inform the Company that it wishes to obtain Competitive Energy Supply from a particular EGS, the Company will inform the customer of the need to contact the EGS to select the EGS as supplier. The EGS will verify its desire to serve the customer and follow the process outlined in Rule 5.2.1, ~~before the end of the initial EGS selection period.~~

(C)

~~5.3 SWITCHING AMONG EGSs (OR BETWEEN AN EGS AND THE COMPANY AS THE PROVIDER OF LAST RESORT) AND INITIAL SELECTION OF AN EGS BEGINNING IN JANUARY 1999~~ As of ~~January 1999~~, initial EGS selection ~~switching~~ by customers shall occur in accordance with the direct access procedures contained in this tariff, ~~and the EDC Tariff~~ and as described in Rule No. 5.2.

(C)

5.3.1 An EGS must notify its customers that by signing up for Competitive Energy Supply with the EGS, the customer is consenting to the disclosure by the Company to the EGS of certain basic information about the customer, as listed in Rule No. 4.14 (A). At minimum, the notice shall inform the customer that the following information will be disclosed: the customer's name, address, Duquesne Light Company account number, and rate class.

**5.3.2**

A. If a customer contacts, or is contacted by, a new EGS to request a change of EGS, and in turn, the new EGS agrees to serve the customer, the customer's new EGS shall obtain appropriate authorization from the customer or person authorized to act on the customer's behalf indicating the customer's choice of EGS. The authorization shall include the customer's acknowledgment that the customer has received the notice required by Rule No. 5.3.1. It is the EGS's responsibility to maintain records of the customer's authorization in the event of a dispute, in order to provide documented evidence of authorization to the Company or the Commission.

B. The customer's new EGS shall also submit the customer's information using a file format designated by the Company that complies with the Commission's electronic requirements. The required electronic files shall include, at a minimum, EGS ID, Duquesne Light Company account number, action (ADD), rate code, billing option, price plan (if single bill option is selected), transaction date and transaction time. Upon receipt of the electronic file from the EGS, the Company will automatically confirm receipt of the file via electronic exchange. Within one (1) business day of receipt of the electronic file, the Company will validate the records contained in the file, and will provide an electronic validation, including the number of records received and the reason for any rejections. Such validation shall include appropriate control totals such as number of records received, and the reason for any rejections (e.g., invalid account number). Such validation shall also include information an EGS can use to identify rejected records.

**(C) – Indicates Change**

RULES AND REGULATIONS - (Continued)

5. DIRECT ACCESS PROCEDURES - (Continued)

5.3 SWITCHING AMONG EGSs ~~(OR BETWEEN AN EGS AND THE COMPANY AS THE PROVIDER OF LAST RESORT) AND INITIAL SELECTION OF AN EGS BEGINNING IN JANUARY 1999~~  
(Continued) (C)

5.3.2 - (Continued)

- C. The Company will send the customer a confirmation letter within one business day notifying the customer of the right to rescind within ten (10) ~~business~~ days. If the customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will process the selection. The selection will be effective as of the next scheduled meter read date and the EGS will become the EGS of record for delivery provided that: (1) the Company has received at least ten (10) ~~16 (sixteen)~~ days prior notice from the EGS and all customer information provided to the Company is accurate and complete; (2) the ten (10)-day waiting period has expired; and (3) the customer has not contacted the Company to dispute the EGS selection. In such circumstances, the Company will send the new EGS an electronic file, via electronic exchange, containing information for the new customers of record for that particular EGS, in accordance with Rule No. 4.14 (A). (C)

If, during the ten (10)-day waiting period, the customer elects to rescind its new EGS selection, the Company will notify the rejected EGS of the rescission electronically via electronic exchange. In the event the customer rescinds its EGS selection after the ten (10)-day waiting period, the customer will be advised the rescission period has expired and a switch must be requested via the normal EGS selection process. (C)

- D. Once the preceding process is complete, the Company will notify the customer's prior EGS, via electronic exchange, of the discontinuance of service to the customer from that prior EGS.

5.3.3 If a customer contacts the Company to request a change of EGS, the Company will direct the customer to contact that EGS and provide the telephone number of the EGS to the customer, if requested.

5.3.4 If an EGS wishes to obtain from the Company confidential customer-specific information about a customer with whom it is discussing the possibility of providing Competitive Energy Supply, the Company will only provide such information if the EGS provides to the Company a copy of written documentation indicating that the customer has authorized the release of customer information to the EGS or if the customer has agreed to release the information during the enrollment process. The customer also may request confidential treatment of customer-specific information, and the Company shall not release the customer-specific information to the EGS without receiving authorization from the customer to release the customer-specific information to the EGS.

(C) -- Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.3 SWITCHING AMONG EGSs (OR BETWEEN AN EGS AND THE COMPANY AS THE PROVIDER OF LAST RESORT) AND INITIAL SELECTION OF AN EGS BEGINNING IN JANUARY 1999 - (Continued)**

(C)

**5.3.5** Subject to Rules No. 14.4 and 14.5, if a customer contacts the Company to request a change of EGS to the Company's ~~tariffed Energy and Capacity Charges for default Provider of Last Resort (PLR) Service~~ service under the EDC Tariff, the Company will process the request as follows. The Company will send the customer a confirmation letter notifying the customer of the right to rescind. If the customer does not contact the Company within ten (10) days of the date on the confirmation letter, then the Company will process the request. The request will be effective as of the next scheduled meter read date and the Company ~~as the Provider of Last Resort~~ will become the supplier of record for delivery provided that: (1) the Company has received at least ten (10) ~~16 (sixteen)~~ days prior notice from the customer; and (2) the ten (10)-day waiting period has expired; and (3) the customer has not contacted the Company to rescind or dispute the switch to ~~Default PLR Service~~ default service. Once the preceding process is complete, the Company will notify the customer's prior EGS, via electronic exchange, of the discontinuance of service to the customer from that prior EGS. The preceding process will not apply when an EGS discontinues a customer's service, no other EGS has agreed to provide such service and that customer is subsequently provided by default ~~PLR service~~ Service.

(C)

**5.3.6**

- A.** If a customer contacts the Company to discontinue electric service at the customer's then current location, and initiates a request for service at a new location in the Company's service territory, the Company will notify the current EGS, via electronic exchange, of the customer's discontinuance of service for the account at the customer's prior location. Final bill(s) will be issued to the date of discontinuance of service. The Company will also notify, via electronic exchange, the customer's selected EGS for its new location, which may or may not be the current EGS, of the basic information described in Rule No. 4.14 (A). If the selected EGS is not the same EGS that served the customer at the old location, the Company will provide the EGS that served the customer at the old location with the customer's new mailing address or forwarding address. This process shall be updated as necessary pursuant to the Commission's standards for switching.
- B.** If a customer contacts the Company to discontinue electric service and indicates that the customer will be relocating outside of the Company's service territory, the Company will notify the current EGS, via electronic exchange, of the customer's discontinuance of service for the account at the customer's location. If available, the Company will provide the EGS that served the customer at the old location with the customer's new mailing address or forwarding address.

**5.3.7** If the Company elects to change the account number for a customer receiving generation service from an EGS, the Company will notify the EGS of the change in account number at the same customer location, via electronic exchange.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**5. DIRECT ACCESS PROCEDURES - (Continued)**

**5.4 PROVISIONS RELATING TO AN EGS'S CUSTOMERS**

**5.4.1 ARRANGEMENTS WITH EGS CUSTOMERS** EGSs shall be solely responsible for having appropriate contractual or other arrangements with their customers necessary to implement direct access consistent with all applicable laws, Pennsylvania Public Utility Commission requirements, and this tariff. The Company shall not be responsible for monitoring, reviewing or enforcing such contracts or arrangements.

**5.4.2 TRANSFER OF COST OBLIGATIONS BETWEEN EGSS AND CUSTOMERS** Nothing in this tariff is intended to prevent an EGS and a customer from agreeing to reallocate between them any charges that this tariff imposes on the EGS, provided that any such agreement shall not change in any way the EGS's obligation to pay such charges to the Company, and that any such agreement shall not confer upon the Company any right to seek recourse directly from the EGS's customer for any charges owed to the Company by the EGS.

**5.4.3 CUSTOMER OBLIGATIONS** Customers of an EGS remain bound by the rules and requirements of the applicable EDC Tariff under which they receive service from the Company ~~with respect to service received from the Company.~~

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**7. DAY AFTER LOAD ESTIMATES AND SUPPLY SCHEDULES**

**7.1 TOTAL DAY AFTER LOAD ESTIMATES** The total load estimate for an EGS is expected to be equal to the aggregate hourly load estimates for all of the monthly metered and unmetered customer's usage plus load estimates for any Coordinated Suppliers that have designated that EGS as their Scheduling Coordinator. Load estimates, including distribution losses, transmission losses, and UFE are utilized for the day after eSchedules.

**7.2 DAILY LOAD SCHEDULING PROCESS (DAY AFTER LOAD OBLIGATIONS)**

**7.2.1 UPLOADING SCHEDULES** The Company will submit load estimates into eSchedules in the form of RLR (or WLR contracts) with view only privileges for the EGS (or municipalities or wholesale suppliers, as appropriate). The RLR (or WLR) contracts submitted by the Company in eSchedules will be auto-confirmed by the EGS (or municipalities or wholesale suppliers, as appropriate). The Company will upload the load estimates ~~for the scheduling window to PJM by 1:00 PM Eastern Prevailing Time~~ on each business day using the PJM eSchedules System according to PJM requirements. In accordance with the PJM eSchedules manual (m09), the PJM eSchedules application will accept scheduling and delivery of energy for up to three decimal places or one-thousandth (0.001) MWh. The schedule uploaded by the Company shall be binding on that EGS. The Company will provide these same load estimates on the Website by 10:00 AM Eastern Prevailing Time to assist the EGS. (C)

**7.2.2 LOAD SCHEDULE CHANGES** If the EGS has a dispute, they may notify the Company by telephone. The Company will make reasonable efforts to review and, if the reason for the changes are determined by the Company to be operationally valid, confirm the load schedule changes using the PJM eSchedules System, prior to the PJM designated deadline. In the absence of confirmation by the Company, the prior supply schedule value will remain in effect. In light of deadlines imposed by the PJM OI for the submission of load schedule changes, an EGS should initiate any necessary changes and notify the Company well before the cut-off time to increase the likelihood that the changes will be accepted.

**7.2.3 SUPPLY SCHEDULES** The EGS is responsible for supplying generation to meet its load estimates uploaded by the Company in accordance with Rule No. 7.23.1. (C)

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

**8. RECONCILIATION**

**8.1 GENERAL DESCRIPTION** Reconciliation service accounts for mismatches between an EGS's load estimate as determined in Rule 7 for serving its Customers and the energy that was actually used by those Customers. This service differs from Energy Imbalance Service – a related service performed exclusively by the PJM OI under the PJM Tariff – because the latter accounts for differences between an EGS's actual load and the quantity of energy actually delivered by the EGS. Because at the absence of universal real-time metering, the calculation of reconciliation quantities typically must occur after the monthly reading of Customer's meters.

(G)

**8.1.1 THE COMPANY'S ROLE** The Company will assist PJM in accounting for Reconciliation quantities by (1) collecting all Customer usage data; (2) determining hourly reconciliation quantities for each EGS or Scheduling Coordinator; (3) calculating monthly reconciliation quantities for each EGS or Scheduling Coordinator; and (4) submitting the reconciliation quantities to the PJM OI.

**8.2 METER DATA COLLECTION** Meter data collected by the Company shall be utilized to calculate the quantity of energy actually consumed by an EGS's customers for a particular reconciliation period.

**8.2.1 MONTHLY OR DAILY METERED AND UNMETERED (~~SUCH AS STREETLIGHTS~~) CUSTOMERS**

(C)

The EDC collects daily customer reads for the majority of its customer base. The rate class profile is used to convert the actual daily consumption to equivalent hourly consumption.

If a customer does not have daily reads available, the EDC collects monthly meter data, in subsets corresponding to customer billing cycles, which close on different days of the month. The EDC converts customer's actual monthly consumption to equivalent hourly consumption using the rate class load profiles.

**8.2.2 CUSTOMERS UTILIZING HOURLY OR SUB-HOURLY METERING DATA** Data from customers utilizing hourly or sub-hourly metering data is collected by the EDC on a daily or monthly basis.

**8.3 HOURLY CONSUMPTION** Hourly consumption for the customers of each EGS is determined by summing the consumption as described in 8.2.1 and 8.2.2.

**8.4 CONSUMPTION AND LOSSES (~~TRANSMISSION, DISTRIBUTION AND RESIDUAL LOSSES~~)**

(G)

Transmission and distribution losses are calculated based upon customer consumption consistent with Rule 8.4.1. These losses, ~~plus residual losses~~, are added to the hourly energy consumed by customers and are included in the Consumption calculation.

(C)

**8.4.1 CONSUMPTION CALCULATION** The Company will calculate ~~POLR default service~~ load in the same manner in which EGS load is calculated. After meters are read, load profiles will be applied to all customers, including those on ~~POLR default service~~. When interval meter reading data for a specific customer is available for use, the Company shall use this information in determining load obligation.

(C)

**8.4.2 ~~RESIDUAL LOSSES UNACCOUNTED FOR ENERGY~~** To determine the proper allocation of losses, average losses by class will be applied to both EGS and ~~POLR default service~~ loads, and ~~residual losses (and unaccounted for energy)~~ will be allocated pro rata among all suppliers, including the ~~POLR default service~~ suppliers.

(C)

**8.5 BILLING** The Company and the EGS will rely on PJM to perform calculations to determine the monetary value of reconciliation quantities and to bill and/or credit EGSs and the Company for oversupplies and undersupplies at an hourly price through the PJM grid accounting system. PJM Miscellaneous Charges will be allocated pro rata among all suppliers, including the ~~POLR default service~~ suppliers.

(C)

(C) – Indicates Change

(G)

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING**

**12.1 CUSTOMER BILLING BY THE COMPANY** All EGS charges to customers, if billed by the Company, shall be billed in accordance with the EDC Tariff and the following provisions:

**12.1.1 COMPANY BILLING FOR EGS** The Company will bill price plans offered by the EGS which are based on fixed and variable charges similar to those the Company employs for billing distribution service and default ~~Provider of Last Resort~~ service. Nothing in this rule shall require the Company to manually bill customers. Within this context, if the Company's billing system has the capability to bill the price plans offered by the EGS, the EGS may request the Company to do all or some of the billing for the EGS's customers based on the customers' preferences. In addition, the Company will include on its bill EGS late fees and payment arrangements as required by the Pennsylvania Public Utility Commission. However in no case shall the Company require the EGS to provide separate customer lists or perform unique scheduling and reconciliation services for customers billed directly by the Company. (C)

**12.1.2 BILLING FILES** Where the EGS has requested the Company to act as the EGS's billing agent, the Company shall electronically transmit files of billing detail daily to the EGS. Such files shall include the Company account number, rate codes, usage information, demand and energy charges, sales tax, and other EGS charges. Billing files transmitted shall have control totals to assure all data was received by the EGS. Control totals include the number of records on the file and significant totals (e.g. total kWh billed, total amount billed, total tax). All billing files will be in a format consistent with standards developed by the EDEWG.

**12.1.3 BUDGET BILLING** The Company will develop dual tracking systems to administer budget billing and apply payments for EGS charges and Company charges.

**12.1.4 EGS TAX RESPONSIBILITY** The Company is not responsible for paying or remitting on behalf of an EGS taxes including, but not limited to, Pennsylvania Gross Receipts Tax, Pennsylvania Public Utility Realty Tax, Pennsylvania Capital Stock Tax and Pennsylvania Corporate Net Income Tax.

**12.1.4.1 SALES TAX EXEMPTION** With respect to customers receiving one bill from the Company, the EGS for whom the Company is billing must provide to the Company the applicable sales tax exemption percentage for each customer. The Company will use the sales tax exemption percentage provided by the EGS for billing the EGS's charges. The EGS is responsible for holding appropriate exemption certificates and is liable for the collection and remittance of sales tax on the EGS's charges. The Company will use a zero exemption percentage if no percentage is provided by an EGS.

**12.1.5 COMPANY REIMBURSEMENT TO EGS FOR CUSTOMER PAYMENTS** For EGSs electing consolidated billing and serving residential and small and medium C&I customers, defined as those on Rate Schedules RS, RH, RA, GS/GM and GMH, the Company shall forward payment in accordance with the provisions of Rule No. 12.1.7 below. For receivables associated with EGS sales to all other customers, the Company shall reimburse the EGS within 14 days of receipt of payment for all energy charges, late fees, sales taxes, and any other taxes and charges collected on behalf of the EGS from the customer consistent with Section 2807 (c) (3) of the Competition Act.

**12.1.6 EGS BILLING DATA** The EGS shall provide all necessary data in its possession for the timely computation of bills. A failure of the EGS to provide necessary data to the Company in a timely fashion may delay generation of a bill for the month to which the data pertains. In such instances, the EGS is responsible for all fines and violations, if any, arising as a consequence of the Company's inability to render a timely bill.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM** Duquesne will purchase the accounts receivable, without recourse, associated with EGS sales of retail electric commodity, comprised of generation and transmission services, to residential customers and commercial and industrial (“C&I”) customers with monthly metered demand less than 300 kW within Duquesne’s service territory. Eligible customers are those customers taking delivery service under the Company’s retail tariff Rate RS, RH, RA, GS/GM and GMH, and who purchase their electric commodity requirements from the EGS through consolidated billing with the Company. Commercial and industrial customers will be separated into two categories for purposes of the Purchase Price Discount discussed in Section 12.1.7.2. Small C&I customers will be those customers with monthly metered demand less than 25 kW and Medium C&I customers will be those customers with monthly metered demand equal to or greater than 25 kW. The classification of customers as less than or equal to or greater than 25 kW is discussed in detail in the Company’s retail tariff Rate GS/GM and Rate GMH. Under the POR program, Duquesne will reimburse EGSs for their customer billings regardless of whether Duquesne receives payment from the customer, subject to the limitations set forth below. Duquesne will seek to recover the EGS receivables from EGS customers consistent with Duquesne’s existing collection procedures for recovery of billings to POLR default service customers, and incur any uncollectible costs related to billings for EGSs. The term of the POR program defined herein will become effective January 1, 2013, and will remain in effect as described through May 31, 2015 and will terminate on May 31, 2015. ~~In the Performance Report to be filed with the Commission in 2013 (described below) Duquesne will either propose to continue the POR program under such terms and conditions as it deems appropriate or provide an explanation as to why the POR program should be discontinued as of May 31, 2013.~~

(C)  
(C)

**12.1.7.1 ELIGIBILITY REQUIREMENTS** EGSs that choose Duquesne’s consolidated billing option for all or a portion of their eligible customer accounts will be required to sell their accounts receivable to Duquesne for those customers for whom Duquesne issues a consolidated bill. (EGSs may continue to issue their own bills [dual billing] for commodity service, for all or a portion of their customers, but will not be eligible to participate in the POR program for those customers that receive dual billing.) EGSs may choose to participate in the POR program with consolidated billing at any time during the term of the POR program as long as the EGS does not remove customer accounts from consolidated billing ~~and the POR program for 12 consecutive billing cycles~~. A customer whose service is terminated or who voluntarily switches from the EGS’ service to another generation provider is not considered to have been removed by the EGS from consolidated billing and the POR program.

(C)  
(C)

EGSs participating in this POR program will agree not to reject for enrollment a new customer covered by the program based on credit-related issues. Any customer who wishes to be served by an EGS participating in the POR program will be accepted by the EGS if that EGS is actively serving the rate class to which that customer belongs.

(C)

**12.1.7.2 PURCHASE PRICE DISCOUNT** EGS’ electric commodity receivables will be purchased at a discount. The discount rate will be comprised of two components reflecting 1.) the costs related to the estimated incremental EGS uncollectible expenses which will remain fixed throughout the program, and 2.) recovery of incremental initial and incremental ongoing operating and administrative costs associated with the POR program ~~which will be adjusted twice during the program~~.

(C)  
(C)

The discount rate for POR for residential customers shall be 1.52% comprised of 0.42% for uncollectible expenses and 1.10% for incremental ongoing operating and administrative expenses related to these customers as well as EGS referral programs in effect during the effective period of the POR program. The residential administrative discount will be adjusted to remove recovery of EGS referral program costs once all costs have been fully recovered. ~~and~~ The discount rate for small C&I customers shall be 0.52% comprised of 0.42% for uncollectible expenses and 0.10% for incremental ongoing operating and administrative expenses related to these customers. The discount rate for POR for medium C&I customers shall be 0.28% comprised of 0.18% for uncollectible expenses and 0.10% for incremental ongoing operating and administrative expenses related to these customers.

(C)  
(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

(C)

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM –(Continued)**

**12.1.7.2.1 PURCHASE PRICE DISCOUNT ADJUSTMENT** During the term of the POR P program beginning in ~~January 2011~~ June 2013, the discount rate may be adjusted ~~twice — once on February 1, 2012 and again on February 1, 2013~~ to reflect Duquesne's most recent experiences of the total administrative discount cost to implement and operate the POR program (including actual incremental costs already incurred), less the actual total dollar amount of discounts from the prior calendar year(s) related to the recovery of administrative costs, divided by the number of years remaining in the recovery period, divided by the actual EGS consolidated billings for the most recent 12 month period.

(C)

(C)

Duquesne will provide the updated discount rates to EGSs authorized to serve customers in the Company's service territory 60 days before the effective date of the discount rate change.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM – (Continued)**

**12.1.7.2.2 PURCHASE PRICE DISCOUNT ADJUSTMENT FOR INDIVIDUAL EGS** Duquesne will monitor individual EGS uncollectible percentage rates (measured as any unpaid amounts sixty (60) days or older divided by that EGS's total annual consolidated billings), to determine whether any individual EGS is engaging in Unusual Business Behavior that results in an increase to the total uncollectible percentage rate for the Duquesne System. If, based on this monitoring, Duquesne finds that an individual EGS's uncollectible percentage rate exceeds 5%, then Duquesne, at its discretion, may increase the discount rate for that individual EGS's accounts to reflect the increased costs associated with the EGS's uncollectible accounts by the difference between the EGS's uncollectible percentage rate and two percent (2%). For purposes of this calculation, Duquesne shall rely on the most recent twelve (12) month period (or shorter if the EGS is new to the POR program) to calculate the EGS's uncollectible percentage rate. Duquesne, in its discretion, may opt to waive the imposition of the additional discount if the increase in the uncollectible rate results primarily from providing service to previously poor paying customers currently on ~~POLR~~ default service and the individual EGS is able to provide a reasonable explanation for the significant increase in its uncollectible rate is not the result of a particular price offering, marketing strategy or other actions of the individual EGS. If, however, Duquesne determines that an additional discount is appropriate, the EGS may challenge that determination pursuant to the dispute resolution procedures discussed below. Should the result of those procedures uphold the EGS's position, Duquesne will refund to the EGS the additional discount withheld from their receivables. In the course of the dispute resolution, the EGS may be called upon to provide customer payment history for the ~~small~~ customers it serves, commodity pricing, and other such information deemed appropriate, subject to confidentiality agreement. The discount will be lowered to the level applicable to other EGSs when and if the particular EGS's uncollectible percentage rate decreases to a level of two percent (2%) or below over a twelve (12) month period. If the particular EGS stops providing service to a customer under the POR program, the EGS must pay to Duquesne an amount equal to the increase to the discount multiplied by that customer's prior year's billings, to the extent that such amount has not already been paid on the date the EGS stops providing service to that customer.

(C)

**12.1.7.3 TIMING OF PAYMENTS** Payments to EGSs will occur electronically; thirty-five (35) days after consolidated bills are issued, and will continue throughout the billing cycle. If the thirty-fifth (35<sup>th</sup>) day falls on a weekend, Duquesne Light holiday or bank holiday, payments will occur on the next business day.

**12.1.7.4 OTHER PAYMENT PROVISIONS** If the EGS customer is on a budget or leveled payment plan, Duquesne shall only be obligated to purchase each month the amount of the monthly installment under the budget or leveled payment plan. Duquesne shall also purchase accounts receivable of EGS's customers based upon an estimated bill. Duquesne shall add to or deduct from any payments due to EGSs amounts that may result from reconciliations, adjustments or recalculations of budget or leveled plans, estimated readings, cancel and re-bills, or any applicable billing adjustment.

**12.1.7.5 TRANSFER OF COLLECTION RESPONSIBILITIES AND RIGHTS** Under the POR program, Duquesne is entitled to receive and retain all payments from customers. Duquesne is authorized to conduct collection activities and, if necessary, terminate its delivery service and EGS commodity service to customers whose accounts receivables were purchased and who fail to make payment of amounts due on the consolidated bill, including the amount of the purchased EGS receivables ~~(up to the amount the customer would have been billed for commodity service if the customer had received POLR supply from Duquesne during the non-payment period)~~. Any such termination of service shall be in accordance with the

(C)

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM –(Continued)**

**12.1.7.5 TRANSFER OF COLLECTION RESPONSIBILITIES AND RIGHTS - (Continued)**

service termination provisions contained herewith and consistent with the provisions of Chapter 14 of the Pennsylvania Public Utility Code and Chapter 56 (or a successor chapter) of the Commission's regulations. Duquesne shall be authorized to terminate commodity service to an EGS customer if the customer's payments do not cover the amount billed by the Company~~the customer would have been billed if the customer were on POLR default service, as referenced above.~~ A residential customer terminated from utility service under the POR program shall be reconnected to service upon the payment of the arrears that were subject to the termination or a lesser amount as set forth below. The required payment may include both delivery and EGS commodity charges. (C)

An EGS customer in the POR program that has been terminated for non-payment may be reconnected upon paying the lesser of: a) the sum of unpaid distribution charges (plus any applicable reconnection fees or deposits) and the amount billed for EGS commodity service, (or a payment arrangement required by applicable law); or b) the sum of unpaid distribution charges (plus any applicable reconnection fees or deposits)~~), and the amount the customer would have been billed for commodity service if the customer had received POLR default supply from Duquesne during the non-payment period (or a payment arrangement required by applicable law).~~ At the time of reconnection, the customer will be reconnected to the EGS or the default service provider of record. (C)

~~12.1.7.6 PROGRAM PERFORMANCE AND MONITORING~~ Duquesne is required to file (and provide a copy to the parties) a performance report within ninety (90) days following the end of each calendar year covered by the Term of the POR program. In addition, parties will have the opportunity to conduct a review of the program's performance within ninety (90) days after Duquesne submits its performance report so that parties may discuss the operation of the POR program and audit the calculation of the POR discount rate. (C)

**12.1.7.67 DISPUTE RESOLUTION** To the extent concerns arise regarding the implementation of the provisions of the POR program, parties shall attempt to resolve such disputes according to the informal, internal and/or external dispute resolution procedures described in this tariff at Rule No. 18 – Alternative Dispute Resolution. Parties shall also have the right to resolve such disagreements in the Commission's dispute resolution process. (C)

(C) – Indicates Change

RULES AND REGULATIONS - (Continued)

14. DISCONTINUANCE OF EGS SERVICE TO PARTICULAR CUSTOMERS

**14.1 NOTICE OF DISCONTINUANCE TO THE COMPANY** An EGS shall provide electronic notice to the Company of all intended discontinuances of service to customers in accordance with applicable Pennsylvania Public Utility Commission rules.

**14.2 NOTICE TO CUSTOMERS** An EGS shall provide a minimum of ninety (90) days advance notice to any customer it intends to stop serving of such intended discontinuance in a manner consistent with the Pennsylvania Public Utility Commission's rulings in Docket Nos. L-00970126 and M-00960890 and any subsequent applicable Pennsylvania Public Utility Commission rulings. The application of this Rule No. 14.2 will, however, be limited to the classes of customers to which the referenced Pennsylvania Public Utility Commission rulings will apply. With respect to all other classes of customers, it will be the EGS's responsibility to provide notice to a customer of its intention to discontinue service in accordance with the EGS's contractual obligations with the customer.

**14.3 EFFECTIVE DATE OF DISCONTINUANCE** Any discontinuance will be effective on a meter read date and in accordance with the EGS switching rules in this tariff and the EDC Tariff.

**14.4 CUSTOMERS RETURNING TO POLR-DEFAULT SERVICE (~~For Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, MTS and PAL~~)** An EGS shall give ~~a residential~~ the customer and Duquesne at least (ninety) 90 days notice prior to the meter read date on which the EGS has a reasonable expectation that it will no longer be serving the customer, whether due to termination of a contract or pursuant to the terms of its contract. EGSs shall not utilize the flexibility afforded by these rules to propose price changes that are designed to economically force customers to return to POLR-default service during the Summer period. If an EGS has a reasonable expectation that it will no longer be serving a customer as of a meter read date ~~which is less than ninety (90) days from January 1, 2001~~, the EGS shall issue the notice required by the previous sentence within five (5) business days of ~~January 1, 2001~~ determination, and such customers shall have a minimum of sixty (60) days in which to make the choices outlined in Section 45.2 of Duquesne's retail tariff, as appropriate. For Duquesne's purposes, this ninety (90) day notice to Duquesne is for informational and planning purposes only.

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**14.4.1 CUSTOMER MUST INITIATE THE SWITCH TO POLR-DEFAULT SERVICE** The Company will accommodate requests by customers to switch EGSs in accordance with 52 Pa. Code Chapter 57, Subchapter M "Standards for Changing a Customer's Electricity Generation Supplier." Customers are permitted to purchase electricity from only one EGS per billing cycle. Customers who elect to return to the POLR-default service from an EGS will return at the charges of the applicable tariff rate schedule. Switching by customers shall occur in accordance with the direct access procedures, and in accordance with the provisions contained in this tariff and the retail tariff. No customer will be returned to POLR-default service for any reason without authorization by that customer, except as follows: the Company will permit a customer to return to POLR-default service in a switch initiated by the customer's EGS through standard EDI procedures in the following circumstances: (1) ~~the customer's failure to pay for service rendered by the EGS,~~ (2) the complete abandonment of service in the Company's service territory by the customer's EGS, (23) to remedy a case of inadvertent slamming of the customer, and (43) the expiration of the term of the customer's contract with the EGS, provided that the customer's contract with the EGS is a standard one commonly used by the EGS to provide service to other customers with similar service requirements and the expiration dates of the contract are not otherwise designed to game supply around POLR-default service rates by returning the customer to POLR-default service when wholesale energy prices have increased and EGS service to the customer has become uneconomic.

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(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**14. DISCONTINUANCE OF EGS SERVICE TO PARTICULAR CUSTOMERS – (Continued)**

~~14.5 NON-RESIDENTIAL CUSTOMERS RETURNING FROM POLR DEFAULT SERVICE (For Rate Schedules GL, GLH, L and HVPS) If a non-residential customer that has been receiving default service under Rider No. 8 – Fixed Price serviceDefault Service Supply switches to an EGS and fails to pay the Generation Rate Adjustment imposed under the terms of Duquesne's Electric Service Tariff within sixty (60) days of the bill date or otherwise fails to dispute the calculation pursuant to Duquesne's Electric Service Tariff, the customer shall be returned to POLR default service under the terms of Rider No. 8 – Fixed Price ServiceDefault Service Supply and remain there until the initial unpaid GRA is paid and all additional GRA amounts accruing for subsequent periods of Fixed Price POLR Service default service are paid.~~

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**14.4 INFORMATION REGARDING ESTIMATES OF LOAD RETURNING TO POLR-DEFAULT SERVICE**

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**14.56.1 INFORMATION ON RESIDENTIAL LOAD** Duquesne may periodically request EGSs to furnish general updates of the information provided by the ninety (90) day notices described at Section 14.4, including total load represented by such notices, total load which has renewed with the EGS and estimated returning load. EGSs will cooperate by exercising reasonable efforts, using available resources, in responding to these inquiries. Duquesne shall provide that information only on an aggregate basis to the ~~POLR default service~~ supplier.

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**14.56.2 INFORMATION ON NON-RESIDENTIAL LOAD** Duquesne may periodically request EGSs to furnish general information regarding estimates of non-residential load that is expected to return to ~~POLR default~~ service. EGSs will cooperate by exercising reasonable efforts, using available resources, to respond to these inquiries. Duquesne shall provide that information only on an aggregate basis to the ~~POLR default service~~ ~~supplier~~Supplier.

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(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**17. TERMINATION OF INDIVIDUAL COORDINATION AGREEMENT**

**17.1 TERMINATION** An Individual Coordination Agreement will or may be terminated as follows:

- A. WITHDRAWAL OF THE EGS FROM RETAIL SERVICE** In the event the EGS ceases to participate in or otherwise withdraws the provision of Competitive Energy Supply to customers in the Company's service territory, the Individual Coordination Agreement between the EGS and the Company shall terminate thirty (30) days following the date on which the EGS has no more active customers.
- B. THE COMPANY'S TERMINATION RIGHTS UPON DEFAULT BY EGS** In the event of a default by the EGS, the Company may terminate the Individual Coordination Agreement between the EGS and the Company by providing written notice to the EGS in default, without prejudice to any remedies at law or in equity available to the party not in default by reason of the default.

**17.2 EFFECT OF TERMINATION** Termination of Individual Coordination Agreements upon approval by the Commission will have the same effect on an EGS's customers as the EGS's discontinuance of supply to such customers described in the EDC Tariff. If a customer of a terminated EGS has not switched to another EGS prior to termination, said customer will receive default ~~Provider of Last Resort (POLR) Service~~service pending its selection of another EGS. (C)

**17.3 SURVIVAL OF OBLIGATIONS** Termination of an Individual Coordination Agreement for any reason shall not relieve the Company or an EGS of any obligation accrued or accruing prior to such termination.

(C) – Indicates Change

**RULES AND REGULATIONS - (Continued)**

**18. ALTERNATIVE DISPUTE RESOLUTION**

**18.1 INFORMAL RESOLUTION OF DISPUTES** The Company and EGS shall use good faith and commercially reasonable efforts to informally resolve all disputes arising out of the implementation of this tariff and/or the conduct of coordination activities hereunder. The EGS's point of contact for all information, operations, questions, and problems regarding Coordination Activities shall be the Company's Supplier Service Center at (412) 393-6169 ~~6282~~ or the Customer Choice Internet Site, [www.customer-choice.com](http://www.customer-choice.com). (C)

**18.2 INTERNAL DISPUTE RESOLUTION PROCEDURES** Any dispute between the Company and an EGS under this tariff or Individual Coordination Agreement shall be referred to a designated senior representative of each of the parties for resolution on an informal basis as promptly as practicable. In the event the designated representatives are unable to resolve the dispute within thirty (30) days (or such other period as the parties may agree upon) such dispute, by mutual agreement, may be referred to mediation in accordance with the Code of Conduct approved by the Pennsylvania Public Utility Commission or may be submitted to arbitration and resolved in accordance with the arbitration procedures set forth below.

**18.3 EXTERNAL ARBITRATION PROCEDURES** If the amount in dispute is five hundred thousand dollars (\$500,000) or less, the arbitration initiated under this tariff or any Individual Coordination Agreement shall be conducted before a single neutral arbitrator appointed by the parties. If the parties fail to agree upon a single arbitrator within twenty (20) days of the referral of the dispute to arbitration the parties shall request the American Arbitration Association to appoint a single neutral arbitrator. If the amount in dispute exceeds five hundred thousand dollars (\$500,000), each party shall choose one neutral arbitrator who shall sit on a three-member arbitration panel. The two arbitrators so chosen shall, within twenty (20) days of their selection, select a third arbitrator to chair the arbitration panel. In any case, the arbitrators chosen shall be knowledgeable in electric utility matters, including electric transmission and bulk power issues, and shall not have any current or past substantial business or financial relationships with any party to the arbitration (except prior arbitration). The arbitrator(s) shall provide each of the parties an opportunity to be heard and, except as otherwise provided herein, shall generally conduct the arbitration in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association.

**18.4 ARBITRATION DECISIONS** Unless otherwise agreed, the arbitrator(s) shall render a decision within ninety (90) days of their appointment and shall notify the parties in writing of such decision and the reasons therefor. The arbitrator(s) shall be authorized only to interpret and apply the provisions of this tariff and any Individual Coordination Agreement and shall have no power to modify or change any provisions in any manner. The decision of the arbitrator(s) shall be final and binding upon the parties, and judgment on the award may be entered in any court of competent jurisdiction. The decision of the arbitrator(s) may be appealed solely on the grounds that the conduct of the arbitrator(s), or the decision itself, violated the standards set forth in 42 Pa. C.S.A. § 7341. The final decision of the arbitrator must also be filed with FERC and the Pennsylvania Public Utility Commission, if it affects their respective jurisdictional rates, terms and conditions of service or facilities.

**18.5 COSTS** Each party shall be responsible for its own costs incurred during the arbitration process and for the following costs, if applicable:

A. The cost of the arbitrator chosen by the party to sit on the three member panel and a proportionate share of the cost of the third arbitrator chosen; or

B. A proportionate share of the cost of the single arbitrator jointly chosen by the parties.

**(C) – Indicates Change**

**LOAD DATA SUPPLY CHARGE**

**AVAILABILITY/APPLICABILITY**

The Company will fulfill a Customer's or its authorized representative's request for customer load information available on its information system once per calendar year for no charge. The Company will provide customer load information, with customer consent only to EGSs or other customer-authorized representatives, but will do so only for a charge after the initial request. The Company will provide customer load information on a 15 or 60-minute interval basis as specified by the customer, EGS or other customer-authorized representative.

**TABLE OF CHARGES**

An EGS or other customer-authorized representative must pay the charges stated below per request:

Any electronically available interval (hourly or 15 minute) load data will be charged at \$60 per request. If the Company has already provided load data to a Customer or its authorized representative for no charge in a calendar year, the Customer will be charged for subsequent requests in that year at \$60 per request.

**CONDITIONS**

No customer-specific information will be supplied to an EGS or other representative of the customer before the Company's receipt of a customer's written authorization to release such data to such EGS or other representative. EGSs who qualify as creditworthy as those terms are defined in this tariff will be billed for each request pursuant to the procedure identified in Rule No. 12.2.1 of this tariff. Payment by an EGS who does not qualify as creditworthy or has bad credit as those terms are defined in this tariff must be made before release of information.

**METHOD OF PAYMENT**

There are two methods of payment:

A check made payable to Duquesne Light Company and sent to:

Duquesne Light Company  
Attn: Supplier Service Center  
~~2837 New Beaver Av (N1-CA)~~ 411 Seventh Avenue (MD 6-1)  
Pittsburgh, PA 15219~~33~~

(C)

or through a wire/ACH transfer to:

Bank Name: Mellon Bank, Pittsburgh  
ABA: 043000261  
Account No: 000-8061  
Acct Name: Duquesne Light Company

(C) – Indicates Change

RIDERS - (Continued)

INDIVIDUAL COORDINATION AGREEMENT RIDER - (Continued)

- (ii) This Agreement is a valid and binding obligation of the Party, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights generally or by general principles of equity.
- 4.0 The EGS shall provide notice to the Company via facsimile, with a copy delivered pursuant to overnight mail, at such time that the EGS learns that any of the representations, warranties, or covenants in Section 3.0 of this Agreement have been violated.
- 5.0 As consideration for Coordination Services provided by the Company, the EGS shall pay the Company those Coordination Services Charges billed to the EGS in accordance with the terms and conditions of the EGS Coordination Tariff.
- 6.0 Coordination Services between the Company and the EGS will commence on \_\_\_\_\_.
- 7.0 Any notice or request made to or by either Party regarding this Agreement shall be made to the representative of the other Party as indicated below.

To: Duquesne Light Company:

Duquesne Light Company  
~~2839 New Beaver Avenue, N2-SO~~  
Pittsburgh, PA 15233  
Attn: ~~John F. Resser~~  
Title: ~~General Manager, Transmission and Energy Supply~~  
Telephone: ~~(412)393-8207~~  
Facsimile: ~~(412)393-4202~~  
Internet E-Mail: ~~jresser@duqlight.com~~  
2841 New Beaver Avenue, N3-ES  
Pittsburgh, PA 15233  
Attention: Supply & Load Coordination Analyst  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

To the EGS:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attn: \_\_\_\_\_  
Title: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_  
Internet E-Mail: \_\_\_\_\_

(C) - Indicates Change

(C)

RIDERS- (Continued)

INDIVIDUAL COORDINATION AGREEMENT RIDER - (Continued)

8.0 The EGS Coordination Tariff is incorporated herein by reference and made a part hereof. All terms used in this Agreement that are not otherwise defined shall have the meaning provided in the EGS Coordination Tariff.

IN WITNESS WHEREOF, and intending to be legally bound thereby, Duquesne Light Company and the EGS identified above have caused this Coordination Agreement to be executed by ~~thei~~ their respective authorized officials.

(C)

DUQUESNE LIGHT COMPANY

By: \_\_\_\_\_  
\_\_\_\_\_  
Name Title Date

(C)

By: \_\_\_\_\_  
\_\_\_\_\_  
Manager,  
Rates & Tariff Services  
Title Date

By: \_\_\_\_\_  
\_\_\_\_\_  
Name Title Date

(C) – Indicates Change