

**COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Duquesne Light Company for  
approval of a Default Service Program  
and Procurement Plan for the Period  
June 1, 2013 through May 31, 2015**

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**Docket No. P-2012-2301664**

**REPLY EXCEPTIONS OF  
CONSTELLATION NEWENERGY, INC. AND  
EXELON GENERATION COMPANY, LLC**

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**Filed: December 17, 2012**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Duquesne Light Company for  
approval of a Default Service Program  
and Procurement Plan for the Period  
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Constellation NewEnergy, Inc. and Exelon Generation Company, LLC (“Constellation”) hereby submit their Reply Exceptions to the Exceptions filed by parties regarding the Recommended Decision issued November 15, 2012 (“Recommended Decision”),<sup>1</sup> by the Honorable Administrative Law Judge (“ALJ”) Katrina L. Dunderdale, with regard to the Default Service Program (“DSP”) filed with the Pennsylvania Public Utility Commission (“Commission”) by Duquesne Light Company (“Duquesne Light”) on April 27, 2012<sup>2</sup> (with supporting testimony from Duquesne Light circulated on that same date<sup>3</sup>) in Docket No. P-2012-2301664, *Petition of Duquesne Light Utilities Company for approval of a Default Service Program and Procurement Plan for the Period June 1, 2013 through May 31, 2015*. In these Reply Exceptions, Constellation responds only to Duquesne Light Exception D asking that the

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<sup>1</sup> *Recommended Decision in Re: Petition of Duquesne Light Utilities Company for approval of a Default Service Program and Procurement Plan for the Period June 1, 2013 through May 31, 2015*, Commission Docket No. P-2012-2301664 (issued Nov. 15, 2012) (“Recommended Decision”).

<sup>2</sup> *Petition of Duquesne Light Utilities Company for approval of a Default Service Program and Procurement Plan for the Period June 1, 2013 through May 31, 2015*, Commission Docket No. P-2012-2301664 (Apr. 27, 2012).

<sup>3</sup> *Direct Testimony of Duquesne Light Utilities Corporation*, Commission Docket No. P-2012-2301664 (Apr. 27, 2012) (“Duquesne Light Direct Testimony”).

Commission “clarify and amend the ALJ’s recommendation with regard to payments to EGSs for budget billing customers.”<sup>4</sup> As argued herein, Constellation urges the Commission to *adopt* the ALJ’s recommendation requiring Duquesne Light to include in implementation of its new CIS system the ability and requirement for the EDC to remit to Electric Generation Suppliers (“EGSs”) the actual dollars EGSs charge to customers, rather than only budget billing charges that customers pay to Duquesne Light, and *reject* Duquesne Light Exception D.

**THE COMMISSION SHOULD ADOPT THE ALJ’S DECISION ORDERING DUQUESNE LIGHT TO INCLUDE IN IMPLEMENTATION OF ITS NEW CIS SYSTEM THE ABILITY AND REQUIREMENT FOR THE EDC TO REMIT TO EGSS ACTUAL DOLLARS EGSS CHARGE TO CUSTOMERS, RATHER THAN ONLY BUDGET BILLING CHARGES PAID TO THE EDC, AND REJECT DUQUESNE LIGHT EXCEPTION D**

In the Recommended Decision, the ALJ correctly concluded that Duquesne Light should “begin to remit actual charges to EGSs whether or not the EGS’s customer is on a budget bill,” and that Duquesne Light should “roll this revision into the implementation of its new CIS system.”<sup>5</sup> In its response to the ALJ’s decision on this matter, Duquesne Light does not take issue with the ALJ’s decision to require that the EDC remit actual charges to EGSs rather than budget bill amounts, but instead requests that the Commission “modify the [Recommended Decision] to allow Duquesne Light to continue paying EGSs budget bill amounts until January 2014, or as soon thereafter as Duquesne Light is able to implement the necessary IT changes [to abide by the ALJ’s directive].”<sup>6</sup>

Duquesne Light’s only argument in support of its request is that “[t]he functionalities included in the initial roll-out of the new CIS system are already under design and development

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<sup>4</sup> Duquesne Light Exceptions at p.7.

<sup>5</sup> Recommended Decision at pp.213-214.

<sup>6</sup> Duquesne Light Exceptions at p.8.

and do not include the ability to send EGSs payments for actual monthly billed kWh for customers that receive budget bills,” that “[t]his functionality cannot be implemented until a new design and development phase is implemented,” and that “[t]herefore, it will take several months after the CIS system is operational to implement this new functionality.”<sup>7</sup>

Duquesne Light has presented no evidence in the record or otherwise with reasons why the EDC could not revise its CIS implementation – whose roll out is several months away – in order to include this important procedural improvement rightly ordered by the ALJ. It is not apparent why Duquesne Light cannot implement “a new design and development phase” immediately in order to roll into its overall implementation plan the required process improvement in process within the first few months of 2013, so that this change is included in the EDC’s initial roll out of its new CIS system during the second quarter of 2013. In any event, there is *no reason* why Duquesne Light should need more than a year (i.e., *beyond* January 1, 2014) to implement such an important required process improvement.

For all of these reasons, and those explained in the ALJ’s Recommended Decision, Constellation asks that the Commission *adopt* the ALJ’s recommendation that Duquesne Light begin to remit actual charges to EGSs with Duquesne Light’s initial roll out of its new CIS system, and *reject* Duquesne Light Exception D. In the event that the Commission nevertheless deems it appropriate that Duquesne Light make this important procedural improvement later than the initial CIS roll out, then the Commission should order the EDC to implement the change no later than six (6) months after initial roll out of its new CIS system.

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<sup>7</sup> Duquesne Light Exceptions at pp.7-8.

Respectfully Submitted,



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