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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Post Office Box 3265
North Office Building
North Street and Commonwealth Avenue
Harrisburg, Pennsylvania 17105-3265

Re: Duquesne Light Company, Docket No. R-00974104

Dear Mr. McNulty:

Enclosed is an original and five copies of Duquesne Light Company's ("Duquesne's") CTC Reconciliation and Auction Accounting Compliance Filing, filed in accordance with your July 28, 2000 letter extending until today the date by which Duquesne is required to make this Compliance Filing. Also enclosed is an extra copy of this letter. Please date-stamp the extra copy and return it to me in the enclosed self-addressed, stamped envelope.

Thank you for your consideration and assistance in this matter.

Sincerely,

Kathleen L. Barron
Counsel to Duquesne Light Company

cc: Service List

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY)
COMMISSION)

v.)

Docket No. R-00974104

DUQUESNE LIGHT COMPANY)
Application to Approve Restructuring)
Plan Pursuant to 66 Pa.C.S. § 2806(d))

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CTC RECONCILIATION AND AUCTION ACCOUNTING
COMPLIANCE FILING

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Dated: August 4, 2000

TABLE OF CONTENTS

I.	BACKGROUND	1
II.	AUCTION PROCEEDS AND TRANSACTION COSTS	3
A.	Development and Implementation Costs (\$37.7M)	5
B.	Exchange Implementation Costs Related to BV2	6
	1. Termination of Lease and Repurchase of Lease Debt (\$117.1M)	8
	2. FirstEnergy Decommissioning Tax Liability Payments (estimated \$0.6M)	11
	3. Shippingport Remediation (\$1.6M)	12
C.	Incremental O&M Costs	13
	1. Environmental Costs	13
	a. Remediation at Fossil Generation Sites (\$12.1M) ..	14
	(1) Cheswick Station	15
	(2) Phillips Station	16
	(3) Elrama Station	16
	b. Environmental Insurance (\$0.4M)	17
	2. Incremental Transmission (\$3.8M)	17
	3. Incremental Power Purchase during Summer 1999 (\$11.5M)	18
	4. Incremental Capital Stock Payments (\$3.9M)	19
	5. Real Estate Transfer Taxes (\$4.7M)	20
	6. Buyout of Nuclear Fuel Leases (\$0.4M)	20
	7. Miscellaneous (\$3.6M)	21

D.	Incremental Capital Expenditures	21
1.	Transmission Upgrades Required by Divestiture	21
a.	Duquesne Control Area Facility Upgrades (\$9.6M)	21
b.	FirstEnergy Control Area Facility Upgrades (\$10.0M)	23
c.	Incremental Capital Costs Associated with the Demarcation of Duquesne's Facilities (\$2.5M)	24
2.	Securities Retirement Costs	25
a.	Pollution Control Revenue Refunding Bonds (\$9.7M)	25
b.	Preferred Stock Repurchase (\$1.4M)	26
E.	Employee Costs (\$66.2M)	28
III.	SUMMER 2000 SWITCHBACK COSTS	30
IV.	CTC RECONCILIATION	31
A.	Background	31
B.	Stranded Cost Reconciliation Approach	34
V.	FURTHER PROCEDURES	37

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Docket No. R-00974104

DOCKETED

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**CTC RECONCILIATION AND AUCTION ACCOUNTING
COMPLIANCE FILING**

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Duquesne Light Company ("Duquesne") hereby submits its final accounting of the proceeds of the auction of its generation assets (the "Auction") and the methodology for reconciling stranded costs with stranded cost collections. This final accounting and reconciliation will result in a termination of competitive transition charge ("CTC") recovery for most customers by early 2002, a date far in advance of any electric distribution company in the Commonwealth.

I. BACKGROUND

This filing represents the final chapter in Duquesne's restructuring proceeding. The proceeding commenced on August 1, 1997 when Duquesne filed its restructuring plan. The centerpiece of that plan was a market-based valuation of stranded costs. The Commission approved this proposal and ordered Duquesne to auction its generating plants to determine its stranded costs. May 29, 1998 Opinion

and Order, Docket No. R-00974104 (“Restructuring Order”). In compliance with that order, Duquesne filed its Auction Plan on August 27, 1998. The Auction Plan included, as pertinent here, a proposal to recover the costs incurred as a result of the auction, an accounting protocol for the auction proceeds, and a reconciliation of stranded costs with stranded cost collections.

In a series of orders, the Commission approved these proposals. On December 18, 1998, the Commission approved Duquesne’s proposal to recover transaction costs, holding that “Duquesne is authorized to recover, as modified by this order and as an offset to auction proceeds, the categories of transaction costs identified in the Auction Plan and supplemental materials.” December 18, 1998 Opinion and Order at 46, Docket No. R-00974104 (“December Order”). In that Order, the Commission also directed Duquesne to “convene a technical conference to discuss the protocols for auction proceeds and to file a report with comments on these discussions.” *Id.* Duquesne thereafter revised its accounting protocols to address stakeholder concerns and, on July 15, 1999, the Commission approved them, holding “the accounting protocols proposed by Duquesne are reasonable and shall be used to account for the net proceeds from the Auction.” July 15, 1999 Order at 40, Docket No. A-110150F0020 (“July Order”).

Finally, on April 13, 2000, the Commission approved the sale of Duquesne's generating plants to Orion Power Midwest, L.P. ("Orion"). As part of that order, the Commission required Duquesne to submit a "reconciliation filing that includes a reconciliation of Auction proceeds and transaction costs, as well as a proposal for future reconciliation filings of CTC amortization." April 13, 2000 Opinion and Order at 24, Docket No. A-00110150-F0023 ("Auction Order"). This filing fulfills that requirement.

II. AUCTION PROCEEDS AND TRANSACTION COSTS

The central purpose of this filing is to quantify and support the costs incurred by Duquesne in executing the Auction, one of the most successful generation divestitures in the Nation.¹ Duquesne recognizes that the transaction costs are significant (\$277 million),² but this fact must be viewed in perspective. First, over 65% of these costs are associated with two items: (i) the cost of terminating the Beaver Valley Unit No. 2 sale leaseback (\$117 million), and (ii) the cost of workforce reductions (\$66 million). Both these expenditures were necessary to a successful Auction, were fully described in prior filings and were approved by the

¹ An accounting of the proceeds of the Auction and a summary of the transaction costs incurred is included as Exhibit A.

² This amount reflects total transaction costs after a \$19.8M credit for fuel and material and supplies inventory paid by Orion at closing (*see* Exhibit Y).

Commission. Second, the Auction was one of the most complex in the Nation, involving the first-ever swap of nuclear and fossil assets, the buyout of a leveraged lease, the sale of a provider of last resort service, and a portfolio of plants located in two different control areas owned by two different utilities. Third, the Auction was one of the most successful in the Nation, yielding proceeds that dwarfed the auction costs.³ Fourth, and as result of that success, Duquesne will complete collection of its CTC by early 2002 for most major rate classes, a date far in advance of CTC termination for any other major electric utility in the Commonwealth. Finally, each cost represents a legitimate expenditure by Duquesne, falls within the cost categories previously approved by the Commission, and is fully explained and documented in this filing.

Each category of Duquesne's transaction costs is discussed in turn.⁴

³ In addition, the Auction proceeded in the face of litigation by Allegheny Energy, Inc. to enjoin it. DQE, Inc. expended significant sums to defend the Auction from that litigation (\$3.4 million), none of which are included as transaction costs in this filing.

⁴ Duquesne has included with this filing cost support (*e.g.*, invoices and estimates) for most of the costs claimed. Because of the large volume of material, Duquesne has only included all of the backup in the copies distributed to the active parties in this proceeding. Any other party on the service list who wishes to receive the cost support should contact the undersigned.

A. Development and Implementation Costs (\$37.7M)

Duquesne incurred significant advisor fees to design and implement the Exchange with FirstEnergy, the termination of the Beaver Valley Unit No. 2 ("BV2") lease, and the Auction to Orion. Duquesne engaged lawyers, consultants, and investment bankers to advise it on all aspects of the Auction plan, including preparation of information for Auction bidders, drafting and negotiation of all relevant agreements, due diligence on the FirstEnergy assets, and preparation of all documents necessary to transfer the assets, including environmental permits and real estate transfers. Advisors also assisted Duquesne before numerous regulatory agencies required to review the transactions.

Areas in which Duquesne required legal advice included corporate law, federal and state securities law, federal and state tax law, debt financing, real estate and mortgage law, nuclear and energy regulatory law, employee benefits law and collective bargaining and labor law. Consultants advised Duquesne on issues ranging from performing environmental assessments to deciding which improvements to the plants would increase their value. The majority of these advisor costs have already been incurred by Duquesne, with a small percentage of fees to be billed as final closing statements are prepared. Exhibit B sets forth a summary of legal

(\$12.3M) and consulting (\$11.3M) fees.⁵ The invoices for the fee paid to Duquesne's investment advisor, Lehman Brothers' (\$14.1M), which was based on the net proceeds of the Auction, is included in Exhibit C.

In its December Order (at 46), the Commission properly recognized this category of costs as assignable to the divested assets. As the costs were directly caused by the transactions, they should be approved for recovery as transaction costs.

B. Exchange Implementation Costs Related to BV2

As Duquesne explained in its August 27, 1998 Auction Plan, the Exchange with FirstEnergy was conditioned on Duquesne terminating the lease arrangement for its interest in BV2. The Commission held in the December Order that these costs should be deducted from Auction proceeds, provided Duquesne demonstrated "that the lease termination costs were reasonably incurred." December Order at 29. The costs of unwinding the lease represent the largest portion (43%) of the transaction costs incurred, but they also provided an immense benefit. At the time Duquesne negotiated the Exchange, nuclear plants were being auctioned for near *zero* (*i.e.*, the assumption of nuclear liabilities formed the consideration for the purchase of a nuclear plant). Moreover, the sale of a minority, nonoperating interest in a fossil plant was viewed as minimally attractive to auction bidders, each of whom

⁵ Duquesne is not submitting the invoices received from its legal advisors and consultants as such documents contain legally privileged information.

wanted full control over the assets being purchased. At the time of the Exchange, over 50% of Duquesne's generation portfolio represented either nuclear capacity or a minority nonoperating interest in a fossil station. Through the Exchange, however, Duquesne was able to achieve a swap of these interests with attractive, wholly owned coal-fired assets. The results were spectacular, with Duquesne receiving one of the highest prices, on a dollar per kW basis, of any auction in the Nation.

These results could not, however, have been achieved without a buyout of the Beaver Valley lease. The lease contained numerous encumbrances on both the operating discretion of FirstEnergy and its financing capacity. Over months of negotiations, Duquesne explored all available options with FirstEnergy. Other than a termination of the lease, however, none of these options would have permitted the Exchange to proceed with Duquesne obtaining 1325 MW of attractive fossil assets and insulating Duquesne's customers from the significant nuclear liabilities, including decommissioning, associated with continued ownership of the Beaver Valley station. The specifics of the lease termination, and the associated costs, are explained below.

1. Termination of Lease and Repurchase of Lease Debt (\$117.1M)

Pursuant to Section 6.16 of the Nuclear Generation Conveyance Agreement with FirstEnergy ("Nuclear Agreement"), Duquesne was required to terminate the existing financing arrangement for BV2 prior to transferring the unit to FirstEnergy. FirstEnergy was not willing to assume the terms and conditions in the existing financing, which commenced in September 1987, when Duquesne financed its 13.74% undivided interest in BV2 by entering into seven separate sale and leaseback transactions with seven equity investors (collectively, the "Owner Participants"). Each Owner Participant created a trust (the "Owner Trusts") to act as lessor. Then, pursuant to seven separate Trust Indenture, Mortgage, Security Agreement and Assignment of Facility Leases (the "Lease Indentures") and other transaction documents, the Owner Trusts (i) issued seven non-recourse secured promissory notes (the "Original Notes") to the Original Loan Participants named therein (the "Original Loan Participants") (ii) acquired Duquesne's interest in BV2 and (iii) leased that interest back to Duquesne pursuant to seven separate Facility Leases, dated as of September 15, 1987 (as amended, the "Facility Leases") between Duquesne and State Street Bank and Trust Company (in each case, the "Owner Trustee") (successor in interest to The First National Bank of Boston).

DQU Funding Corporation ("DQU Funding"), a special purpose corporation, raised the funds to purchase the Original Notes from the Original Loan Participants by issuing collateralized lease bonds (the "Original Bonds"). The Original Bonds were secured by, among other things, the Original Notes and DQU Funding's interest, if any, in the Lease Indentures. The Original Bonds were refinanced in November 1992. In connection with such refinancing, a new special purpose corporation, DQU II Funding Corporation, succeeded DQU Funding and issued two series of collateralized lease bonds (the "Collateral Lease Bonds"). The Original Notes were refinanced at the same interest rates as the corresponding Collateral Lease Bonds. The Collateral Lease Bonds are secured by, among other things, the refinanced notes (the "Notes") and DQU II Funding's interest, if any, in the Lease Indentures.

To consummate the transfer to FirstEnergy, Duquesne was required to terminate the Facility Leases pursuant to the "burdensome termination" provisions in Sections 13(f) thereof. These provisions required Duquesne to make a payment of \$233,567,508 to the Owner Participants, which represents the special termination value of \$592,803,508 minus the unpaid principal amount of \$359,236,000 of the Notes, to purchase their interests and to assume the role of the Owner Trusts. This payment was made on November 23, 1999. The termination provisions also required Duquesne to pay any amounts due under the Tax Indemnification Agreements, which

obligated Duquesne to provide the Owner Participants an additional payment for additional state taxes resulting from the termination of the leases. These payments, which totaled \$42,544,390, were also made on November 23, 1999. The remaining condition to termination of the lease was payment of the June and December 1999 Basic Rent payments of \$16,511,126 and \$27,546,126 respectively, as well as a supplemental payment owed the Owner Participants of \$1,113,978. The supplemental payment was made on November 23, 1999.

On December 1, 1999, Duquesne terminated the Facility Leases and assumed the debt obligations of the remaining \$359,236,000 of Notes on its balance sheet. As part of Duquesne's recapitalization program, the Notes represented the highest cost debt to Duquesne at a 8.70% interest rate. Moreover, as part of the Exchange Agreement, Duquesne had agreed to retire the Collateral Lease Bonds as soon as possible to release the liens on the assets. DQU II Funding was able to retire the Collateral Lease Bonds on May 1, 2000 with the Auction proceeds. The principal amount of the Collateral Lease Bonds was \$359,236,000, the net premium to repurchase the Collateral Lease Bonds was \$24,744,175, and the accrued interest payable on the repurchase was \$13,022,305.

The present value of all the cash payments to unwind the lease is \$663,700,982 (as compared to the book value approved by the Commission of

\$513.36 million). Costs of \$117,126,000 are properly characterized as transaction costs. The attached Exhibit D describes the method utilized to reach this conclusion.

Each of these payments was required under the financing documents. Duquesne employed counsel to investigate every possible way to avoid liability for these payments and ultimately concluded that the course it took was the most cost-efficient method of ensuring that the facility could be transferred to FirstEnergy in a timely fashion and consistent with the Nuclear Conveyance Agreement. Each payment was reasonably incurred and should be approved for recovery.

**2. FirstEnergy Decommissioning Tax Liability Payments
(estimated \$0.6M)**

As Duquesne described both in the Generation Exchange Application (May 3, 1999) and the Auction Application (Dec. 22, 1999), Duquesne requested private letter rulings from the Internal Revenue Service ("IRS") permitting it to make the necessary contributions to its tax qualified decommissioning trust funds prior to the transfer of the BV2 and Perry nuclear units. The Nuclear Agreement between Duquesne and FirstEnergy provides that if the necessary private letter rulings are not obtained from the IRS, Duquesne will contribute an additional sum that makes FirstEnergy whole on an after-tax basis. To date, no final word from the IRS has been released. The IRS has indicated to Duquesne, however, that at a minimum it will deny Duquesne's request to contribute \$57.4 million in 1999 to the qualified

decommissioning trusts, instead allowing Duquesne to contribute \$55.5 million. By Duquesne's calculations, this difference will trigger a supplemental payment to FirstEnergy of \$632,000. If the IRS agrees with this analysis, and if the IRS issues a favorable ruling on the remaining issue it has not yet addressed (whether nonqualified funds transferred to FirstEnergy are taxable), no further payments to FirstEnergy will be required.

Pursuant to the July Order (at 41), Duquesne is entitled to net the amount of any supplemental decommissioning liability payments against Auction proceeds as a transaction cost. The Commission therefore should approve recovery of \$632,000 in its order on this compliance filing. If unfavorable IRS rulings are received on any outstanding issues, Duquesne will update this accounting in a filing within 60 days of the IRS ruling. If no further updates are needed, Duquesne will notify the Commission of that fact.

3. Shippingport Remediation (\$1.6M)

Pursuant to Section 6.18 of the Nuclear Agreement with FirstEnergy, Duquesne was obligated to remove all hazardous substances and nuclear material from the Shippingport facilities on the BV2 site. The actual costs of performing this remediation was \$1,554,869. A cost summary is attached as Exhibit E, and two volumes of supporting invoices are attached as Volumes I & II. These costs were

specifically included among the costs of implementing the Exchange approved in the December Order (at 46), and should be approved.

C. Incremental O&M Costs

As described in Duquesne's Accounting Protocols approved by the Commission in the July Order (at 40), this category of costs encompasses incremental operation and maintenance expenses incurred by Duquesne as a result of the Exchange and Auction.

1. Environmental Costs

Pursuant to Section 2.3(d) of the APA, Duquesne transferred to Orion virtually all of the environmental obligations associated with the plants Orion purchased. For example, Duquesne transferred to Orion the costs of compliance relating to any violation of environmental laws occurring prior to, on or after the Auction closing date at the divested assets, as well as the environmental liabilities associated with the Harwick Mine Complex. The environmental obligations retained by Duquesne were small, and are limited to two categories of costs: first, Duquesne retains the liability for personal injury, property damage, and remediation of environmental conditions at the *off-site* waste disposal facilities that it retained (Asset Purchase Agreement ("APA") Section 2.4(g)), and second, Duquesne retains the liability for claims of bodily injury or loss of life caused by environmental conditions that existed at the divested plants prior to the Auction closing (APA Section 2.4(h)).

The retention of these limited liabilities was consistent with standard practice in generation auctions. Duquesne made the informed judgment, after consulting counsel and its investment bankers, that requiring bidders to accept these two additional liabilities would have harmed the Auction and, hence, Duquesne's ratepayers more than if Duquesne were to retain them. With respect to these two categories, it was determined that the least-cost approach – weighing the costs of remediation versus the negative impact on the auction purchase price of shifting that liability onto the winning bidder – was to have Duquesne perform the remediation and to recover the related expenditures as transaction costs. The factors weighed included standard practices in recent auctions and Duquesne's superior knowledge of the scope of the liabilities and associated remediation costs.

The approved Accounting Protocols include environmental O&M costs among the costs properly characterized as transaction costs (Exhibit A at 31). *See* December Order at 46 (approving recovery of this cost category). The costs, which are described below, therefore should be approved.

a. Remediation at Fossil Generation Sites (\$12.1M)

Exhibit F sets forth a summary of estimated costs associated with Duquesne's continuing environmental obligations at the retained waste disposal

sites.⁶ A brief description of the sites used by each power station and the costs Duquesne expects to incur follows.

(1) Cheswick Station

The Kissick landfill is subject to a closure plan approved by the Pennsylvania Department of Environmental Protection ("PADEP") (attached as Vol. III, No. 1, Tab 8). Ongoing activities that Duquesne must perform include water quality monitoring, leachate collection, erosion and sedimentation controls, revegetation maintenance of the final cover, and access control maintenance. Also at the Cheswick Station, the emergency ash pond and associate stilling basin is subject to a restoration and closure plan approved by PADEP (attached as Vol. III, No. 1, Tab 9). Expenditures associated with this site include final grading, fill material, soil cover, water quality monitoring, leachate collection, soil erosion and sediment control, revegetation and final cover, and maintaining access and access control measures. Orion temporarily agreed to allow Duquesne to use the Harwick Mine Complex for discharging leachate from the Kissick site and the bottom ash processing facility for drainage from the emergency ash pond, but on two years' notice, Duquesne will be required to build new treatment facilities to dispose of this waste. Estimates from construction contractors and other vendors to perform this work are

⁶ Volume III, No. 1 contains cost support for these estimates.

included in Volume III, No. 1, Tab 4. Duquesne will also incur costs for remediating the Colfax landfill at the Cheswick Station, which was closed by Duquesne prior to 1992, when closure plans became necessary under the Pennsylvania residual waste regulations. Expenses for ongoing monitoring include erosion and sedimentation controls, revegetation management, and embankment rehabilitation/stabilization.

(2) Phillips Station

The Phillips ash disposal site is subject to a closure plan approved by the PADEP which requires Duquesne to incur expenses relating to water quality monitoring, leachate collection, erosion and sedimentation controls, revegetation, maintenance of the final cover, and access control maintenance (attached as Vol. III, No. 1, Tab 10). Combustion waste from the Phillips Station was also deposited in the Sacco waste disposal landfill which was owned by a third party who failed to submit a site closure plan for the landfill. Duquesne expects to incur continuing costs to respond to any agency or site owner requests related to prior Duquesne involvement in the landfill.

(3) Elrama Station

The Elrama ash disposal site was closed by Duquesne pursuant to a PADEP closure plan (attached as Vol. III, No. 1, Tab 11). Expenses for ongoing monitoring include erosion and sedimentation controls, revegetation management, and embankment rehabilitation/stabilization. The Fiore landfill, now closed, was not

owned by Duquesne but was used as a waste disposal site for combustion waste from the Elrama Station. Duquesne expects to incur continuing costs related to ongoing investigations into violations of environmental laws at the site. Finally, Duquesne has incurred costs to fill in abandoned monitoring wells at the Elrama ash disposal site located near the Elrama site.

b. Environmental Insurance (\$0.4M)

To protect Duquesne against the environmental liabilities it retained for bodily injury or property damage relating to conditions at the divested assets prior to closing and conditions at the retained disposal sites, Duquesne has purchased a 10-year insurance policy for a one-time premium of \$438,653. *See Exhibit G.* This insurance will cover all of Duquesne's residual environmental liabilities at the divested and retained assets. The cost of the insurance premium should be offset against Auction proceeds.

2. Incremental Transmission (\$3.8M)

At the Commission's urging, Duquesne closed the Exchange with FirstEnergy sooner than the Auction to Orion to protect the Exchange from future risks, including those associated with the Allegheny litigation. For the period between the Exchange closing and the Auction closing, Duquesne was required to pay transmission charges to FirstEnergy to bring the energy generated by the Avon Lake, New Castle and Niles plants to Duquesne's service territory to serve its native

load customers. Exhibit H includes a summary and invoices from FirstEnergy for transmission charges directly related to closing the Exchange prior to the divestiture (\$3,775,116) which should be approved as a transaction cost.

**3. Incremental Power Purchase during Summer 1999
(\$11.5M)**

As part of the complex negotiations surrounding the Exchange, Duquesne and FirstEnergy addressed many significant economic issues that arose between the execution of the letter of intent and the execution of the final documents. Among those issues were the apportionment of assets and liabilities, nuclear decommissioning liability, ancillary services, and the timing of transfer. In exchange for FirstEnergy making concessions on some of these critical issues, Duquesne agreed to sell FirstEnergy approximately 200 MW power from the Summer of 1999 until the transaction closed in December 1999. This was a critical consideration to FirstEnergy without which it would not have signed the final agreements. Because of the unprecedented power demand during the heat wave that occurred that summer, however, Duquesne had to replace that 200 MW with wholesale market purchases. These purchases were necessary to avoid interruptions to firm load. The cost to Duquesne of making those purchases, after subtracting the revenues Duquesne

earned on the sale to FirstEnergy, is \$11,469,395⁷ demonstrated by the attached workpaper and explanation (Exhibit I). As this cost was a direct consequence of implementing the Exchange, it should be approved for recovery as a transaction cost.

4. Incremental Capital Stock Payments (\$3.9M)

Like any other corporation in Pennsylvania, Duquesne is obligated to pay state capital stock tax on its capital. The tax is based in part on the Company's average book income over the prior five years. Until April 28, 2000, when Duquesne divested its generation assets, its book income included income from the generation assets. As a result, the tax owed by Duquesne for 2000 through 2004 will include tax on generation book income even though Duquesne will no longer own the generation assets that are generating the tax and Duquesne will no longer derive any benefit from those assets. For example, the tax paid by Duquesne for 2000 will be based in part on four years plus four months (January to April 28, 2000) worth of book income derived in part from the generation business. As demonstrated by the attached workpaper (Exhibit J), Duquesne estimates that it will incur \$3.9 million in additional tax than it would have if it was not obligated to pay capital stock tax on

⁷ In Duquesne's Auction Application (at Exhibit B, Page 6), it inadvertently expressed the cost of purchasing this power net of taxes. The correct pre-tax cost is set forth in this filing. In addition, Duquesne corrected the analysis of the net costs incurred to make these purchases. Supporting data for this analysis is included in Volume III, No. 2.

generation income. Duquesne should be permitted to net this amount against Auction proceeds consistent with the Commission's December Order at 46 (approving cost categories that included tax implications of the Auction).

5. Real Estate Transfer Taxes (\$4.7M)

Another tax consequence of the Auction is the real estate transfer taxes paid by Duquesne, whether directly or through reimbursements to others. The attached Exhibit K includes a summary of these costs and invoices. As demonstrated there, Duquesne paid real estate taxes and closing costs in the amount of \$3,702,271 upon the Exchange closing, and \$1,008,225 upon the Auction closing. As these costs are directly caused by the divestiture, they are appropriately recovered as transaction costs.

6. Buyout of Nuclear Fuel Leases (\$0.4M)

At the time it contracted to exchange BV2 and its interest in the Perry Station to FirstEnergy, Duquesne had nuclear fuel leases with Penn Fuel Corporation ("Penn Fuel") for fuel supply at those facilities. These leases expired by their terms on September 29, 1999, approximately 2 months before Duquesne planned to exchange the assets with FirstEnergy. At the time of lease expiration, Duquesne was obligated to reimburse Penn Fuel for the fuel in Duquesne's possession. To pay Penn Fuel that amount, \$40,109,170, Duquesne was required to borrow money, incur interest expense, and pay associated fees until December 3, 1999, when FirstEnergy

acquired the plants. As demonstrated by the attached workpaper (at Exhibit L), interest and fees incurred by Duquesne on the borrowed money equal \$443,814. This cost would have been unnecessary had Duquesne remained obligated on the leases and paid the cost of leasing the fuel over time. It should therefore be approved as a cost of implementing the Exchange with FirstEnergy.

7. Miscellaneous (\$3.6M)

The miscellaneous costs included in this category are relatively small expenses associated with the Exchange and Auction. A schedule of costs grouped according to the reason each cost was incurred is attached as Exhibit M.⁸

D. Incremental Capital Expenditures

1. Transmission Upgrades Required by Divestiture

a. Duquesne Control Area Facility Upgrades (\$9.6M)

The divested generation assets provided significant support to the reliability and security of Duquesne's transmission and distribution system. Following the divestiture, the plants will be dispatched based on the market price of power, without regard for voltage reliability considerations in the Duquesne control area. To mitigate this situation, Duquesne required Orion to execute Must-Run Agreements for those stations (Cheswick and Elrama) that provide critical voltage support to the

⁸ Volume IV contains invoices supporting those items above \$5,000.

system. These agreements, which were included in Duquesne's Auction Application, provide that, during days when a unit is needed for reliability purposes and was not scheduled to operate, Orion will run the unit for the benefit of the transmission system, recovering only its incremental cost of operation.

To maximize the sale price, Duquesne did not encumber the assets with Must-Run Agreements for the life of the Cheswick and Elrama plants. The term of the Agreements is five years (with a two year extension at Duquesne's option), a sufficient bridge period to enable Duquesne to install facilities that would eliminate the need for the Must-Run Agreements. These facilities – capacitors – are passive devices that are installed on distribution lines and in substations to support voltage through the production of reactive power. Installation of the capacitors is necessary to maintain reactive power levels on the system following the expiration of the Must-Run Agreements.

The attached estimate, prepared by an independent contractor (Exhibit N), shows that the cost of installing the capacitors at the end of the Must-Run agreements is \$15,701,000. After being discounted at 7.29%, the cost of the upgrade in today's dollars is \$9,594,285. This cost, which would not be incurred absent the divestiture of generation, should be approved as a cost of the transaction.

**b. FirstEnergy Control Area Facility Upgrades
(\$10.0M)**

The three fossil plants Duquesne received from FirstEnergy in the Exchange and then transferred to Orion are critical to the reliability of the FirstEnergy system. The central issue before the Public Utility Commission of Ohio (“PUCO”), in the proceeding to approve the Exchange, was the effect of the Exchange on local reliability. The intervenors in that proceeding alleged that the Exchange would harm reliability because the Must-Run Agreements applicable to FirstEnergy’s plants had a term of only five years. After that term, they alleged, reliability would be significantly at risk. At the time those allegations were made, Duquesne had already completed the Auction, including the execution of the Must-Run Agreements with Orion; consequently, there was no opportunity to extend their term without renegotiating the purchase price.

Duquesne therefore agreed, after consultation with FirstEnergy, Orion and Duquesne’s advisors, that the least-cost solution – and one that would facilitate receipt of all necessary regulatory approvals and a timely closing of the Auction – was to support the cost of transmission upgrades on the FirstEnergy system to address the reliability concerns of the PUCO. This support was capped at \$10 million, even though the total cost of the upgrades is expected to exceed \$25 million. The PUCO cited the foregoing commitment as an important factor in its approval of

the transaction.⁹ Duquesne's assumption of a share of the costs to construct the upgrades was a prudent committed expenditure to complete the Exchange and should be approved as a transaction cost.

c. Incremental Capital Costs Associated with the Demarcation of Duquesne's Facilities (\$2.5M)

The Commission's December Order (at 46) approved recovery of incremental capital costs incurred by Duquesne to demarcate the generation facilities to be transferred in the Exchange and Auction. Approximately \$2.5 million of Duquesne's transaction costs fall into this category. First, with the divestiture of the Brunot Island Station, Duquesne no longer controls these units and thus has lost the redundancy of the transmission feed into downtown Pittsburgh. In order to reestablish the redundancy and therefore the reliability of the transmission feed into this area, Duquesne intends to split the 138 kV lines through Brunot Island, realign the equipment, and install auto transformers, circuit breakers and other equipment. The costs associated with this project, \$1.3 million, are supported by the attached workpaper and invoices (Exhibit O & Vol. III, No. 3).

Second, Duquesne will spend approximately \$500,000 each at both the Phillips and Elrama plant sites on supervisory control and data acquisition

⁹ *In the Matter of the Commission's Review of the Generation Exchange Between the FirstEnergy Operating Cos. and Duquesne Light Co.*, Case No. 98-1636-EL-UNC, at 20 (Oct. 28, 1999).

("SCADA") and other equipment in order to convert these facilities to unmanned operations (*see id.*). Prior to the divestiture, Duquesne employed operators at both plants who manned the transmission and distribution facilities and performed manual switching when necessary. Without these employees, Duquesne must install SCADA and other equipment at the sites to allow it to remotely monitor and control the switches at the sites.

Finally, Duquesne will incur \$200,000 to install metering that would not have been necessary absent the divestiture. Both tie-line metering at the BV2 plant and meters to measure Orion's and FirstEnergy's plant internal energy consumption were necessary. The costs of installing the metering is demonstrated on attached Exhibit O and Volume III, No. 3.

2. Securities Retirement Costs

a. Pollution Control Revenue Refunding Bonds (\$9.7M)

Prior to the Exchange and Auction, Duquesne had 13 issues of tax exempt pollution control revenue refunding bond securities. The collateral for the bondholders was liens on equipment that Duquesne agreed to transfer to FirstEnergy and Orion in the Exchange and Auction. In order to transfer that equipment free of the liens as required by the Exchange Agreement (§ 3.1) and the APA (§ 2.1), Duquesne was required to redeem and reissue the bonds. At the same time,

Duquesne secured bond insurance in place of letters of credit, which had become prohibitively expensive without the equipment liens. As demonstrated by the attached summary (Exhibit P), the bond insurance premium and closing costs associated with the restructuring of the bonds totaled \$8,771,598.¹⁰

The bond refinancing, which needed to occur prior to the Exchange closing, closed on November 18, 1999. Duquesne was not able to complete by that time a maturity extension on the bonds it intended to obtain to match the term of the bonds with the useful life of the underlying equipment. Duquesne therefore postponed the maturity extension to later this year, when it will hold the hearings required for the maturity extension under the Tax Equity and Fiscal Responsibility Act of 1982. As set forth in the attached workpaper (Exhibit Q), Duquesne estimates that the incremental insurance and legal costs associated with completing the extension and hearings this year rather than last year will be \$961,233.

b. Preferred Stock Repurchase (\$1.4M)

Later this year, Duquesne will undertake a significant stock repurchase program made necessary by the divestiture of Duquesne's generation assets and by the debt recapitalization discussed above. Duquesne historically issued a combination of first mortgage bonds, preferred and preference stock, and common stock to

¹⁰ Supporting invoices are attached in Volume III, No. 4.

fulfill its long term capital requirements. Duquesne has not issued common stock in many years and preferred stock is issued only on an occasional basis (except for shareholder and employee plans). However, the Company issues first mortgage bonds frequently. As of June 30, 2000, the respective capitalization ratios were 58% debt, 11% preferred and preference stock and 31% common equity.

First mortgage bonds, which are secured by a lien on substantially all of the Company's utility property, can be issued only if the Company has enough bondable property. With the completion of the Exchange with FirstEnergy and the generation sale to Orion, the remaining amount of available bondable property has decreased. This restricts Duquesne's financial flexibility by limiting the amount of first mortgage bonds that can be issued for improvements or additions to utility property. The amount of bondable property available on June 30, 2000 would permit the issuance of approximately \$138 million of additional first mortgage bonds. Although Duquesne could issue unsecured debt as an alternative to the first mortgage bonds, its articles of incorporation limit the amount of unsecured debt to 20% of the secured debt amount outstanding without the consent of the holders of a majority of the shares of preferred stock then outstanding.

In order to eliminate this limitation, the Company intends to (i) invite the holders of the preferred stock to tender their shares for purchase and (ii) concurrently, solicit proxies or consents to amend the articles of incorporation. The offer to

purchase will be conditioned upon approval of the proposed amendment. The cost of such invitation and solicitation is estimated at \$1,389,020, as demonstrated by the attached Exhibit R.¹¹ These costs should be approved as an Auction-related cost that will facilitate new investments to maintain the reliability of the transmission and distribution system.

E. Employee Costs (\$66.2M)

After costs associated with unwinding the Beaver Valley lease, employee-related costs associated with the divestiture of Duquesne's generation fleet are the largest expense incurred. As described in prior filings, Duquesne has undertaken a number of initiatives to reduce its workforce, both management and union, to reflect the divestiture of the generation assets. Pursuant to the Customer Choice Act, Duquesne's transition costs include the costs of "employee severance, retraining, early retirement, outplacement and related expenses, at reasonable levels, for employees who are affected by changes that occur as a result of the restructuring of the electric industry." 66 Pa.C.S.A. § 2803. Duquesne's employee related costs, described below, are detailed in the attached Exhibit S.

¹¹ Duquesne is not requesting recovery of another significant stock repurchase program undertaken by DQE, Inc., Duquesne's parent, in response to the divestiture of Duquesne's generation assets. That program, which is designed to bring DQE's debt to equity ratio to approximately 60/40 by repurchasing approximately \$750 million worth of common stock, is expected to cost \$885,946 in broker fees.

- In November 1998, Duquesne submitted to the Commission a plan for a early retirement option ("ERO") for eligible management and union employees. This program, which went into effect in April 1999, cost the Company over \$36 million in additional pension and retiree welfare plan costs.
- The ERO did not, however, sufficiently reduce the size of Duquesne's workforce. The Company therefore instituted a severance program, involving both voluntary and involuntary severance, for management and union employees. Separation costs, including salary and benefits continuance, outplacement, and other costs set forth on Exhibit S will total \$24,884,072.
- Duquesne incurred \$937,640 in costs relating to the vesting of participants in its 401(k) program, primarily due to Duquesne's agreement to vest those employees who transferred to FirstEnergy upon the Exchange. Duquesne also incurred \$600,920 in pension vesting.
- Duquesne will be obligated to pay higher health care premiums based on the higher number of employees who have been separated as a result of the divestiture. As demonstrated by the attached study (Exhibit T), these costs can be expected to exceed by 56% the premiums that Duquesne would have paid for these employees had they remained working. Exhibit U, an estimate prepared by an outside consultant of the increased costs to Duquesne for employees who have been separated, shows that Duquesne will incur an additional \$1,119,204 during the covered periods.
- Duquesne's workforce reduction will cause it to incur additional costs to sublease unneeded space in its headquarters at 411 Seventh Avenue. Duquesne retained an independent realty company to opine on the length of time it will take Duquesne to find a subtenant for the space (during which time it must continue to pay rent on unneeded space) and the costs of subleasing. An estimate of these costs (\$2.5 million) prepared by the independent realty company is attached as Exhibit V.

In total, the costs associated with reducing Duquesne's employee levels are \$66,200,644. These costs were necessary to reduce the size of the company to reflect the reduction in Duquesne's business,¹² while at the same time treating valuable employees fairly. Consistent with its December Order (at 46), the Commission should authorize Duquesne to recover "the present value of any severance, early retirement, retraining or outplacement service costs payable by Duquesne to or on behalf of employees" (Accounting Protocols, Appendix A at 30).

III. SUMMER 2000 SWITCHBACK COSTS

The Commission's Order, *Guidelines Addressing Return of Customers to Provider of Last Resort Service*, Docket No. M-00960890F0017 ("Final Order on Returning Customers"), recognized that customers are returning to provider of last resort ("POLR") service during high-cost summer months and causing POLR providers to incur excess costs to serve them. As a result, the Commission "encourage[d] implementation of procedures that . . . enable EDCs to avoid the significant adverse economic impacts resulting from the short-term return by C&I

¹² The resulting workforce at Duquesne will be at a level necessary to run a transmission and distribution business. As indicated in Duquesne's recent "POLR II" filing, however, this does not mean that current T&D rates are sufficient to recover the costs of that business. The reason is that current T&D rates are designed on the assumption that generation rates would otherwise partially fund many costs that cannot be avoided through the divestiture, such as the cost of metering, billing, customer service, customer collections, corporate services, and common and general plant.

customers to PLR service during high-cost periods." *Id.* at 5. As implementation of the Final Order on Returning Customers was not likely to occur in time to give Duquesne's customers adequate notice of the new rule for Summer 2000, Duquesne proposed in its POLR II filing to calculate a generation rate adjustment ("GRA") for returning customers, and offset that amount against the purchase price obtained in the Auction solely for costs incurred during the Summer of 2000.

If the Commission grants Duquesne's request in its POLR II order, Duquesne will calculate the GRA in accordance with the methodology ultimately approved by the Commission for Duquesne. At that time, Duquesne will submit a revised compliance filing to reflect the additional transaction costs caused by switching customers during Summer 2000.

IV. CTC RECONCILIATION

A. Background

Prior to the Auction closing, the Commission ordered Duquesne to collect an interim CTC from customers using the same rates and credits approved in the pilot program.¹³ This interim CTC was replaced on the date of the Auction closing by the CTC rates derived from the results of Duquesne's Auction pursuant to

¹³ Restructuring Order at 311-12. CTC recovery began with usage in January 1999, effective with full meter reading cycles after January 1st. Billing for this usage began in February 1999.

the rate design methodologies in the Restructuring Order. Subsequently, the CTC rates for each of Duquesne's rate schedules will change on January 1 of each year remaining in the transition period as approved by the Commission in the Auction Order at 24.

In prior orders, the Commission also approved both Duquesne's accounting protocols and the categories of transaction costs that could be recovered as an offset to Auction proceeds (July Order at 40 and December Order at 46). This CTC accounting methodology was set forth in Appendix B of Duquesne's December 22, 1999 Auction Application, which included an illustration of the monthly amortization of CTC costs. It also included a preliminary projection of CTC recovery periods by class. These initial calculations projected that most major rate classes would complete their CTC payments in late 2001. The final calculations set forth herein project final CTC payments for those classes in early 2002. The difference relates primarily to the final calculation of tax-related matters. (For example, the Auction Application inadvertently omitted recovery of a \$62.94 million tax liability approved by the Commission in the Restructuring Order at 155.) Even with this modest change, however, Duquesne's transition period remains by far the

shortest of any major utility in the state and, notably, is five years shorter than it would have been had Duquesne not successfully auctioned its generation.¹⁴

In its Auction Application (at 21), Duquesne proposed the following stranded cost reconciliation methodology to terminate CTC charges:

Duquesne proposes to employ a rolling reconciliation for changes in sales volumes whereby CTC recoveries by rate schedule are monitored on a monthly and then daily basis as full amortization of the stranded costs allocated to a given rate schedule is approached.¹⁵ On the day that recovery is completed for a given rate schedule, the billing of CTC rates for that rate schedule will cease. This approach will eliminate the need to develop a refund or recovery mechanism to affect a final true-up for under or over-recoveries.

Although the OCA generally agreed with Duquesne's approach, it raised concerns regarding the need to develop a refund mechanism to effect a final true-up in the event of over collection of CTC costs. In response to this and other issues raised by other parties, the Commission directed Duquesne to provide a detailed explanation of its over collection reconciliation process in this filing and to provide additional information related to customers on special contracts. (Auction Order at 4-5).

¹⁴ Each of the calculations regarding transaction costs, taxes and CTC recovery periods is discussed in Appendix A.

¹⁵ This reconciliation will be reported to the Commission annually pursuant to the April 10, 1997 order in Docket No. M-0096890F.0006.

B. Stranded Cost Reconciliation Approach

Duquesne has designed a stranded cost reconciliation approach to achieve several goals. First, it will ensure that customers in a particular rate class will be responsible for no more, and no less, than the amount of stranded costs properly allocated to them. Second, it includes notification to customers and suppliers of upcoming rate changes. Third, the proposed methodology is consistent with that used to phase in CTC charges by billing cycle in Duquesne's service area. Fourth, it is intended to mitigate the risk of over collection and the administrative costs associated with issuing customer refunds or bill credits. Fifth, if over collection does occur for some unforeseen reason, Duquesne's reconciliation approach does include a bill credit safety mechanism. Finally, it provides CTC recovery and usage information for special contract customers by rate schedule to ensure the proper crediting of stranded cost revenues.

As discussed above, Duquesne proposes at the outset to employ a rolling reconciliation for changes in sales volumes whereby CTC recoveries by rate schedule are monitored on a monthly basis. This can be accomplished by simply entering each month the actual billed CTC dollars by rate schedule into a spreadsheet model in accordance with the accounting methodology previously approved. This monthly updating process will continue as the CTC balance is amortized. At approximately *four months* prior to the month the CTC is expected to be recovered

(the “CTC Recovery Month”) for a particular rate schedule, Duquesne will notify all suppliers serving customers in Duquesne’s service area, the impacted customers, and the Commission that the CTC is expected to end and Duquesne’s POLR II generation rates (currently under review by the Commission) will become effective.¹⁶ This notification will educate customers and suppliers of the rate changes forthcoming.¹⁷

One month prior to the CTC Recovery Month for a particular rate schedule, Duquesne will begin to monitor daily CTC billings and enter these values into a spreadsheet model. The spreadsheet model will allocate these daily CTC billings into the appropriate deferred tax amortization, the stranded cost amortization, and the stranded cost return categories.¹⁸ The model will then calculate the end of the day deferred tax and stranded cost balances similar to the monthly model. (See Appendix W for sample daily calculations). On the day that CTC recovery is completed (the “CTC Recovery Day”) for a particular rate schedule, the CTC rates for that rate schedule will cease. Duquesne’s billing system will be programmed to cease billing CTC charges automatically once the stranded cost balance is fully

¹⁶ Duquesne’s estimate of the CTC termination month will be based on the best information available incorporating historical billing data, expected sales levels and any scheduled changes in CTC rate levels.

¹⁷ Duquesne assumes that the cost of informing customers in this manner will be borne from its consumer education budget.

¹⁸ The daily model assumes that each day’s rate of return is constant throughout the year.

recovered. Customers whose bills are generated immediately after full recovery in the normal bill generation process will no longer have CTC charges included on their bills. Thus, the CTC charges will be phased out by billing cycle in a manner similar to the way CTC charges were initiated in Duquesne's service area. If for some unforeseen reason, Duquesne over collects (or under collects) CTC charges by continuing to bill customers after the CTC Recovery Day, then Duquesne will issue bill credits (or new bills) in subsequent bills the following month directly to those customers who were inadvertently billed CTC charges. Likewise, if during the CTC Recovery Day, Duquesne inadvertently over collects (or under collects) CTC charges, it will prorate bill credits (or new bills) to the customers affected based on CTC charges assessed during that day. In any event, this process should ensure that customers in a particular rate class will be responsible for no more, and no less, than the amount of stranded costs properly allocated to them.¹⁹ Duquesne plans to implement POLR II rates (assuming they are approved) effective the day immediately following the CTC Recovery Day.

Appendix X provides additional information on CTC recovery from special contract customers as required by the Auction Order at 4.

¹⁹ Duquesne anticipates that the stranded cost reconciliation process will be subject to normal auditing procedures by the Commission.

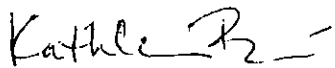
V. FURTHER PROCEDURES

In the Auction Order (at 24), the Commission directed Duquesne to convene a technical conference within 15 days of this filing. Duquesne will hold the technical conference on August 14, 2000 at 10:30 a.m. in the Commission's Hearing Room No. 2.

WHEREFORE, the Commission should issue an order authorizing Duquesne to offset the costs described in this filing from Auction proceeds and approving Duquesne's CTC reconciliation process.

Respectfully submitted,

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Dated: August 4, 2000

EXHIBITS

Auction Accounting	A
Legal/Consulting	B
Investment Banking	C
BV2 Sale-Leaseback	D
Shippingport Remediation	E
Environmental Remediation	F
Environmental Insurance	G
Incremental Transmission	H
Incremental Power Purchase	I
Incremental Capital Stock Tax Payments	J
Real Estate Transfer Taxes	K
Buyout of Nuclear Fuel Leases	L
Miscellaneous O&M	M
DLC Control Area Facility Upgrades	N
Demarcation Costs	O
PCRB Debt Retirement Costs	P
PCRB Extension	Q
Preferred Stock Costs	R
Severance, ERO	S
Spencer Study	T
Increased Healthcare Costs	U
Sublease Costs at 411 Seventh Avenue	V
Sample Daily CTC Reconciliation Calculation	W
Special Contract CTC Information	X

Calculation of Orion Credit for Fuel/M&S Inventory Y

SUPPLEMENTARY VOLUMES*

Shippingport Remediation	I
Shippingport Remediation (continued)	II
1. Environmental Remediation	III
2. Incremental Power Purchase	
3. Demarcation	
4. PCRB Debt Retirement	
Miscellaneous O&M	IV

* Served only upon active parties. Other parties wishing to receive this information should contact the undersigned.

Appendix A
Accounting for Auction Proceeds

Appendix A provides a final accounting for the auction proceeds, which are reconciled on a net of tax basis consistent with Duquesne's final Appendix E Accounting Protocols as filed on May 26, 1999, amending the filing of May 3, 1999, (collectively, the "Approved Accounting Protocols"), which were approved by the Commission's Order of July 15, 1999, and which are reproduced as Section IV of this Appendix A.

Appendix A contains four sections:

1. Calculation of Net Auction Proceeds, Taxable Gain, After-tax Auction Proceeds and Transaction Costs
2. Stranded Cost Allowance with Associated Deferred Taxes & Notes
3. Allocation of Stranded Cost Allowance by Class and Projected CTC Recovery
4. Approved Accounting Protocols.

I. Calculation of Net Auction Proceeds, Taxable Gain, After-tax Auction Proceeds and Transaction Costs

Based on the closing of the asset sale on April 28, 2000 the calculation of Net Auction Proceeds, Taxable Gain and After-tax Auction Proceeds, consistent with the Approved Accounting Protocols, is as follows:

	(\$000)
Sales Price	1,705,000
(Transaction Costs)	<u>(277,014)</u>
Net Auction Proceeds	1,427,986
(Tax Basis)	<u>(316,000)</u>
Taxable Gain	1,111,986
Current Taxes @ 41.4935%	<u>(461,402)</u>
After-tax Auction Proceeds	966,584

The final accounting of the Transaction Costs of \$277.014 MM is broken out by category and is shown in the table on Page 4 of this Appendix A. Detailed support for each item of Transaction Costs is shown in the attached Exhibits and Supplementary Volumes.

Taxable Gain

The Tax Basis of \$316.000 MM is calculated at the end of April 2000. The Tax Basis is based on \$235.852 MM of net tax basis in the generation plants, plus \$80.148 MM of additional tax basis in the Beaver Valley II plant. After review of the Beaver Valley II Lease termination with tax counsel, Duquesne has determined that a full step-up in tax basis for purposes of calculating the taxable gain under the Accounting Protocols is not appropriate. Any additional tax basis for Beaver Valley II must be consistent with the tax treatment of the \$513.360 MM in book value allowed by the Commission. See Note 1 and Note 3 on Pages 7 & 8 of this Appendix A.

Schedule of Auction and Swap Transaction Costs

On Page 4 of this Appendix A is a schedule of final Transaction Costs associated with Duquesne's generation auction, including the generation exchange with FirstEnergy Corp. ("Generation Exchange") and the sale of generation to Orion Power Midwest, L.P. ("Auction").

The transaction costs are organized by category of transaction cost previously approved by the Commission. In the December 18, 1998 order on the Auction Plan, the Commission approved the categories of transaction costs set forth in Appendix G to the Auction Plan, holding "Duquesne is authorized to recover, as modified by this order and as an offset to auction proceeds, the categories of transaction costs identified in the Auction Plan and supplemental materials." December 18, 1998 Order at 46. In the July 15, 1999 order on the Generation Exchange, the Commission approved a modified version of the accounting protocols, including the relevant transaction cost categories, set forth in Appendix E to the Generation Exchange application, holding "the accounting protocols proposed by Duquesne are reasonable and shall be used to account for the net proceeds from the Auction." July Order at 40. The categories of transaction costs listed below correspond directly to the categories listed in Appendix E of the Generation Exchange Application and in Appendix B of the December 22, 1999 Application of Duquesne Light Company.

In addition, Duquesne has credited \$19.773 MM against transaction costs for the adjustment payments received on closing from Orion for Fuel and M&S Inventories, and thereby reduced the final Transaction Costs by this amount. As part of Duquesne's June 30, 2000 POLR II filing with the Commission, Duquesne requested that any GRA that may be subsequently allowed by the Commission for the summer of 2000 be permitted to be recovered as an offset to auction proceeds. Any GRA recovery approved on this basis by the Commission would reduce Net Auction Proceeds and thereby extend the CTC recovery period. In such case, Duquesne will reflect the reduction in Net Auction Proceeds that results as part of a special filing with the Commission to update this CTC Reconciliation and Auction Accounting Compliance Filing.

The pending rulings of the IRS on the tax treatment of the decommissioning funds are the only other unresolved issues. The final Transaction Costs of \$277.014 MM include \$0.632 MM of

incremental payments to FirstEnergy by Duquesne in excess of the \$57.400 MM approved as part of the Commission's Order of July 15, 1999. Based on current advice from the IRS, Duquesne believes it will be granted partial approval of its request, allowing it to contribute \$55.950 MM to the qualified decommissioning trusts in calendar year 1999. The remaining \$1.450 MM must be transferred to FirstEnergy as a contribution to the non-qualified decommissioning funds. As a result, \$0.632 MM of incremental payments must be made to FirstEnergy pursuant to the Nuclear Exchange Agreement.

Duquesne has not yet received an indication of the likely treatment of the transfer of non-qualified funds to FirstEnergy. Therefore, the final Transaction Costs have been prepared based on the assumption that the incremental payment of \$0.632 MM is the only incremental payment required and that non-qualified decommissioning funds can be transferred to FirstEnergy without additional tax liability. If the IRS does not allow the contribution of \$55.950 MM to the qualified trusts in 1999, or, if the IRS denies approval of the requested transfer of non-qualified funds, there will be additional transaction costs. In such case, Duquesne will reflect the increase in Transaction Costs that results as part of a special filing within 60 days of an IRS ruling as described on Pages 11-12 of this CTC Reconciliation and Auction Accounting Compliance Filing.

**Duquesne Light Company
Summary of Transaction Costs
(\$000)**

	Gross Auction Proceeds	1,705,000
 <u>Category 1 -- Development and Implementation Costs</u>		
Legal Fees	12,310	
Consulting Fees	11,264	
Investment Banking Fees	14,122	
Subtotal		37,696
 <u>Category 2 -- Exchange Implementation Costs</u>		
Beaver Valley II Sale-Leaseback	117,126	
First Energy Decommissioning Tax Liability Payments	632	
Shippingport Environmental Remediation	1,555	
Subtotal		119,313
 <u>Category 3 -- Incremental O&M Costs</u>		
Environmental Remediation Cost at Fossil Sites	12,504	
Incremental Transmission Payments	3,775	
Incremental Purchase Power Expense	11,469	
Incremental Capital Stock Tax Payments	3,869	
Real Estate Transfer Taxes	4,710	
Nuclear Fuel Lease Buyout Expense	444	
Miscellaneous O&M Expense	3,590	
Subtotal		40,361
 <u>Category 4 -- Incremental Capital Expenditures</u>		
Duquesne Share of FirstEnergy Transmission Upgrades	10,000	
Cost of Facilities Upgrades	12,094	
Cost of Retiring and Reissuing Debt / Preferred	11,122	
Subtotal		33,216
 <u>Category 5 -- Present Value of Severance and Early Retirement Costs</u>		
Early Retirement and Severance Expense	66,201	
Subtotal		66,201
 <u>Orion Closing Adjustment</u>		
Credit for M&S and Fuel Inventories Payment to Duquesne	(19,773)	
Subtotal		<u>(19,773)</u>
Total Transaction Costs		277,014
Net Auction Proceeds		1,427,986

II. Stranded Cost Allowance with Associated Deferred Taxes & Notes

The Table on Page 6 of this Appendix A shows the final determination of stranded costs with the appropriate deferred taxes necessary to reconcile the net proceeds from the auction on a net of tax basis. See Notes 1 and 3 to the Table. The accounting in the Table also incorporates the effect of the May 29, 1998 Opinion and Order of the Commission regarding the treatment of Duquesne's SFAS 109 plant obligation of \$62.940 MM. See Note 2 to the Table.

Stranded Cost Allowance
with Associated Deferred Taxes
(\$ Millions)

Results of Auction
(April 28, 2000 Closing)

Duquesne Light Restructuring		
<u>Category/Item:</u>	<u>Deferred Taxes</u>	<u>Amount</u>
Book Value:		
Generating Plant Book Value	\$ 411.34	\$ 852.03
Beaver Valley 2 Lease PV	\$ 213.01	\$ 300.35
Tax Liability SFAS 109 Plant Balance	\$ 62.94	\$ -
Working Capital	\$ -	\$ 61.53
Costs Independent of Operation	\$ -	\$ -
Offset Credit	\$ (366.32)	\$ (880.65)
Total Stranded Generation:	\$320.97	\$333.26
Decommissioning:		
Nuclear Decommissioning	\$ -	\$ 57.40
Fossil Decommissioning	\$ -	\$ -
Total Decommissioning	\$ -	\$ 57.40
Regulatory Assets:		
FAS 109 (including Plant reversal)	\$ -	\$ -
Post '05 Unamortized Debt Costs	\$ 10.67	\$ 18.67
Pre '06 Unamortized Debt Costs	\$ 6.82	\$ 9.61
Deferred Rate Synch. (Early Window)	\$ 1.87	\$ 23.50
Deferred Employee Costs	\$ -	\$ 14.24
Deferred Nuclear Maintenance	\$ 1.35	\$ 1.90
US DOE Decommissioning	\$ 2.33	\$ 3.25
Deferred Coal Costs	\$ -	\$ -
Deferred Caretaker Costs	\$ -	\$ -
Pre-Accrued Nuclear Outage	\$ -	\$ -
BV2 Training Costs	\$ 0.84	\$ 1.58
Low Level Radioactive Waste	\$ -	\$ 2.27
Coal Cost Equalization	\$ -	\$ 0.12
Transition Costs	\$ 7.51	\$ 10.59
SFAS 106 Deferral	\$ 1.40	\$ 1.97
Deferred Fuel Costs	\$ 17.73	\$ 25.00
Other Regulatory Assets	\$ -	\$ 0.53
Consumer Education	\$ -	\$ 15.50
Sale-Leaseback Tax Effect (Gain)	\$ -	\$ 55.13
Deferred Rate Synch. Costs	\$ -	\$ -
BV2 Tax Effect	\$ -	\$ 0.17
Utilities Gross Receipts Tax	\$ -	\$ 6.58
Total Regulatory Assets:	\$ 50.52	\$ 190.61
	99.900%	99.900%
TOTAL STRANDED, STAND ALONE WITH JURISDICTIONAL ALLOCATION	\$ 371.124	\$ 580.691

Note 1

Note 2

Note 3

Note 4

Note 5

Note 6

Note 7

Note 8

Note 9

Notes on Stranded Cost Allowance Table

The notes below clarify certain entries on the table produced on Page 6 of this Appendix A.

Note 1) The book accounting for the Beaver Valley II lease (\$213.010 MM of deferred taxes and \$300.350 MM net) contained in the Accounting Protocols is inconsistent with a full step-up in basis resulting from the lease termination. In order to provide consistent book and tax accounting, a pre-tax payment to Duquesne of \$513.360 MM (e.g., on a sale) would result in tax payable equal to the amount reserved for deferred taxes only if the tax basis were zero. Conversely, if there were complete basis in the asset resulting from the step-up (and hence, no taxes payable) a restated book accounting should show no deferred taxes. To maintain consistency with the presentation in the December 22, 1999 Application, Duquesne has not restated the book accounting for the lease (i.e., the book value remains as \$213.010 MM of deferred taxes and \$300.350 MM net). Therefore, in this presentation a full step-up in basis resulting from lease termination is not appropriate. The appropriate and consistent tax accounting for the after-tax auction proceeds is presented in Section I of this Appendix A.

Alternatively, Duquesne could have restated the book value of the lease as \$513.360 MM net, with no deferred taxes. In that alternative case, the calculation of After-tax Auction Proceeds contained in Section I of this Appendix A would have been adjusted to incorporate the full step-up in basis resulting from the lease termination, resulting in a tax basis of \$879.457 MM, a gain of \$548.529 MM, taxes of \$227.604 and after-tax proceeds of \$1,200.382 MM. The impact on Offset Credits resulting from these alternative treatments of the book and tax effects of the Beaver Valley II Lease is described in more detail in Note 3 below.

Note 2) The May 29, 1998 Opinion and Order of the Commission determined that Duquesne could not properly claim \$62.940 MM for its SFAS 109 plant obligation as a regulatory asset, finding: "The claimed SFAS 109 regulatory asset is not a 'net generation-related' cost pursuant to the Act. Prior to claiming the regulatory asset, SFAS 109 net plant was included as 'plant in service' for the Perry and Beaver Valley 1 units. In order to avoid the problem of double recovery, and allow for consistency in the application of the analysis of the recovery of stranded costs, we conclude that Duquesne's SFAS 109 obligation should be treated as a tax liability from the balance of plant in service and not as a regulatory asset." Opinion and Order at 155.

Accordingly, Duquesne has reflected the \$62.940 MM as a tax liability in the Deferred Tax column on the table produced on Page 6 of this Appendix A. Duquesne will recover this amount only once as part of the recoverable deferred taxes necessary to reconcile net proceeds from the auction on a net of tax basis.

Note 3) The Offset Credit for Market Value (\$880.645 MM) is calculated consistent with the Approved Accounting Protocols (at 8-9), as set out below:

	(\$000)
After-tax Auction Proceeds	966,584
January 1, 1999 Market Value (at 7.29%)	880,645
Market Value Offset Credit	(880,645)
Deferred Tax Offset Credit	(366,317)

The Market Value Offset Credit replaces the administratively determined value of \$110.950 MM credited by the Commission as shown on Page 1a of the Approved Accounting Protocols reproduced as Section IV of this Appendix B.

The Deferred Tax Offset Credit replaces the \$78.690 million credited by the Commission on Page 1A of the Approved Accounting Protocols. Duquesne has calculated the Deferred Tax Offset Credit by solving for the amount of net deferred taxes (with the jurisdictional allocation of 99.9%) necessary to recover the jurisdictional after-tax stranded costs of \$580.691 MM, after properly accounting for the SFAS 109 Plant deferred tax liability as described in Note 2 above. See Note 9 below.

If the alternative accounting for the book value of the Beaver Valley II lease discussed in Note 1 were to be adopted (\$513.360 MM net) with a full step-up in tax basis for the lease termination, then the Offset Credit for Market Value would be calculated as:

	(\$000)
After-tax Auction Proceeds	1,200,382
January 1, 1999 Market Value (at 7.29%)	1,093,656
Market Value Offset Credit	(1,093,656)

The increase in the Market Value Offset Credit would offset exactly the increase in the book value to \$513.360 MM net, producing an identical jurisdictional after-tax stranded cost of \$580.691 MM. Similarly, in this alternative, Duquesne would calculate the Deferred Tax Offset Credit by solving for the amount of net deferred taxes (with the jurisdictional allocation of 99.9%) necessary to recover

the jurisdictional after-tax stranded costs of \$580.691 MM, after properly accounting for the SFAS 109 Plant deferred tax liability as described in Note 2 above. See Note 9 below.

Note 4) The Commission originally approved the recovery of \$42.960 MM for Nuclear Decommissioning Costs as part of the May 29, 1998 Restructuring Order. Subsequently, the Commission's Order of July 15, 1999 (at 18) approved Duquesne's request to reflect the recovery of \$57.400 MM in nuclear decommissioning funding necessary to contribute the full amount of the estimated decommissioning shortfall to qualified trust funds. In reconciling the auction proceeds on an after-tax basis, Duquesne is taking into account the current year tax deduction of \$57.400 MM that will result from the transfer of the decommissioning funds to FirstEnergy. See Note 9 below.

Note 5) The Approved Accounting Protocols (at 9-10) provide that if the auction proceeds are reconciled on an after-tax basis, then Duquesne does not also need to recover the FAS 109 Regulatory Asset balance of \$179.000 MM (and associated deferred tax balance of \$57.480 MM). The Commission approved this treatment of the FAS 109 Regulatory Asset balance as part of its Order of July 15, 1999 (at 29). In this CTC Reconciliation and Auction Accounting Compliance Filing, Duquesne is reconciling the auction proceeds on an after-tax basis, and then calculating the Deferred Tax Offset Credit necessary to allow Duquesne to recover the after-tax amount of stranded costs. See Note 9 below.

Note 6) The Commission's Order of July 15, 1999 (at 29) approved as part of the Approved Accounting Protocols the treatment of the deferred fuel balance, with the proviso that the amount of \$25.000 MM (with associated deferred taxes of \$17.730 MM) was for illustrative purposes, as it was not the amount that the Commission had approved for recovery as part of the May 29, 1998 Restructuring Order. Duquesne subsequently entered into a settlement with the Office of Consumer Advocate and the Duquesne Industrial Intervenors providing for recovery of these amounts. This settlement was subsequently approved by the Commission on January 12, 2000.

Note 7) The Commission's May 29, 1998 Restructuring Order (at 103) provided for recovery of Consumer Education costs of \$15.500 MM. However, the Commission's Stranded Cost Allowance schedule (see Section IV hereof, at Page 42) erroneously recorded this amount as \$10.000 MM. Duquesne has budgeted and received approval for total expenditures of \$15.500 MM on Consumer Education, and accordingly seeks recovery of this amount in accordance with the Commission's Restructuring Order.

Note 8) On November 3, 1999 Duquesne filed a petition in Docket No. P-00991768 to recover an increase in the Utilities Gross Receipts Tax related to Revenue Neutral Reconciliation by deferring the increase as a regulatory asset for future recovery as an adjustment to its CTC. On December 16, 1999 the Commission approved the petition, subject to the right of the Mid-Atlantic Power Supply Association to file an objection within 10 days. In accordance with the Commission's December 16, 1999 Order, Duquesne hereby seeks recovery of \$6.576 MM as part of its adjusted CTC.

Note 9) Duquesne has accounted for its stranded costs on an after-tax basis. Because Duquesne will have no tax basis in the CTC asset, every dollar of CTC revenue (return of and on the CTC asset) will be taxable. In order to recover \$580.691 MM after-tax as of January 1, 1999, Duquesne would need to have \$411.833 MM of recoverable deferred taxes. This calculation is simply $\$580.691 * [t/(1-t)]$, where t is the statutory tax rate and equals 41.4935%.

However, Duquesne will receive a current year tax benefit from a deduction for the \$57.400 MM for Nuclear Decommissioning as described in Note 4 above. The required \$411.833 MM of recoverable deferred taxes can be reduced by \$40.709 MM, calculated as $\$57.400 \text{ MM} * [t/(1-t)]$, where t is the statutory tax rate and equals 41.4935%. Therefore, the recoverable deferred taxes necessary to allow Duquesne to fully recover its stranded costs on an after-tax basis is reduced to \$371.124 MM. Duquesne has calculated the Deferred Tax Offset Credit by solving for the credit necessary to produce this net amount of recoverable deferred taxes.

If the alternative accounting for the book value of the Beaver Valley II lease discussed in Note 1 were adopted (\$513.360 MM net) with a full step-up in tax basis for the lease termination, then Duquesne would similarly calculate the Deferred Tax Offset Credit by solving for the credit necessary to produce the \$371.124 MM net amount of recoverable deferred taxes.

III. Allocation of Stranded Cost Allowance by Class and Projected CTC Recovery

Allocation of Stranded Cost Allowance

The allocation of stranded costs by class, using production cost allocators, filed as part of Duquesne's Third Compliance Filing on November 5, 1998, was approved by the Commission's Order of December 17, 1998 (the "Third Compliance Order"). The Stranded Cost Allowance and Associated Deferred Taxes calculated in Section II of this Appendix A, as allocated by class using the allocation percentages approved in the Third Compliance Order, are shown in the table on Page 13 of this Appendix A together with the projected completion dates for CTC Recovery by class. This projection is based on actual CTC collections by class through June 2000, and thereafter, on projections based on class average CTC rates and simplifying assumptions about class sales growth. Actual completion dates will depend on realized sales by rate class and billed CTC revenue based on filed tariffs as discussed below.

Length of CTC Recovery Period

The December 22, 1999 Application contained an estimate of transaction costs, a pro forma calculation of stranded costs, an allocation of the pro forma stranded costs by rate class and a projection of the required CTC recovery period for each class. These projections showed most major rate classes completing CTC recovery by late 2001. The final determination of stranded costs made in this CTC Reconciliation and Auction Accounting Compliance Filing differs in several respects from the estimates made in December. As described above, the net effect of these changes is that CTC recovery for most major rate classes is delayed until early 2002. There are four main factors, the net effect of which accounts for this difference. The first factor, by itself, would accelerate the end of the CTC recovery periods. However, the other three factors tend to lengthen the time needed for recovery.

First, the December Application used a good faith estimate of \$300.000 MM of Transaction Costs. In this Filing, the final Transaction Costs have been reduced to \$277.014 MM. Second, the full step-up in tax basis for the lease termination that was assumed in the December Application has been reduced after review by tax counsel. See Note 1 on Page 7 of this Appendix A. Third, the \$62.940 MM tax liability allowed by the Commission in its May 29, 1998 Opinion and Order (at 155) was not included in the December pro forma calculation of stranded costs. The net effect of including this as a tax liability is to increase recoverable deferred taxes. See Note 2 on Page 7 of this Appendix A. Fourth, the Approved Accounting Protocols (at 9-10) provide that if the auction proceeds are reconciled on an after-tax basis, then Duquesne does not also need to recover the FAS 109 Regulatory Asset balance of \$179.000 MM (and associated deferred tax balance of \$57.480 MM). In this Filing, Duquesne has, consistent with the Approved Accounting Protocols, calculated recoverable after-tax stranded costs and determined the Deferred Tax Offset Credit necessary to recover this amount of stranded costs after payment of taxes. See Note 9 on Page 10 of this Appendix A.

Finally, the December Application projected CTC recovery based on estimated sales (using 1998 load as a basis). In this Filing, Duquesne has used actual sales and actual CTC recovery through June 2000 and estimated future sales based on 1999 load. The net result is to increase the rate of projected recovery for certain rate classes and decrease the rate of projected recovery for others.

Actual and Projected Amortization of Stranded Cost Allowance

Pages 14 through 27 of this Appendix A show the actual and projected amortization of the Stranded Cost Allowance and Associated Deferred Taxes by rate class. Prior to April 28, 2000 the actual CTC collections are based on rates using the Pilot credit tariffs approved by the Commission in its August 13, 1998 Order. Following April 28, 2000 the actual CTC collections are based on the final tariffs filed as Schedule 3 to the separately bound Appendix containing the POLR Agreement to the December 22, 1999 Application of Duquesne. Post June 2000 projections are based on actual 1999 sales volumes by month and by class, escalated by 1.5% annually. Using these sales volumes, CTC revenues are projected (net of GRT) based on average CTC rates by class.

The actual amortization of the allocated CTC balances will be calculated using the tariffed CTC revenues actually billed by Duquesne. CTC recovery began with usage in January 1999, effective with full meter reading cycles after January 1st. Billing for this usage began in February 1999.

Class-By-Class Stranded and Deferred Tax Summary

Results of Auction
(April 28, 2000 Closing)

Rate Class	Production Cost Allocator	Completion of CTC Recovery
RA	0.003721	8 / 2002
RS	0.310922	2 / 2002
RH	0.036534	4 / 2003
GS/GM	0.261478	4 / 2002
GMH	0.031646	3 / 2003
GL	0.184676	6 / 2002
GLH	0.031608	9 / 2002
L	0.069607	3 / 2002
HVPS	0.058796	10 / 2003
AL	0.000002	12 / 1999
SE	0.002943	7 / 2003
SM	0.006887	8 / 2003
SH	0.000098	4 / 2001
MTS	0.001081	11 / 2001
TOTAL	1.000000	

Rate Class	1/1/99 Stranded Balance (\$000)	1/1/99 Deferred Tax Balance (\$000)	End of Pilot Stranded Balance (\$000)	End of Pilot Deferred Tax Balance (\$000)
RA	2,161	1,381	1,355	866
RS	180,549	115,391	113,044	72,247
RH	21,215	13,559	17,180	10,980
GS/GM	151,838	97,041	87,601	55,987
GMH	18,377	11,745	13,653	8,726
GL	107,240	68,538	63,677	40,696
GLH	18,355	11,731	12,549	8,020
L	40,420	25,833	26,497	16,934
HVPS	34,142	21,821	24,711	15,793
AL	1	1	0	0
SE	1,709	1,092	1,618	1,034
SM	3,999	2,556	3,757	2,401
SH	57	36	17	11
MTS	628	401	318	203
TOTAL	580,691	371,124	365,975	233,897

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc							
RATE CLASS:		RA					
Month	Monthly kwr	Deferred Tax	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return	Annual Return	Total Monthly CTC Revenues
		Stranded			0.9167%	11.000%	
		\$	\$	\$	\$	\$	\$
		1,381,127					
		2,161,024					
1		\$ 2,161,024	\$ 1,381,127	\$ 54,326	\$ 22,060	\$ 76,386	
2		\$ 2,126,507	\$ 1,359,068	\$ 63,312	\$ 28,005	\$ 91,317	
3		\$ 2,082,689	\$ 1,331,063	\$ 55,131	\$ 23,033	\$ 78,165	
4		\$ 2,046,649	\$ 1,308,029	\$ 54,850	\$ 23,065	\$ 77,916	
5		\$ 2,010,559	\$ 1,284,964	\$ 88,610	\$ 44,852	\$ 133,462	
6		\$ 1,940,380	\$ 1,240,112	\$ 116,411	\$ 63,032	\$ 179,443	
7		\$ 1,841,755	\$ 1,177,080	\$ 113,034	\$ 61,451	\$ 174,486	
8		\$ 1,745,603	\$ 1,115,629	\$ 88,524	\$ 46,350	\$ 134,874	
9		\$ 1,673,081	\$ 1,069,279	\$ 68,083	\$ 33,711	\$ 101,794	
10		\$ 1,620,334	\$ 1,035,568	\$ 61,107	\$ 29,561	\$ 90,668	
11		\$ 1,574,081	\$ 1,006,007	\$ 58,495	\$ 28,163	\$ 86,658	
12		\$ 1,530,015	\$ 977,844	\$ 63,603	\$ 31,686	\$ 95,289	
13		\$ 1,480,437	\$ 946,159	\$ 58,654	\$ 28,813	\$ 87,467	
14		\$ 1,435,354	\$ 917,346	\$ 54,422	\$ 26,373	\$ 80,795	
15		\$ 1,394,089	\$ 890,973	\$ 52,244	\$ 25,222	\$ 77,466	
BALANCE AT END OF PILOT PERIOD:		\$ 1,354,624	\$ 865,751				
16		\$ 1,354,624	\$ 865,751	\$ 53,167	\$ 26,043	\$ 79,210	
17		\$ 1,313,875	\$ 839,708	\$ 68,309	\$ 35,960	\$ 104,269	
18	3,935,650	\$ 1,257,610	\$ 803,748	\$ 71,521	\$ 38,342	\$ 109,864	
19	3,913,107	\$ 1,197,616	\$ 765,406	\$ 70,923	\$ 38,311	\$ 109,234	
20	3,611,388	\$ 1,137,671	\$ 727,095	\$ 65,570	\$ 35,242	\$ 100,812	
21	2,849,317	\$ 1,082,530	\$ 691,853	\$ 52,395	\$ 27,144	\$ 79,539	
22	2,927,734	\$ 1,040,058	\$ 664,709	\$ 53,578	\$ 28,149	\$ 81,728	
23	3,365,545	\$ 996,014	\$ 636,560	\$ 60,877	\$ 33,072	\$ 93,949	
24	3,887,438	\$ 944,266	\$ 603,488	\$ 64,365	\$ 35,604	\$ 99,969	
25	3,328,184	\$ 888,557	\$ 567,884	\$ 55,392	\$ 30,196	\$ 85,588	
26	3,301,799	\$ 841,310	\$ 537,688	\$ 54,809	\$ 30,100	\$ 84,909	
27	2,818,342	\$ 794,213	\$ 507,588	\$ 47,056	\$ 25,421	\$ 72,476	
28	2,510,267	\$ 754,438	\$ 482,167	\$ 42,080	\$ 22,474	\$ 64,554	
29	3,069,602	\$ 719,274	\$ 459,693	\$ 50,730	\$ 28,208	\$ 78,938	
30	3,994,684	\$ 675,137	\$ 431,485	\$ 65,086	\$ 37,642	\$ 102,727	
31	3,971,803	\$ 616,240	\$ 393,844	\$ 64,516	\$ 37,623	\$ 102,139	
32	3,665,559	\$ 557,373	\$ 356,221	\$ 59,501	\$ 34,762	\$ 94,264	
33	2,892,057	\$ 502,981	\$ 321,459	\$ 47,171	\$ 27,201	\$ 74,372	
34	2,971,650	\$ 460,420	\$ 294,258	\$ 48,268	\$ 28,151	\$ 76,419	
35	3,416,028	\$ 416,373	\$ 266,107	\$ 55,082	\$ 32,764	\$ 87,847	
36	3,945,750	\$ 365,107	\$ 233,343	\$ 58,607	\$ 35,317	\$ 93,925	
37	3,378,107	\$ 309,847	\$ 198,025	\$ 50,166	\$ 30,246	\$ 80,412	
38	3,351,326	\$ 262,521	\$ 167,779	\$ 49,608	\$ 30,167	\$ 79,775	
39	2,860,617	\$ 215,319	\$ 137,612	\$ 42,313	\$ 25,781	\$ 68,094	
40	2,547,921	\$ 174,980	\$ 111,831	\$ 37,628	\$ 23,023	\$ 60,651	
41	3,115,646	\$ 138,956	\$ 88,808	\$ 45,744	\$ 28,421	\$ 74,165	
42	4,054,605	\$ 94,466	\$ 60,387	\$ 59,221	\$ 37,295	\$ 96,516	
43	4,031,380	\$ 36,132	\$ 23,092	\$ 58,675	\$ 37,288	\$ 95,963	

Balances projected to be fully recovered during Month 43.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc						
RATE CLASS:		RS				
		Deferred Tax			Monthly Return	Annual Return
		Stranded			0.9167%	11.000%
Month	Monthly kwh	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Deferred Tax Revenues	Total Monthly CTC Revenues
1		\$ 180,549,393	\$ 115,390,529	\$ 5,175,534	\$ 2,249,978	\$ 7,425,512
2		\$ 177,028,894	\$ 113,140,551	\$ 5,983,466	\$ 2,786,958	\$ 8,770,424
3		\$ 172,668,194	\$ 110,353,593	\$ 5,169,758	\$ 2,292,458	\$ 7,462,216
4		\$ 169,081,227	\$ 108,061,135	\$ 4,527,118	\$ 1,902,756	\$ 6,429,875
5		\$ 166,104,020	\$ 106,158,379	\$ 6,277,059	\$ 3,038,599	\$ 9,315,658
6		\$ 161,349,582	\$ 103,119,780	\$ 8,361,231	\$ 4,398,464	\$ 12,759,695
7		\$ 154,467,388	\$ 98,721,316	\$ 8,242,526	\$ 4,362,917	\$ 12,605,443
8		\$ 147,640,813	\$ 94,358,399	\$ 6,450,676	\$ 3,257,725	\$ 9,708,401
9		\$ 142,543,512	\$ 91,100,673	\$ 4,920,441	\$ 2,309,603	\$ 7,230,044
10		\$ 138,929,719	\$ 88,791,070	\$ 4,952,041	\$ 2,350,970	\$ 7,303,010
11		\$ 135,251,201	\$ 86,440,101	\$ 5,681,012	\$ 2,838,411	\$ 8,519,423
12		\$ 130,809,992	\$ 83,601,689	\$ 6,457,510	\$ 3,360,696	\$ 9,818,206
13		\$ 125,551,574	\$ 80,240,993	\$ 5,826,326	\$ 2,988,108	\$ 8,814,433
14		\$ 120,876,138	\$ 77,252,885	\$ 5,133,937	\$ 2,572,988	\$ 7,706,925
15		\$ 116,850,232	\$ 74,679,898	\$ 4,877,319	\$ 2,432,567	\$ 7,309,885
BALANCE AT END OF PILOT PERIOD:		\$ 113,044,041	\$ 72,247,331			
16		\$ 113,044,041	\$ 72,247,331	\$ 4,992,432	\$ 2,528,435	\$ 7,520,867
17		\$ 109,087,846	\$ 69,718,896	\$ 5,816,239	\$ 3,078,114	\$ 8,894,353
18	346,522,920	\$ 104,271,579	\$ 66,640,782	\$ 7,385,773	\$ 4,109,432	\$ 11,495,205
19	345,659,784	\$ 97,841,628	\$ 62,531,350	\$ 7,345,323	\$ 4,121,249	\$ 11,466,572
20	318,941,296	\$ 91,393,187	\$ 58,410,101	\$ 6,781,534	\$ 3,798,706	\$ 10,580,240
21	250,199,375	\$ 85,449,424	\$ 54,611,395	\$ 5,369,060	\$ 2,930,804	\$ 8,299,864
22	227,296,305	\$ 80,863,650	\$ 51,680,592	\$ 4,889,147	\$ 2,650,953	\$ 7,540,100
23	257,294,050	\$ 76,715,753	\$ 49,029,638	\$ 5,481,429	\$ 3,053,786	\$ 8,535,216
24	308,077,903	\$ 71,937,552	\$ 45,975,852	\$ 6,348,352	\$ 3,635,836	\$ 9,984,189
25	255,338,054	\$ 66,248,627	\$ 42,340,016	\$ 5,285,261	\$ 2,989,735	\$ 8,274,996
26	246,503,322	\$ 61,570,645	\$ 39,350,281	\$ 5,093,863	\$ 2,894,817	\$ 7,988,680
27	232,407,852	\$ 57,041,180	\$ 36,455,464	\$ 4,798,982	\$ 2,732,892	\$ 7,531,874
28	221,650,857	\$ 52,765,075	\$ 33,722,572	\$ 4,571,014	\$ 2,612,247	\$ 7,183,261
29	264,973,462	\$ 48,677,741	\$ 31,110,325	\$ 5,412,968	\$ 3,174,292	\$ 8,587,260
30	351,720,764	\$ 43,710,986	\$ 27,936,033	\$ 7,110,360	\$ 4,288,206	\$ 11,398,567
31	350,844,680	\$ 37,001,310	\$ 23,647,827	\$ 7,069,057	\$ 4,301,118	\$ 11,370,174
32	323,725,416	\$ 30,271,432	\$ 19,346,709	\$ 6,508,808	\$ 3,982,485	\$ 10,491,293
33	253,952,365	\$ 24,040,112	\$ 15,364,224	\$ 5,107,002	\$ 3,123,086	\$ 8,230,088
34	230,705,750	\$ 19,153,478	\$ 12,241,138	\$ 4,629,910	\$ 2,846,802	\$ 7,476,712
35	261,153,461	\$ 14,699,141	\$ 9,394,336	\$ 5,215,994	\$ 3,247,468	\$ 8,463,461
36	312,699,071	\$ 9,617,890	\$ 6,146,868	\$ 6,071,227	\$ 3,823,822	\$ 9,895,049
37	259,168,125	\$ 3,634,826	\$ 2,323,046	\$ 5,016,394	\$ 3,184,722	\$ 8,201,116

Balances projected to be fully recovered during Month 37.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balance						
RATE CLASS:		RH				
		Deferred Tax			Monthly Return:	Annual Return:
		\$ 13,558,776			0.9167%	11.000%
		Stranded		Stranded	Deferred Tax	Total Monthly
		\$ 21,215,162		Cost	Revenues	CTC Revenues
Month	Monthly kwh	Stranded Beg. of Month	Deferred Tax Beg. of Month	Cost Revenues	Deferred Tax Revenues	Total Monthly CTC Revenues
1		\$ 21,215,162	\$ 13,558,776	\$ 454,452	\$ 166,155	\$ 620,607
2		\$ 20,955,182	\$ 13,392,621	\$ 550,739	\$ 229,216	\$ 779,956
3		\$ 20,596,532	\$ 13,163,405	\$ 421,875	\$ 148,959	\$ 570,835
4		\$ 20,363,458	\$ 13,014,446	\$ 335,203	\$ 94,932	\$ 430,135
5		\$ 20,214,920	\$ 12,919,514	\$ 416,265	\$ 147,609	\$ 563,874
6		\$ 19,983,959	\$ 12,771,904	\$ 476,255	\$ 187,302	\$ 663,557
7		\$ 19,690,890	\$ 12,584,602	\$ 476,212	\$ 188,992	\$ 665,203
8		\$ 19,395,178	\$ 12,395,610	\$ 401,807	\$ 143,172	\$ 544,979
9		\$ 19,171,160	\$ 12,252,439	\$ 375,607	\$ 127,739	\$ 503,346
10		\$ 18,971,289	\$ 12,124,699	\$ 407,548	\$ 149,324	\$ 556,872
11		\$ 18,737,645	\$ 11,975,375	\$ 436,424	\$ 169,148	\$ 605,572
12		\$ 18,472,983	\$ 11,806,228	\$ 542,246	\$ 238,330	\$ 780,577
13		\$ 18,100,072	\$ 11,567,898	\$ 573,033	\$ 260,191	\$ 833,223
14		\$ 17,692,957	\$ 11,307,707	\$ 447,421	\$ 182,297	\$ 629,718
15		\$ 17,407,721	\$ 11,125,410	\$ 387,503	\$ 145,673	\$ 533,177
BALANCE AT END OF PILOT PERIOD:		\$ 17,179,788	\$ 10,979,737			
16		\$ 17,179,788	\$ 10,979,737	\$ 431,106	\$ 174,876	\$ 605,982
17		\$ 16,906,163	\$ 10,804,861	\$ 575,755	\$ 268,925	\$ 844,680
18	19,216,353	\$ 16,485,382	\$ 10,535,936	\$ 498,266	\$ 221,866	\$ 720,133
19	17,653,900	\$ 16,138,231	\$ 10,314,070	\$ 461,303	\$ 200,277	\$ 661,580
20	17,121,020	\$ 15,824,862	\$ 10,113,793	\$ 448,000	\$ 193,610	\$ 641,610
21	15,741,557	\$ 15,521,924	\$ 9,920,183	\$ 415,378	\$ 174,537	\$ 589,915
22	21,157,640	\$ 15,248,830	\$ 9,745,646	\$ 538,230	\$ 254,652	\$ 792,883
23	27,865,404	\$ 14,850,380	\$ 9,490,994	\$ 690,166	\$ 354,090	\$ 1,044,256
24	41,619,879	\$ 14,296,342	\$ 9,136,904	\$ 980,818	\$ 543,094	\$ 1,523,912
25	36,717,341	\$ 13,446,574	\$ 8,593,811	\$ 868,266	\$ 476,139	\$ 1,344,405
26	34,748,348	\$ 12,701,568	\$ 8,117,671	\$ 821,619	\$ 450,691	\$ 1,272,311
27	24,879,356	\$ 11,996,380	\$ 7,666,980	\$ 598,642	\$ 312,316	\$ 910,958
28	16,357,647	\$ 11,507,705	\$ 7,354,664	\$ 406,534	\$ 192,401	\$ 598,935
29	15,975,869	\$ 11,206,658	\$ 7,162,263	\$ 396,930	\$ 188,027	\$ 584,956
30	19,504,598	\$ 10,912,456	\$ 6,974,236	\$ 474,704	\$ 239,457	\$ 714,161
31	17,918,708	\$ 10,537,783	\$ 6,734,779	\$ 437,939	\$ 218,155	\$ 656,094
32	17,377,836	\$ 10,196,440	\$ 6,516,625	\$ 424,637	\$ 211,653	\$ 636,289
33	15,977,680	\$ 9,865,271	\$ 6,304,972	\$ 392,176	\$ 192,847	\$ 585,023
34	21,475,005	\$ 9,563,527	\$ 6,112,125	\$ 513,899	\$ 272,409	\$ 786,307
35	28,283,385	\$ 9,137,294	\$ 5,839,716	\$ 664,463	\$ 371,133	\$ 1,035,596
36	42,244,178	\$ 8,556,589	\$ 5,468,583	\$ 952,059	\$ 558,340	\$ 1,510,398
37	37,268,101	\$ 7,682,966	\$ 4,910,244	\$ 840,393	\$ 492,091	\$ 1,332,484
38	35,269,573	\$ 6,913,000	\$ 4,418,153	\$ 794,047	\$ 466,982	\$ 1,261,028
39	25,252,546	\$ 6,182,323	\$ 3,951,171	\$ 572,933	\$ 329,947	\$ 902,880
40	16,603,011	\$ 5,666,062	\$ 3,621,224	\$ 382,415	\$ 211,210	\$ 593,624
41	16,215,507	\$ 5,335,586	\$ 3,410,015	\$ 372,781	\$ 206,989	\$ 579,769
42	19,797,167	\$ 5,011,715	\$ 3,203,026	\$ 449,750	\$ 258,078	\$ 707,828
43	18,187,489	\$ 4,607,905	\$ 2,944,948	\$ 413,195	\$ 237,081	\$ 650,275
44	17,638,503	\$ 4,236,950	\$ 2,707,868	\$ 399,894	\$ 230,753	\$ 630,647
45	16,217,345	\$ 3,875,895	\$ 2,477,115	\$ 367,604	\$ 212,231	\$ 579,835
46	21,797,130	\$ 3,543,820	\$ 2,264,883	\$ 488,129	\$ 291,206	\$ 779,335
47	28,707,636	\$ 3,088,176	\$ 1,973,677	\$ 637,240	\$ 389,173	\$ 1,026,413
48	42,877,840	\$ 2,479,244	\$ 1,584,505	\$ 914,155	\$ 569,719	\$ 1,483,873
49	37,827,123	\$ 1,587,816	\$ 1,014,786	\$ 804,331	\$ 504,752	\$ 1,309,083
50	35,798,617	\$ 798,040	\$ 510,034	\$ 758,680	\$ 480,203	\$ 1,238,883
51	25,631,334	\$ 46,676	\$ 29,831	\$ 541,329	\$ 345,694	\$ 887,024

Balances projected to be fully recovered during Month 51.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On-Stranded + Return Of Unamort. Deferred Tax Balanc						
RATE CLASS:		GS/GM				
Month	Monthly kwr	Deferred Tax	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return	Annual Return
		Stranded			0.9167%	11.000%
		Stranded Beg. of Month			Deferred Tax Revenues	Total Monthly CTC Revenues
		\$ 97,040,718				
		\$ 151,837,787				
1		\$ 151,837,787	\$ 97,040,718	\$ 4,929,389	\$ 2,260,871	\$ 7,190,260
2		\$ 148,300,245	\$ 94,779,847	\$ 5,288,493	\$ 2,511,102	\$ 7,799,595
3		\$ 144,371,171	\$ 92,268,745	\$ 5,207,538	\$ 2,482,381	\$ 7,689,919
4		\$ 140,487,036	\$ 89,786,364	\$ 5,280,982	\$ 2,552,075	\$ 7,833,057
5		\$ 136,493,852	\$ 87,234,289	\$ 5,947,839	\$ 3,001,663	\$ 8,949,502
6		\$ 131,797,207	\$ 84,232,626	\$ 6,191,255	\$ 3,184,747	\$ 9,376,003
7		\$ 126,814,092	\$ 81,047,878	\$ 6,156,244	\$ 3,191,565	\$ 9,347,809
8		\$ 121,820,310	\$ 77,856,313	\$ 5,815,696	\$ 3,003,174	\$ 8,818,870
9		\$ 117,121,300	\$ 74,853,139	\$ 5,427,945	\$ 2,782,888	\$ 8,210,833
10		\$ 112,766,968	\$ 72,070,251	\$ 5,079,877	\$ 2,585,945	\$ 7,665,822
11		\$ 108,720,788	\$ 69,484,306	\$ 5,140,382	\$ 2,648,319	\$ 7,788,702
12		\$ 104,577,013	\$ 66,835,987	\$ 5,240,795	\$ 2,736,770	\$ 7,977,564
13		\$ 100,294,841	\$ 64,099,217	\$ 5,103,758	\$ 2,674,275	\$ 7,778,033
14		\$ 96,110,452	\$ 61,424,942	\$ 5,210,048	\$ 2,766,721	\$ 7,976,769
15		\$ 91,781,416	\$ 58,658,221	\$ 5,021,458	\$ 2,671,553	\$ 7,693,011
BALANCE AT END OF PILOT PERIOD:		\$ 87,601,288	\$ 55,986,668			
16		\$ 87,601,288	\$ 55,986,668	\$ 4,819,704	\$ 2,567,100	\$ 7,386,804
17		\$ 83,584,596	\$ 53,419,569	\$ 4,643,076	\$ 2,477,747	\$ 7,120,823
18	268,584,136	\$ 79,707,711	\$ 50,941,822	\$ 4,921,800	\$ 2,678,594	\$ 7,600,394
19	268,988,454	\$ 75,516,566	\$ 48,263,228	\$ 4,913,800	\$ 2,698,035	\$ 7,611,835
20	261,802,129	\$ 71,295,001	\$ 45,565,193	\$ 4,774,645	\$ 2,633,832	\$ 7,408,477
21	242,548,636	\$ 67,173,893	\$ 42,931,361	\$ 4,427,518	\$ 2,436,124	\$ 6,863,641
22	208,306,304	\$ 63,362,136	\$ 40,495,237	\$ 3,822,725	\$ 2,071,927	\$ 5,894,652
23	219,720,746	\$ 60,120,231	\$ 38,423,310	\$ 4,008,200	\$ 2,209,458	\$ 6,217,658
24	230,700,380	\$ 56,663,134	\$ 36,213,852	\$ 3,996,938	\$ 2,222,514	\$ 6,219,452
25	217,388,517	\$ 53,185,608	\$ 33,991,338	\$ 3,765,563	\$ 2,095,014	\$ 5,860,577
26	222,541,237	\$ 49,907,580	\$ 31,896,324	\$ 3,838,596	\$ 2,160,894	\$ 5,999,489
27	222,088,524	\$ 46,526,470	\$ 29,735,431	\$ 3,819,065	\$ 2,168,220	\$ 5,987,285
28	223,727,293	\$ 43,133,898	\$ 27,567,211	\$ 3,833,893	\$ 2,197,571	\$ 6,031,464
29	246,196,823	\$ 39,695,399	\$ 25,369,640	\$ 4,191,167	\$ 2,446,053	\$ 6,637,220
30	272,612,898	\$ 35,868,106	\$ 22,923,587	\$ 4,611,963	\$ 2,737,408	\$ 7,349,371
31	273,023,280	\$ 31,584,934	\$ 20,186,179	\$ 4,603,403	\$ 2,757,031	\$ 7,360,435
32	265,729,161	\$ 27,271,060	\$ 17,429,148	\$ 4,468,016	\$ 2,695,777	\$ 7,163,792
33	246,186,866	\$ 23,053,029	\$ 14,733,371	\$ 4,131,521	\$ 2,505,431	\$ 6,636,952
34	211,430,899	\$ 19,132,827	\$ 12,227,940	\$ 3,545,865	\$ 2,154,101	\$ 5,699,966
35	223,016,557	\$ 15,762,347	\$ 10,073,839	\$ 3,724,372	\$ 2,287,932	\$ 6,012,303
36	234,160,886	\$ 12,182,463	\$ 7,785,907	\$ 3,717,298	\$ 2,304,383	\$ 6,021,681
37	220,649,344	\$ 8,576,838	\$ 5,481,524	\$ 3,492,428	\$ 2,181,791	\$ 5,674,219
38	225,879,356	\$ 5,163,031	\$ 3,299,733	\$ 3,562,280	\$ 2,246,433	\$ 5,808,714
39	225,419,852	\$ 1,648,079	\$ 1,053,300	\$ 3,542,508	\$ 2,254,389	\$ 5,796,897

Balances projected to be fully recovered during Month 39.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balance						
RATE CLASS: GMH						
		Deferred Tax	\$	11,744,613		
		Stranded	\$	18,376,576	Stranded	Monthly Return:
					Cost	0.9167%
Month	Monthly kwh	Stranded	Deferred Tax	Stranded	Cost	Annual Return:
		Beg. of Month	Beg. of Month	Revenues	Revenues	Total Monthly
						CTC Revenues
1		\$ 18,376,576	\$ 11,744,613	\$ 467,524	\$ 191,139	\$ 658,663
2		\$ 18,077,504	\$ 11,553,474	\$ 500,058	\$ 213,684	\$ 713,742
3		\$ 17,743,156	\$ 11,339,790	\$ 434,185	\$ 173,543	\$ 607,728
4		\$ 17,471,617	\$ 11,166,247	\$ 378,309	\$ 139,423	\$ 517,732
5		\$ 17,253,464	\$ 11,026,824	\$ 523,222	\$ 233,316	\$ 756,538
6		\$ 16,888,399	\$ 10,793,508	\$ 533,271	\$ 241,877	\$ 775,149
7		\$ 16,509,938	\$ 10,551,630	\$ 530,370	\$ 242,240	\$ 772,610
8		\$ 16,130,909	\$ 10,309,390	\$ 507,996	\$ 230,162	\$ 738,158
9		\$ 15,770,780	\$ 10,079,229	\$ 383,855	\$ 152,932	\$ 536,787
10		\$ 15,531,490	\$ 9,926,297	\$ 390,473	\$ 158,563	\$ 549,036
11		\$ 15,283,389	\$ 9,767,733	\$ 431,032	\$ 185,938	\$ 616,970
12		\$ 14,992,455	\$ 9,581,795	\$ 496,438	\$ 229,444	\$ 725,882
13		\$ 14,633,448	\$ 9,352,351	\$ 516,042	\$ 244,077	\$ 760,119
14		\$ 14,251,546	\$ 9,108,274	\$ 456,315	\$ 208,142	\$ 664,457
15		\$ 13,925,870	\$ 8,900,132	\$ 400,480	\$ 174,365	\$ 574,845
BALANCE AT END OF PILOT PERIOD:		\$ 13,653,044	\$ 8,725,767			
16		\$ 13,653,044	\$ 8,725,767	\$ 400,207	\$ 175,789	\$ 575,996
17		\$ 13,377,990	\$ 8,549,978	\$ 540,349	\$ 266,966	\$ 807,315
18	26,638,008	\$ 12,960,273	\$ 8,283,012	\$ 499,984	\$ 243,616	\$ 743,600
19	25,973,324	\$ 12,579,091	\$ 8,039,396	\$ 487,302	\$ 237,744	\$ 725,045
20	25,332,712	\$ 12,207,098	\$ 7,801,652	\$ 475,062	\$ 232,101	\$ 707,163
21	24,204,801	\$ 11,843,934	\$ 7,569,551	\$ 454,555	\$ 221,122	\$ 675,677
22	22,516,272	\$ 11,497,949	\$ 7,348,429	\$ 424,562	\$ 203,980	\$ 628,542
23	25,735,127	\$ 11,178,785	\$ 7,144,449	\$ 478,240	\$ 240,156	\$ 718,396
24	33,356,983	\$ 10,803,017	\$ 6,904,293	\$ 579,472	\$ 307,056	\$ 886,529
25	31,178,021	\$ 10,322,572	\$ 6,597,237	\$ 542,425	\$ 286,193	\$ 828,618
26	30,171,825	\$ 9,874,771	\$ 6,311,043	\$ 524,510	\$ 277,367	\$ 801,877
27	26,490,012	\$ 9,440,780	\$ 6,033,676	\$ 463,260	\$ 240,765	\$ 704,025
28	23,574,177	\$ 9,064,060	\$ 5,792,912	\$ 414,636	\$ 211,895	\$ 626,531
29	24,450,709	\$ 8,732,512	\$ 5,581,017	\$ 427,663	\$ 222,163	\$ 649,826
30	27,037,579	\$ 8,384,897	\$ 5,358,853	\$ 468,365	\$ 250,213	\$ 718,578
31	26,362,924	\$ 7,993,393	\$ 5,108,640	\$ 456,027	\$ 244,621	\$ 700,647
32	25,712,703	\$ 7,610,640	\$ 4,864,019	\$ 444,116	\$ 239,251	\$ 683,367
33	24,567,873	\$ 7,236,288	\$ 4,624,768	\$ 424,215	\$ 228,725	\$ 652,940
34	22,854,016	\$ 6,878,406	\$ 4,396,043	\$ 395,147	\$ 212,244	\$ 607,391
35	26,121,154	\$ 6,546,311	\$ 4,183,799	\$ 446,934	\$ 247,288	\$ 694,222
36	33,857,338	\$ 6,159,385	\$ 3,936,511	\$ 543,330	\$ 311,162	\$ 854,492
37	31,645,691	\$ 5,672,516	\$ 3,625,349	\$ 507,536	\$ 291,138	\$ 798,674
38	30,624,403	\$ 5,216,978	\$ 3,334,211	\$ 490,183	\$ 282,716	\$ 772,899
39	26,887,362	\$ 4,774,618	\$ 3,051,495	\$ 431,061	\$ 247,522	\$ 678,583
40	23,927,790	\$ 4,387,324	\$ 2,803,973	\$ 384,107	\$ 219,783	\$ 603,890
41	24,817,469	\$ 4,043,434	\$ 2,584,190	\$ 396,577	\$ 229,767	\$ 626,343
42	27,443,142	\$ 3,683,923	\$ 2,354,424	\$ 435,720	\$ 256,890	\$ 692,610
43	26,758,368	\$ 3,281,972	\$ 2,097,534	\$ 423,740	\$ 251,588	\$ 675,328
44	26,098,394	\$ 2,888,317	\$ 1,845,946	\$ 412,171	\$ 246,500	\$ 658,671
45	24,936,391	\$ 2,502,622	\$ 1,599,445	\$ 392,900	\$ 236,444	\$ 629,345
46	23,196,826	\$ 2,132,662	\$ 1,363,001	\$ 364,793	\$ 220,648	\$ 585,442
47	26,512,971	\$ 1,787,418	\$ 1,142,353	\$ 414,619	\$ 254,515	\$ 669,134
48	34,365,198	\$ 1,389,184	\$ 887,838	\$ 506,048	\$ 315,281	\$ 821,328
49	32,120,377	\$ 895,870	\$ 572,558	\$ 471,553	\$ 296,124	\$ 767,677
50	31,083,769	\$ 432,530	\$ 276,433	\$ 454,782	\$ 288,120	\$ 742,902

Balances projected to be fully recovered during Month 50.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc						
RATE CLASS: GL						
		Deferred Tax	\$ 68,537,785			
		Stranded	\$ 107,239,785			
Month	Monthly kwr	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return 0.9167% Deferred Tax Revenues	Annual Return 11.000% Total Monthly CTC Revenues
1		\$ 107,239,785	\$ 68,537,785	\$ 3,366,873	\$ 1,523,532	\$ 4,890,405
2		\$ 104,855,943	\$ 67,014,254	\$ 3,620,585	\$ 1,699,647	\$ 5,320,232
3		\$ 102,196,537	\$ 65,314,606	\$ 3,649,794	\$ 1,733,895	\$ 5,383,689
4		\$ 99,483,544	\$ 63,580,712	\$ 3,663,295	\$ 1,758,417	\$ 5,421,712
5		\$ 96,732,182	\$ 61,822,294	\$ 3,974,717	\$ 1,973,569	\$ 5,948,286
6		\$ 93,644,176	\$ 59,848,726	\$ 4,055,555	\$ 2,043,324	\$ 6,098,879
7		\$ 90,447,026	\$ 57,805,402	\$ 4,219,502	\$ 2,166,834	\$ 6,386,336
8		\$ 87,056,622	\$ 55,638,568	\$ 3,959,853	\$ 2,020,753	\$ 5,980,606
9		\$ 83,894,788	\$ 53,617,815	\$ 3,808,496	\$ 1,942,543	\$ 5,751,039
10		\$ 80,855,328	\$ 51,675,272	\$ 3,579,461	\$ 1,813,972	\$ 5,393,433
11		\$ 78,017,040	\$ 49,861,301	\$ 3,436,529	\$ 1,739,251	\$ 5,175,780
12		\$ 75,295,667	\$ 48,122,050	\$ 3,665,917	\$ 1,901,798	\$ 5,567,715
13		\$ 72,319,960	\$ 46,220,252	\$ 3,470,333	\$ 1,794,231	\$ 5,264,564
14		\$ 69,512,560	\$ 44,426,021	\$ 3,571,911	\$ 1,875,598	\$ 5,447,508
15		\$ 66,577,848	\$ 42,550,423	\$ 3,511,581	\$ 1,854,234	\$ 5,365,815
BALANCE AT END OF PILOT PERIOD:		\$ 63,676,564	\$ 40,696,190			
16		\$ 63,676,564	\$ 40,696,190	\$ 3,221,451	\$ 1,685,806	\$ 4,907,257
17		\$ 61,038,814	\$ 39,010,384	\$ 3,074,833	\$ 1,607,555	\$ 4,682,388
18	281,388,389	\$ 58,523,504	\$ 37,402,829	\$ 3,294,629	\$ 1,762,764	\$ 5,057,394
19	271,412,345	\$ 55,765,340	\$ 35,640,065	\$ 3,175,383	\$ 1,702,711	\$ 4,878,094
20	272,534,852	\$ 53,101,139	\$ 33,937,354	\$ 3,178,169	\$ 1,720,100	\$ 4,898,269
21	262,967,694	\$ 50,409,731	\$ 32,217,254	\$ 3,063,644	\$ 1,662,674	\$ 4,726,318
22	226,289,851	\$ 47,808,176	\$ 30,554,579	\$ 2,652,169	\$ 1,414,938	\$ 4,067,107
23	236,672,629	\$ 45,594,249	\$ 29,139,641	\$ 2,758,104	\$ 1,495,613	\$ 4,253,717
24	235,760,287	\$ 43,254,091	\$ 27,644,028	\$ 2,615,895	\$ 1,418,435	\$ 4,034,330
25	225,596,930	\$ 41,034,693	\$ 26,225,593	\$ 2,501,859	\$ 1,358,556	\$ 3,860,415
26	238,424,745	\$ 38,908,985	\$ 24,867,037	\$ 2,628,181	\$ 1,451,743	\$ 4,079,924
27	240,047,030	\$ 36,637,470	\$ 23,415,294	\$ 2,636,999	\$ 1,470,686	\$ 4,107,685
28	242,343,092	\$ 34,336,315	\$ 21,944,607	\$ 2,652,744	\$ 1,494,231	\$ 4,146,975
29	268,370,909	\$ 31,998,320	\$ 20,450,377	\$ 2,916,114	\$ 1,676,249	\$ 4,592,363
30	285,609,215	\$ 29,375,524	\$ 18,774,127	\$ 3,086,704	\$ 1,800,641	\$ 4,887,345
31	275,483,530	\$ 26,558,096	\$ 16,973,487	\$ 2,970,924	\$ 1,743,150	\$ 4,714,074
32	276,622,875	\$ 23,830,621	\$ 15,230,336	\$ 2,973,070	\$ 1,760,501	\$ 4,733,571
33	266,912,209	\$ 21,075,999	\$ 13,469,836	\$ 2,861,847	\$ 1,705,555	\$ 4,567,402
34	229,684,198	\$ 18,407,349	\$ 11,764,281	\$ 2,463,654	\$ 1,466,702	\$ 3,930,356
35	240,222,719	\$ 16,112,428	\$ 10,297,579	\$ 2,565,472	\$ 1,545,219	\$ 4,110,691
36	239,296,691	\$ 13,694,653	\$ 8,752,360	\$ 2,435,625	\$ 1,476,397	\$ 3,912,022
37	228,980,884	\$ 11,384,562	\$ 7,275,963	\$ 2,324,482	\$ 1,418,898	\$ 3,743,379
38	242,001,116	\$ 9,164,439	\$ 5,857,065	\$ 2,446,406	\$ 1,509,828	\$ 3,956,234
39	243,647,735	\$ 6,802,040	\$ 4,347,237	\$ 2,454,386	\$ 1,528,767	\$ 3,983,153
40	245,978,238	\$ 4,410,007	\$ 2,818,470	\$ 2,469,080	\$ 1,552,172	\$ 4,021,252
41	272,396,473	\$ 1,981,352	\$ 1,266,297	\$ 2,723,887	\$ 1,729,250	\$ 4,453,138

Balances projected to be fully recovered during Month 41.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc						
RATE CLASS: GLH						
		Deferred Tax	\$	11,730,640		
		Stranded	\$	18,354,712		
Month	Monthly kwr	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return 0.9167% Deferred Tax Revenues	Annual Return 11.000% Total Monthly CTC Revenues
1		\$ 18,354,712	\$ 11,730,640	\$ 531,743	\$ 232,310	\$ 764,053
2		\$ 17,991,221	\$ 11,498,330	\$ 559,461	\$ 252,154	\$ 811,615
3		\$ 17,596,680	\$ 11,246,176	\$ 516,413	\$ 226,954	\$ 743,367
4		\$ 17,241,570	\$ 11,019,222	\$ 476,142	\$ 203,296	\$ 679,438
5		\$ 16,923,476	\$ 10,815,926	\$ 600,424	\$ 284,590	\$ 885,014
6		\$ 16,478,184	\$ 10,531,336	\$ 603,274	\$ 289,020	\$ 892,294
7		\$ 16,025,960	\$ 10,242,316	\$ 618,078	\$ 301,131	\$ 919,209
8		\$ 15,554,786	\$ 9,941,186	\$ 576,618	\$ 277,394	\$ 854,012
9		\$ 15,120,753	\$ 9,663,792	\$ 473,395	\$ 213,966	\$ 687,361
10		\$ 14,785,965	\$ 9,449,826	\$ 446,519	\$ 198,750	\$ 645,270
11		\$ 14,474,984	\$ 9,251,076	\$ 496,274	\$ 232,371	\$ 728,645
12		\$ 14,111,398	\$ 9,018,705	\$ 554,082	\$ 271,446	\$ 825,528
13		\$ 13,686,671	\$ 8,747,258	\$ 546,914	\$ 269,354	\$ 816,267
14		\$ 13,265,218	\$ 8,477,905	\$ 492,074	\$ 236,774	\$ 728,848
15		\$ 12,894,742	\$ 8,241,131	\$ 463,865	\$ 220,916	\$ 684,781
BALANCE AT END OF PILOT PERIOD:		\$ 12,549,079	\$ 8,020,214			
16		\$ 12,549,079	\$ 8,020,214	\$ 473,122	\$ 228,857	\$ 701,980
17		\$ 12,190,990	\$ 7,791,357	\$ 570,757	\$ 293,354	\$ 864,111
18	44,131,997	\$ 11,731,984	\$ 7,498,003	\$ 574,739	\$ 298,589	\$ 873,328
19	41,764,012	\$ 11,264,788	\$ 7,199,414	\$ 544,481	\$ 281,987	\$ 826,468
20	41,788,558	\$ 10,823,568	\$ 6,917,427	\$ 543,200	\$ 283,754	\$ 826,954
21	40,505,898	\$ 10,379,583	\$ 6,633,673	\$ 526,128	\$ 275,444	\$ 801,571
22	37,653,413	\$ 9,948,602	\$ 6,358,229	\$ 490,149	\$ 254,974	\$ 745,123
23	40,453,976	\$ 9,549,648	\$ 6,103,255	\$ 522,534	\$ 278,009	\$ 800,544
24	44,233,787	\$ 9,114,653	\$ 5,825,246	\$ 543,405	\$ 293,896	\$ 837,301
25	40,495,458	\$ 8,654,798	\$ 5,531,349	\$ 498,590	\$ 267,949	\$ 766,539
26	40,805,964	\$ 8,235,544	\$ 5,263,401	\$ 500,677	\$ 271,739	\$ 772,416
27	39,107,618	\$ 7,810,360	\$ 4,991,662	\$ 479,544	\$ 260,724	\$ 740,268
28	37,242,410	\$ 7,402,410	\$ 4,730,938	\$ 456,546	\$ 248,415	\$ 704,962
29	39,999,148	\$ 7,013,719	\$ 4,482,523	\$ 486,993	\$ 270,151	\$ 757,144
30	44,793,977	\$ 6,591,019	\$ 4,212,372	\$ 540,854	\$ 307,051	\$ 847,905
31	42,390,472	\$ 6,110,582	\$ 3,905,321	\$ 511,381	\$ 291,029	\$ 802,409
32	42,415,386	\$ 5,655,215	\$ 3,614,292	\$ 510,041	\$ 292,840	\$ 802,881
33	41,113,486	\$ 5,197,014	\$ 3,321,452	\$ 493,368	\$ 284,869	\$ 778,237
34	38,218,214	\$ 4,751,285	\$ 3,036,583	\$ 458,340	\$ 265,093	\$ 723,433
35	41,060,786	\$ 4,336,499	\$ 2,771,490	\$ 489,684	\$ 287,556	\$ 777,240
36	44,897,293	\$ 3,886,566	\$ 2,483,935	\$ 508,797	\$ 302,407	\$ 811,204
37	41,102,890	\$ 3,413,396	\$ 2,181,528	\$ 465,280	\$ 277,367	\$ 742,647
38	41,418,053	\$ 2,979,405	\$ 1,904,161	\$ 467,203	\$ 281,138	\$ 748,341
39	39,694,232	\$ 2,539,513	\$ 1,623,023	\$ 446,629	\$ 270,566	\$ 717,195
40	37,801,046	\$ 2,116,163	\$ 1,352,456	\$ 424,247	\$ 258,742	\$ 682,989
41	40,599,135	\$ 1,711,314	\$ 1,093,714	\$ 453,644	\$ 279,902	\$ 733,545
42	45,465,887	\$ 1,273,357	\$ 813,813	\$ 505,725	\$ 315,753	\$ 821,478
43	43,026,329	\$ 779,305	\$ 498,060	\$ 477,068	\$ 300,332	\$ 777,400
44	43,051,617	\$ 309,381	\$ 197,728	\$ 475,667	\$ 302,190	\$ 777,857

Balances projected to be fully recovered during Month 44.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc						
RATE CLASS: L						
		Deferred Tax			Monthly Return	Annual Return
		Stranded			0.9167%	11.000%
Month	Monthly kwt	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Deferred Tax Revenues	Total Monthly CTC Revenues
1		\$ 40,420,379	\$ 25,832,981	\$ 1,110,021	\$ 472,621	\$ 1,582,641
2		\$ 39,680,879	\$ 25,360,360	\$ 1,276,557	\$ 583,387	\$ 1,859,944
3		\$ 38,768,064	\$ 24,776,973	\$ 1,233,577	\$ 561,267	\$ 1,794,844
4		\$ 37,889,860	\$ 24,215,706	\$ 1,210,747	\$ 551,821	\$ 1,762,568
5		\$ 37,026,437	\$ 23,663,885	\$ 1,318,441	\$ 625,707	\$ 1,944,148
6		\$ 36,047,405	\$ 23,038,178	\$ 1,177,302	\$ 541,240	\$ 1,718,542
7		\$ 35,200,538	\$ 22,496,939	\$ 1,498,677	\$ 751,595	\$ 2,250,272
8		\$ 34,024,532	\$ 21,745,344	\$ 1,274,421	\$ 615,160	\$ 1,889,581
9		\$ 33,062,003	\$ 21,130,184	\$ 1,251,204	\$ 605,961	\$ 1,857,164
10		\$ 32,113,867	\$ 20,524,224	\$ 1,099,479	\$ 514,547	\$ 1,614,026
11		\$ 31,308,765	\$ 20,009,677	\$ 1,144,992	\$ 548,352	\$ 1,693,344
12		\$ 30,450,770	\$ 19,461,325	\$ 1,224,662	\$ 604,296	\$ 1,828,958
13		\$ 29,505,240	\$ 18,857,029	\$ 1,367,791	\$ 701,310	\$ 2,069,100
14		\$ 28,407,914	\$ 18,155,720	\$ 1,204,502	\$ 603,379	\$ 1,807,882
15		\$ 27,463,817	\$ 17,552,340	\$ 1,218,786	\$ 618,039	\$ 1,836,825
BALANCE AT END OF PILOT PERIOD:		\$ 26,496,783	\$ 16,934,301			
16		\$ 26,496,783	\$ 16,934,301	\$ 1,372,794	\$ 722,132	\$ 2,094,926
17		\$ 25,366,876	\$ 16,212,169	\$ 1,408,459	\$ 751,545	\$ 2,160,004
18	154,845,928	\$ 24,190,947	\$ 15,460,624	\$ 1,459,201	\$ 790,865	\$ 2,250,066
19	162,144,190	\$ 22,953,496	\$ 14,669,759	\$ 1,519,479	\$ 836,638	\$ 2,356,117
20	143,532,925	\$ 21,644,424	\$ 13,833,121	\$ 1,349,808	\$ 735,869	\$ 2,085,677
21	143,187,867	\$ 20,493,024	\$ 13,097,252	\$ 1,342,633	\$ 738,029	\$ 2,080,663
22	134,732,222	\$ 19,338,243	\$ 12,359,222	\$ 1,263,545	\$ 694,249	\$ 1,957,794
23	138,009,097	\$ 18,251,965	\$ 11,664,973	\$ 1,288,713	\$ 716,697	\$ 2,005,410
24	152,119,841	\$ 17,130,562	\$ 10,948,276	\$ 1,356,621	\$ 766,668	\$ 2,123,289
25	135,121,796	\$ 15,930,971	\$ 10,181,608	\$ 1,207,585	\$ 678,445	\$ 1,886,030
26	140,158,489	\$ 14,869,420	\$ 9,503,163	\$ 1,246,681	\$ 709,651	\$ 1,956,332
27	144,055,485	\$ 13,759,042	\$ 8,793,512	\$ 1,275,898	\$ 734,829	\$ 2,010,726
28	145,265,722	\$ 12,609,269	\$ 8,058,683	\$ 1,282,094	\$ 745,525	\$ 2,027,619
29	152,418,890	\$ 11,442,760	\$ 7,313,158	\$ 1,338,838	\$ 788,625	\$ 2,127,463
30	157,168,617	\$ 10,208,814	\$ 6,524,533	\$ 1,374,875	\$ 818,885	\$ 2,193,760
31	164,576,353	\$ 8,927,520	\$ 5,705,648	\$ 1,433,376	\$ 863,780	\$ 2,297,157
32	145,685,919	\$ 7,575,979	\$ 4,841,868	\$ 1,267,682	\$ 765,802	\$ 2,033,484
33	145,335,685	\$ 6,377,744	\$ 4,076,066	\$ 1,260,417	\$ 768,178	\$ 2,028,595
34	136,753,205	\$ 5,175,789	\$ 3,307,887	\$ 1,183,036	\$ 725,765	\$ 1,908,801
35	140,079,233	\$ 4,040,198	\$ 2,582,122	\$ 1,207,300	\$ 747,926	\$ 1,955,226
36	154,401,638	\$ 2,869,933	\$ 1,834,197	\$ 1,271,012	\$ 795,500	\$ 2,066,512
37	137,148,623	\$ 1,625,229	\$ 1,038,697	\$ 1,125,685	\$ 709,912	\$ 1,835,597
38	142,260,867	\$ 514,442	\$ 328,784	\$ 1,163,458	\$ 740,561	\$ 1,904,019

Balances projected to be fully recovered during Month 38.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balance						
RATE CLASS:		HVPS				
Month	Monthly kwh	Deferred Tax	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return:	Annual Return:
		Stranded			0.9167%	11.000%
		\$ 21,820,523			Deferred Tax	Total Monthly CTC Revenues
		\$ 34,142,162			Revenues	
1		\$ 34,142,162	\$ 21,820,523	\$ 811,801	\$ 318,807	\$ 1,130,608
2		\$ 33,643,331	\$ 21,501,716	\$ 945,362	\$ 407,089	\$ 1,352,451
3		\$ 33,006,367	\$ 21,094,627	\$ 893,105	\$ 377,423	\$ 1,270,529
4		\$ 32,415,820	\$ 20,717,204	\$ 902,803	\$ 387,081	\$ 1,289,884
5		\$ 31,810,161	\$ 20,330,123	\$ 931,271	\$ 408,823	\$ 1,340,093
6		\$ 31,170,484	\$ 19,921,300	\$ 910,235	\$ 399,127	\$ 1,309,362
7		\$ 30,545,978	\$ 19,522,173	\$ 820,199	\$ 345,242	\$ 1,165,441
8		\$ 30,005,784	\$ 19,176,931	\$ 948,367	\$ 430,320	\$ 1,378,688
9		\$ 29,332,470	\$ 18,746,611	\$ 898,127	\$ 402,156	\$ 1,300,283
10		\$ 28,703,224	\$ 18,344,455	\$ 866,050	\$ 385,342	\$ 1,251,391
11		\$ 28,100,287	\$ 17,959,113	\$ 903,165	\$ 412,595	\$ 1,315,760
12		\$ 27,454,708	\$ 17,546,518	\$ 957,611	\$ 451,174	\$ 1,408,785
13		\$ 26,748,765	\$ 17,095,345	\$ 931,289	\$ 438,487	\$ 1,369,776
14		\$ 26,062,672	\$ 16,656,858	\$ 977,637	\$ 472,127	\$ 1,449,764
15		\$ 25,323,943	\$ 16,184,730	\$ 845,568	\$ 392,049	\$ 1,237,617
BALANCE AT END OF PILOT PERIOD:		\$ 24,710,512	\$ 15,792,681			
16		\$ 24,710,512	\$ 15,792,681	\$ 755,888	\$ 338,328	\$ 1,094,215
17		\$ 24,181,137	\$ 15,454,354	\$ 715,867	\$ 315,851	\$ 1,031,718
18	92,328,552	\$ 23,686,930	\$ 15,138,503	\$ 687,771	\$ 300,790	\$ 988,562
19	99,131,353	\$ 23,216,289	\$ 14,837,712	\$ 730,527	\$ 330,873	\$ 1,061,399
20	96,805,678	\$ 22,698,579	\$ 14,506,839	\$ 713,484	\$ 323,014	\$ 1,036,498
21	94,091,021	\$ 22,193,165	\$ 14,183,825	\$ 693,945	\$ 313,487	\$ 1,007,433
22	94,803,832	\$ 21,702,657	\$ 13,870,338	\$ 696,848	\$ 318,216	\$ 1,015,065
23	101,671,572	\$ 21,204,750	\$ 13,552,121	\$ 739,930	\$ 348,667	\$ 1,088,598
24	129,554,680	\$ 20,659,196	\$ 13,203,454	\$ 897,434	\$ 452,526	\$ 1,349,960
25	123,524,045	\$ 19,951,138	\$ 12,750,928	\$ 856,566	\$ 430,555	\$ 1,287,121
26	112,447,408	\$ 19,277,458	\$ 12,320,374	\$ 783,743	\$ 387,959	\$ 1,171,702
27	103,600,581	\$ 18,670,425	\$ 11,932,415	\$ 725,333	\$ 354,185	\$ 1,079,518
28	102,321,272	\$ 18,116,238	\$ 11,578,229	\$ 715,219	\$ 350,968	\$ 1,066,188
29	106,916,195	\$ 17,567,084	\$ 11,227,261	\$ 742,467	\$ 371,600	\$ 1,114,067
30	93,713,480	\$ 16,985,649	\$ 10,855,661	\$ 656,458	\$ 320,037	\$ 976,494
31	100,618,323	\$ 16,484,893	\$ 10,535,624	\$ 698,563	\$ 349,880	\$ 1,048,443
32	98,257,763	\$ 15,937,442	\$ 10,185,744	\$ 681,600	\$ 342,246	\$ 1,023,846
33	95,502,386	\$ 15,401,936	\$ 9,843,498	\$ 662,169	\$ 332,966	\$ 995,135
34	96,225,889	\$ 14,880,951	\$ 9,510,532	\$ 664,907	\$ 337,767	\$ 1,002,674
35	103,196,645	\$ 14,352,453	\$ 9,172,765	\$ 707,332	\$ 367,977	\$ 1,075,309
36	131,498,000	\$ 13,776,685	\$ 8,804,787	\$ 869,866	\$ 475,227	\$ 1,345,093
37	125,376,905	\$ 13,039,106	\$ 8,329,560	\$ 829,009	\$ 453,472	\$ 1,282,480
38	114,134,119	\$ 12,323,567	\$ 7,876,088	\$ 756,311	\$ 411,167	\$ 1,167,478
39	105,154,589	\$ 11,680,222	\$ 7,464,921	\$ 697,974	\$ 377,652	\$ 1,075,626
40	103,856,091	\$ 11,089,317	\$ 7,087,269	\$ 687,759	\$ 374,585	\$ 1,062,344
41	108,519,938	\$ 10,503,210	\$ 6,712,684	\$ 714,769	\$ 395,281	\$ 1,110,050
42	95,119,182	\$ 9,884,721	\$ 6,317,402	\$ 628,930	\$ 344,044	\$ 972,974
43	102,127,598	\$ 9,346,401	\$ 5,973,358	\$ 670,742	\$ 373,921	\$ 1,044,663
44	99,731,629	\$ 8,761,334	\$ 5,599,437	\$ 653,699	\$ 366,456	\$ 1,020,155
45	96,934,922	\$ 8,187,947	\$ 5,232,981	\$ 634,196	\$ 357,351	\$ 991,547
46	97,669,278	\$ 7,628,807	\$ 4,875,630	\$ 636,781	\$ 362,278	\$ 999,059
47	104,744,595	\$ 7,061,957	\$ 4,513,352	\$ 678,909	\$ 392,524	\$ 1,071,432
48	133,470,470	\$ 6,447,783	\$ 4,120,828	\$ 832,610	\$ 494,353	\$ 1,326,963
49	127,257,559	\$ 5,674,278	\$ 3,626,475	\$ 792,161	\$ 473,034	\$ 1,265,195
50	115,846,131	\$ 4,934,131	\$ 3,153,442	\$ 720,300	\$ 431,443	\$ 1,151,742
51	106,731,908	\$ 4,259,061	\$ 2,721,999	\$ 662,605	\$ 398,524	\$ 1,061,129
52	105,413,932	\$ 3,635,497	\$ 2,323,475	\$ 652,382	\$ 395,644	\$ 1,048,025
53	110,147,737	\$ 3,016,441	\$ 1,927,831	\$ 678,882	\$ 416,207	\$ 1,095,089
54	96,545,970	\$ 2,365,210	\$ 1,511,624	\$ 594,053	\$ 365,807	\$ 959,860
55	103,659,512	\$ 1,792,838	\$ 1,145,817	\$ 635,154	\$ 395,429	\$ 1,030,583
56	101,227,604	\$ 1,174,118	\$ 750,388	\$ 618,192	\$ 388,213	\$ 1,006,405
57	98,388,946	\$ 566,689	\$ 362,176	\$ 598,803	\$ 379,380	\$ 978,183

Balances projected to be fully recovered during Month 57.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc							
RATE CLASS: AL							
		Deferred Tax	\$ 569			Monthly Return	Annual Return
		Stranded	\$ 891			0.9167%	11.000%
Month	Monthly kwf	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Deferred Tax Revenues	Total Monthly CTC Revenues	
1		\$ 891	\$ 569	\$ 21	\$ 8	\$ 30	
2		\$ 877	\$ 561	\$ 51	\$ 28	\$ 79	
3		\$ 834	\$ 533	\$ 24	\$ 10	\$ 34	
4		\$ 818	\$ 523	\$ 104	\$ 62	\$ 165	
5		\$ 722	\$ 461	\$ 181	\$ 112	\$ 293	
6		\$ 547	\$ 350	\$ 104	\$ 63	\$ 168	
7		\$ 448	\$ 286	\$ 97	\$ 60	\$ 157	
8		\$ 354	\$ 227	\$ 32	\$ 19	\$ 51	
9		\$ 325	\$ 208	\$ 26	\$ 15	\$ 40	
10		\$ 302	\$ 193	\$ 218	\$ 138	\$ 356	
11		\$ 87	\$ 56	\$ 129	\$ 82	\$ 211	
BALANCE AT END OF PILOT PERIOD:		\$ -	\$ -				

Balances projected to be fully recovered during Month 11.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balance							
RATE CLASS:		SE					
		Deferred Tax	\$	1,092,371			
		Stranded	\$	1,709,212			
Month	Monthly kwh	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return: 0.9167% Deferred Tax Revenues	Annual Return: 11.000% Total Monthly CTC Revenues	
1		\$ 1,709,212	\$ 1,092,371	\$ 22,623	\$ 4,445	\$ 27,068	
2		\$ 1,702,257	\$ 1,087,926	\$ 22,295	\$ 4,276	\$ 26,571	
3		\$ 1,695,566	\$ 1,083,649	\$ 6,916	-\$ 5,513	\$ 1,402	
4		\$ 1,704,192	\$ 1,089,163	\$ 22,597	\$ 4,458	\$ 27,055	
5		\$ 1,697,217	\$ 1,084,705	\$ 22,571	\$ 4,482	\$ 27,054	
6		\$ 1,690,204	\$ 1,080,222	\$ 22,528	\$ 4,496	\$ 27,024	
7		\$ 1,683,169	\$ 1,075,727	\$ 22,502	\$ 4,520	\$ 27,022	
8		\$ 1,676,097	\$ 1,071,206	\$ 22,477	\$ 4,546	\$ 27,022	
9		\$ 1,668,984	\$ 1,066,661	\$ 22,449	\$ 4,569	\$ 27,018	
10		\$ 1,661,834	\$ 1,062,091	\$ 22,418	\$ 4,591	\$ 27,009	
11		\$ 1,654,650	\$ 1,057,500	\$ 22,392	\$ 4,617	\$ 27,010	
12		\$ 1,647,425	\$ 1,052,883	\$ 22,309	\$ 4,606	\$ 26,915	
13		\$ 1,640,218	\$ 1,048,276	\$ 22,283	\$ 4,632	\$ 26,915	
14		\$ 1,632,971	\$ 1,043,644	\$ 22,268	\$ 4,665	\$ 26,932	
15		\$ 1,625,672	\$ 1,038,980	\$ 22,236	\$ 4,687	\$ 26,923	
BALANCE AT END OF PILOT PERIOD:							
		\$ 1,618,338	\$ 1,034,293				
16		\$ 1,618,338	\$ 1,034,293	\$ 39,228	\$ 15,590	\$ 54,818	
17		\$ 1,593,945	\$ 1,018,703	\$ 52,152	\$ 23,993	\$ 76,145	
18	2,360,404	\$ 1,556,404	\$ 994,710	\$ 51,544	\$ 23,824	\$ 75,368	
19	2,483,730	\$ 1,519,127	\$ 970,886	\$ 53,813	\$ 25,493	\$ 79,305	
20	2,482,385	\$ 1,479,240	\$ 945,394	\$ 53,644	\$ 25,618	\$ 79,263	
21	2,495,573	\$ 1,439,155	\$ 919,775	\$ 53,758	\$ 25,926	\$ 79,684	
22	2,487,031	\$ 1,398,589	\$ 893,849	\$ 53,446	\$ 25,964	\$ 79,411	
23	2,487,035	\$ 1,357,963	\$ 867,885	\$ 53,301	\$ 26,110	\$ 79,411	
24	2,514,823	\$ 1,317,110	\$ 841,775	\$ 52,670	\$ 25,946	\$ 78,616	
25	2,385,081	\$ 1,276,513	\$ 815,830	\$ 50,051	\$ 24,509	\$ 74,560	
26	2,385,204	\$ 1,238,164	\$ 791,320	\$ 49,916	\$ 24,648	\$ 74,564	
27	2,388,040	\$ 1,199,598	\$ 766,672	\$ 49,832	\$ 24,820	\$ 74,653	
28	2,520,093	\$ 1,160,762	\$ 741,852	\$ 52,212	\$ 26,569	\$ 78,781	
29	2,395,810	\$ 1,119,190	\$ 715,283	\$ 49,693	\$ 25,202	\$ 74,895	
30	2,395,810	\$ 1,079,757	\$ 690,081	\$ 49,552	\$ 25,343	\$ 74,895	
31	2,520,986	\$ 1,040,102	\$ 664,738	\$ 51,798	\$ 27,011	\$ 78,809	
32	2,519,620	\$ 997,839	\$ 637,727	\$ 51,621	\$ 27,145	\$ 78,766	
33	2,533,006	\$ 955,365	\$ 610,581	\$ 51,724	\$ 27,460	\$ 79,184	
34	2,524,336	\$ 912,399	\$ 583,121	\$ 51,405	\$ 27,508	\$ 78,913	
35	2,524,340	\$ 869,357	\$ 555,613	\$ 51,251	\$ 27,662	\$ 78,913	
36	2,552,545	\$ 826,075	\$ 527,951	\$ 50,443	\$ 27,399	\$ 77,842	
37	2,420,858	\$ 783,204	\$ 500,552	\$ 47,840	\$ 25,987	\$ 73,826	
38	2,420,982	\$ 742,544	\$ 474,565	\$ 47,697	\$ 26,133	\$ 73,830	
39	2,423,860	\$ 701,653	\$ 448,432	\$ 47,604	\$ 26,314	\$ 73,918	
40	2,557,894	\$ 660,481	\$ 422,118	\$ 49,951	\$ 28,055	\$ 78,006	
41	2,431,747	\$ 616,584	\$ 394,064	\$ 47,447	\$ 26,712	\$ 74,159	
42	2,431,747	\$ 574,789	\$ 367,352	\$ 47,298	\$ 26,861	\$ 74,159	
43	2,558,801	\$ 532,760	\$ 340,491	\$ 49,511	\$ 28,522	\$ 78,033	
44	2,557,415	\$ 488,133	\$ 311,969	\$ 49,326	\$ 28,665	\$ 77,991	
45	2,571,001	\$ 443,281	\$ 283,305	\$ 49,418	\$ 28,987	\$ 78,405	
46	2,562,201	\$ 397,926	\$ 254,318	\$ 49,093	\$ 29,044	\$ 78,137	
47	2,562,205	\$ 352,481	\$ 225,273	\$ 48,930	\$ 29,207	\$ 78,137	
48	2,590,833	\$ 306,782	\$ 196,067	\$ 47,940	\$ 28,842	\$ 76,782	
49	2,457,170	\$ 261,654	\$ 167,225	\$ 45,362	\$ 27,458	\$ 72,821	
50	2,457,296	\$ 218,690	\$ 139,767	\$ 45,211	\$ 27,613	\$ 72,824	
51	2,460,218	\$ 175,484	\$ 112,153	\$ 45,109	\$ 27,802	\$ 72,911	
52	2,596,263	\$ 131,983	\$ 84,351	\$ 47,414	\$ 29,529	\$ 76,943	
53	2,468,223	\$ 85,779	\$ 54,822	\$ 44,933	\$ 28,215	\$ 73,148	
54	2,468,223	\$ 41,632	\$ 26,607	\$ 44,776	\$ 28,373	\$ 73,148	

Balances projected to be fully recovered during Month 54.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balance						
RATE CLASS: SM						
		Deferred Tax	\$	2,555,959		
		Stranded	\$	3,999,262		
Month	Monthly kwh	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return: 0.9167% Deferred Tax Revenues	Annual Return: 11.000% Total Monthly CTC Revenues
1		\$ 3,999,262	\$ 2,555,959	\$ 83,054	\$ 29,651	\$ 112,704
2		\$ 3,952,868	\$ 2,526,309	\$ 48,853	\$ 8,064	\$ 56,917
3		\$ 3,940,250	\$ 2,518,245	\$ 48,904	\$ 8,171	\$ 57,075
4		\$ 3,927,465	\$ 2,510,074	\$ 48,839	\$ 8,205	\$ 57,044
5		\$ 3,914,627	\$ 2,501,869	\$ 48,794	\$ 8,251	\$ 57,045
6		\$ 3,901,717	\$ 2,493,618	\$ 48,837	\$ 8,354	\$ 57,191
7		\$ 3,888,646	\$ 2,485,264	\$ 48,752	\$ 8,376	\$ 57,128
8		\$ 3,875,540	\$ 2,476,888	\$ 48,721	\$ 8,433	\$ 57,155
9		\$ 3,862,344	\$ 2,468,454	\$ 48,684	\$ 8,487	\$ 57,170
10		\$ 3,849,065	\$ 2,459,968	\$ 48,647	\$ 8,541	\$ 57,188
11		\$ 3,835,701	\$ 2,451,427	\$ 48,589	\$ 8,582	\$ 57,172
12		\$ 3,822,273	\$ 2,442,844	\$ 48,554	\$ 8,639	\$ 57,193
13		\$ 3,808,756	\$ 2,434,206	\$ 48,537	\$ 8,707	\$ 57,244
14		\$ 3,795,132	\$ 2,425,499	\$ 48,634	\$ 8,849	\$ 57,483
15		\$ 3,781,287	\$ 2,416,650	\$ 59,199	\$ 15,682	\$ 74,881
BALANCE AT END OF PILOT PERIOD:						
		\$ 3,756,749	\$ 2,400,968			
16		\$ 3,756,749	\$ 2,400,968	\$ 122,796	\$ 56,471	\$ 179,266
17		\$ 3,668,391	\$ 2,344,497	\$ 122,535	\$ 56,822	\$ 179,356
18	2,590,972	\$ 3,579,483	\$ 2,287,675	\$ 120,087	\$ 55,778	\$ 175,865
19	2,590,777	\$ 3,492,208	\$ 2,231,897	\$ 119,767	\$ 56,085	\$ 175,852
20	2,587,657	\$ 3,404,453	\$ 2,175,813	\$ 119,324	\$ 56,316	\$ 175,640
21	2,587,170	\$ 3,316,337	\$ 2,119,497	\$ 118,989	\$ 56,618	\$ 175,607
22	2,585,308	\$ 3,227,748	\$ 2,062,879	\$ 118,595	\$ 56,885	\$ 175,480
23	2,588,019	\$ 3,138,740	\$ 2,005,993	\$ 118,389	\$ 57,275	\$ 175,664
24	2,670,891	\$ 3,049,123	\$ 1,948,718	\$ 119,164	\$ 58,295	\$ 177,459
25	2,632,183	\$ 2,957,909	\$ 1,890,423	\$ 117,269	\$ 57,619	\$ 174,888
26	2,628,950	\$ 2,867,754	\$ 1,832,804	\$ 116,816	\$ 57,857	\$ 174,673
27	2,629,092	\$ 2,777,227	\$ 1,774,947	\$ 116,498	\$ 58,184	\$ 174,682
28	2,628,841	\$ 2,686,187	\$ 1,716,763	\$ 116,162	\$ 58,503	\$ 174,665
29	2,629,787	\$ 2,594,648	\$ 1,658,260	\$ 115,873	\$ 58,855	\$ 174,728
30	2,629,836	\$ 2,502,559	\$ 1,599,405	\$ 115,546	\$ 59,185	\$ 174,732
31	2,629,638	\$ 2,409,952	\$ 1,540,219	\$ 115,207	\$ 59,511	\$ 174,718
32	2,626,472	\$ 2,316,836	\$ 1,480,708	\$ 114,746	\$ 59,762	\$ 174,508
33	2,625,977	\$ 2,223,328	\$ 1,420,946	\$ 114,392	\$ 60,083	\$ 174,475
34	2,624,088	\$ 2,129,317	\$ 1,360,863	\$ 113,979	\$ 60,370	\$ 174,350
35	2,626,839	\$ 2,034,856	\$ 1,300,493	\$ 113,753	\$ 60,779	\$ 174,532
36	2,710,954	\$ 1,939,756	\$ 1,239,713	\$ 114,451	\$ 61,783	\$ 176,234
37	2,671,666	\$ 1,843,086	\$ 1,177,931	\$ 112,547	\$ 61,132	\$ 173,680
38	2,668,384	\$ 1,747,434	\$ 1,116,798	\$ 112,075	\$ 61,391	\$ 173,466
39	2,668,528	\$ 1,651,376	\$ 1,055,407	\$ 111,738	\$ 61,738	\$ 173,476
40	2,668,274	\$ 1,554,776	\$ 993,670	\$ 111,382	\$ 62,077	\$ 173,459
41	2,669,234	\$ 1,457,646	\$ 931,593	\$ 111,073	\$ 62,448	\$ 173,522
42	2,669,284	\$ 1,359,934	\$ 869,145	\$ 110,726	\$ 62,799	\$ 173,525
43	2,669,083	\$ 1,261,674	\$ 806,346	\$ 110,367	\$ 63,145	\$ 173,512
44	2,665,869	\$ 1,162,873	\$ 743,201	\$ 109,886	\$ 63,417	\$ 173,303
45	2,665,367	\$ 1,063,646	\$ 679,785	\$ 109,512	\$ 63,758	\$ 173,270
46	2,663,449	\$ 963,884	\$ 616,026	\$ 109,079	\$ 64,066	\$ 173,145
47	2,666,241	\$ 863,641	\$ 551,960	\$ 108,832	\$ 64,495	\$ 173,327
48	2,751,619	\$ 762,726	\$ 487,464	\$ 108,647	\$ 64,969	\$ 173,616
49	2,711,741	\$ 661,071	\$ 422,495	\$ 106,749	\$ 64,351	\$ 171,100
50	2,708,410	\$ 560,381	\$ 358,144	\$ 106,261	\$ 64,629	\$ 170,890
51	2,708,556	\$ 459,258	\$ 293,515	\$ 105,905	\$ 64,994	\$ 170,899
52	2,708,298	\$ 357,562	\$ 228,521	\$ 105,532	\$ 65,351	\$ 170,883
53	2,709,272	\$ 255,309	\$ 163,170	\$ 105,204	\$ 65,741	\$ 170,944
54	2,709,323	\$ 152,445	\$ 97,429	\$ 104,838	\$ 66,110	\$ 170,947
55	2,709,119	\$ 49,005	\$ 31,319	\$ 104,460	\$ 66,474	\$ 170,935

Balances projected to be fully recovered during Month 55.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc						
RATE CLASS: SH						
		Deferred Tax	\$ 36,449			
		Stranded	\$ 57,031			
Month	Monthly kwr	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return 0.9167% Deferred Tax Revenues	Annual Return 11:000% Total Monthly CTC Revenues
1		\$ 57,031	\$ 36,449	\$ 5,494	\$ 3,177	\$ 8,672
2		\$ 52,059	\$ 33,271	\$ 2,959	\$ 1,586	\$ 4,544
3		\$ 49,578	\$ 31,686	\$ 2,950	\$ 1,595	\$ 4,544
4		\$ 47,083	\$ 30,091	\$ 2,941	\$ 1,604	\$ 4,544
5		\$ 44,573	\$ 28,487	\$ 2,932	\$ 1,613	\$ 4,544
6		\$ 42,050	\$ 26,875	\$ 2,923	\$ 1,622	\$ 4,544
7		\$ 39,513	\$ 25,253	\$ 2,914	\$ 1,631	\$ 4,544
8		\$ 36,961	\$ 23,622	\$ 2,905	\$ 1,640	\$ 4,544
9		\$ 34,396	\$ 21,983	\$ 2,852	\$ 1,621	\$ 4,473
10		\$ 31,859	\$ 20,361	\$ 2,843	\$ 1,630	\$ 4,473
11		\$ 29,308	\$ 18,731	\$ 2,834	\$ 1,639	\$ 4,473
12		\$ 26,743	\$ 17,091	\$ 2,825	\$ 1,649	\$ 4,473
13		\$ 24,163	\$ 15,443	\$ 2,815	\$ 1,658	\$ 4,473
14		\$ 21,569	\$ 13,785	\$ 2,806	\$ 1,667	\$ 4,473
15		\$ 18,961	\$ 12,118	\$ 2,610	\$ 1,557	\$ 4,166
BALANCE AT END OF PILOT PERIOD:		\$ 16,525	\$ 10,561			
16		\$ 16,525	\$ 10,561	\$ 1,477	\$ 847	\$ 2,324
17		\$ 15,199	\$ 9,714	\$ 1,472	\$ 852	\$ 2,324
18	83,483	\$ 13,867	\$ 8,862	\$ 1,603	\$ 943	\$ 2,546
19	83,483	\$ 12,391	\$ 7,919	\$ 1,598	\$ 948	\$ 2,546
20	83,483	\$ 10,907	\$ 6,971	\$ 1,592	\$ 954	\$ 2,546
21	83,483	\$ 9,415	\$ 6,017	\$ 1,587	\$ 959	\$ 2,546
22	84,284	\$ 7,914	\$ 5,058	\$ 1,596	\$ 974	\$ 2,570
23	84,478	\$ 6,390	\$ 4,084	\$ 1,595	\$ 982	\$ 2,576
24	84,735	\$ 4,854	\$ 3,102	\$ 1,559	\$ 968	\$ 2,527
25	84,735	\$ 3,340	\$ 2,134	\$ 1,554	\$ 974	\$ 2,527
26	84,735	\$ 1,816	\$ 1,161	\$ 1,548	\$ 979	\$ 2,527
27	84,735	\$ 285	\$ 182	\$ 1,543	\$ 984	\$ 2,527

Balances projected to be fully recovered during Month 27.

CTC Calculation

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balanc							
RATE CLASS:		MTS					
	Deferred Tax	\$	401,214				
	Stranded	\$	627,772				
Month	Monthly kwh	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenues	Monthly Return 0.9167% Deferred Tax Revenues	Annual Return 11.000% Total Monthly CTC Revenues	
1		\$ 627,772	\$ 401,214	\$ 26,212	\$ 13,074	\$ 39,286	
2		\$ 607,315	\$ 388,139	\$ 25,453	\$ 12,709	\$ 38,162	
3		\$ 587,429	\$ 375,430	\$ 25,415	\$ 12,801	\$ 38,216	
4		\$ 567,399	\$ 362,629	\$ 25,297	\$ 12,844	\$ 38,141	
5		\$ 547,303	\$ 349,785	\$ 25,229	\$ 12,918	\$ 38,146	
6		\$ 527,091	\$ 336,868	\$ 25,150	\$ 12,986	\$ 38,136	
7		\$ 506,772	\$ 323,882	\$ 25,159	\$ 13,111	\$ 38,270	
8		\$ 486,258	\$ 310,771	\$ 25,086	\$ 13,184	\$ 38,270	
9		\$ 465,630	\$ 297,588	\$ 25,012	\$ 13,258	\$ 38,270	
10		\$ 444,886	\$ 284,330	\$ 24,938	\$ 13,331	\$ 38,269	
11		\$ 424,026	\$ 270,999	\$ 24,893	\$ 13,425	\$ 38,319	
12		\$ 403,020	\$ 257,573	\$ 24,938	\$ 13,577	\$ 38,514	
13		\$ 381,777	\$ 243,996	\$ 24,862	\$ 13,653	\$ 38,515	
14		\$ 360,414	\$ 230,343	\$ 24,786	\$ 13,729	\$ 38,515	
15		\$ 338,932	\$ 216,614	\$ 24,491	\$ 13,667	\$ 38,158	
BALANCE AT END OF PILOT PERIOD:		\$ 317,548	\$ 202,947				
16		\$ 317,548	\$ 202,947	\$ 18,178	\$ 9,757	\$ 27,936	
17		\$ 302,280	\$ 193,190	\$ 18,675	\$ 10,164	\$ 28,839	
18	997,322	\$ 286,376	\$ 183,025	\$ 18,590	\$ 10,203	\$ 28,794	
19	997,273	\$ 270,411	\$ 172,822	\$ 18,532	\$ 10,260	\$ 28,792	
20	1,199,433	\$ 254,358	\$ 162,562	\$ 22,036	\$ 12,593	\$ 34,629	
21	1,205,675	\$ 234,654	\$ 149,969	\$ 22,075	\$ 12,734	\$ 34,809	
22	1,004,682	\$ 214,729	\$ 137,235	\$ 18,464	\$ 10,542	\$ 29,006	
23	1,008,650	\$ 198,234	\$ 126,693	\$ 18,475	\$ 10,646	\$ 29,121	
24	1,081,297	\$ 181,576	\$ 116,047	\$ 19,317	\$ 11,282	\$ 30,599	
25	1,007,021	\$ 163,924	\$ 104,765	\$ 17,971	\$ 10,525	\$ 28,497	
26	856,841	\$ 147,455	\$ 94,240	\$ 15,320	\$ 8,927	\$ 24,247	
27	1,080,130	\$ 133,487	\$ 85,313	\$ 19,125	\$ 11,441	\$ 30,566	
28	922,216	\$ 115,586	\$ 73,872	\$ 16,335	\$ 9,762	\$ 26,097	
29	992,676	\$ 100,311	\$ 64,110	\$ 17,496	\$ 10,594	\$ 28,091	
30	1,012,282	\$ 83,734	\$ 53,515	\$ 17,776	\$ 10,870	\$ 28,646	
31	1,012,232	\$ 66,726	\$ 42,645	\$ 17,714	\$ 10,930	\$ 28,644	
32	1,217,425	\$ 49,624	\$ 31,715	\$ 21,195	\$ 13,255	\$ 34,451	
33	1,223,761	\$ 28,883	\$ 18,460	\$ 21,231	\$ 13,399	\$ 34,630	
34	1,019,752	\$ 7,918	\$ 5,060	\$ 17,634	\$ 11,223	\$ 28,857	

Balances projected to be fully recovered during Month 34.

IV. Approved Accounting Protocols

Revised as of May 26, 1999

APPENDIX E

ACCOUNTING PROTOCOLS FOR DUQUESNE GENERATION AUCTION

As required by the Commission, the proceeds from the auction conducted pursuant to this Auction Plan will be used to determine the stranded costs of Duquesne for the Company's generation. This section will discuss the accounting protocols necessary to establish a market-based stranded cost valuation for generation from the auction proceeds and to reconcile that actual valuation with the collection of interim CTC charges¹ based on the generation credits from Duquesne's Pilot.

A. Net Auction Proceeds

The net auction proceeds ("Net Auction Proceeds") from the transfer of all divested Utility Assets² shall be defined as the sum of the sales prices paid by

¹ The Commission's August 13, 1998 Opinion and Order on Duquesne's compliance filing (the "Compliance Order") adopted the Company's proposal for the interim CTC charges. Compliance Order at 12.

² Generating assets auctioned by Duquesne (including the assets exchanged with FirstEnergy Corporation ("FEC")) are included for purposes of determining stranded costs and are considered to be Utility Assets. Pursuant to the Generation Exchange Agreement, the Nuclear Conveyance Agreement and the Electrical Facilities Agreements (collectively the "Swap Agreement") filed with the Commission, Duquesne will auction the wholly-owned fossil generating assets received from FEC (the "FEC Assets") rather than the partial interests in fossil and nuclear generating assets transferred to FEC (the "Transferred Assets"). The sum of the sales prices paid by the new owners for the FEC Assets will be included in the Net Auction Proceeds. The Transferred Assets will not be auctioned and thus not included in the Net Auction Proceeds. In addition, pursuant to the Commission's December 17, 1998 Order, the Net Auction Proceeds will also include the net proceeds from
(continued...)

the new owners less the transaction costs.³ Transaction costs shall include all reasonable incremental expenditures that are assignable to the divested Utility Assets ("Transaction Costs"), including but not limited to:

- (i) The costs of developing and implementing this Auction Plan (e.g., fees of outside experts, including investment bankers, *engineering and environmental consultants, economic and financial consultants and legal counsel*);
- (ii) The costs of implementing the Swap Agreement with FEC, including but not limited to:
 - (A) The costs associated with terminating the Beaver Valley II lease so as to permit the transfer of Beaver Valley II to FEC;
 - (B) The nuclear decommissioning contributions or payments in excess of \$42.96 million required

² (...continued)
sale of the non-rate base portions of the Brunot Island generating units, the Phillips generating unit and the Duquesne power contracts. However, the book values used in the Commission's administrative determination of stranded costs as of January 1, 1999, will still be used for finally determining stranded costs based on the offset credits to stranded costs and to deferred taxes derived from the market values determined in the auction. In summary, book values are based on Duquesne's original generation assets and market values are based on the generation assets auctioned.

³ The sales price shall be deemed to be zero for any Utility Asset for which a transfer is not completed, whether because no qualifying bids were received or because conditions precedent to such a transfer were not satisfied.

to be made by Duquesne on behalf of or to
FEC;

(C) The costs of site remediation (i.e., building
demolition) for the Shippingport facilities at
Beaver Valley;

- (iii) Incremental O & M costs (e.g., associated with the demarcation of facilities at Utility Assets), employee costs, environmental costs and any tax implications relating to the Swap Agreement or this Auction Plan other than those described below under After-tax Auction Proceeds;
- (iv) Incremental capital expenditures (e.g., associated with the demarcation of facilities at Utility Assets or necessary facilities upgrades) relating to the Swap Agreement or the transfers to new owners; and
- (v) The present value of any severance, early retirement, retraining or outplacement service costs payable by Duquesne to or on behalf of employees at the Transferred Assets or the Utility Assets divested pursuant to this Auction Plan.

As an illustrative example assume that the sum of the sales prices for all Utility Assets is equal to \$625 million and that Transaction Costs total \$150 million, including fees of outside experts, the termination of the Beaver Valley II

lease, increased decommissioning contributions, incremental O & M, employee and environmental costs, and incremental divestiture-related capital expenditures. In that event, the Net Auction Proceeds would equal \$475 million or the sum of the sales prices (\$625 million) less the Transaction Costs (\$150 million).

B. After-tax Auction Proceeds

The after-tax gains or losses on the transfer of the auctioned assets will be reflected in determining the after-tax auction proceeds ("After-tax Auction Proceeds") from the sale of Utility Assets under this Auction Plan. The After-tax Auction Proceeds shall be defined as the Net Auction Proceeds less current taxes payable ("Current Taxes") as a result of the transfers of the Utility Assets divested.

Current Taxes are defined as all Pennsylvania or Ohio, and any other applicable gross receipts, excess dividends, property transfer and sales taxes (including applicable surcharges); plus, the difference between the Net Auction Proceeds and the remaining tax basis⁴ of the Utility Assets divested at the date of transfer, multiplied by the then-current combined federal-state income tax rate (currently 41.4935%).

⁴ The net tax effect of the implementing the Swap Agreement and auctioning the FEC Assets and Duquesne's remaining interest in Cheswick, Elrama, Brunot Island, and Phillips is that the tax basis of all auctioned assets will effectively be equal to the tax basis of Duquesne's generating assets as if the Swap Agreement had not been implemented. For purposes of the illustrative example, all references to the "tax basis of Utility Assets" divested are intended to refer to the tax basis of Duquesne's generating assets, including the Transferred Assets, and excluding the FEC Assets.

Again, as an illustrative example, in addition to the above assumptions assume the tax basis of Utility Assets divested is \$180 million on the date of closing, the tax rate is 41.4935% on the date of closing and no other Pennsylvania or Ohio taxes are applicable. In that event, the After-tax Auction Proceeds will equal \$352.59 million, or Net Auction Proceeds (\$475.00 million) less Current Taxes (\$122.41 million) as shown in the table below.

	(\$000)
Sum of Sales Prices	625,000
(Transaction Costs)	<u>(150,000)</u>
Net Auction Proceeds	475,000
(Tax Basis)	<u>(180,000)</u>
Taxable Gain	295,000
Current Taxes @ 41.4935%	<u>(122,406)</u>
After-tax Auction Proceeds	352,594

C. Stand Alone Base Case

The Restructuring Order includes a determination of stranded costs based on an administrative determination of the after-tax market value of Duquesne's generating assets as of year-end 1998 equal to \$110.95 million.

The Stand Alone Base Case for Duquesne is attached as Appendix E (at 1a).⁵ This table presents a revised Appendix B from the Restructuring Order,

⁵ Duquesne notes that page 1a includes \$25 million in deferred fuel costs as a recoverable
(continued...)

with an additional column to show the corrections to the Commission's deferred tax calculation from the Compliance Order.⁶ A copy of the Stranded Cost Allowance from the Compliance Order is reproduced in Appendix E (at 2a).

Three changes are necessary to properly reflect the administrative determination of stranded costs for Duquesne on a stand alone basis. First, the Compliance Order Stranded Cost Allowance in Appendix E (at 2a) includes the generation Merger Savings of \$152.28 million. In a non-merger scenario, no generation merger savings are obtainable. Second, pursuant to the Compliance Order the Deferred Fuel Cost Regulatory Asset should be shown at its updated value of \$25.00 million because Duquesne has been denied a roll-in of its ECR at the higher value reflected in the original compliance filing. Third, the Commission's calculation of \$493 million for deferred taxes is in error, and must be restated as \$653 million on a stand alone basis, most of which is attributable to the foregone merger synergies. The corrections to the deferred tax calculation are summarized below:

⁵ (...continued)
regulatory asset, while the Commission's orders only permit Duquesne to recover \$6.73 million. This figure is provided for illustrative purposes only and does not affect the accounting methodology; Duquesne recognizes that \$6.73 million is the approved amount pending the appeal of this issue.

⁶ The Compliance Order was issued on August 13 and contains certain calculational errors. Duquesne corrected those errors in its revised compliance filing, and a description of the main corrections is summarized here.

Deferred Tax Item	(\$Million)
a. Generating Plant Book ⁷	372.46
Corrected Value	<u>411.34</u>
a. Increase	38.88
b. Merger Savings	(107.99)
Corrected Value	<u>0.00</u>
b. Increase	107.99
c. Deferred Fuel Costs	4.77
Corrected Value	<u>17.73</u>
c. Increase	12.96
Total Increase (a. + b. + c.)	159.83
PA Jurisdictional (at 99.9%)	159.67

D. Reconciliation with Stand Alone Base Case

To reconcile the stranded costs resulting from the actual market value (i.e., the After-tax Auction Proceeds) with the Stand Alone Base Case resulting from the Commission's year-end 1998 administratively determined value of

⁷ For purposes of this summary calculation, the Restructuring Order's understatement of deferred tax balances by \$38.88 million has been attributed solely to Generating Plant Book. Duquesne took exception to this computational error in the Merger Compliance Filing. Page 2, note 2 clearly states that "Appendix A [to the Compliance Filing] also provides a description and break-down of the correct deferred tax balance associated with the Commission's administrative determination of stranded costs, while excluding the deferred taxes associated with disallowed cost items, including BI and Phillips. The Final Order does not explain how the deferred tax balance contained in Appendix D was derived, but it is not correct." The relevant pages of Appendix A to the Compliance Filing are reproduced here in Appendix E (at 3a-3c). The difference between the Commission's undocumented \$493.345 million deferred tax balance and Duquesne's detailed calculation of \$532.188 million (Appendix E at 3b) is \$38.88 million, as adjusted for the 99.9% PA jurisdictional factor.

\$110.95 million will require an adjustment to account for the timing of the auction.⁸ Continuing with the example discussed above, assume the asset sales close at year-end 1999 and the After-tax Auction Proceeds (as calculated above) are \$352.59 million. This amount cannot be reconciled directly (i.e., by subtraction) with the Commission's \$110.95 million administratively determined value because of the timing difference.

However, the \$352.59 million value can be present valued as a future after-tax cash flow (at the Commission's approved⁹ after-tax discount rate of 7.29%) and we can thereby determine the after-tax market value as of January 1, 1999. The resulting year-end 1998 value is \$328.64 million ($\$352.59 \text{ million} / 1.0729$).

Continuing with the example discussed above, Appendix E (at 4a) shows the changes to the Stand Alone Base Case that will result from calculating the offset credits at January 1, 1999. First, the administratively determined market value of \$110.95 million credited by the Commission is replaced by the offset credit ("Market Value Offset Credit") of \$328.64 million against recoverable stranded costs.¹⁰ An equivalent credit for the recoverable deferred taxes is calculated by

⁸ The Commission recognizes that the divestiture may not be accomplished by January 1, 1999 and requires that the actual stranded utility generation value be reconciled. See Restructuring Order at 81-82.

⁹ Restructuring Order at 192.

¹⁰ This assumes the closing occurs at year-end 1999. An earlier or later closing would require a different adjustment. The future value of \$352.59 million would be discounted for the actual number of days between January 1, 1999 and the date(s) of closing at an annual rate
(continued...)

discounting the Current Taxes payable on the sale to January 1, 1999. The deferred taxes¹¹ of \$78.69 million credited by the Commission are replaced by the offset credit ("Deferred Tax Offset Credit") of \$114.09 million against recoverable deferred taxes. Continuing with our example, the derivation of these credits is shown in the table below.

	(\$000)
After-tax Auction Proceeds	352,594
January 1, 1999 Market Value (at 7.29%)	328,637
Market Value Offset Credit	(328,637)
Current Taxes	122,406
January 1, 1999 Current Taxes (at 7.29%)	114,089
Deferred Tax Offset Credit	(114,089)

In addition to the offset credits shown in Appendix E (at 4a), if the auction proceeds are reconciled on an after-tax basis, as illustrated above, then Duquesne does not also need to recover the FAS 109 Regulatory Asset balance of \$179.00 million (and associated deferred tax balance of \$57.48 million). Thus, as illustrated in Appendix E (at 4a) the FAS 109 Regulatory Asset (and associated deferred tax balance) should be eliminated from otherwise recoverable stranded costs

¹⁰ (...continued)
of 7.29%.

¹¹ Associated with the administratively determined market value of \$110.95 million. See Appendix E Page (at 1a).

if the Company's proposal to account for auction proceeds on a net of tax basis is accepted. Accounting for both the offset credits and the elimination of the FAS 109 Regulatory Asset, stranded costs are reduced by a total of \$396.69 million and the associated deferred tax balances are reduced by a total of \$92.88 million¹².

E. Reconciliation with Interim CTC Revenues

The Restructuring Order provides if Duquesne divests its generating assets through an auction process, that beginning in 1999 an interim CTC may be charged to shopping customers based on the Pilot credits. Duquesne filed class specific residual CTC tariffs based on the Pilot credits in its Stand Alone Compliance Filing. The resulting Company average 1999 CTCs are approximately 2.7 cents (excluding GRT). The CTC revenues collected prior to completion of the auction will be allocable to recovery of stranded costs, return on the unamortized balance of stranded costs, and amortization of deferred taxes. However, the magnitude of the Market Value Offset Credit and the Deferred Tax Offset Credit will not be known until the auction is completed, and the reconciliation will be done at that time.

Continuing with the example discussed above, Appendix E (at 5a) shows the CTC revenues that will be collected under the Pilot credit tariffs, assuming the forecast level of sales during the interim period is realized. At 1,043,241,887 kWh/month, the monthly 1999 CTC revenues recovered under the Pilot tariffs will

¹² After application of the 99.9% PA jurisdictional allocation, the actual reduction in stranded costs is \$396.29 million and the reduction in the associated deferred tax balance is \$92.79 million.

be \$28,424,169. The allocation of the Pilot CTC revenues to return and amortization is based on the 99.9% jurisdictional 1999 CTC beginning balance of \$1,105.66 million and the 1999 DT beginning balance of \$560.22 million.

The amount of Pilot CTC revenues allocated to return is based on the Commission's allowed 11% CTC return as calculated monthly on the unamortized CTC balance. The amount of Pilot CTC revenues allocated to recovery of the stranded cost balance and to the amortization of the deferred tax balance is determined such that the reduction in each balance is proportionate. Thus, during the interim Pilot CTC period, the proportion of total dollar value of recovery of stranded costs (calculated as a percentage of the 1999 beginning stranded cost balance) will be equal to the proportion of total dollar value of amortization of deferred taxes (calculated as a percentage of the 1999 beginning deferred tax balance). The sum of the three components so calculated (return, recovery and amortization) will be equal to the total dollar value of Pilot CTC revenues collected.

Based on the 1999 CTC revenue collections (under the CTC Pilot credit tariffs) and the above allocation between the stranded cost and deferred tax components, the 1999 Ending Stranded Cost Balance will be \$955,021,646 and the 1999 Ending Deferred Tax Balance will be \$483,897,260.

F. Post-Auction CTC Design

Based on the above reconciliation of the year 2000 starting balances, the new balances can be reamortized using the same methodology as approved in the Compliance Order.¹³

Appendix E (at 6a) shows the CTC revenue requirements¹⁴ in 2000 and later that will result from targeting the Commission's approved Company average shopping credits set out in the Restructuring Order. Appendix E (at 7a) sets out the monthly equivalent of these CTC revenue requirements (i.e., for 2000 the monthly CTC revenue requirement is \$309,939,205 divided by 12, or \$25,828,267). Appendix E (at 6a) shows how the remaining CTC and deferred tax balances are amortized over the remaining transition period. In each year the percentage amortization of the remaining CTC asset and remaining deferred tax balance are equivalent. Using the shopping credits from the Commission's Restructuring Order and the sales forecast and T&D rates from the most recent Company compliance

¹³ The Compliance Order (at 15-16) requires Duquesne to calculate CTC revenue requirements that would produce average shopping credits equal to those contained in the Restructuring Order. The resulting Company-wide CTC revenue requirements would be allocated to rate classes based on the production cost allocation methodology set out in Duquesne's compliance filing. Similarly, the actual reconciliation of the Pilot CTC revenues for each class would be based on the allocation of the total stranded cost and deferred tax balances at the beginning of 1999 using the production cost allocators. The annual reconciliation of class CTC revenues to class CTC revenue requirements, would be performed on a class specific basis with a recalculation of monthly recovery, return and deferred tax amortization based on actual sales volumes of that class. Within each year, the monthly pro-forma CTC revenue requirements provide for a recovery of stranded costs at a fully grossed-up return of 11% and a proportionate amortization of the associated deferred tax balance. Any underrecovery or overrecovery resulting from differences between forecast and actual sales for a particular class, would result in a lengthening or shortening of the recovery period for such class.

¹⁴ Originally filed November 5, 1998 as part of Duquesne's revised compliance filing.

filing, the CTC and Deferred Tax balances are almost fully amortized by year-end 2005.

**Stranded Cost Allowance
with Associated Deferred Taxes
(\$Millions)**

Stand Alone Base Case

<u>Category/Item:</u>	<u>Deferred Taxes</u>	<u>Amount</u>
Duquesne Light Restructuring		
Book Value:		
Generating Plant Book Value	\$ 411.34	\$ 852.03
Beaver Valley 2 Lease PV	\$ 213.01	\$ 300.35
M&S Fuel Related Sunk Costs	-	-
Working Capital	-	\$ 61.53
Costs independent of Operation	-	-
Generation Market Value	\$ (78.69)	\$ (110.95)
Merger Savings	\$ -	\$ -
Total Stranded Generation:	\$ 545.66	\$ 1,102.96
Decommissioning:		
Nuclear Decommissioning	-	\$ 42.96
Fossil Decommissioning	-	-
Total Decommissioning	\$ -	\$ 42.96
Regulatory Assets:		
FAS 109 (including Plant reversal)	\$ 57.48	\$ 179.00
Post '05 Unamortized Debt Costs	\$ 10.67	\$ 18.67
Pre '06 Unamortized Debt Costs	\$ 6.82	\$ 9.61
Deferred Rate Synch. (Early Window)	\$ 1.87	\$ 23.50
Deferred Employee Costs	-	\$ 14.24
Deferred Nuclear Maintenance	\$ 1.35	\$ 1.90
US DOE Decommissioning	\$ 2.33	\$ 3.25
Deferred Coal Costs	-	-
Deferred Caretaker Costs	-	-
Pre-Accrued Nuclear Outage	-	-
BV2 Training Costs	\$ 0.84	\$ 1.58
Low Level Radioactive Waste	-	\$ 2.27
Coal Cost Equalization	-	\$ 0.12
Transition Costs	\$ 7.51	\$ 10.59
SFAS 106 Deferral	\$ 1.40	\$ 1.97
Deferred Fuel Costs	\$ 17.73	\$ 25.00
Other Regulatory Assets	-	\$ 0.53
Consumer Education	-	\$ 10.00
Sale-Leaseback Tax Effect (Gain)	-	\$ 55.13
Deferred Rate Synch. Costs	-	-
BV2 Tax Effect	-	\$ 0.17
Total Regulatory Assets:	\$ 108.00	\$ 357.53
PA Jurisdictional % (1-FERC Allocation)	99.900%	99.900%
TOTAL STRANDED, STAND ALONE	\$ 653.012	\$ 1,501.948
WITH JURISDICTIONAL ALLOCATION		

**Stranded Cost Allowance
(\$Millions)**

EXHIBIT A
PAGE 42 OF 49

Duquesne Light Restructuring	
<u>Category/Item:</u>	<u>Amount</u>
Book Value:	
Generating Plant Book Value	\$ 852.03
Beaver Valley 2 Lease PV	\$ 300.35
M&S Fuel Related Sunk Costs	-
Working Capital	\$ 81.53
Costs Independent of Operation	-
Generation Market Value	\$ (110.95)
Merger Savings	\$ (152.28)
Total Stranded Generation:	\$ 950.68
Decommissioning:	
Nuclear Decommissioning	\$ 42.96
Fossil Decommissioning	-
Total Decommissioning	\$ 42.96
Regulatory Assets:	
FAS 109 (including Plant reversal)	\$ 179.00
Post '05 Unamortized Debt Costs	\$ 18.87
Pre '08 Unamortized Debt Costs	\$ 9.61
Deferred Rate Synch. (Early Window)	\$ 23.50
Deferred Employee Costs	\$ 14.24
Deferred Nuclear Maintenance	\$ 1.90
US DOE Decommissioning	\$ 3.25
Deferred Coal Costs	-
Deferred Caretaker Costs	-
Pre-Accrued Nuclear Outage	-
BV2 Training Costs	\$ 1.58
Low Level Radioactive Waste	\$ 2.27
Coal Cost Equalization	\$ 0.12
Transition Costs	\$ 10.59
SFAS 106 Deferral	\$ 1.97
Deferred Fuel Costs	\$ 6.73
Other Regulatory Assets	\$ 0.53
Consumer Education	\$ 10.00
Sale-Leaseback Tax Effect (Gain)	\$ 55.13
Deferred Rate Synch. Costs	-
BVZ Tax Effect	\$ 0.17
Total Regulatory Assets:	\$ 339.25
PA Jurisdictional % (1-FERC Allocation)	99.900%
TOTAL STRANDED, WITH MERGER AND JURISDICTIONAL ALLOCATION	\$ 1,331.667

Discussion re: Deferred Taxes in PaPUC Decision

The May 29, 1998 Opinion and Order of the Commission determined and allowed recovery of stranded costs for Duquesne in the amount of \$1,331,567,100 in the event the merger with Allegheny is consummated. Attachment B to the Order summarizes the individual components of stranded costs (net of tax) allowed by the Commission under the merger case. Attachment D to the Order identifies a Deferred Tax Principal balance of \$493,344,701 associated with this stranded cost determination. The Order contains no equivalent breakout of the individual components of the deferred tax total comparable to that of stranded costs presented in Attachment B.

The April 13, 1998 Exceptions of Duquesne to the ALJ Recommended Decision included an Appendix B that presented a Revised Exhibit No. DJC-10 summarizing the stranded cost recommendations of Duquesne, the OCA and the ALJ. Appendix B presented both Gross and Net stranded cost components, and the deferred tax balances associated with each component.

Duquesne believes the Commission has referred to the component breakout presented in Appendix B to Duquesne's Exceptions in deriving the deferred tax total presented in Attachment D to the Order. However, the Company has been unable to replicate the derivation of the Order's \$493,344,701 deferred tax balance.

The attached table "Stranded Cost Allowance with Associated Deferred Taxes" is based on Attachment B to the Commission's Order and Appendix B of Duquesne's Exceptions. The table presents an associated deferred tax balance for each component allowed by the Commission in the merger case. These balances are based on the deferred tax recommendations of the ALJ (for components allowed by the Order) as set out in Revised Exhibit No. DJC-10, except as otherwise shown in the Notes on Deferred Taxes below.

Notes on Deferred Taxes:

- 1) The balance of \$411.34 MM reflects an addition of \$2.56 MM (to the ALJ's balance of \$408.78 MM) for deferred taxes associated with the Warwick Mine plant balance, that was allowed by the Order, but not included in the ALJ's recommended decision. Note that deferred taxes associated with Brunot Island and Phillips were not included in the ALJ balance of \$408.92 MM. See Note ALJ-1, Appendix B, DLC Exceptions.
- 2) The Order determined a generation market value of \$110.95 MM, less than the \$286.03 MM value recommended by the ALJ. In Appendix B, the associated reduction in the deferred taxes associated with the ALJ's recommended market value is \$202.86 MM. Duquesne has calculated an inputted reduction of \$78.69 MM for the Order's market value based on a tax rate of 41.4935%.
- 3) The Order has adopted the OCA's recommended value for certain Regulatory Assets. The deferred tax balances reflect the OCA's values shown in Appendix B, DLC Exceptions.
- 4) The deferred taxes associated with the Deferred Fuel Costs reflect the Order's value of \$6.73 MM and have not been updated through May 29, 1998.

Stranded Cost Allowance
with Associated Deferred Taxes
(\$Millions)

EXHIBIT A
PAGE 44 OF 49

<u>Category/Item:</u>	<u>Deferred Taxes</u>	<u>Amount</u>
Duquesne Light Restructuring		
Book Value:		
Generating Plant Book Value (1)	\$ 411.34	\$ 852.03
Beaver Valley 2 Lease PV	\$ 213.01	\$ 300.35
M&S Fuel Related Sunk Costs	-	-
Working Capital	-	\$ 61.53
Costs Independent of Operation	-	-
Generation Market Value (2)	\$ (78.69)	\$ (110.95)
Merger Savings	\$ (107.99)	\$ (152.28)
Total Stranded Generation:	\$ 437.87	\$ 880.88
Decommissioning:		
Nuclear Decommissioning	-	\$ 42.96
Fossil Decommissioning	-	-
Total Decommissioning	\$ -	\$ 42.96
Regulatory Assets:		
FAS 109 (including Plant reversal)	\$ 57.48	\$ 179.00
Post '05 Unamortized Debt Costs (3)	\$ 10.67	\$ 18.67
Pre '06 Unamortized Debt Costs (3)	\$ 6.82	\$ 9.61
Deferred Rate Synch. (Early Window)	\$ 1.87	\$ 23.50
Deferred Employee Costs	-	\$ 14.24
Deferred Nuclear Maintenance	\$ 1.35	\$ 1.90
US DOE Decommissioning	\$ 2.33	\$ 3.25
Deferred Coal Costs	-	-
Deferred Costaker Costs	-	-
Pre-Accrued Nuclear Outage	-	-
BV2 Training Costs	\$ 0.84	\$ 1.58
Low Level Radioactive Waste	-	\$ 2.27
Coal Cost Equalization	-	\$ 0.12
Transition Costs	\$ 7.51	\$ 10.59
SFAS 106 Deferral (3)	\$ 1.40	\$ 1.97
Deferred Fuel Costs (4)	\$ 4.78	\$ 6.73
Other Regulatory Assets	-	\$ 0.53
Consumer Education	-	\$ 10.00
Sale-Leaseback Tax Effect (Gain)	-	\$ 55.13
Deferred Rate Synch. Costs	-	-
BV2 Tax Effect	-	\$ 0.17
Total Regulatory Assets:	\$ 95.05	\$ 339.26
PA Jurisdictional % (1-FERC Allocation)	99.900%	99.900%
TOTAL STRANDED, WITH MERGER AND JURISDICTIONAL ALLOCATION	\$532.188	\$ 1,331.567

APPENDIX B
 Revised Exhibit No. DJC-10
 (w/ Gross and Def. Tax)
 (All PV Amounts)

Duquesne Light Company

Total Stranded Cost Determination
 As of December 31, 1998
 (\$ Millions)

	Gross	DLCo Def Tax	Net	Gross	OCA Def. Tax	Net	Gross	ALJ Def. Tax	Net	Notes
Generating Plant										
Net Book Value of Gen Plant	\$1,370.53	\$452.92	\$917.61	\$1,365.94	\$452.92	\$913.02	\$1,257.33	\$408.78	\$848.55	(ALJ-1)
Working Capital	0.00	0.00	0.00	61.53	0.00	61.53	61.53	0.00	61.53	(ALJ-2)
M&S and Fuel-Related Sunk Costs	41.11	0.00	41.11	0.00	0.00	0.00	41.11	0.00	41.11	(ALJ-3)
PV of BV2 Lease Expense (1)	475.57	197.33	278.24	513.36	213.01	300.35	513.36	213.01	300.35	(ALJ-4)
Net Book Value	1,887.21	650.25	1,236.96	1,940.83	665.93	1,274.90	1,873.33	621.79	1,251.54	
PV of Decommissioning	123.90	0.00	123.90	44.47	0	44.47	44.47	0.00	44.47	(ALJ-5)
PV of Costs Independent of Operation	208.23	0.00	208.23	0	0	0.00	208.23	0.00	208.23	(ALJ-6)
Estimated Market Value	(46.83)	(19.43)	(27.40)	(511.17)	(212.10)	(299.07)	(488.88)	(202.86)	(286.03)	(ALJ-7)
Stranded Generating Plant	2,172.51	630.82	1,541.69	1,474.13	453.83	1,020.30	1,637.14	418.93	1,218.21	
Regulatory Assets										
SFAS 109	\$236.48	\$57.48	\$179.00	\$236.48	\$57.48	\$179.00	\$236.48	\$57.48	\$179.00	(ALJ-8)
Post-2005 - Unamortized Debt Cost	29.92	10.88	19.04	29.34	10.67	18.67	29.92	10.88	19.04	(ALJ-9)
Pre-2006 - Unamortized Debt Cost	16.76	6.96	9.80	18.43	6.82	9.61	18.78	6.96	9.80	(ALJ-9)
Deferred Rate Sync Costs	25.37	1.87	23.50	26.52	1.95	24.57	25.37	1.87	23.50	(ALJ-10)
Deferred Employee Costs	13.83	0.00	13.83	14.24	0.00	14.24	13.83	0.00	13.83	(ALJ-10)
Deferred Nuclear Maintenance	3.25	1.35	1.90	3.25	1.35	1.90	3.25	1.35	1.90	
DOE Decom and Decon	5.58	2.33	3.25	5.74	2.40	3.34	5.58	2.33	3.25	(ALJ-10)
Deferred Coal Costs	13.50	0.00	13.50	0.00	0.00	0.00	0.00	0.00	0.00	(ALJ-11)
Deferred Caretaker Costs	6.77	2.85	3.92	0.00	0.00	0.00	0.00	0.00	0.00	(ALJ-12)
BV2 Training Costs	2.42	0.84	1.58	2.42	0.84	1.58	2.42	0.84	1.58	
Low Level Rad Waste	2.27	0.00	2.27	2.27	0.00	2.27	2.27	0.00	2.27	
Coal Cost Equalization	0.12	0.00	0.12	0.12	0.00	0.12	0.12	0.00	0.12	
Other	0.53	0.00	0.53	0.53	0.00	0.53	0.53	0.00	0.53	
Pre-Accrue Nuclear Outages	17.60	7.31	10.29	0.00	0.00	0.00	17.60	7.31	10.29	(ALJ-13)
Gain on Sale/Leaseback	55.13	0.00	55.13	55.13	0.00	55.13	55.13	0.00	55.13	
Deferred Rate Sych Costs (Tax)	0.21	0.00	0.21	0.22	0.00	0.22	0.21	0.00	0.21	(ALJ-10)
BV-2 (Tax)	0.17	0.00	0.17	0.17	0.00	0.17	0.17	0.00	0.17	
Deferred Fuel Cost	11.51	4.78	6.73	11.84	4.92	6.92	11.51	4.78	6.73	(ALJ-10)
Transition Costs	18.10	7.51	10.59	18.20	7.61	10.59	18.10	7.51	10.59	(ALJ-14)
SFAS 106	3.28	1.36	1.92	3.37	1.40	1.97	0.00	0.00	0.00	(ALJ-15)
SFAS 109 Plant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(ALJ-16)
Total Regulatory Assets	462.80	105.52	357.28	426.27	95.44	330.83	439.25	101.31	337.94	
Total Stranded Cost (Standalone)	\$2,635.31	\$736.34	\$1,898.97	\$1,900.40	\$549.27	\$1,351.13	\$2,076.39	\$520.24	\$1,556.15	
Merger Savings	0.00	0.00	0.00	(280.27)	(107.89)	(152.28)	(280.27)	(107.89)	(152.28)	(ALJ-17)
Total Stranded Cost (w/ Merger Savings)	\$2,635.31	\$736.34	\$1,898.97	\$1,620.13	\$441.38	\$1,168.75	\$1,796.12	\$412.35	\$1,383.77	

Stand Alone Base Case

<u>Category/Item:</u>	<u>Deferred Taxes</u>	<u>Amount</u>
Duquesne Light Restructuring		
Book Value:		
Generating Plant Book Value	\$ 411.34	\$ 852.03
Beaver Valley 2 Lease PV	\$ 213.01	\$ 300.35
M&S Fuel Related Sunk Costs	\$ -	\$ -
Working Capital	\$ -	\$ 61.53
Costs Independent of Operation	\$ -	\$ -
Offset Credit	<u>\$ (114.09)</u>	<u>\$ (328.64)</u>
<u>Total Stranded Generation:</u>	\$ 510.26	\$ 885.27
<u>Decommissioning:</u>		
Nuclear Decommissioning	\$ -	\$ 42.96
Fossil Decommissioning	\$ -	\$ -
Total Decommissioning	<u>\$ -</u>	<u>\$ 42.96</u>
<u>Regulatory Assets:</u>		
FAS 109 (including Plant reversal)	\$ -	\$ -
Post '05 Unamortized Debt Costs	\$ 10.67	\$ 18.67
Pre '06 Unamortized Debt Costs	\$ 6.82	\$ 9.61
Deferred Rate Synch. (Early Window)	\$ 1.87	\$ 23.50
Deferred Employee Costs	\$ -	\$ 14.24
Deferred Nuclear Maintenance	\$ 1.35	\$ 1.90
US DOE Decommissioning	\$ 2.33	\$ 3.25
Deferred Coal Costs	\$ -	\$ -
Deferred Caretaker Costs	\$ -	\$ -
Pre-Accrued Nuclear Outage	\$ -	\$ -
BV2 Training Costs	\$ 0.84	\$ 1.58
Low Level Radioactive Waste	\$ -	\$ 2.27
Coal Cost Equalization	\$ -	\$ 0.12
Transition Costs	\$ 7.51	\$ 10.59
SFAS 106 Deferral	\$ 1.40	\$ 1.97
Deferred Fuel Costs	\$ 17.73	\$ 25.00
Other Regulatory Assets	\$ -	\$ 0.53
Consumer Education	\$ -	\$ 10.00
Sale-Leaseback Tax Effect (Gain)	\$ -	\$ 55.13
Deferred Rate Synch. Costs	\$ -	\$ -
BV2 Tax Effect	<u>\$ -</u>	<u>\$ 0.17</u>
<u>Total Regulatory Assets:</u>	\$ 50.52	\$ 178.53
PA Jurisdictional % (1-FERC Allocation)	99.900%	99.900%
TOTAL STRANDED, STAND ALONE	\$ 560.223	\$ 1,105.658
WITH JURISDICTIONAL ALLOCATION		

First Year Pilot Revenues

	Revenue Requirements		Allocation of Pilot Revenues
Average Monthly CTC	\$ 22,063,694	77.62%	\$ 22,063,694
Average Monthly Deferred Tax	\$ 6,360,475	22.38%	\$ 6,360,475
Total Monthly	\$ 28,424,169	100.00%	\$ 28,424,169

Total CTC Revenue Requirement: Return Of & On Stranded Costs + Return Of Unamortized Cost Deferred Tax Balance
 Total Monthly CTC Revenues based on Pilot Credit Average Residual CTC of \$0.027246.

Month	Monthly kwh	Deferred Tax	Stranded	Deferred Tax Beg. of Month	Stranded Cost Revenues	Deferred Tax Revenues	Total Monthly CTC Revenues	Def Tax %	Stranded %	Return %	Amort %
		\$ 560,222,955	\$ 1,105,658,356								
1	1,043,241,887	\$ 1,105,658,356	\$ 560,222,955	\$ 22,273,731	\$ 6,150,438	\$ 28,424,169	21.64%	78.36%	35.66%	42.70%	
2	1,043,241,887	\$ 1,093,519,826	\$ 554,072,517	\$ 22,238,312	\$ 6,187,857	\$ 28,424,169	21.77%	78.23%	35.27%	42.96%	
3	1,043,241,887	\$ 1,081,307,446	\$ 547,884,660	\$ 22,198,665	\$ 6,225,504	\$ 28,424,169	21.90%	78.10%	34.87%	43.23%	
4	1,043,241,887	\$ 1,069,020,766	\$ 541,659,157	\$ 22,160,789	\$ 6,263,380	\$ 28,424,169	22.04%	77.96%	34.48%	43.49%	
5	1,043,241,887	\$ 1,056,859,334	\$ 535,395,777	\$ 22,122,683	\$ 6,301,488	\$ 28,424,169	22.17%	77.83%	34.08%	43.75%	
6	1,043,241,887	\$ 1,044,222,696	\$ 529,094,291	\$ 22,084,345	\$ 6,339,824	\$ 28,424,169	22.30%	77.70%	33.68%	44.02%	
7	1,043,241,887	\$ 1,031,710,393	\$ 522,754,467	\$ 22,045,773	\$ 6,378,395	\$ 28,424,169	22.44%	77.56%	33.27%	44.29%	
8	1,043,241,887	\$ 1,019,121,965	\$ 516,376,072	\$ 22,006,967	\$ 6,417,202	\$ 28,424,169	22.58%	77.42%	32.87%	44.56%	
9	1,043,241,887	\$ 1,006,456,949	\$ 509,958,870	\$ 21,967,925	\$ 6,456,244	\$ 28,424,169	22.71%	77.29%	32.46%	44.83%	
10	1,043,241,887	\$ 993,714,879	\$ 503,502,627	\$ 21,928,645	\$ 6,495,523	\$ 28,424,169	22.85%	77.15%	32.05%	45.10%	
11	1,043,241,887	\$ 980,895,287	\$ 497,007,103	\$ 21,889,126	\$ 6,535,042	\$ 28,424,169	22.99%	77.01%	31.63%	45.38%	
12	1,043,241,887	\$ 967,997,701	\$ 490,472,061	\$ 21,849,367	\$ 6,574,801	\$ 28,424,169	23.13%	76.87%	31.22%	45.65%	

Ending Deferred Tax Balance	\$ 483,897,260
Ending Stranded Balance	\$ 955,021,646

Decomposition of Pilot Revenues

Month	Return	Recovery	Ending Balance
1	\$ 10,135,202	\$ 12,138,529	\$ 1,093,519,826
2	\$ 10,023,932	\$ 12,212,380	\$ 1,081,307,446
3	\$ 9,911,985	\$ 12,286,680	\$ 1,069,020,766
4	\$ 9,799,357	\$ 12,361,432	\$ 1,056,659,334
5	\$ 9,686,044	\$ 12,436,639	\$ 1,044,222,696
6	\$ 9,572,041	\$ 12,512,303	\$ 1,031,710,393
7	\$ 9,457,345	\$ 12,588,428	\$ 1,019,121,965
8	\$ 9,341,951	\$ 12,665,016	\$ 1,006,456,949
9	\$ 9,225,855	\$ 12,742,069	\$ 993,714,879
10	\$ 9,109,053	\$ 12,819,592	\$ 980,895,287
11	\$ 8,991,540	\$ 12,897,586	\$ 967,997,701
12	\$ 8,873,312	\$ 12,976,055	\$ 955,021,646

Duquesne Light Company

CTC, T&D and Shopping Credit in Cents per kwh

Pre-Tax Return: 11.00%

Year	kwh consumed (1)	CTC Revenue Requirement (2)	CTC Rate With GRT (3)	T&D Rate (4)	Bundled Rate Today (5)	Shopping Credit (6)
1999	12,518,902,647	\$ 341,090,023	2.85	2.140	8.78	3.79
2000	13,396,867,288	\$ 309,939,205	2.42	2.140	8.78	4.22
2001	13,617,281,321	\$ 303,322,219	2.33	2.140	8.78	4.31
2002	13,845,460,353	\$ 296,492,227	2.24	2.140	8.78	4.40
2003	14,082,528,386	\$ 288,106,000	2.14	2.140	8.78	4.50
2004	14,331,562,413	\$ 278,129,767	2.03	2.140	8.78	4.61
2005	14,587,560,447	\$ 263,573,878	1.89	2.140	8.78	4.75

Notes

- (1) OCA's retail kWh for 1999 (PaPUC-mandated level) Thereafter, Duquesne's sales forecast was used.
- (2) CTC collections in 1999 are calculated as a residual using methodology from the pilot Thereafter, the CTC rates (post-auction) are set at levels to produce shopping credits in the May PaPUC order The length of the CTC recovery period will be shortened or lengthened depending on the results of Duquesne's auction of generating assets and actual retail sales
- (3) GRT Gross up is $1/(1-GRT)$, or 1.0460251, to reflect payment of the portion of the GRT on the GRT revenue receipt.
- (4) Figures are illustrative beyond June 2001 when the cap on non-generation charges expires
- (5) The ECR roll-in in bundled rates is based on the PaPUC-mandated level of fuel and purchased power costs of \$12.80 per MWH.
- (6) Shopping credits in 1999 are based on the pilot methodology Thereafter, shopping credits (post-auction) are set at levels consistent with the May PaPUC Order Shopping credits include energy and capacity, T&D losses, ancillary services, and GRT.

Post-Auction CTC Calculation							
Total CTC Revenue Requirement: Return Of & On Stranded Costs + Return Of Unamortized Cost Deferred Tax Balance							
After Market Value Offset Credit and Deferred Tax Offset Credit							
	Deferred Tax	\$	483,897,260			Monthly Return:	Annual Return:
	Stranded	\$	955,021,646			0.9167%	11.000%
Month	Monthly kwh	Stranded Beg. of Month	Deferred Tax Beg. of Month	Stranded Cost Revenue Requirement	Deferred Tax Revenue Req.	Deferred Tax Revenue Req.	Total Monthly Revenue Req.
13	1,116,405,607	\$ 955,021,646	\$ 483,897,260	\$ 20,086,446	\$ 5,741,821	\$ 5,741,821	\$ 25,828,267
14	1,116,405,607	\$ 943,689,565	\$ 478,155,439	\$ 20,051,513	\$ 5,776,754	\$ 5,776,754	\$ 25,828,267
15	1,116,405,607	\$ 932,288,539	\$ 472,378,685	\$ 20,016,368	\$ 5,811,900	\$ 5,811,900	\$ 25,828,267
16	1,116,405,607	\$ 920,818,150	\$ 466,566,786	\$ 19,981,008	\$ 5,847,259	\$ 5,847,259	\$ 25,828,267
17	1,116,405,607	\$ 909,277,975	\$ 460,719,526	\$ 19,945,433	\$ 5,882,834	\$ 5,882,834	\$ 25,828,267
18	1,116,405,607	\$ 897,667,590	\$ 454,836,693	\$ 19,909,642	\$ 5,918,625	\$ 5,918,625	\$ 25,828,267
19	1,116,405,607	\$ 885,986,567	\$ 448,918,068	\$ 19,873,633	\$ 5,954,634	\$ 5,954,634	\$ 25,828,267
20	1,116,405,607	\$ 874,234,477	\$ 442,963,434	\$ 19,837,405	\$ 5,990,862	\$ 5,990,862	\$ 25,828,267
21	1,116,405,607	\$ 862,410,888	\$ 436,972,572	\$ 19,800,957	\$ 6,027,310	\$ 6,027,310	\$ 25,828,267
22	1,116,405,607	\$ 850,515,364	\$ 430,945,262	\$ 19,764,287	\$ 6,063,980	\$ 6,063,980	\$ 25,828,267
23	1,116,405,607	\$ 838,547,467	\$ 424,881,282	\$ 19,727,394	\$ 6,100,873	\$ 6,100,873	\$ 25,828,267
24	1,116,405,607	\$ 826,506,759	\$ 418,780,409	\$ 19,690,276	\$ 6,137,991	\$ 6,137,991	\$ 25,828,267
25	1,134,773,443	\$ 814,392,794	\$ 412,642,418	\$ 19,286,954	\$ 5,989,898	\$ 5,989,898	\$ 25,278,852
26	1,134,773,443	\$ 802,571,108	\$ 406,652,521	\$ 19,250,512	\$ 6,026,340	\$ 6,026,340	\$ 25,278,852
27	1,134,773,443	\$ 790,677,498	\$ 400,626,181	\$ 19,213,847	\$ 6,063,004	\$ 6,063,004	\$ 25,278,852
28	1,134,773,443	\$ 778,711,527	\$ 394,563,177	\$ 19,176,960	\$ 6,099,891	\$ 6,099,891	\$ 25,278,852
29	1,134,773,443	\$ 766,672,756	\$ 388,463,285	\$ 19,139,848	\$ 6,137,003	\$ 6,137,003	\$ 25,278,852
30	1,134,773,443	\$ 754,560,741	\$ 382,326,282	\$ 19,102,511	\$ 6,174,341	\$ 6,174,341	\$ 25,278,852
31	1,134,773,443	\$ 742,375,037	\$ 376,151,941	\$ 19,064,946	\$ 6,211,905	\$ 6,211,905	\$ 25,278,852
32	1,134,773,443	\$ 730,115,195	\$ 369,940,036	\$ 19,027,153	\$ 6,249,698	\$ 6,249,698	\$ 25,278,852
33	1,134,773,443	\$ 717,780,765	\$ 363,690,338	\$ 18,989,130	\$ 6,287,721	\$ 6,287,721	\$ 25,278,852
34	1,134,773,443	\$ 705,371,291	\$ 357,402,616	\$ 18,950,876	\$ 6,325,976	\$ 6,325,976	\$ 25,278,852
35	1,134,773,443	\$ 692,886,319	\$ 351,076,641	\$ 18,912,389	\$ 6,364,463	\$ 6,364,463	\$ 25,278,852
36	1,134,773,443	\$ 680,325,388	\$ 344,712,178	\$ 18,873,667	\$ 6,403,184	\$ 6,403,184	\$ 25,278,852
37	1,153,788,363	\$ 667,688,037	\$ 338,308,993	\$ 18,456,951	\$ 6,250,735	\$ 6,250,735	\$ 24,707,686
38	1,153,788,363	\$ 655,351,560	\$ 332,058,258	\$ 18,418,921	\$ 6,288,765	\$ 6,288,765	\$ 24,707,686
39	1,153,788,363	\$ 642,940,029	\$ 325,769,494	\$ 18,380,660	\$ 6,327,025	\$ 6,327,025	\$ 24,707,686
40	1,153,788,363	\$ 630,452,985	\$ 319,442,468	\$ 18,342,167	\$ 6,365,519	\$ 6,365,519	\$ 24,707,686
41	1,153,788,363	\$ 617,889,971	\$ 313,076,950	\$ 18,303,439	\$ 6,404,247	\$ 6,404,247	\$ 24,707,686
42	1,153,788,363	\$ 605,250,523	\$ 306,672,703	\$ 18,264,476	\$ 6,443,210	\$ 6,443,210	\$ 24,707,686
43	1,153,788,363	\$ 592,534,177	\$ 300,229,493	\$ 18,225,275	\$ 6,482,410	\$ 6,482,410	\$ 24,707,686
44	1,153,788,363	\$ 579,740,465	\$ 293,747,083	\$ 18,185,836	\$ 6,521,849	\$ 6,521,849	\$ 24,707,686
45	1,153,788,363	\$ 566,868,916	\$ 287,225,234	\$ 18,146,158	\$ 6,561,528	\$ 6,561,528	\$ 24,707,686
46	1,153,788,363	\$ 553,919,057	\$ 280,663,705	\$ 18,106,237	\$ 6,601,448	\$ 6,601,448	\$ 24,707,686
47	1,153,788,363	\$ 540,890,411	\$ 274,062,257	\$ 18,066,074	\$ 6,641,611	\$ 6,641,611	\$ 24,707,686
48	1,153,788,363	\$ 527,782,499	\$ 267,420,646	\$ 18,025,667	\$ 6,682,019	\$ 6,682,019	\$ 24,707,686
49	1,173,544,032	\$ 514,594,839	\$ 260,738,627	\$ 17,521,180	\$ 6,487,654	\$ 6,487,654	\$ 24,008,833
50	1,173,544,032	\$ 501,790,779	\$ 254,250,973	\$ 17,481,709	\$ 6,527,124	\$ 6,527,124	\$ 24,008,833
51	1,173,544,032	\$ 488,908,818	\$ 247,723,848	\$ 17,441,998	\$ 6,566,835	\$ 6,566,835	\$ 24,008,833
52	1,173,544,032	\$ 475,948,485	\$ 241,157,013	\$ 17,402,045	\$ 6,606,788	\$ 6,606,788	\$ 24,008,833
53	1,173,544,032	\$ 462,909,301	\$ 234,550,225	\$ 17,361,850	\$ 6,646,984	\$ 6,646,984	\$ 24,008,833
54	1,173,544,032	\$ 449,790,786	\$ 227,903,241	\$ 17,321,410	\$ 6,687,424	\$ 6,687,424	\$ 24,008,833
55	1,173,544,032	\$ 436,592,459	\$ 221,215,818	\$ 17,280,723	\$ 6,728,110	\$ 6,728,110	\$ 24,008,833
56	1,173,544,032	\$ 423,313,833	\$ 214,487,708	\$ 17,239,790	\$ 6,769,044	\$ 6,769,044	\$ 24,008,833
57	1,173,544,032	\$ 409,954,420	\$ 207,718,664	\$ 17,198,607	\$ 6,810,226	\$ 6,810,226	\$ 24,008,833
58	1,173,544,032	\$ 396,513,729	\$ 200,908,438	\$ 17,157,174	\$ 6,851,660	\$ 6,851,660	\$ 24,008,833
59	1,173,544,032	\$ 382,991,264	\$ 194,056,778	\$ 17,115,488	\$ 6,893,345	\$ 6,893,345	\$ 24,008,833
60	1,173,544,032	\$ 369,386,529	\$ 187,163,433	\$ 17,073,549	\$ 6,935,284	\$ 6,935,284	\$ 24,008,833
61	1,194,296,868	\$ 355,699,024	\$ 180,228,148	\$ 16,479,580	\$ 6,697,901	\$ 6,697,901	\$ 23,177,481
62	1,194,296,868	\$ 342,480,018	\$ 173,530,247	\$ 16,438,830	\$ 6,738,651	\$ 6,738,651	\$ 23,177,481
63	1,194,296,868	\$ 329,180,589	\$ 166,791,596	\$ 16,397,832	\$ 6,779,649	\$ 6,779,649	\$ 23,177,481
64	1,194,296,868	\$ 315,800,246	\$ 160,011,948	\$ 16,356,584	\$ 6,820,896	\$ 6,820,896	\$ 23,177,481
65	1,194,296,868	\$ 302,338,497	\$ 153,191,052	\$ 16,315,086	\$ 6,862,394	\$ 6,862,394	\$ 23,177,481
66	1,194,296,868	\$ 288,794,847	\$ 146,328,657	\$ 16,273,336	\$ 6,904,145	\$ 6,904,145	\$ 23,177,481
67	1,194,296,868	\$ 275,168,798	\$ 139,424,512	\$ 16,231,331	\$ 6,946,150	\$ 6,946,150	\$ 23,177,481
68	1,194,296,868	\$ 261,459,847	\$ 132,478,362	\$ 16,189,070	\$ 6,988,410	\$ 6,988,410	\$ 23,177,481
69	1,194,296,868	\$ 247,667,492	\$ 125,489,952	\$ 16,146,553	\$ 7,030,927	\$ 7,030,927	\$ 23,177,481
70	1,194,296,868	\$ 233,791,224	\$ 118,459,025	\$ 16,103,777	\$ 7,073,704	\$ 7,073,704	\$ 23,177,481
71	1,194,296,868	\$ 219,830,534	\$ 111,385,321	\$ 16,060,741	\$ 7,116,740	\$ 7,116,740	\$ 23,177,481
72	1,194,296,868	\$ 205,784,906	\$ 104,268,581	\$ 16,017,443	\$ 7,160,038	\$ 7,160,038	\$ 23,177,481
73	1,215,630,037	\$ 191,653,825	\$ 97,108,543	\$ 15,168,810	\$ 6,795,680	\$ 6,795,680	\$ 21,964,490
74	1,215,630,037	\$ 178,241,843	\$ 90,312,863	\$ 15,127,465	\$ 6,837,025	\$ 6,837,025	\$ 21,964,490
75	1,215,630,037	\$ 164,748,261	\$ 83,475,838	\$ 15,085,868	\$ 6,878,621	\$ 6,878,621	\$ 21,964,490
76	1,215,630,037	\$ 151,172,585	\$ 76,597,217	\$ 15,044,019	\$ 6,920,471	\$ 6,920,471	\$ 21,964,490
77	1,215,630,037	\$ 137,514,315	\$ 69,676,746	\$ 15,001,915	\$ 6,962,575	\$ 6,962,575	\$ 21,964,490
78	1,215,630,037	\$ 123,772,948	\$ 62,714,171	\$ 14,959,555	\$ 7,004,935	\$ 7,004,935	\$ 21,964,490
79	1,215,630,037	\$ 109,947,979	\$ 55,708,235	\$ 14,916,937	\$ 7,047,553	\$ 7,047,553	\$ 21,964,490
80	1,215,630,037	\$ 96,038,899	\$ 48,661,682	\$ 14,874,059	\$ 7,090,430	\$ 7,090,430	\$ 21,964,490
81	1,215,630,037	\$ 82,045,196	\$ 41,571,252	\$ 14,830,921	\$ 7,133,568	\$ 7,133,568	\$ 21,964,490
82	1,215,630,037	\$ 67,966,355	\$ 34,437,683	\$ 14,787,521	\$ 7,176,959	\$ 7,176,959	\$ 21,964,490
83	1,215,630,037	\$ 53,801,959	\$ 27,260,714	\$ 14,743,856	\$ 7,220,634	\$ 7,220,634	\$ 21,964,490
84	1,237,187,874	\$ 39,551,187	\$ 20,040,081	\$ 14,699,926	\$ 7,264,564	\$ 7,264,564	\$ 21,964,490
85	1,237,187,874	\$ 25,213,813	\$ 12,775,517	\$ 14,521,752	\$ 7,240,877	\$ 7,240,877	\$ 21,762,630
86	1,237,187,874	\$ 10,923,188	\$ 5,534,640	\$ 14,477,693	\$ 7,284,931	\$ 7,284,931	\$ 21,762,630

Duquesne Light Company

Legal Fees	Incurred as of 6/30/00	Estimate to Complete	Total
Baker & Botts, L.L.P.	45,701.84		45,701.84
Baker & Hostetler LLP		25,000.00	25,000.00
Bingham Dana L.L.P.	12,630.35		12,630.35
Cohen & Grigsby	2,396.00		2,396.00
Dechert Price & Rhoads	5,204.10		5,204.10
Eckert Seamans Cherin & Mellott	82,949.78	5,571.95	88,521.73
Edison Capital	9,359.63		9,359.63
Frank, Bails, Kirk, Muroko & Teal, PC	32,638.66		32,638.66
Gould & Wilkie, LLP	107,359.23		107,359.23
Kirkpatrick & Lockhart, LLP	573,165.45	3,535.82	576,701.27
Lipecky, Wayne S.	1,187.50		1,187.50
Lovell White Durant	2,521.00		2,521.00
McDermott, Will, & Emery	2,146.96		2,146.96
Mertz Schmer and Lewis	-	3,339.00	3,339.00
Morgan, Lewis & Backius, LLP	292,421.55	584.48	293,006.03
Orreck Herrington & Sutcliffe	103,373.70		103,373.70
Pepper, Hamilton & Scheetz	1,486,340.62	249,942.96	1,736,283.58
Porter, Wright, Morris & Arthur	19,264.29		19,264.29
Reed, Smith, Shaw & McClay	175,463.08		175,463.08
Resources Capital - Dewey Basllantines Legal Fees	101,459.00		101,459.00
Sainovich, Santicola & Colafelta	2,935.01		2,935.01
Shaw, Pittman, Potts & Trowbridge	12,627.37		12,627.37
Skadden, Arps, Slate, Meager & Flom LLP	6,681,883.98	1,053,214.00	7,735,097.98
Sweeney, Metz, Fox, McGann & Schermer	5,000.00		5,000.00
Thelen, Reid & Priest, LLP	473,713.78		473,713.78
Webb, Ziesenheim, Logsdon	1,383.91	7,151.20	8,535.11
White & Case	11,285.70		11,285.70
Winston & Strawn	155,905.59		155,905.59
Winthrop, Stimson, Putman & Roberts	200,000.00	279,457.03	479,457.03
Wolfe, Block, Schorr & Solis Cohen, LLP	22,646.05		22,646.05
Wollmuth Maher and Deutsch	59,633.29		59,633.29
Total Legal Fees	10,682,597.42	1,627,796.44	12,310,393.86

Duquesne Light Company

Consulting Fees	Incurred as of 6/30/00	Estimate to Complete	Total
Arthur Anderson	273,800.00		273,800.00
Business Systems, Inc.	82,046.07	48,000.00	130,046.07
Ciber, Inc.	38,169.42		38,169.42
Clicks	10,140.53		10,140.53
Consultnet USA, Inc.	33,236.57		33,236.57
Dames & Moor	605,182.73		605,182.73
Deloitte & Touche	-	73,960.00	73,960.00
DePaul & Associates, Inc.	35,230.88		35,230.88
Financial Search Group, Ltd.	15,105.00		15,105.00
Hewitt Associates	15,453.00		15,453.00
Ikon Technology Services	16,035.50		16,035.50
Information Systems Services, Inc.	51,840.41		51,840.41
Innovative Decisions, Inc.	400,953.15	886,046.85	1,287,000.00
Investment Management Advisors	86,892.00		86,892.00
Lanier Litigation Service	386,935.48		386,935.48
Perelson and Weiner	17,400.00		17,400.00
Price, Waterhouse, Coopers	182,090.00		182,090.00
R. W. Beck, Inc.	1,497,164.79		1,497,164.79
Reed Consulting Group	5,155.76		5,155.76
Reflex Services, Inc.	456,651.73	91,700.00	548,351.73
Steve Wreschnig	60,000.00		60,000.00
The Northbridge Group	5,822,879.91	18,042.41	5,840,922.32
UMS Group	34,988.93		34,988.93
Wefa, Inc.	5,350.00		5,350.00
William M. Mercer, Inc.	13,800.60		13,800.60
Total Consulting Fees	10,146,502.46	1,117,749.26	11,264,251.72

Duquesne Light Company

Investment Banking Fees - Lehman Brothers

<u>Date Incurred</u>	<u>Amount</u>
6/9/00	4,653,333.00
10/6/99	<u>9,468,297.00</u>
	<u>14,121,630.00</u>



LEHMAN BROTHERS

JOSEPH Q. SALVAGE
MANAGING DIRECTOR

June 9, 2000

Mr. Morgan O'Brien
Executive Vice President of Corporate Development
Duquense Light Company
Cherrington Corporate Center
400 Fairway Drive, Suite 300
Moon Township, PA 15108

Dear Morgan,

Enclosed please find an invoice in the amount of \$9,468,297. This invoice covers our professional service fee for the remainder of the asset divestiture, as well as the out-of-pocket expenses which were previously submitted on an invoice dated February 2, 2000.

If you have any questions, please do not hesitate to call.

Best regards,

Sincerely,

Joe

*- FAX to
Stine Schett*

cc: RJC

*Pls make
transfer this
pymt. this
week - JQ*

JQS

*✓ charge against
asset divestiture
JQS JQO
6/13*

LEHMAN BROTHERS

June 9, 2000

INVOICE

Duquesne Light Company
Cherrington Corporate Center
400 Fairway Drive, Suite 300
Moon Township, PA 15108

Attention: Morgan O'Brien
Executive Vice President, Corporate Development

Pursuant to our engagement letter, professional fee associated with remainder of the asset divestiture, plus out-of-pocket expenses:

Professional Fee	\$9,000,000
Out-of-Pocket Expenses (see attached breakdown dated 2/2/00)	468,297
Total Due	<u>\$9,468,297</u>

Please remit as follows:

Wire

Please Wire Funds to:
Chase Manhattan Bank NA
New York, NY

For the account:
Lehman Brothers Inc.
Account No. 066-211-832
ABA 021-000-021
By order of DQE, Inc.

Under advice to:
Lehman Brothers Inc.
3 World Financial Center
New York, NY 10285-2400
Attn.: Carmine Pagano, 24th Floor

Check

Please forward check to:
Lehman Brothers Inc.
3 World Financial Center
New York, NY 10285-2400
Attn.: Steve McClatchey, 24th Floor

LEHMAN BROTHERS

February 2, 2000

INVOICE

DQE, Inc.
Cherrington Corporate Center
400 Fairway Drive, Suite 300
Moon Township, PA 15108

Attention: Mr. Morgan O'Brien
Executive Vice President of Corporate Development

Pursuant to engagement letter dated October 15, 2000, please find attached the following expenses relating to project:

Out-of-Pocket Expenses	
Travel, Lodging & Meals	\$212,800
Word Processing & Graphics	\$118,346
Information Retrieval	\$9,940
Communications & Couriers	\$25,519
Printing/Reproduction	\$90,988
Miscellaneous	<u>\$10,704</u>
Total Expenses Due	\$468,297

Please remit as follows:

By wire transfer:

Chase Manhattan Bank NA
New York, NY

For the account:

Lehman Brothers Inc. IBD Acct.
Account No. 066-211-832
ABA 021-000-021
By order of DQE, Inc

Under advice to:

Lehman Brothers Inc.
3 World Financial Center
New York, NY 10285-1500
Attn.: Carmine Pagano, 24th Floor

Or by check:

Lehman Brothers, Inc.
3 World Financial Center
New York, NY 10285-1500
Attn.: Steven McClatchey
Investment Banking Division 24th Floor

**Breakdown of Expenses for Duquesne Light Transaction
Prepared on February 2nd, 2000**

<u>Major Expense Category</u>	<u>Sub-Category</u>	<u>Amount</u>
Telecommunications/Couriers	Telecommunications	\$13,500.00
	Couriers	\$9,375.00
	Overtime (Secretarial)	\$2,644.00
	Information Retrieval	\$9,940.00
	TOTAL:	\$35,459.00
Travel and Entertainment	Travel	\$205,388.00
	Taxi & Limo Service	\$223.00
	Miscellaneous	\$7,189.00
	TOTAL:	\$212,800.00
Miscellaneous/Laptop Rentals	Temporary Help	\$2,943.00
	Laptop Rentals	\$7,761.00
	TOTAL:	\$10,704.00
Word Processing/Graphics	In-House	\$118,346.00
	External	\$0.00
	TOTAL:	\$118,346.00
Copying and Production	In-House	\$14,262.00
	External	\$76,726.00
	TOTAL:	\$90,988.00
GRAND TOTAL:		\$468,297.00

Duquesne Light Company

REQUEST FOR VOUCHER

FORM G23-10270 (2-93)

214075

DATE: October 6, 1999	DATE NEEDED: October 6, 1999	TELEPHONE EXT.: x6051	AMOUNT: \$4,653,333.00
---------------------------------	--	---------------------------------	----------------------------------

P	PAYEE NAME: Lehman Brothers	PAYEE EMPLOYEE NO.:
A	ADDRESS: Three World Financial Center	COMPANY PHONE EXT.:
Y	ADDRESS: 200 Vesey Street	
E	ADDRESS:	
E	CITY: New York,	STATE: NY
		ZIP CODE: 10285

IF CHECK IS TO BE SENT TO OTHER THAN ABOVE PAYEE, COMPLETE THE SECTION BELOW:

ROUTE VOUCHER CHECK TO: Sandy Davies	ROUTING EMP. NO.: 5753
DEPARTMENT/SECTION: V.P. & Controller	LOCATION: (10-410)

COMMENTS FOR CHECK/STUB (No more than 3 lines of 55 characters or spaces per line):

ADDITIONAL COMMENTS NOT TO APPEAR ON CHECK:

DETAILS ON FILE IN CONTROLLER'S OFFICE

AMOUNT INCLUDES 7% SALES TAX
 AMOUNT DOES NOT INCLUDE 7% SALES TAX

ACCOUNTING DISTRIBUTION

VENDOR NUMBER: 18130	PURCHASE ORDER NO.: 3	SERVICE ORDER NO.: 1	INVOICE NUMBER:
--------------------------------	---------------------------------	--------------------------------	-----------------

INTER CO NO	CLASS WORK	COST CENTER	WORK ORDER NUMBER	ACTIVITY CODE	STATION NUMBER	O.F.E. FILE OR VEHICLE NO	SALES TAX	COST ELEMENT	AMOUNT
		096		1823235				59	\$4,653,333.00
TOTAL									\$4,653,333.00

SIGNED		APPROVED		AUTHORIZED	
<i>Sandy Davies</i>		<i>M.K. O'Brien</i>			
DATE: October 6, 1999	EMP NO.: 5753	DATE: October 6, 1999	EMP. NO.: 1945	DATE:	EMP. NO.:

INSTRUCTIONS: This request form must be used for payments not supported by an invoice. Please indicate authorizing Purchase of Service Order number if required. This request must bear at least two signatures, the preparer's and an authorized signer.

Duquesne Light Company

411 Seventh Avenue
Pittsburgh, PA 15219
(412) 393-6125

Morgan K. O'Brien
Vice President - Finance

October 6, 1999

Mr. Joseph G. Sauvage
Managing Director
Lehman Brothers Inc.
Three World Financial Center
200 Vesey Street
New York, NY 10285

Dear Joe:

In connection with the Agreement dated October 15, 1998 between Lehman Brothers Inc. and Duquesne Light Company, enclosed is a check in the amount of \$4,653,333.00 which represents payment for services related to the Auction of Duquesne Light's Competitive Integrated Energy Supply Business. This payment is in accordance with Section 6b and represents the one-third payment due upon the execution of the Definitive Agreements.

If you have any questions, please give me a call at 412-393-6125. Congratulations on a great result and we look forward to our receipt of payment.

Sincerely,



Enclosure

Beaver Valley II Lease Termination Transaction Costs Workpaper

Introduction

In its May 29, 1998 Restructuring Order, the Commission adopted the "book value" approach to calculating stranded costs on DLC's Beaver Valley II Lease. The post-1998 lease expenses are present valued to 1/1/99 to calculate a book value for the lease, as if it were an owned generation asset. Then, the book value is reduced by \$63.66 MM to reflect DLC's accelerated amortization commitment from the Fort Martin settlement. The resulting value is added to the book value of other DLC owned generation and regulatory assets. Finally, the market value (either administratively determined or resulting from the auction) is netted to determine recoverable stranded costs. The Commission adopted the OCA's calculation of the Beaver Valley II Lease's book value (\$513.36 MM) contained in Thomas S. Caitlin's direct testimony (OCA Statement 3, at 10-11).

The following steps are necessary to fairly calculate transaction costs resulting from the lease termination:

- Review components of approved \$513.36 MM book value
- Determine required cash payments for lease termination
- Present value at 1/1/99 with consistent assumptions
- Calculate transaction costs as the difference at 1/1/99
- Restate transaction costs at auction closing date.

Components of \$513.36 MM Book Value

The components of the book value calculation used by the OCA are set out in Exhibit DJC-15, page 15 (copy attached) and consist of cash lease costs and amortization of lease premiums:

Year	Cash Lease Costs (\$MM)	Lease Premium I (\$MM)	Lease Premium II (\$MM)	Total Lease Costs (\$MM)
1999	46.00	0.4	1.5	47.9
2000	46.30	0.4	1.5	48.2
2001	46.30	0.4	1.5	48.2
2002	47.90	0.4	1.5	49.8
2003	53.80	0.4	1.5	55.7
2004	55.30	0.4	1.5	57.2
2005	55.30	0.4	1.5	57.2
2006	55.30	0.4	1.5	57.2
2007	55.30	0.4	1.5	57.2
2008	55.30	0.4	1.5	57.2
2009	55.30	0.4	1.5	57.2
2010	55.30	0.4	1.5	57.2
2011	55.30	0.4	1.5	57.2
2012	55.30	0.4	1.5	57.2
2013	55.30	0.4	1.5	57.2
2014	55.30	0.4	1.5	57.2
2015	55.30	0.4	1.5	57.2
2016	55.30	0.4	1.5	57.2
2017	28.70	0.0	0.1	28.8
OCA 1/1/99 Present Value	557.05	4.20	15.77	577.02

The present value of Total Lease Costs of \$577.02 MM is reduced by \$63.66 MM to obtain the book value of \$513.36 MM.

Required Cash Payments

To complete the FEC swap, DLC was required to make certain cash payments in order to unwind the Beaver Valley II lease:

- a. Lease payments on 6/01/99 and 12/01/99, and supplemental payments to terminate Beaver Valley II Trust on 11/23/99
- b. Special Termination Value buyout payments to Owner Participants on 11/23/99
- c. Tax indemnity payments to Owner Participants on 11/23/99
- d. Retirement of Collateral Lease Bonds on 5/01/00.

These payments, as detailed below, were made in place of the stream of Cash Lease Costs set out above.

a. Lease and Supplemental Payments

DLC made lease payments on two dates in 1999 to the seven separate Owner Participants, and made supplemental payments to two of the Owner Participants on the date of the equity buyout:

- On 6/1/99 the Basic Rent payments were paid to the Owner Participants totaling \$16,511,126.12
- On 12/1/99 the Basic Rent payments were paid to the Owner Participants totaling \$27,546,126.28
- On 11/23/99 the \$1,113,978.00 due as a Supplemental Payment under the leases was paid to the Owner Participants.

The total of these payments in 1999 was \$45,171,230.40 as compared to the forecast cash payments of \$46.00 MM shown in the table above and in DJC-15.

b. Special Termination Value

DLC exercised its rights to terminate the Beaver Valley II leases as a "Burdensome Termination" under Section 13(f) thereof – the equity buyout of the Owner Participants also required:

- 90 days notice prior to a Basic Rent payment date (i.e., 12/1/99)
- Payment of all Basic Rent then due and owing
- Payment of any amounts due under the Tax Indemnification Agreements.

The equity buyout was completed by:

- Assumption of the equity obligations under the Notes and the Indenture
- Payment of the Special Termination Value of \$592,803,508 (for 12/1/99) less the unpaid principal amount of \$359,236,000.00 of the Notes assumed.

The net equity buyout payment of \$233,567,508.00 was made on 11/23/99.

c. Tax Indemnity Payments

The Special Termination Value stipulated in the Beaver Valley II leases for 12/1/99 included the federal tax liability impacts on the Owner Participants – however,

- DLC was obligated under the Tax Indemnification Agreement to make the Owner Participants whole for additional state taxes resulting from the Burdensome Termination of the leases
- *The magnitude of the state tax liability was not a liquidated amount and depended on a review of the individual circumstances of each Owner Participant.*

In discussions with the individual Owner Participant's DLC determined the amount of state tax liability it was required to indemnify, and made payments totaling \$42,544,390.00 on 11/23/99.

d. Retirement of Collateral Lease Bonds

The Collateral Lease Bonds were retired on 5/1/00 to release the liens on the assets secured – the total costs of retirement were as follows:

- Principal amount of \$359,236,000.00
- Repurchase premium (@106.888%) of \$24,744,175.68
- Accrued interest payment of \$13,022,305.00.

The retirement of the Collateral Lease Bonds completed the termination of the Beaver Valley II leases.

Present Value of Required Cash Payments

The present value of all cash payments required to terminate the Beaver Valley II leases is set out below:

	Date	Amount	PV Factor @ 7.29%	PV @ 1/1/99
June Lease Payments	06/01/99	16,511,126	0.9713	16,037,415
December Lease Payments	12/01/99	27,546,126	0.9376	25,828,354
Supplemental Payments	11/23/99	1,113,978	0.9391	1,046,123
Special Termination	11/23/99	233,567,508	0.9391	219,340,291
Tax Indemnity	11/23/99	42,544,390	0.9391	39,952,898
Lease Bonds Face Amount	05/01/00	359,236,000	0.9106	327,107,128
Repurchase Premium	05/01/00	24,744,176	0.9106	22,531,139
Accrued Interest	05/01/00	13,022,305	0.9106	11,857,633
			Total	663,700,982

Transaction Costs

The 1/1/99 transaction cost associated with the lease termination is simply the difference between the required cash payments under termination and under the OCA book value calculation:

	Cash Lease Costs (\$MM)	Lease Premium I (\$MM)	Lease Premium II (\$MM)	Total Lease Costs (\$MM)
Termination Payments PV @ 1/1/99	633.70	4.20	15.77	683.67
OCA Book Calculation PV @ 1/1/99	557.05	4.20	15.77	577.02
			Transaction Costs @ 1/1/99	106.65

The present value of the non-cash amortization of the lease premiums is unaffected by the lease termination and is the same in both the Termination Payments Case and the OCA Book Calculation Case.

Restatement of Transaction Costs on Closing as \$117.06 MM

Under the Accounting Protocols, the Market Value Offset Credit is calculated by discounting the Net Auction Proceeds at 7.29% to 1/1/99 – therefore, if the lease termination costs are stated as a transaction cost that is calculated at 1/1/99, they must be restated as of the closing date. To properly restate the transaction costs the 1/1/99 value of \$106.65 MM needs to be carried forward for 483 days @ 7.29% (a discount factor of 1.0976). The resulting transaction costs of \$117.06 MM will be effectively discounted back to 1/1/99 by the Accounting Protocols and DLC will only receive credit for the \$106.65 MM in incremental cash payments. This is equivalent to restating the book value of the Beaver Valley II Lease at \$683.67 MM as of 1/1/99 for purposes of calculating stranded costs.

Duquesne Light Company

Beaver Valley Unit No. Lease Payments
(\$ Millions)

Year	Rent	Cash Exp.	Amortization Original Premium	Refinancing Premium	Total Lease exp	0.0783 PV 1999 to 2017 @ 7.83%	PV Factors @ 7.83%	Lease Pmt. Check	Total Lease Rev Req.	Amortization Amount	Future Value Check
1997	44.0	2.0	0.4	1.5	47.9						
1998	44.1	2.0	0.5	1.5	48.1						
1997 to 1998	88.1	4.0	0.9	3.0	96.0						
1999	44.0	2.0	0.4	1.5	47.9	46.1	0.9630	47.9	95.6	47.7	77.9
2000	44.3	2.0	0.4	1.5	48.2	43.0	0.8931	48.2	95.9	47.7	72.2
2001	44.3	2.0	0.4	1.5	48.2	39.9	0.8282	48.2	95.9	47.7	67.0
2002	45.9	2.0	0.4	1.5	49.8	38.3	0.7681	49.8	97.5	47.7	62.1
2003	51.8	2.0	0.4	1.5	55.7	39.7	0.7123	55.7	103.4	47.7	57.6
2004	53.3	2.0	0.4	1.5	57.2	37.8	0.6606	57.2	104.9	47.7	53.4
2005	53.3	2.0	0.4	1.5	57.2	35.0	0.6126	57.2	104.9	47.7	49.5
1999 to 2005	336.9	14.0	2.8	10.5	364.2	279.8	5.4379	51.5			439.7
								Levelized			
									2005 PV of Future Pmts		
2006	53.3	2.0	0.4	1.5	57.2	32.5	0.5681		55.1		
2007	53.3	2.0	0.4	1.5	57.2	30.1	0.5269		51.1		
2008	53.3	2.0	0.4	1.5	57.2	27.9	0.4886		47.4		
2009	53.3	2.0	0.4	1.5	57.2	25.9	0.4531		43.9		
2010	53.3	2.0	0.4	1.5	57.2	24.0	0.4202		40.7		
2011	53.3	2.0	0.4	1.5	57.2	22.3	0.3897		37.8		
2012	53.3	2.0	0.4	1.5	57.2	20.7	0.3614		35.0		
2013	53.3	2.0	0.4	1.5	57.2	19.2	0.3352		32.5		
2014	53.3	2.0	0.4	1.5	57.2	17.8	0.3108		30.1		
2015	53.3	2.0	0.4	1.5	57.2	16.5	0.2883		27.9		
2016	53.3	2.0	0.4	1.5	57.2	15.3	0.2673		25.9		
2017	26.7	2.0	0	0.1	28.8	7.1	0.2479		12.1		
2006 to 2016	613.0	24.0	4.4	16.6	658.0	259.4	Levelized Fut Pmts.	47.7	439.7		
Total	1,038.0	42.0	8.1	30.1	1,118.2	539.2					

Duquesne Light Company
Shippingport Power Station - Remediation

	Period Incurred	Vendor/Description	Internal Reference	Amount Incurred	Total
<u>Invoices</u>	Jul-99	Bumham Industries	197370	35,145.94	
	Jul-99	Bumham Industries	198826	17,127.78	
	Jul-99	Bumham Industries	198835	31,908.88	
	Jul-99	Bumham Industries	198836	21,491.80	
	Jul-99	Bumham Industries	198838	47,992.03	
	Jul-99	Bumham Industries	198843	70,462.79	
	Jul-99	Bumham Industries	198846	613.45	
	Aug-99	Bumham Industries	202303	79,299.15	
	Aug-99	Bumham Industries	202648	34,756.78	
	Aug-99	Bumham Industries	202738	89,796.96	
	Aug-99	Bumham Industries	202741	433.09	
	Aug-99	Bumham Industries	202744	9,139.96	
	Aug-99	Bumham Industries	202745	3,970.66	
	Aug-99	Bumham Industries	202748	614.93	
	Aug-99	Bumham Industries	202749	6,673.67	
	Aug-99	Bumham Industries	202752	4,108.86	
	Aug-99	Bumham Industries	202953	303.26	
	Aug-99	Bumham Industries	203009	28,763.18	
	Aug-99	Bumham Industries	203014	60,092.86	
	Aug-99	Bumham Industries	203019	99,638.36	
	Sep-99	Bumham Industries	207971	67,284.77	
	Sep-99	Bumham Industries	207973	72,009.26	
	Sep-99	Bumham Industries	207974	71,445.69	
	Sep-99	Bumham Industries	207975	65,085.32	
	Sep-99	Bumham Industries	207976	7,374.62	
	Sep-99	Bumham Industries	207977	11,993.26	
	Oct-99	Bumham Industries	216312	49,749.99	
	Oct-99	Bumham Industries	216314	44,605.28	
	Oct-99	Bumham Industries	216316	55,471.43	
	Oct-99	Bumham Industries	216318	59,233.12	
	Oct-99	Bumham Industries	216320	49,268.54	
	Oct-99	Bumham Industries	216323	57,342.02	
	Nov-99	Bumham Industries	222158	11,066.58	
	Nov-99	Bumham Industries	222224	32,733.55	
	Nov-99	Bumham Industries	222227	30,414.10	
	Nov-99	Bumham Industries	222233	27,931.86	
	Nov-99	Bumham Industries	222236	28,815.25	
	Nov-99	Bumham Industries	222237	11,811.60	
	Nov-99	Bumham Industries	222238	1,311.11	
	Nov-99	Bumham Industries	222239	6,439.04	
	Nov-99	Bumham Industries	222240	396.25	
	Nov-99	Bumham Industries	222241	37,623.11	
	Nov-99	Bumham Industries	222243	1,600.11	
	Nov-99	Bumham Industries	222244	213.94	
	Nov-99	Bumham Industries	222246	123.02	
	Nov-99	Bumham Industries	222249	819.42	
	Nov-99	Bumham Industries	222251	68,465.68	
	Aug-99	Foster Wheeler Zack, Inc.	203463	3,232.97	
	Aug-99	Jackson, Dav	202457	127.41	
	Sep-99	Jackson, Dav	209432	131.75	
	Oct-99	Jackson, Dav	215256	146.32	
	Oct-99	Sargent Electric	215499	14,837.00	
		Invoice Total:			1,531,437.76
<u>Labor</u>	Jun-99	Distribution of Labor		784.48	
	Jul-99	Distribution of Labor		3,781.47	
	Aug-99	Distribution of Labor		5,132.73	
	Sep-99	Distribution of Labor		3,633.74	
	Sep-99	Distribution of Labor		2,857.74	
	Nov-99	Distribution of Labor		85.34	
		Labor Total:			16,275.50
<u>Inventory</u>	Aug-99	SCIM Invtry Distrb		6,708.40	
	Sep-99	SCIM Invtry Distrb		447.83	
		Inventory Total:			7,156.23
					<u>1,554,869.49</u>

**Duquesne Light Company
Environmental Remediation Liability**

Expenditures	Mid-Year
Discount Rate	7.29%
Escalation Rate	2.50%

<u>Year</u>	<u>(Current \$)</u>	<u>(Nominal \$)</u>
2000	2,415,000	2,415,000
2001	694,000	711,350
2002	1,837,000	1,929,998
2003	679,000	731,209
2004	679,000	749,489
2005	679,000	768,226
2006	679,000	787,432
2007	697,000	828,514
2008	647,000	788,307
2009	627,000	783,037
2010	576,000	737,329
2011	543,000	712,463
2012	561,000	754,483
2013	547,000	754,046
2014	547,000	772,897
2015	547,000	792,219
2016	547,000	812,025
2017	547,000	832,325
2018	547,000	853,133
2019	547,000	874,462
2020	547,000	896,323
2021	547,000	918,731
2022	547,000	941,700
2023	547,000	965,242
2024	547,000	989,373
NPV @ Closing 4/28/00		<u>12,065,054</u>

DLCo Legacy Issues Cost
Attachment 1
(Non Inflated Cost)

Documen- tation Section	4/28/00 - 12/31/00	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ongoing
Kissick Landfill														
• Total misc.	76,000	110,000	103,000	103,000	103,000	103,000	103,000	103,000	58,000	51,000	51,000	51,000	51,000	51,000
• Total treatment facility	35,000	0	849,000	75,000	75,000	75,000	75,000	84,000	75,000	75,000	75,000	75,000	84,000	77,000
• Abandon monitoring wells	0	0	0	0	0	0	0	0	13,000	0	0	0	0	0
Total Kissick	111,000	110,000	952,000	178,000	178,000	178,000	178,000	187,000	146,000	126,000	126,000	126,000	135,000	128,000
Total Colfax	19,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Cheswick Impoundment (Emergency Ash Pond and Stilling Basin)														
• Total misc	61,000	111,000	565,000	181,000	181,000	181,000	181,000	190,000	181,000	181,000	181,000	181,000	190,000	183,000
• Total closure	2,014,000	153,000	0	0	0	0	0	0	0	0	0	0	0	0
• Abandon monitoring wells (\$4,000 for 2 in 2021)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
• Update PPC Plan	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cheswick Impoundment (Emergency Ash Pond and Stilling Basin)	2,080,000	264,000	565,000	181,000	181,000	181,000	181,000	190,000	181,000	181,000	181,000	181,000	190,000	183,000
Elrama Ash Disposal Site														
• Total misc.	105,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	107,000	100,000	100,000	100,000
• Abandon monitoring wells	4,000	0	0	0	0	0	0	0	0	0	4,000	0	0	0
Total Elrama	109,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	111,000	100,000	100,000	100,000
Phillips Ash Disposal Site														
• Total misc.	94,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	113,000	106,000	106,000	106,000
• Abandon monitoring wells	0	0	0	0	0	0	0	0	0	0	15,000	0	0	0
Total Phillips	94,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	128,000	106,000	106,000	106,000
Total Fiore & Sacco Landfill	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total annual legacy	2,415,000	694,000	1,837,000	679,000	679,000	679,000	679,000	697,000	647,000	627,000	576,000	543,000	561,000	547,000

Note: See the attached sheets for details.

**DLCo Legacy Issues Cost
Attachment 1
(Non Inflated Cost)**

Documen- tation Section		4/28/00 - 12/31/00	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ongoing
	Kissick Landfill														
8	• Misc.														
	• Certificate of Insurance, Notes 1, 2	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	0	0	0	0	0
	• Bond fee, Notes 1, 2	2,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	0	0	0	0	0
1	• Final closure administration fee to DEP, Note 5	0	0	0	0	0	0	0	0	7,000	0	0	0	0	0
	• Engineering, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• EAU, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
2	• Sampling & Analysis, Notes 1, 2, 6	28,000	42,000	42,000	42,000	42,000	42,000	42,000	42,000	0	0	0	0	0	0
2, 3	• Inspection & Reporting, Notes 1, 2, 7, 8	7,000	11,000	4,000	4,000	4,000	4,000	4,000	4,000	2,000	2,000	2,000	2,000	2,000	2,000
14	• Site repairs and maintenance (7 acres), Notes 3, 10	18,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
	• Taxes, Note 3	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	• Total misc.	76,000	110,000	103,000	103,000	103,000	103,000	103,000	103,000	58,000	51,000	51,000	51,000	51,000	51,000
4, 12	• Treatment Facility														
	• Capital														
	• Facility	0	0	450,000	0	0	0	0	0	0	0	0	0	0	0
	• Engineering study to divert stormwater flow from waste stream	35,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	• Modify site to divert stormwater flow	0	0	390,000	0	0	0	0	0	0	0	0	0	0	0
	• Repermitting, Note 9	0	0	9,000	0	0	0	0	9,000	0	0	0	0	9,000	2,000
	• Operating expense	0	0	0	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
	• Total treatment facility	35,000	0	849,000	75,000	75,000	75,000	75,000	84,000	75,000	75,000	75,000	75,000	84,000	77,000
5, 8	• Abandon monitoring wells (00-0, 08-6), Note 4	0	0	0	0	0	0	0	0	13,000	0	0	0	0	0
	Total Kissick	111,000	110,000	952,000	178,000	178,000	178,000	178,000	187,000	146,000	126,000	126,000	126,000	135,000	128,000

DLCo Legacy Issues Cost
Attachment 1
(Non Inflated Cost)

Documen- tation Section		4/28/00 - 12/31/00	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ongoing
	Coffax Landfill														
	• Misc.														
	• Engineering, Note 3	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	• EAU, Note 3	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
2	• Sampling & Analysis	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2, 3	• Inspection & Reporting, Note 7	1,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
14	• Site repairs and maintenance (15 acres), Notes 3, 10	11,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
	• Taxes, Note 3	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	• Total misc.	19,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
	Total Coffax	19,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
	Cheswick Impoundment (Emergency Ash Pond and Stilling Basin)														
	• Misc.														
	• Engineering, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• EAU, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• Certificate of insurance (thru 2020), Notes 1, 2	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	• Surety bond fee (thru 2020), Notes 1, 2	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
1	• Final closure administration fee to DEP (\$7,000 in 2021), Note 5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	• Repermitting	9,000	0	0	0	0	0	0	0	0	0	0	0	0	0
2	• Sampling & Analysis (thru 2020), Notes 1, 2, 6	13,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
2, 3	• Inspection & Reporting (thru 2020), Notes 1, 2, 7, 8	6,000	9,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
14	• Site repairs and maintenance (17.5 acres), Notes 3, 10, 11	0	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000
	• NPDES discharge point treatment options														

DLCO Legacy Issues Cost
Attachment I
(Non Inflated Cost)

Documen- tation Section		4/28/00 - 12/31/00	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ongoing
4, 12	• Treatment Facility														
	• Capital	0	0	450,000	0	0	0	0	0	0	0	0	0	0	0
	• Repermitting, Note 9	0	0	9,000	0	0	0	0	9,000	0	0	0	0	9,000	2,000
	• Operating expense	0	0	0	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
	• Total treatment facility	0	0	459,000	75,000	75,000	75,000	75,000	84,000	75,000	75,000	75,000	75,000	84,000	77,000
	• Taxes	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
	• Total misc.	61,000	111,000	565,000	181,000	181,000	181,000	181,000	190,000	181,000	181,000	181,000	181,000	190,000	183,000
	• Closure (Capital)														
6	• Construction Contractor	1,562,000	124,000	0	0	0	0	0	0	0	0	0	0	0	0
	• Contingency @ 10% Preconstruction	156,000	12,000	0	0	0	0	0	0	0	0	0	0	0	0
7	• Construction engineer, CQA & Preconst.	246,000	10,000	0	0	0	0	0	0	0	0	0	0	0	0
	• Construction Manager	50,000	7,000	0	0	0	0	0	0	0	0	0	0	0	0
	• Total closure	2,014,000	153,000	0	0	0	0	0	0	0	0	0	0	0	0
5, 9	• Abandon monitoring wells (00-0, 21-2), Note 4	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	• Update PPC Plan	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Cheswick Impoundment (Emergency Ash Pond and Stilling Basin)	2,080,000	264,000	565,000	181,000	181,000	181,000	181,000	190,000	181,000	181,000	181,000	181,000	190,000	183,000
	Elrama Ash Disposal Site														
11	• Misc.														
	• Engineering, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• EAU, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• Certificate of Insurance, Notes 1, 2	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	3,000	0	0	0	0
	• Bond fee, Notes 1, 2	2,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	0	0	0	0
1	• Final closure administration fee to DEP, Note 5	0	0	0	0	0	0	0	0	0	0	7,000	0	0	0

DLCo Legacy Issues Cost
Attachment 1
(Non Inflated Cost)

Documen- tation Section		4/28/00 - 12/31/00	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ongoing
2	• Sampling & Analysis, Notes 1, 2, 6	27,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	0	0	0	0
2, 3	• Inspection & Reporting, Notes 1, 2, 7, 8	5,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	3,000	3,000	3,000	3,000
14	• Site repairs and maintenance (32 acres), Note 3	51,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000	76,000
	• Taxes, Note 3	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	• Total misc.	105,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	107,000	100,000	100,000	100,000
5, 11	• Abandon monitoring wells (00-2, 10-2), Note 4	4,000	0	0	0	0	0	0	0	0	0	4,000	0	0	0
	Total Elrama	109,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	153,000	111,000	100,000	100,000	100,000
	Phillips Ash Disposal Site														
10	• Misc.														
	• Engineering, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• EAU, Note 3	7,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	• Certificate of insurance, Notes 1, 2	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	0	0	0	0
	• Bond fee, Notes 1, 2	3,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	0	0	0	0
1	• Final closure administration fee to DEP, Note 5	0	0	0	0	0	0	0	0	0	0	7,000	0	0	0
2	• Sampling & Analysis, Notes 1, 2, 6	13,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	0	0	0	0
2, 3	• Inspection & Reporting, Notes 1, 2, 7, 8	5,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	5,000	5,000	5,000	5,000
14	• Site repairs and maintenance (30 acres), Note 3	53,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
	• Taxes, Note 3	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
	• Total misc.	94,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	113,000	106,000	106,000	106,000
5, 10	• Abandon monitoring wells (00-0, 10-7), Note 4	0	0	0	0	0	0	0	0	0	0	15,000	0	0	0
	Total Phillips	94,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	137,000	128,000	106,000	106,000	106,000

**DLCo Legacy Issues Cost
Attachment 1
(Non Inflated Cost)**

Documen- tation Section		4/28/00 - 12/31/00	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Ongoing
	Total Fiore & Sacco Landfill	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
	Total annual legacy	2,415,000	694,000	1,837,000	679,000	679,000	679,000	679,000	697,000	647,000	627,000	576,000	543,000	561,000	547,000

Notes:

1. Post closure periods are as follows:
 - Kissick – 1998 thru 2007
 - Cheswick impoundment – 2001 thru 2020
 - Elrama – 2000 thru 2009
 - Phillips – 2000 thru 2009
2. Insurance, bonding, sampling, analysis, inspection and reporting are during post closure periods due to PA DEP closure approval letters. Due to company liability, we will continue to inspect and report after post-closure period.
3. Site repairs and maintenance, engineering, EAU and taxes are ongoing (forever)
4. Removed abandoned monitoring wells (well not in facility's permit) during 2000. Removed abandoned wells to prevent contamination of groundwater. Removed wells in permit at end of post-closure period.
5. Final closure administration fee after post-closure period.
6. Sampling and analysis. Two-year contract with Orion Power Midwest. Documentation Section 2, Task A&B.
7. Inspection and reporting. Two year contract with Earth Sciences (used average of two-year cost) (Documentation Section 3, Tasks C&D) plus two year contract with Orion Power Midwest (Documentation Section 2, Task D).
8. Inspection and reporting cost reduced due to elimination of Orion Power Midwest inspection cost (Documentation Section 2, Task D) after installation of treatment plant in 2002.
9. Repermitting required for treatment plant and every five years afterwards.
10. Cost based on Elrama Ash Disposal Site maintenance for 32-acre site.
11. No repair and maintenance for 2000. Cost included in closure of site during 5/00 through 12/00.

412 393 1267 P.02/12

Client copy



Aon Risk Services

Attention: Duquesne Light Company
 Joan Webster-Cohen, Risk Manager
 Suite 200, Mail Drop C4-2-1
 Cherrington Corp. Ctr-400 Fairway Drive
 Moon Township, PA 15108

Invoice Date	05/23/2000
Account Number	10034518
Invoice Number	000519-081764
Transaction Effective date	04/28/2000

Aon Risk Services, Inc. of Pennsylvania
 CNG Tower, 10th Floor
 625 Liberty Avenue
 Pittsburgh, PA 15222-3110
 TEL: 412-594-7500
 FAX: 412-562-9806

Your Aon Contact: Parry,Ronald J.

TERMS: PAYMENT IS DUE UPON EFFECTIVE DATE OF COVERAGE

Policy			Details of Coverage Provided (For billing and general information only. See policy/binder documents for full details of coverage provided.)			
Number	Effective	Expiration	Name of Insured	Insurer	Description	Premium
1 4761307	04/28/2000	04/28/2001	Duquesne Light Company	AMERICAN INTL SURPLUS LINES IN	POLLUTION LEGAL LIABILITY	423,819.00
1 4761307	04/28/2000	04/28/2001	Duquesne Light Company	AMERICAN INTL SURPLUS LINES	PA Surplus Lines Tax	12,714.57
1 4761307	04/28/2000	04/28/2001	Duquesne Light Company	AMERICAN INTL SURPLUS LINES	Stamping Fee	2,119.09
					<p>"The insurer which has issued this insurance is not licensed by the Pennsylvania Insurance Department and is subject to limited regulation. This insurance is NOT covered by the Pennsylvania Property and Casualty Insurance Guaranty Association." (AON Risk Services Inc. of Pennsylvania) 1650 Market Street, Philadelphia, Pennsylvania 19103</p>	
Total of this Invoice: (in US Dollars)						438,652.66

Comment: Coverages include insurance with a non-admitted insurer. State insurance guaranty laws may not apply in the event of insolvency of the insurer.

Please see reverse side for statement regarding compensation.

Prepared by: HEIBERD

JUL-14

DQE FINANCE GROUP

JUL-14-2000 18:14

412 393 1267 P.02/12



AIG Environmental
A Division of American International Companies®

PITTSBURGH BRANCH OFFICE
900 CNG Tower
Pittsburgh, PA 15222

Phone: 412 288-2186
Fax: 412 338-1343
E-mail: Jim.Dyson@aig.com

May 23, 2000

AON RISK SERVICES

MAY 23 2000

Mr. Ronald J. Parry
Senior Vice President
Aon Risk Services
1000 CNG Tower
Pittsburgh, PA 15222

**RE: Duquesne Light Company/Orion Power Midwest Transaction
Pollution Legal Liability Binder**

Dear Ron:

The following is our Pollution Legal Liability binder for the captioned transaction. Sudden and gradual pollution will be covered using the American International Specialty Lines Insurance Company (AISLIC) Claims-Made form #72187 (11/98), for the locations listed in Section V and defined by the Scheduled Locations Endorsement. Coverage will only be provided for the coverage sections listed below in Section I.

The Insurer with whom this insurance is to be placed is not licensed by the Pennsylvania insurance department and is subject to limited regulation: in the event of insolvency of an eligible Surplus Lines Insurer, losses will not be paid by the Pennsylvania Insurance Guaranty Association.

I. COVERAGE SECTION DESCRIPTION (Claims Made):

Coverage C: Third-Party Claims for On-Site Bodily Injury and Property Damage

Coverage F: Third-Party Claims for Off-Site Bodily Injury and Property Damage

Coverage G: Third-Party Claims for On-Site Clean-Up Costs – Non-Owned Locations

Coverage H: Third-Party Claims for Off-Site Bodily Injury, Property Damage or Clean-Up Costs – Non-Owned Locations

Coverage I: Pollution Conditions Resulting from Transported Cargo

II. LIMITS, DEDUCTIBLE, TERM AND PREMIUM OPTIONS:

Limits of Liability*	Deductible**	Term	Premium***
\$ 20MM / 20MM / 20MM	\$ 250,000	10 Year	\$ 423,819

* Total per Occurrence / Total per Coverage Section / Policy Aggregate
 ** Each Incident
 *** Premium is flat and excludes surplus lines tax and fee

- III. EFFECTIVE DATE: 04/28/00
- IV. NAMED INSURED: Duquesne Light Company
DQE, Inc.
- V. POLICY NUMBER: PLL 476 1307
- VI. COVERED LOCATIONS:
 - Niles, Ohio
 - Avon Lake Facility
 - New Castle, West Pittsburgh, PA
 - Elrama, PA Facility
 - Cheswick Facility, Springdale, PA
 - Brunot Island Facility, PA
 - Phillips Facility, South Heights, PA
 - Fern Valley Disposal Site, PA
 - Lefever Road Disposal Site, PA
 - Harwick Mine Complex and Monarch Mine Treatment Plant
 - Emergency Ash Pond & Stilling Basin
 - Springdale Township, PA
 - Kissick Disposal Site, PA
 - Colfax Disposal Site, PA
 - Phillips Disposal Site, PA
 - Elrama Disposal Site, PA
 - LeFever Road Disposal Site, PA
 - Fern Valley Disposal Site, PA

VII. The AISLIC Form will be modified as follows:

1. Any state required endorsements will be utilized.
2. A reverse Continuity date of Auction Closing Date will apply to coverage sections C, F, G, H and I, which triggers these coverage sections to pollution conditions that commence on or prior to the Auction Closing Date. The specimen attached will be broadened to include Coverage Sections G, H and I.
3. An amendment of Coverage Sections C, F and G to include the Natural Resource Damage Endorsement. Specimen attached.
4. Any Third-Party claims for Bodily Injury, Property Damage or Natural Resource Damage known at the time of policy inception will be excluded from coverage via manuscript endorsement wording.

VIII. Binding is subject to the following:

1. An original signed American International Companies application within 15 days of binding.
2. A satisfactory environmental risk assessment may be performed by AIG (at AIG's expense) during the policy period.
3. A current schedule of all covered locations must be submitted.
4. No Known Loss Letter to backdate to 04/28/00.

We appreciate your placing this business with AIG Environmental. Please call me should you have any questions.

Sincerely,



James D. Dyson

National Accounts Manager

**Duquesne Light Company
Incremental Transmission**

<u>Invoice Date</u>	<u>Transmission for the month of:</u>	<u>Invoice Amount</u>	<u>Non-Divestiture Related*</u>	<u>Divestiture Related**</u>
1/10/00	12/99	994,120.80	186,130.80	807,990.00
2/4/00	1/00	1,067,045.40	103,406.00	963,639.40
3/9/00	2/00	492,704.56	-	492,704.56
4/6/00	3/00	682,826.03	23,832.00	658,994.03
5/5/00	4/00	1,014,833.73	163,046.19	851,787.54
		<u>4,251,530.52</u>	<u>476,414.99</u>	<u>3,775,115.53</u>

* - Transmission access fee paid to FirstEnergy. Expense required to support power sales outside DLC service territory. These costs have not been claimed.

** - Transmission access fee paid to FirstEnergy. Incremental expense required to bring generation into DLC service territory to support native load.

Duquesne Light Company
Incremental Transmission
Opportunity Sales/Other Calculations

	Oasis#	Transmission			Scheduling			Total	Pro-rated	Total	
		Price/MW	MW	Total	Price/MW	MW	Total				
December 1999											
12/1 - 12/31	69356422	985	100.00	98,500.00	49.06	100.00	4,906.00	103,406.00	90% *	93,065.40	
12/1 - 12/31	69356430	985	100.00	98,500.00	49.06	100.00	4,906.00	103,406.00	90% *	<u>93,065.40</u>	186,130.80
January 2000											
1/1 - 1/31	69358739	985	100.00	98,500.00	49.06	100.00	4,906.00	103,406.00	100%	<u>103,406.00</u>	103,406.00
February 2000											
No transmission purchased for opportunity sales											
March 2000											
3/6 - 3/12	69380664	227	100.00	22,700.00	11.32	100.00	1,132.00	23,832.00	100%	<u>23,832.00</u>	23,832.00
April 2000											
4/30 - 5/7	69396324	219	300.00	65,700.00	11.32	300.00	3,396.00	69,096.00	100%	69,096.00	
4/28 - 4/30	Multiple							3,977.48	100%	3,977.48	
4/23 - 4/30	69394805	227	400.00	90,800.00	11.32	400.00	4,528.00	95,328.00	43% **	40,854.86	
4/1 - 4/30	69388155	985	475.00	467,875.00	49.06	475.00	23,303.50	491,178.50	10% ***	<u>49,117.85</u>	163,046.19
											<u>476,414.99</u>

* DLC portion from 12/3/99 - 12/31/99 (28 days / 31 days)

** Orion portion from 4/28/00 - 4/30/00 (3 days / 7 days)

*** Orion portion from 4/28/00 - 4/30/00 (3 days / 30 days)

FirstEnergy

76 SOUTH MAIN STREET
 AKRON, OHIO 44308
 Lynn Musci 6th floor

INVOICE DATE: 10-Jan-00
 MAILED
 CUSTOMER'S ORDER NO.

TRANSMISSION

DUQUESNE LIGHT
 MANAGER, SYSTEM OPERATIONS
 2839 NEW BEAVER AVENUE
 PITTSBURGH, PA 15233

SALES ORDER NO
 ORIGINATING DEPARTMENT System Operations

ACCTS REC. FUNCTION S AREA AREA=2308, TASK=P210

DESCRIPTION	AMOUNT
Amount due for transmission for the month of : Dec-99	
To: DUQUESNE LIGHT TRANSMISSION	
OPEN ACCESS TRANSMISSION CHARGES	
TRANSMISSION	
Schedule 7 - Firm Transmission	\$937,335.00
Schedule 8 - Non-Firm Transmission	\$9,600.00
ANCILLARIES	
Schedule 1 Scheduling, System Control and Dispatch Service	\$47,185.80
Schedule 2 Reactive Supply and Voltage Control Service	\$97,138.35
CREDIT Credit For Reactive Supply and Voltage Service	(\$97,138.35)
Amount Due FIRSTENERGY for Transmission	\$994,120.80

If paying by check please send to the following address:

76 SOUTH MAIN STREET
 AKRON, OHIO 44308
 LYNN MUSCI 6TH FLOOR

Payments to FIRSTENERGY wire transferred to:

FirstMerit Bank, N.A., Akron, Ohio

ABA #041200555

FirstEnergy Corporation

Account No. 5337000819

PAYMENT DUE ON 1/31/2000

FirstEnergy - ATSI

76 SOUTH MAIN STREET
AKRON, OHIO 44308
Lynn Musci 6th floor

INVOICE DATE: February 4, 2000

MAILED:
CUSTOMER'S
ORDER NO.:

TRANSMISSION

DUQUESNE LIGHT
MANAGER, SYSTEM OPERATIONS
2839 NEW BEAVER AVENUE
PITTSBURGH, PA 15233

SALES ORDER NO.:
ORIGINATING
DEPARTMENT

ACCTS. REC.
AREA=2508
TASK=P210

TRANSMISSION FOR THE MONTH OF:

JANUARY 2000

To: DUQUESNE LIGHT

OPEN ACCESS TRANSMISSION CHARGES

DUNS 901592292
OASIS ID DLPM

TRANSMISSION

Schedule 7 - Firm Transmission
Schedule 8 - Non-Firm Transmission

\$1,011,840.00
\$4,600.00

ANCILLARIES

Schedule 1 Scheduling, System Control and Dispatch Service
Schedule 2 Reactive Supply and Voltage Control Service
Schedule 9 Loss Compensation Service
Credit

\$50,605.40
\$104,456.20
\$0.00
-\$104,456.20

Amount Due **FIRSTENERGY** for Transmission

\$1,067,045.40

If paying by check please send to the following address:

76 SOUTH MAIN STREET
AKRON, OHIO 44308
LYNN MUSCI 6TH FLOOR

Payments to **AMERICAN TRANSMISSION SYSTEM, INC** wire transferred to:

FirstMerit Bank, N.A., Akron, Ohio
ABA #041200555

AMERICAN TRANSMISSION SYSTEM, INC
Account No. 5337005233

PAYMENT DUE ON: 2/28/2000

FirstEnergy - ATSI

76 SOUTH MAIN STREET
AKRON, OHIO 44308
Lynn Musci 6th floor

INVOICE DATE: March 9, 2000

MAILED:
CUSTOMER'S
ORDER NO:

TRANSMISSION

DUQUESNE LIGHT
MANAGER, SYSTEM OPERATIONS
2839 NEW BEAVER AVENUE
PITTSBURGH, PA 15233

SALES ORDER NO:
ORIGINATING
DEPARTMENT:

ACCTS. REC
AREA=2508
TASK=P210

TRANSMISSION FOR THE MONTH OF:

FEBRUARY 2000

To: DUQUESNE LIGHT

OPEN ACCESS TRANSMISSION CHARGES

DUNS 161592292
OASIS ID D_LPM

TRANSMISSION

Schedule 7 - Firm Transmission
Schedule 8 - Non-Firm Transmission

\$467,875.00
\$1,473.00

ANCILLARIES

Schedule 1 Scheduling, System Control and Dispatch Service
Schedule 2 Reactive Supply and Voltage Control Service
Schedule 9 Loss Compensation Service
Credit

\$23,356.56
\$48,183.62
\$0.00
-\$48,183.62

Energy Transfer _____ 0 Mwhrs

Amount Due **FIRSTENERGY** for Transmission

\$492,704.58

If paying by check please send to the following address:

76 SOUTH MAIN STREET
AKRON, OHIO 44308
LYNN MUSCI 6TH FLOOR

Payments to **AMERICAN TRANSMISSION SYSTEM, INC** wire transferred to:

FirstMerit Bank, N.A., Akron, Ohio
ABA #041200555

AMERICAN TRANSMISSION SYSTEM, INC
Account No. 5337005233

PAYMENT DUE ON: 3/31/2000

FirstEnergy - ATSI

76 SOUTH MAIN STREET
AKRON, OHIO 44308
Lynn Musci 6th floor

INVOICE DATE: April 5, 2000
MAILED :
CUSTOMER'S
ORDER NO :

TRANSMISSION

DUQUESNE LIGHT
MANAGER, SYSTEM OPERATIONS
2839 NEW BEAVER AVENUE
PITTSBURGH, PA 15233

SALES ORDER NO.:
ORIGINATING
DEPARTMENT

ACCTS. REC.
AREA=2508
TASK=P210

TRANSMISSION FOR THE MONTH OF:

MARCH 2000

To : DUQUESNE LIGHT

OPEN ACCESS TRANSMISSION CHARGES

DUNS 981592292
OASIS ID DLPM

TRANSMISSION

Schedule 7 - Firm Transmission

Schedule 8 - Non-Firm Transmission

\$958.00
\$649,475.00

ANCILLARIES

Schedule 1 Scheduling, System Control and Dispatch Service
Schedule 2 Reactive Supply and Voltage Control Service
Schedule 9 Loss Compensation Service
Credit

\$32,393.03
\$66,757.16
\$0.00
-\$66,757.16

Energy Transfer _____ 0 Mwhrs

Amount Due **FIRSTENERGY** for Transmission

\$682,826.03

If paying by check please send to the following address:

76 SOUTH MAIN STREET
AKRON, OHIO 44308
LYNN MUSCI 6TH FLOOR

Payments to **AMERICAN TRANSMISSION SYSTEM, INC** wire transferred to:

FirstMerit Bank, N.A., Akron, Ohio

ABA #041200555

AMERICAN TRANSMISSION SYSTEM, INC

PAYMENT DUE ON : 4/28/2000

Account No. 5337005233

FirstEnergy - ATSI

76 SOUTH MAIN STREET
AKRON, OHIO 44308
Lynn Musci 6th floor

INVOICE DATE: May 5, 2000
MAILED
CUSTOMER'S
ORDER NO.

TRANSMISSION

DUQUESNE LIGHT
MANAGER, SYSTEM OPERATIONS
2839 NEW BEAVER AVENUE
PITTSBURGH, PA 15233

SALES ORDER NO.:
ORIGINATING
DEPARTMENT

ACCTS. REC.
AREA=2505
TASK=P210

TRANSMISSION FOR THE MONTH OF:

APRIL 2000

To: DUQUESNE LIGHT

OPEN ACCESS TRANSMISSION CHARGES

DUNS 961582202
OASIS ID DLPM

TRANSMISSION

Schedule 7 - Firm Transmission

\$930,825.00

Schedule 8 - Non-Firm Transmission

\$36,107.00

ANCILLARIES

Schedule 1 Scheduling, System Control and Dispatch Service

\$47,901.73

Schedule 2 Reactive Supply and Voltage Control Service

\$100,972.91

Schedule 9 Loss Compensation Service

\$0.00

Credit

-\$100,972.91

Energy Transfer _____ 0 Mwhrs

Amount Due **FIRSTENERGY** for Transmission

\$1,014,833.73

If paying by check please send to the following address:

76 SOUTH MAIN STREET
AKRON, OHIO 44308
LYNN MUSCI 6TH FLOOR

Payments to **AMERICAN TRANSMISSION SYSTEM, INC** wire transferred to:

FirstMerit Bank, N.A., Akron, Ohio

ABA #041200555

AMERICAN TRANSMISSION SYSTEM, INC

PAYMENT DUE ON: 5/31/2000

Account No. 5337005233

Duquesne Light Company Revenue Analysis for Beaver Valley Unit #2 and Perry Unit #1 for July 1 through December 3, 1999

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Beaver Valley Unit #2 Sale MWH	Revenue from Beaver Valley Unit #2 Sale	Cost of Replacement Power for Beaver Valley Unit #2	Revenue Gained/(Lost) from Beaver Valley Unit #2 Sale		Perry Unit #1 Sale MWH	Revenue from Perry Unit #1 Sale	Cost of Replacement Power for Perry Unit #1	Revenue Gained/(Lost) from Perry Unit #1 Sale
				(b) - (c)					(g) - (h)
July 1999	7,200	\$216,000.00	\$1,188,651.60	\$(972,651.60)		73,161	\$2,052,402.36	\$ 9,582,881.56	\$ (7,530,479.20)
August 1999	10,560	\$316,800.00	\$ 294,462.00	\$ 22,338.00		118,884	\$1,599,788.99	\$ 2,896,667.82	\$ (1,296,878.83)
September 1999	-	\$ -	\$ -	\$ -		116,691	\$1,704,004.52	\$ 2,557,889.24	\$ (853,884.71)
October 1999	-	\$ -	\$ -	\$ -		119,304	\$1,966,738.50	\$ 2,384,793.51	\$ (418,055.01)
November 1999	-	\$ -	\$ -	\$ -		117,269	\$1,934,866.93	\$ 2,325,119.24	\$ (390,252.31)
December 1999	-	\$ -	\$ -	\$ -		11,573	\$ 214,461.60	\$ 243,993.21	\$ (29,531.61)
Total	17,760	\$532,800.00	\$1,483,113.60			556,882	\$9,472,262.90	\$19,991,344.57	
Total Net Lost from Beaver Valley #2 Sale and Perry #1				\$(950,313.60)					\$(10,519,081.67) \$(11,469,395.27)

Duquesne Light Company (DLC) Sales of Unit Power from Beaver Unit #2 and Perry Unit #1 to FirstEnergy

Duquesne Light Company sold 30 MW of its share of Beaver Valley Unit #2 during the hours ending 0700 through 2200 on various days in July and August 1999. This power was sold at a fixed price of \$30/MWH.

Duquesne Light Company also sold its hourly share of Perry Unit #1 to FirstEnergy for the period of July 1, 1999 through December 3, 1999 under the following contract terms:

- July 1 through July 31, 1999 – Sale quantity equaled DLC's positive hourly output share each hour less up to 100 MWH of the "Jump Start" forecast
- August 1 through December 3, 1999 - DLC's total positive hourly output share each hour
- The revenue for this sale was billed under the contract terms specified in a memorandum dated March 31, 1999.

Replacement cost analysis

Beaver Valley Unit #2:

A quantity of 30 MW of DLC's share of Beaver Valley Unit #2 was sold during various days in July and August 1999 during the on peak hours of 0700 through 2200. The revenue generated from the sale was 30 MW times \$30/MWH or \$900 for each hour the unit power was sold. The cost of replacement power each hour was priced at DLC's System Lambda (marginal cost). Revenue gained or lost was calculated as the difference between the revenue collected each hour and the Hourly Replacement Power Cost.

$$\text{Revenue Gain (or Loss)} = [(\$30/\text{MWH} - \text{Lambda}) * 30 \text{ MW}]$$

The hourly analysis was then totaled and summarized monthly.

Perry Unit #1:

DLC's entire share of Perry Unit #1 was sold each hour during the period from August 1 through December 3, 1999 and averaged 161 MW/hr for the period. In July 1999 DLC's entire share of the unit, less up to 100 MW of the "Jump Start" forecast, was sold and averaged 98 MW/hr in July 1999. The revenue for the sale of the unit power was collected on a calendar month basis under the terms of the contract.

To perform an hourly replacement cost analysis for Perry, each monthly revenue amount was divided by the number of hours in that month to show the average hourly revenue. Also, the total quantity sold each day was divided by the number of hours in the day to show the average MW sold each hour. The cost of replacement power each hour was priced at DLC's System Lambda (marginal cost). Revenue gained or lost was calculated as the difference between the average revenue collected each hour and the Hourly Replacement Power Cost.

$$\text{Revenue Gain (or Loss)} = [\text{Average Hourly Revenue} - (\text{Lambda} * \text{Average Hourly MW Sold})]$$

The hourly analysis was then totaled and summarized monthly.

Mark Metzger
July 21, 2000

DLC \SOCMAIN\SPRD\SUMER99\ PjerryBV2ReplacementCostAnalysis.doc

**DUQUESNE LIGHT COMPANY
CAPITAL STOCK TAX CALCULATION PROJECTION
WITHOUT GENERATION BOOK INCOME INCLUDED**

	Book Income	Year Ended 1999	Year Ended 2000	Year Ended 2001	Year Ended 2002	Year Ended 2003	Year Ended 2004
Oldest Period							
12/31/94	148,460,810						
12/31/95	142,323,086	142,323,086					
12/31/96	118,506,526	118,506,526	118,506,526				
12/31/97	108,538,299	108,538,299	108,538,299	108,538,299			
12/31/98	25,808,099	25,808,099	25,808,099	25,808,099	25,808,099		
12/31/99	129,753,672	129,753,672	129,753,672	129,753,672	129,753,672	129,753,672	
12/31/00	61,962,000		61,962,000	61,962,000	61,962,000	61,962,000	61,962,000
12/31/01	43,800,000			43,800,000	43,800,000	43,800,000	43,800,000
12/31/02	43,800,000				43,800,000	43,800,000	43,800,000
12/31/03	43,800,000					43,800,000	43,800,000
12/31/04	43,800,000						43,800,000
Adjustment To Eliminate Generation Book Income For Years:							
1996			(77,579,000)				
1997			(60,546,000)	(60,546,000)			
1998			10,678,000	10,678,000	10,678,000		
1999			(60,546,000)	(60,546,000)	(60,546,000)	(60,546,000)	
		524,929,682	256,575,596	259,448,070	255,255,771	262,569,672	237,162,000
Average Book Income		104,985,936	51,315,119	51,889,614	51,051,154	52,513,934	47,432,400
Divide Avg Bk Income by .095		1,105,115,116	540,159,147	546,206,463	537,380,568	552,778,253	499,288,421
Average Net Worth		1,113,140,989	900,000,000	670,000,000	670,000,000	670,000,000	670,000,000
Multiply by .75		834,855,742	675,000,000	502,500,000	502,500,000	502,500,000	502,500,000
Capital Stock Taxable Value		717,789,217	607,579,574	524,353,232	519,940,284	527,639,127	500,894,211
Capital Stock Tax @ .00899		6,452,925	5,462,140	4,713,936	4,674,263	4,743,476	4,503,039
Summary:							<u>Total</u>
Tax With Generation Income		6,452,925	7,241,148	5,758,801	5,146,172	5,316,432	4,503,039
Tax Without Generation Income		6,452,925	5,462,140	4,713,936	4,674,263	4,743,476	4,503,039
Difference in Tax		0	1,779,008	1,044,865	471,909	572,956	0 3,868,738

DUQUESNE LIGHT COMPANY

**CAPITAL STOCK TAX CALCULATION PROJECTION
WITH GENERATION BOOK INCOME INCLUDED**

Oldest Period	Book Income	Year Ended 1999	Year Ended 2000	Year Ended 2001	Year Ended 2002	Year Ended 2003	Year Ended 2004
12/31/94	148,460,810						
12/31/95	142,323,086	142,323,086					
12/31/96	118,506,526	118,506,526	118,506,526				
12/31/97	108,538,299	108,538,299	108,538,299	108,538,299			
12/31/98	25,808,099	25,808,099	25,808,099	25,808,099	25,808,099		
12/31/99	129,753,672	129,753,672	129,753,672	129,753,672	129,753,672	129,753,672	
12/31/00	61,962,000		61,962,000	61,962,000	61,962,000	61,962,000	61,962,000
12/31/01	43,800,000			43,800,000	43,800,000	43,800,000	43,800,000
12/31/02	43,800,000				43,800,000	43,800,000	43,800,000
12/31/03	43,800,000					43,800,000	43,800,000
12/31/04	43,800,000						43,800,000
		524,929,682	444,568,596	369,862,070	305,123,771	323,115,672	237,162,000
Average Book Income		104,985,936	88,913,719	73,972,414	61,024,754	64,623,134	47,432,400
Divide Avg Bk Income by .095		1,105,115,116	935,933,884	778,656,989	642,365,832	680,243,516	499,288,421
Average Net Worth		1,113,140,989	900,000,000	670,000,000	670,000,000	670,000,000	670,000,000
Multiply by .75		834,855,742	675,000,000	502,500,000	502,500,000	502,500,000	502,500,000
Capital Stock Taxable Value		717,789,217	805,466,942	640,578,495	572,432,916	591,371,758	500,894,211
Capital Stock Tax @ .00899		6,452,925	7,241,148	5,758,801	5,146,172	5,316,432	4,503,039

DUQUESNE LIGHT COMPANY

PAYMENT FOR THE REAL ESTATE TRANSFER

Vendor	Date Paid	Amount
Lawyers Title - Pittsburgh	12/2/99	\$3,450,219.63
Chicago Title - Pittsburgh	12/2/99	\$739.00
Chicago Title - Cleveland	12/2/99	\$43,044.00
Chicago Title - Jefferson	12/2/99	\$5,563.00
Chicago Title - Pittsburgh	1/5/00	\$41,290.38
Chicago Title - Cleveland	1/5/00	\$161,415.10
Fidelity National Title Insurance Company of NY	4/27/00	\$1,008,225.00
Total		\$4,710,496.11

Pepper Hamilton LLP

Attorneys at Law

50th Floor
One Mellon Bank Center
500 Grant Street
Pittsburgh, PA 15219-2502
412.454.5000
Fax 412.281.0717
www.pepperlaw.com

FAX INFORMATION SHEET

Date: December 2, 1999

ID Number: 61297
Identifier: 110903 43

Recipient(s): Frosina Cordisco
Company: Duquesne Light Company

Recipient's General Number:
Recipient's Fax Number(s): ~~412.393.1187~~ 412.393.1070

Sender: Kathleen Pujol
Sender's Direct Line: 412.454.5017
Sender's Email Address: pujolk@pepperlaw.com

Total Pages Including Cover: ~~4~~ 5

Comments: Attached are the wiring instructions. The summary of the amounts to wire is as follows:

- To: Lawyers Title - Pittsburgh: \$3,450,219.63
- To: Chicago Title - Pittsburgh: \$739.00
- To: Chicago Title - Cleveland: \$43,044.00
- To: Chicago Title - Jefferson: \$5563.00

Please call me if you have any questions. Thanks.

An original or a copy has or has not been sent to you by mail or by overnight service or by email .

◆ ◆ If transmission is not received, please call the sender ◆ ◆

◆ ◆ Confidentiality Note ◆ ◆

The documents accompanying this facsimile transmission contain information from the law firm of Pepper Hamilton LLP which is confidential and/or legally privileged. The information is intended only for the use of the individual or entity named on this transmission sheet. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or the taking of any action in reliance on the contents of this faxed information is strictly prohibited, and that the documents should be returned to this Firm immediately. In this regard, if you have received this facsimile in error, please notify us by telephone immediately so that we can arrange for the return of the original documents to us at no cost to you.

Operator's Use Only

Start Time: : am [] pm [] End Time: 12:19 : am [] pm []

Operator: *[Signature]*

Duquesne Light Company
Summary of Wire Transfer Amounts

Cleveland Office:

Perry		
Conveyance	29,322.80	
Recording fees	872.00	
Certified copies of indenture	520.00	
Eastlake		
Conveyance	9,487.20	
Recording fees	94.00	
Avon Lake		
Recording fees	1,374.00	
Niles		
Recording fees	<u>1,374.00</u>	
	Total	<u><u>43,044.00</u></u>

Pennsylvania Office:

New Castle		
Recording fees	<u>739.00</u>	
	Total	<u><u>739.00</u></u>

Jefferson Office:

Sammis		
Conveyance	5,533.00	
Recording fees	<u>30.00</u>	
	Total	<u><u>5,563.00</u></u>

A. SETTLEMENT STATEMENT		U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		OMB No. 2502-0265	
B. TYPE OF LOAN					
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FNMA	3. <input type="checkbox"/> CONV. UNINS.	6. File Number: 184701	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.				
C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.s.o)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.					
D. NAME AND ADDRESS OF BORROWER: Pennsylvania Power Company One East Washington Street P.O. Box 891		E. NAME AND ADDRESS OF SELLER/TAX I.D.: Duquesne Light Company 411 Seventh Avenue Pittsburgh, PA 15222		F. NAME AND ADDRESS OF LENDER:	
G. PROPERTY LOCATION: Beaver Valley Power Station Shippingport Borough, Beaver		H. SETTLEMENT AGENT: LAWYERS TITLE INSURANCE CORPORATION PLACE OF SETTLEMENT: 437 Grant Street Pittsburgh, PA 15219-6190		I. SETTLEMENT DATE: 12/02/99 Disburse 12/02/99	
J. SUMMARY OF BORROWER'S TRANSACTION			K. SUMMARY OF SELLER'S TRANSACTION		
100. GROSS AMOUNT DUE FROM BORROWER:			400. GROSS AMOUNT DUE TO SELLER:		
101. Contract Sales Price			401. Contract Sales Price		
102. Personal Property			402. Personal Property		
103. Settlement charges to borrower (line 1400)	161,061.02		403.		
104.			404.		
105.			405.		
Adjustments for items paid by seller in advance			Adjustments for items paid by seller in advance		
106. City/town taxes to			406. City/town taxes to		
107. County taxes to			407. County taxes to		
108. Assessments to			408. Assessments to		
109. School Tax			409. School Tax		
110.			410.		
111.			411.		
112.			412.		
113. Rental Proration			413. Rental Proration		
114. Security Deposit			414. Security Deposit		
120. GROSS AMOUNT DUE FROM BORROWER	161,061.02		420. GROSS AMOUNT DUE TO SELLER		
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:			500. REDUCTIONS IN AMOUNT DUE TO SELLER:		
201. Deposit for earnest money			501. Excess deposit (see instructions)		
202. Principal amount of new loan(s)			502. Settlement charges to seller (line 1400)	3,450,219.63	
203. Existing loan(s) taken subject to			503. Existing loan(s) taken subject to		
204.			504. Payoff of 1st mtr		
205.			505. Payoff of 2nd mtr		
206.			506.		
207.			507.		
208.			508.		
209.			509.		
Adjustments for items unpaid by seller			Adjustments for items unpaid by seller		
210. City/town taxes to			510. City/town taxes to		
211. County taxes to			511. County taxes to		
212. Assessments to			512. Assessments to		
213. School Tax			513. School tax		
214.			514.		
215.			515.		
216.			516.		
217.			517.		
218. Rental Proration			518. Rental Proration		
219. Security Deposit			519. Security Deposit		
220. TOTAL PAID BY/FOR			520. TOTAL REDUCTION AMOUNT		

300. CASH AT SETTLEMENT FROM/TO BORROWER

600. CASH AT SETTLEMENT TO/FROM SELLER

301. Gross amount due from borrower (line 120) 261,061.02

601. Gross amount due to seller (line 420) 3,450,219.63

302. Less amounts paid by/for borrower (line 220)

602. Less reductions in amount due seller (line 520) 3,450,219.63

303. CASH (FROM) (TO) BORROWER 161,061.02

603. CASH (TO) (FROM) SELLER 3,450,219.63

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement.

[Signature]
Duquesne Light Company

Pennsylvania Power Company

Borrower: I have prepared this HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Sellers: I have prepared this HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

[Signature]
Settlement Agent: Evan Zanic

Date: December 2, 1999

It is a crime to knowingly make false statements to the United States on this or any similar form. Penalties upon conviction can include a fine and imprisonment. For details see Title 18 U.S. Code Section 101 and Section 1010.

HUD-1 (8-87)
RESPA, HB 4305.2
Previous edition is obsolete.

I. SETTLEMENT CHARGES				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL SALES/BROKER'S COMMISSION					
based on price \$					
Division of Commission (line 700) as follows:					
701. \$	to				
702. \$	to				
703. Commission paid at Settlement					
704.					
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee					
802. Loan Discount					
803. Appraisal Fee to					
804. Credit Report to					
805. Lender's Inspection Fee					
806. Mortgage Insurance Application fee to					
807. Assumption Fee					
808.					
809.					
810.					
811.					
812.					
813.					
814.					
815.					
816.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest from to \$ /day					
902. Mortgage Insurance Premium for months to					
903. Hazard Insurance Premium for years to					
904. Flood Insurance Premium for years to					
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001. Hazard Insurance months \$ per month					
1002. Mortgage Insurance months \$ per month					
1003. City property taxes months \$ per month					
1004. County property taxes months \$ per month					
1005. Annual assessments months \$ per month					
1006. Flood Insurance months \$ per month					
1007. School Property Tax months \$ per month					
1008. Aggregate Adjustment					
1100. TITLE CHARGES					
1101. Settlement or closing fee to					
1102. Abstract or title search to					
1103. Title examination to					
1104. Title insurance binder to					
1105. Document Preparation to					
1106. Notary fees to					
1107. Attorney's fees to					
(includes above items numbers:)					
1108. Title Insurance to Lawyers Title				114,708.48	
(includes above items numbers:)					
1109. Lender's coverage \$					
1110. Diner's coverage \$ 169,286,000.00 \$					
1111. Policy Endorsement End. 301/1031				34,412.54	
1112. Work Charges Lawyers Title				8,900.00	
1113.					
1114.					
1115.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording fees: Deed \$:Mortgage \$:Release \$					
1202. City/county tax stamps: Deed \$:Mortgage \$					

1203. State Tax/stamps:	Deeds	(Mortgage)		
1204. Recording Fees	Lawyers Title		500.00	2,000.00
1205.				
1300. ADDITIONAL SETTLEMENT CHARGES				
1301. Survey fee				
1302. Post (referred to)				
1303. W. Va Work Charges	Gompers, McCarthy/McClure		5.542	75
1304. W. Va Transfer Stamp	Gompers/McCarthy/McClure		904	64
1305. W. Va Recording Costs	Gompers/McCarthy/McClure		40.00	60.00
1306. Work Charges (\$56,142.66 less \$15,000 credit)				51,142.66
1307. Settlement Charges	Lawyers Title		2,500.00	2,500.00
1308. Lien letters / Tax Cert.				
1309. Disbursement Fee				
1310. Federal Express Fee				
1311. Corporate Documents				
1400. TOTAL SETTLEMENT CHARGES	(enter on (page 103, Sect. J and 502, Sect. K)		161,061.02	3,450,219.63

CHICAGO TITLE INSURANCE COMPANY

Pittsburgh Office

330 Grant Street, Suite 920, Pittsburgh, Pennsylvania 15219 (412) 281-8080 Fax No. (412) 281-6946

December 6, 1999

Ms. Kathy Pujol
Pepper, Hamilton & Scheetz
One Mellon Bank Center
500 Grant Street, 50th Floor
Pittsburgh, PA 15219

RE: PA Power to Duquesne Light
Our File No. 98-1311

Owner's Title Insurance		
Policy on \$15,900,000.00	\$	30,353.75
Mortgage Title Insurance		
Policy on		
Endorsement Access		n/c
Endorsement Same as Survey		n/c
Endorsement Tax Parcel I.D.		n/c
Endorsement PA 301 (Owner's Survey)		6,070.75
Endorsement PA 1032 (Owner's Comprehensive)		3,035.38
Additional Title Examination		1300.00
Bring down search		
Preparation of papers		
Settlement fee		
Service charge		
Certificate of Title		
<i>Monies advanced for Copies:</i>		
Certified copy of Trust Indenture for recording		297.00
<i>Monies advanced for Recordings:</i>		
Trust Indenture (certified copy)		567.50
Supplemental Indenture		47.50
Supplemental Indenture		191.50
UCC-1 (Recorder's Office)		75.50
UCC-1 (Prothonotary's Office)		90.50
TOTAL DUE	\$	42,029.38
TOTAL PAID		739.00
BALANCE DUE	\$	41,290.38

Please make checks payable to Chicago Title Insurance Company and include the above reference file number.

CUSTOMER COPY

41,290³⁸
+ 161,415¹⁰
202,705⁴⁸

CHICAGO TITLE INSURANCE COMPANY

113 ST. CLAIR AVENUE, CLEVELAND, OHIO 44114 (216) 696-1275 FAX (216) 696-8107



CLEVELAND OFFICE

December 10, 1999

DUQUESNE LIGHT COMPANY c/o
Pepper Hamilton LLP
One Mellon Bank Center - 50th Floor
500 Grant Street
Pittsburgh, PA 15219

ATTENTION: Kathleen Pujol

INVOICE FOR TITLE POLICIES, EXAM FEES AND RECORDING FEES

RE: FirstEnergy Corp. and Duquesne Light Company General Assets Exchange Transaction

A. Avon Lake, Lorain County, Ohio

Title Examination and Commitment	\$15,725.00
Owner's Policy in the amount of \$50,378,114.00	\$106,408.00
Owner's Comprehensive Endorsement	\$150.00
Additional Recording Fees:	
Certified copies of Indenture & Supplements (collected \$906 - actual cost \$1,292)	\$386.00
Supplemental Indenture #15 (collected \$86 - actual cost \$96)	\$10.00
(3) UCC-1	\$33.00
SUB-TOTAL \$122,712.00	

B. Niles, Trumbull County, Ohio

Title Examination and Commitment	\$7,551.00
Owner's Policy in the amount of \$12,025,628.00	\$29,702.00
Owner's Comprehensive Endorsement	\$150.00
Additional Recording Fees:	
Certified copies of Indenture & Supplements (collected \$906 - actual cost \$1,198)	\$292.00
Supplemental Indenture #15	

SUB- TOTAL \$37,726.00

C. Sammis, Jefferson County, Ohio

Additional Recording Fees:

Indenture Release from Trustee
(collected \$86 -actual cost \$150) \$64.00

D. Coal Properties

Conveyance Fee for both Monroe County Deeds \$705.10
Conveyance Fee for Belmont County Deed \$208.00

E. Out-of-Pocket expenses for Closer

Airfare (Cleveland to Washington D.C.) \$585.50
Hotel expenses \$643.80
Parking and Cab Fare \$52.00

TOTAL AMOUNT OWED: \$162,696.40

LESS: OUT-OF-POCKET EXPENSES < 1,281.30 >

Thank You for placing this order with Chicago Title Insurance Company.

*161,415.10

Fidelity National Title Insurance Company of New York
 Two Park Avenue, New York, NY 10016
 Ph. (212)481-5858 • Fax (212)481-8747

April 27, 2000

Duquesne Light Company
 c/o Pepper Hamilton LLP,
 One Mellon Bank Center, 50th FL
 500 Grant Street
 Pittsburgh, Pennsylvania 15219-2502

Attn: Thomas Trimm, Esq.

STATEMENT OF CHARGES

Re: Duquesne Light Company Sale to Orion Power Holdings, Inc.
 Our Title No: NYN 99-4441OH (Avon Lake)
 NYN 99-4442OH (Niles)
 NYN 99-4443PA (New Castle)
 NYN 99-4444PA (Cheswick)
 NYN 99-4445PA (Elrama)
 NYN 99-4446PA (Phillips)
 NYN 99-4447PA (Brunot Island)

Estimated Delinquent Taxes:		
Jefferson Borough, PA		\$ 14,512.00

Transfer Tax:		
Ohio:		
Niles	17,966.00	
Avon Lake	<u>120,982.00</u>	
Sub-Total		138,948.00

Pennsylvania:		
Brunot Island	113,815.00	
Phillips	9,230.00	
Cheswick	534,030.00	
Elrama	128,290.00	
New Castle	<u>67,300.00</u>	
Sub-Total		<u>852,665.00</u>

Seller's Recording Costs:		2,100.00
Total Due		<u>\$1,008,225.00</u>

- AMOUNT TO BE WIRED BY DUQUESNE LIGHT COMPANY \$16,612.00
 - AMOUNT TO BE WIRED BY ORION POWER MIDWEST, L.P. \$991,613.00

Duquesne Light Company

Interest Accrued on Borrowings Needed to Terminate Penn Fuel Corporation Nuclear Fuel Lease

From	To	Amount Borrowed	Interest Rate	# Days	Days in Year	Accrued Interest
09/29/99	to 10/12/99	\$ 40,109,170	5.88%	14	365	\$ 90,460
10/13/99	to 11/15/99	\$ 40,109,170	5.91%	34	365	220,809
11/16/99	to 11/22/99	\$ 40,109,170	5.58%	7	365	42,922
11/23/99	to 12/03/99	\$ 40,109,170	6.53%	11	365	78,933
Total Accrued Interest - Transaction Cost of Exchange						<u>\$ 433,124</u>

Plus Other Fees Paid:

11/1/99	Bank One Cash Management	-Bank Account Service Charges	959
11/1/99	Chase Manhattan Bank	-Bank Account Service Charges	3,334
12/2/99	Chase Manhattan Bank	-Bank Account Service Charges	2,335
12/2/99	Jones, Day, Reavis & Pogue	-Legal Fees	86
12/2/99	Loeb & Loeb LLP	-Legal Fees	3,976

Total Fees - Transaction Cost of Exchange \$ 10,690

GRAND TOTAL \$ 443,814

Duquesne Light Company

Miscellaneous O&M Fees	Incurred as of 6/30/00	Estimate to Complete	Total
Plant Enhancements Charges			
A. Betler Construction, Inc.	40,599.75		40,599.75
A. G. Mauro Co.	4,952.50		4,952.50
Allegheny Fence Const.	4,403.33		4,403.33
Avalotis Painting Co., Inc.	180,154.89		180,154.89
Best Access Systems	3,993.40	673.00	4,666.40
Borough of Springdale	35,720.39		35,720.39
Bowan Landscaping & Tree Service	20,400.00		20,400.00
Bronder Technical Services	6,232.82		6,232.82
Burnham Industrial Contractors, Inc.	220,122.35		220,122.35
C & K Industrial Services, Inc.	32,516.57		32,516.57
Cardello Electric Supply Co.	2,598.86		2,598.86
CID Associates, Inc.	19,937.88		19,937.88
Cintar, Inc.	1,751.85		1,751.85
Foster, Wheeler, Zack, Inc.	222,955.07		222,955.07
George Tupper Plumbing	1,943.10		1,943.10
Green Acres Contracting Company	3,740.58		3,740.58
Hollibaugh Landscaping	25,699.97		25,699.97
James R. Pitcairn, Inc.	3,635.86		3,635.86
Joesph B. Fay Company	7,047.92		7,047.92
Liberty Flagpole Co.	2,090.88		2,090.88
Linton Industries	32,770.35		32,770.35
Material Handling Specialties Co.	11,961.37		11,961.37
MBM Contracting, Inc.	12,571.50		12,571.50
McCarl's Services, Inc.	4,612.70		4,612.70
Mosler	-	11,854.36	11,854.36
MQS Inspection, Inc.	5,718.63		5,718.63
Patent Construction Systems	6,752.55		6,752.55
Pressure Sciences, Inc.	4,161.60		4,161.60
Pro Com Systems	5,110.64		5,110.64
R & G Quality Lawn Service	9,210.50		9,210.50
Russell Standard Corp.	20,347.58		20,347.58
Safeway Steel Scaffold	15,190.55		15,190.55
SE Technologies	3,901.36		3,901.36
Simakas Company, Inc.	3,969.84		3,969.84
Tom Sipes Demolition	75,499.50		75,499.50
Tri State Fence & Installation Co.	3,244.00		3,244.00
United Safety Services, Inc.	15,554.30		15,554.30
Weeds Inc.	7,044.35		7,044.35
Total Plant Enhancements Charges	1,078,119.29	12,527.36	1,090,646.65
Application Retirement Project			
Innovative Decisions Inc.	-	1,166,000.00	1,166,000.00
Environmental Fees			
Chester Engineers, Inc.	83,548.37		83,548.37
Civil & Environmental Consultants	7,898.63		7,898.63
Damper Design, Inc.	72,429.20		72,429.20
Earth Science Consultants, Inc.	43,207.49		43,207.49
Total Environmental Fees	207,083.69	-	207,083.69

Duquesne Light Company

Miscellaneous O&M Fees	Incurred as of 6/30/00	Estimate to Complete	Total
Tour Fees			
Apollo Catering	1,969.81		1,969.81
Au Bon Pain	3,757.72		3,757.72
B. T. Office Products International	4,755.91		4,755.91
Blvd. Cafe	1,842.55		1,842.55
C & C Marine Maintenance Co.	28,885.22		28,885.22
CNT Micro-Systems	15,011.50		15,011.50
Compucom, Inc	1,621.05		1,621.05
Embassy Suites Hotel	50,134.85		50,134.85
Enterprise Rent A Car Company of Pgh.	16,984.51		16,984.51
Fast Signs	1,149.44		1,149.44
Federal Express	2,016.69		2,016.69
Hub Properties Trust	5,975.17		5,975.17
KTT Enterprises, Inc.	19,060.47		19,060.47
Nick's Casablanca	1,205.98		1,205.98
Parks Moving	1,853.65		1,853.65
Photo Typography	1,189.44		1,189.44
Trans World Airlines	3,819.00		3,819.00
Uniscribe Professional Svc., Inc.	3,771.73		3,771.73
Westin William Penn	1,497.70		1,497.70
Total Tour Fees	166,502.39	-	166,502.39
Plant Valuation Fees			
Aerial Design Data	9,266.70		9,266.70
Daniel C. Baker Associates, Inc.	118,684.41		118,684.41
L. Robert Kimball & Assoc., Inc.	38,509.13		38,509.13
RGIS Inventory Specialists	12,522.93		12,522.93
Ric Evans, Photography	13,196.87		13,196.87
Skelly and Loy, Inc.	19,181.55		19,181.55
Total Plant Valuation Fees	211,361.59	-	211,361.59
Government/Banking/Filing Fees			
Allegheny Development Corp.	2,287.84		2,287.84
Bank of New York	35,500.00		35,500.00
Bank One, NA	31,760.51		31,760.51
Barclays	300,000.00		300,000.00
Commonwealth of PA	24,411.35		24,411.35
Ct Corp System	1,978.81		1,978.81
Federal Trade Commission	45,000.00		45,000.00
Fidelity National Title Ins.	22,762.00		22,762.00
Internal Revenue Service	15,000.00		15,000.00
J.H. Management Corp.	7,500.00		7,500.00
Moody's Investors Services, Inc.	2,750.00		2,750.00
Nationwide Information Services	6,543.00		6,543.00
ODC/Grant Street	2,907.81		2,907.81
Ohio Development Authority	2,500.00		2,500.00
Pittsburgh Legal Resource Center	-	245.89	245.89
SPC Southwestern PA Commission	3,776.00		3,776.00
Union Bank of California	242,984.00		242,984.00
Total Government/Filing Fees	747,661.32	245.89	747,907.21
Total Miscellaneous O&M	2,410,728.28	1,178,773.25	3,589,501.53

Duquesne Light Company
Duquesne Control Area Facility Upgrades

Total cost in today's dollars per ABB quote	13,209,000.00	
Escalation at 2.5%	<u>2,492,000.00</u>	
Total cost in the year 2007 per ABB quote		15,701,000.00
Discount at 7.29%		<u>(6,106,715.41)</u>
Discounted cost as of 1/1/99		<u>9,594,284.59</u>

Duquesne Light Co.

Dept. ESC	Date July 17, 2000	Page 1
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Title:
Duquesne Light Company's Reactive Power Requirements

Author(s) Reviewed by Approved by
Don Martin S. Yirga Rana Mukerji

Executive Summary: Duquesne Light requested ABB to evaluate the reactive power requirements with the Elrama units out of service and the Cheswick unit out of service.

Based on the powerflow database provided by Duquesne, the following levels of reactive power were needed to maintain at least a 0.95 p.u. voltage on the 138-kV and 69-kV during systems contingencies with these unit outages:

Elrama & Cheswick units off: 387 Additional MVAr required

In general, the North Substation, Pine Creek Substation, and Ohara Substation required the most reactive power to support the voltage. For the outage both the Cheswick and Elrama units, most of the reactive power support is required without considering contingencies. The following levels of reactive power were needed to maintain at least a 0.95 p.u. voltage on the 138-kV and 69-kV systems with no other contingencies other than these unit outages:

Elrama & Cheswick units off: 357 Additional MVAr required

A short analysis of installing the shunt capacitors on the 23-kV system was done. Installing the capacitors on the 23-kV system reverses the MVAr flow through the transformers and with little change in the total MVAr absorbed by the transformers. This means that adding 30 MVAr on the 23-kV bus will result in approximately 30-MVAr change in reactive power on the 69-kV or 138-kV bus. There is the possibility of high 23-kV bus voltages when the capacitors are on for those stations that do not have a tap changing transformer to maintain the 23-kV system voltage.

For planning purposes \$37/kVAr (year 2000 dollars) is the cost of a turnkey installation on the 138-kV system. This is an estimated total cost of \$13,209,000 in today's costs for 387 MVAr. With an 2.5% escalation, this would be \$15,701,000 in the year 2007.

Rev.	Revision	Date	Author	Reviewed	Approved
Distribution					

INTRODUCTION

Duquesne Light Company requested ABB Electric Systems Consulting to review the reactive power requirements for several identified conditions on their power system. Since loads on the power system as well as the power system's distribution and transmission networks absorb reactive power, reactive power must be provided to maintain the system voltages. Reactive power is typically supplied from generating units if they are nearby. Shunt capacitors are typically used to provide reactive power for regions that are distant from generating units.

For the Duquesne system, the Elrama generating units provide reactive power support for the south part the system and the Cheswick unit provides reactive power support for the northeast part of the system. Without these units, reactive power support will be required to maintain the voltage and this study identifies the level of reactive power required.

DESCRIPTION OF THE BASE CASE DATA

The data used in the study was provided by Duquesne. The base case consisted of 16,181 buses and 24,872 branches. The title on the powerflow case was "2001 SUMMER, 2000 SERIES ECAR MODEL FOR MMWG, TRIAL 1 FOR COMMENT CREATED 06/19/00 JLM."

The following loads and generation were on the Duquesne system:

	<u>MW</u>	<u>MVAR</u>
Loads	2660	821
Generation	3000	2660
Net Shunt Reactive Power (capacitive)		241

DESCRIPTION OF STUDY PROCEDURE

A list of the 80 contingencies were ranked in order by PSS/E for the Duquesne system. Single contingencies of all 80 cases were run on the base case to benchmark the base case performance (The output is attached as Appendix 1). Five contingencies had the voltage drop below 0.95 p.u. with the worst contingency being the outage of the Valley 138/69-kV transformer. For this contingency the Valley 69-kV bus voltage dropped to 0.91 p.u.

APPENDIX 2 – CASE WITHOUT CHESWICK AND ELRAMA

Next the Elrama units and the Cheswick unit were removed from service with power redispached in the AEP area. These same 80 contingencies were run with the eight most severe contingencies identified.

Switched shunt capacitors were modeled in the switched shunt section of the data. These capacitors were set to switch on if the voltage dropped below 0.95 p.u. The following data section from the PSS/E data base identifies the switched capacitor data as follows:

<u>No.</u>	<u>BUS</u>	<u>No. of Banks</u>	<u>MVAR each Bank</u>
27643	North 69 kV	4,	15.00
27642	North 138 kV	2,	30.50
27644	Pine Creek 69 kV	2,	30.00
27652	Wilson 69 kV	2,	20.50
27660	Wilmerding 69 kV	2,	6.00
27637	Valley 69 kV	2,	13.50
27667	Ambridge 69 kV	2,	7.50
27675	Plum 138 kV	2,	11.50
27663	Universal 138 kV	2,	19.00
27651	Dravosburg 69 kV	2,	7.50
27669	Logan Ferry 138 kV	2,	7.00
27649	Elwyn 128 kV	2,	12.50
27656	Arsenal 138 kV	2,	14.50
27695	Ohara	2,	15.00

Each of the eight most severe contingencies were run and the shunt capacitors were switched on if the voltage on that bus went below 0.95 p.u. Once the capacitors were switched on they were left on for the next contingency. All the capacitors that were switched on during these eight contingencies were left on and then a contingency analysis was run on all 80 contingencies to identify any voltages below 0.95 p.u.

APPENDIX 2 – CASE WITHOUT CHESWICK AND ELRAMA

STUDY RESULTS

Elrama and Cheswick Units Off

With all of the units at Elrama and Cheswick off, 356 MVARs of shunt capacitors switched on as follows:

<u>No.</u>	<u>BUS</u>	<u>No. of Banks</u>	<u>MVAR</u>	<u>Total</u>
27643	North 69 kV	2,	15.00	30
27642	North 138 kV	2,	30.50	61
27644	Pine Creek 69 kV	2,	30.00	60
27652	Wilson 69 kV	2,	20.50	41
27660	Wilmerding 69 kV	2,	6.00	12
27637	Valley 69 kV	1,	13.50	13.5
27667	Ambridge 69 kV	0	7.50	
27675	Plum 138 kV	2,	11.50	23
27663	Universal 138 kV	2,	19.00	38
27651	Dravosburg 69 kV	1,	7.50	7.5
27669	Logan Ferry 138 kV	2,	7.00	14
27649	Elwyn 128 kV	1,	12.50	12.5
27656	Arsenal 138 kV	1,	14.50	14.5
27695	Ohara	2,	15.00	<u>30</u>
TOTAL				357

For the eight most severe contingencies, one or more required an additional 30 MVARs of shunt capacitors to be switched on at North 69-kV bus to keep the voltage above 0.95 p.u.

<u>No.</u>	<u>BUS</u>	<u>No. of Banks</u>	<u>MVAR</u>	<u>Total</u>
27643	North 69 kV	2,	15.00	30

This indicates that **387 MVARs** of shunt capacitors are needed if the Elrama and Cheswick units are all out of service.

APPENDIX 2 – CASE WITHOUT CHESWICK AND ELRAMA

With the 387 MVARs of shunt capacitors described above on, all 80 contingencies were run (the results are attached as Appendix 2). Seven contingencies had voltage drop below 0.95 p.u. with the worst contingency being the outage of the North 69 kV-Pine Creek 69-kV line. For this contingency the North 69-kV bus voltage dropped to 0.93 p.u. Comparing this to the base case, there were two more contingencies below 0.95 p.u. voltage, but the lowest voltage is 0.93 p.u. which is 0.02 p.u. higher than the lowest voltage in the base case.

Although this study investigated system voltages, the results shown in Appendix 2 do show some overloads on the system for this operating condition.

COST OF SHUNT CAPACITORS

The estimated cost from ABB's capacitor division for a capacitor bank of 30 MVARs on a 69-kV or 138-KV system is:

externally fused = \$50,000 for 30 MVAR bank

fuseless = \$40,000 for 30 MVAR bank

- larger capacitor units

- no fuses

- compact bank / smaller foundation

- increase reliability - better failure mode than externally fused

These estimates include capacitors, racks, elevating structures, insulators, fuses. These estimates do not include breaker, protection scheme package, and installation.

A configuration with one 138-kV circuit breaker bay, two circuit switchers, and two 30-MVAR banks of capacitors plus control and protection would have a typical turnkey price ranging up to \$2,200,000. This is approximately \$37/kVAR. This number can be used for planning purposes, but with more defined project data better estimates can be provided for turnkey installation of capacitor banks.

APPENDIX 2 – CASE WITHOUT CHESWICK AND ELRAMA

SUMMARY

This study did not attempt to optimize the size and location of all the shunt capacitor banks, but the goal was to determine the approximate level of shunt capacitors needed with the Elrama and Cheswick units out of service. The locations considered by Duquesne in their initial analysis was used as the basis for initially locating the shunt capacitor banks. The only change to the locations identified by Duquesne was to eliminate the Ambridge Substation as a location and add capacitors at the Ohara Substation.

With all of the units at Elrama and Cheswick off, 387 MVARs of shunt capacitors were identified as required to keep the system voltage above 0.95 p.u. The reactive power was provided as shown below:

<u>No.</u>	<u>BUS</u>	<u>Total MVAR</u>
27643	North 69 kV	60
27642	North 138 kV	61
27644	Pine Creek 69 kV	60
27652	Wilson 69 kV	41
27660	Wilmerding 69 kV	12
27637	Valley 69 kV	13.5
27675	Plum 138 kV	23
27663	Universal 138 kV	38
27651	Dravosburg 69 kV	7.5
27669	Logan Ferry 138 kV	14
27649	Elwyn 128 kV	12.5
27656	Arsenal 138 kV	14.5
27695	Ohara	30
TOTAL		387

In general, the North Substation, Pine Creek Substation, and Ohara Substation required the most reactive power to support the voltage. For the outage of Cheswick or both the Cheswick and Elrama units, most of the reactive power support is required without considering contingencies.

A short analysis of installing the shunt capacitors on the 23-kV system was done. Installing the capacitors on the 23-kV system reverses the MVAR flow through the transformers and with little change in the total MVARs absorbed by the transformers. For example, at Pine Creek with 108.2 MW and 39.3 MVARs of load, the losses through the transformer is 12.3 MVARs. With 60 MVARs of capacitors place on the 23-kV bus, the reactive power flow reverses through the transformer and the total reactive power losses in the transformer are 9.8 MVARs. The result is that the reactive power change on the 69-kV bus is actually more than +60 MVARs when the capacitors

APPENDIX 2 – CASE WITHOUT CHESWICK AND ELRAMA

are added on the 23-kV bus. However, the voltage on the 23-kV bus will be very high if the transformer does not have a tap changer to control the 23-kV voltage.

Duquesne Light Company
 Project -to-Date Expenditures for Project #8306 - Divestiture Related
 For the Period Ending through June 30, 2000

Brunot Island Substation, Install 2nd 138-69kV Autotransformer - \$1,350,000

Work Order	Description	Expenditures through June, 2000			Estimated Costs to Complete	Total Project Costs
		1999	2000	Total		
S0187	Brunot Island Autotransformer Move from Woodville	\$ 257,542	\$ 6,566	\$ 264,108	\$ 5,621	\$ 269,729
S0286	Brunot Island Install 2 nd Autotransformer	\$ -	\$ 212,902	\$ 212,902	\$ 867,369	\$ 1,080,271
	Subtotal	\$ 257,542	\$ 219,468	\$ 477,010	\$ 872,990	\$ 1,350,000

Phillips & Elrama Power Station(s) - Install Supervisory Control at Switchyard - \$950,000

Work Order	Description	Expenditures through June, 2000			Estimated Costs to Complete	Total Project Costs
		1999	2000	Total		
S0281	Phillips Power Station - Replace SCADA System	\$ 10,089	\$ 318,880	\$ 328,969	\$ 121,031	\$ 450,000
S0330	Phillips Power Station - Replace Emergency Battery MG-Set; Add Ammeters	\$ -	\$ 17,855	\$ 17,855	\$ 32,145	\$ 50,000
S0342	Elrama - Replace SCADA	\$ -	\$ -	\$ -	\$ 450,000	\$ 450,000
	Subtotal	\$ 10,089	\$ 336,735	\$ 346,824	\$ 603,176	\$ 950,000

Power Station Metering - \$200,000

	Description	Expenditures through June, 2000			Estimated Costs to Complete	Total Project Costs
		1999	2000	Total		
A0689	Metering Power Station	\$ -	\$ -	\$ -	\$ 50,000	\$ 50,000
A0699	Power Station	\$ -	\$ 35,266	\$ 35,266	\$ 114,734	\$ 150,000
	Subtotal	\$ -	\$ 35,266	\$ 35,266	\$ 164,734	\$ 200,000

Total Expenditures - Divestiture Related	\$ 267,831	\$ 591,469	\$ 859,100	\$ 1,640,900	\$ 2,500,000
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DUQUESNE LIGHT COMPANY
\$417,985,000 POLLUTION CONTROL REVENUE
REFUNDING BONDS
FINAL BREAKDOWN OF CLOSING COSTS

PAYEE	AMOUNT	ACTUAL/ ESTIMATE	DESCRIPTION	PAYMENT METHOD	SEE
Ambac Assurance Corporation	\$ 5,334,920.14	Actual	Bond Insurance Premium	Wire at Closing	A
Ohio Air Quality Development Authority	169,137.50	Actual	Issuer	Wire at Closing	B
Forbes, Fields & Associates	15,500.00	Actual	Counsel to OAQDA	Wire at closing	C
Ballard Spahr	no separate fee			-	-
Ohio Water Development Authority	176,432.50	Actual	Issuer	Wire at Closing	D
Baker, Baker & Sweterlisch	incl. In auth. Fee		Counsel to OWDA	-	-
Squire Sanders and Dempsey	5,745.50	Actual	Special Issuer Counsel	Wire at Closing	E
Seasongood and Mayer (Paul T. Stubbins)	incl. In auth. Fee		Financial Advisor to OWDA	-	-
Beaver County Industrial Development Authority	93,700.00	Actual	Issuer	Wire at Closing	F
Wallover & Steff	incl in auth. Fee		Counsel to BCIDA	-	-
John Salopek, Esq.	38,012.73	Actual	Bond Counsel to BCIDA	Wire at Closing	G
Allegheny County Industrial Development Authority	35,000.00		Issuer	Check at Closing	H
Legal Fee to Authority	3,000.00	Actual		Check at Closing	H
Thorp Reed & Armstrong	incl. In auth. Fee		Counsel to ACIDA	-	-
Ballard Spahr	no separate fee			-	-
First Annual Admin. Fee	24,481.25	Actual		Check at Closing	H
Lehman Brothers	1,141,798.50	Actual	Senior Managing Underwriter	Wire at Closing	I
Ballard Spahr Andrews & Ingersoll, LLP	332,121.15	Actual	Bond Counsel, Underwriter's Counsel	Wire at Closing	J
Akin, Gump, Strauss, Hauer & Feld, LLP	15,500.17	Actual	Counsel to BONY \$107,000 incl in BNY		O
Bank of New York	1,138,255.81	Actual	Standby Syndication Agent	Wire at Closing	K
CUSIP	1,300.00	Actual	CUSIP Numbers	Check After Closing	M
Bank One Trust Company, NA	21,749.00	Actual	Trustee	Check After Closing	M
Chase Manhattan Bank	1,971.07	Actual	Trustee	Check After Closing	N
RR Donnelley	17,392.28	Actual	Printer	Check After Closing	N
Moody's	105,580.00	Actual	Rating Fees	Check After Closing	L
Standard and Poors	100,000.00	Estimate	Rating Fees	Check After Closing	-
TOTAL	\$ 8,771,597.60				

**DUQUESNE LIGHT COMPANY
ESTIMATED COSTS
PCRB DEBT EXTENSION PROGRAM**

ISSUER/SERIES	Remarketing Agent	Mode	Par Amount (mil.)	Debt Extension (yrs.)	Estimated Costs of Debt Extension						Total Costs
					Issuer Fees	Legal Fees	Insurance Premium	Remarketing Agent	Trustee	Rating Agency	
BCIDA											
1999A	Fleet	wkly	\$ 25.000	0.8	\$ 500	\$ -	\$ 6,850	\$ 6,559	\$ -	\$ -	\$ 13,909
1999C	First Union	wkly	18.000	24.2	\$ 500	\$50,000	149,193	4,723	5,000	20,000	229,416
1999D	Lehman	cp	44.250	4.4	500	-	66,685	11,610	-	-	78,794
1999E	Banc One	cp	75.500	1.6	500	-	41,374	19,809	-	-	61,683
Total BCIDA			<u>\$162.750</u>		\$ 2,000	\$ 50,000	\$ 264,102	\$ 42,700	\$ 5,000	\$ 20,000	\$ 383,802
OAQDA											
1999A	BNY	wkly	\$ 21.500	12.7	\$ 15,000	\$ 50,000	\$ 93,520	\$ 5,641	\$ 5,000	\$ 20,000	\$ 189,160
1999C	BNY	wkly	4.655	1.6	-	-	2,551	1,221	-	-	3,772
Total OAQDA			<u>\$ 26.155</u>		\$ 15,000	\$ 50,000	\$ 96,071	\$ 6,862	\$ 5,000	\$ 20,000	\$ 192,933
OWDA											
1999A	BNY	wkly	\$ 49.500	12.7	\$ 15,000	\$50,000	\$ 215,313	\$ 12,987	\$ 5,000	\$ 20,000	\$ 318,300
1999B	Fleet	wkly	13.500	7.6	-	-	35,141	3,542	-	-	38,682
1999C	First Union	wkly	33.955	1.6	-	-	18,607	8,909	-	-	27,516
Total OWDA			<u>\$ 96.955</u>		\$ 15,000	\$ 50,000	\$ 269,060	\$ 25,438	\$ 5,000	\$ 20,000	\$ 384,498
Grand Total			<u>\$285.860</u>		\$ 32,000	\$ 150,000	\$ 629,233	\$ 75,000	\$ 15,000	\$ 60,000	\$ 961,233

Duquesne Light Company

Preferred Liability Analysis

Quote provided by SalomonSmithBarney on May 17, 2000

Assumption: 70% Tender and Remaining Non-Tenders Consent

Variable Transaction Costs:

Consent Fee @ 1%	(\$181,353)	(Equals 30% Consent x 1,209,019 shares x (1% x \$50 Par))
Dealer-Manager Fee @ 0.50%	(302,255)	(Equals 1,209,019 shares x (0.05% x \$50 Par))
Solicitation Fee - Tender @ 1.50%	(634,735)	(Equals 70% Tender x 1,209,019 shares x (1.50% x \$50 Par))
Solicitation Fee - Vote @ 0.50%	(90,677)	(Equals 30% Consent x 1,209,019 shares x (0.50% x \$50 Par))
Total Variable Transaction Costs	<u>(\$1,209,020)</u>	

Fixed Transaction Costs:

Depositary Fees	(\$25,000)
Information Agent Fees	(20,000)
Legal Fees	(70,000)
Printing and Mailing Fees	(25,000)
Miscellaneous Expenses	(40,000)
Total Fixed Transaction Costs	<u>(\$180,000)</u>

Total Transaction Costs \$ (1,389,020)

**Duquesne Light Company
ERO and Severance Summary**

ERO COSTS

Pension (SFAS 87)	31,470,800	
Health Care (SFAS 106)	4,698,296	
Total ERO		36,169,096

OTHER EMPLOYEE COSTS INCURRED

Pension Vesting* 600,920

401(k) Vesting* 937,640

Severance*

Salary Continuance/Severance	19,472,430	
Salary Continuance/Severance**	1,500,000	
Outplacement	477,895	
Employer Taxes	1,343,019	
Lump Sum Payment	469,000	
Tuition Reimbursement	24,248	
Career Retraining	20,568	
Relocation	23,625	
Benefits Continuance	1,553,287	
Total Salary Continuance/Severance Costs		24,884,072

Increased Healthcare Costs* 1,119,204

Costs to Sublease Space at 411 Seventh Avenue Location 2,489,712

TOTAL EMPLOYEE COSTS 66,200,644

* Due to the confidential nature of the severance and other benefits paid to affected employees, employee names and social security numbers have been omitted.

** \$1.5 million represents estimated costs for remaining positions to be eliminated during August 2000.

PricewaterhouseCoopers LLP
Kwasha HR Solutions
500 Frank W. Burr Boulevard
Glenpointe Centre West
Teaneck, NJ 07666-6802
Telephone (201) 530 2000
Facsimile (201) 530 2995

Mr. Jerry Katz
Manager, Trust Investments
DQE, Inc.
400 Fairway Drive
Moon Township, PA 15108

Re: Early Retirement Window
Liability as of 4/28/2000

Dear Jerry:

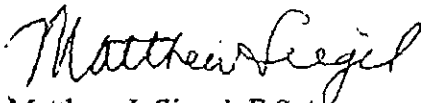
As requested, we have reviewed the early retirement window costs included in our letter dated June 26, 2000. We have adjusted the increase in pension PBO and retiree welfare APBO to reflect a measurement date of April 28, 2000. This April 28, 2000 liability reflects the total increase associated with the early retirement window that occurred as of March 31, 1999.

To be consistent with the accounting methodology used for DQE's financial statement disclosures, all liabilities were calculated as of the March 31, 1999 date based on the prevailing methods and assumptions, including a 6.5% discount rate. These liabilities were then rolled forward with interest to April 28, 2000 using a 7.29% interest rate, the rate apparently used by the PUC to adjust costs for passage of time.

We have enclosed an updated listing that contains the per participant breakdown of the increase in liability reflecting the new measurement date of April 28, 2000. The total increase in PBO is \$31.5 million. The total increase in APBO is \$4.7 million.

If you have any questions, please call.

Sincerely,



Matthew J. Siegel, F.S.A.
Principal

cc: Steve Schott

MJS/JER:vmw

DUQUESNE LIGHT COMPANY
EMPLOYEES PLACED ON SALARY CONTINUANCE
(1999 - 2000)

STATUS	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/ SEVERANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUITION REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401(K) VESTING	401(K) ANNUAL QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL
UNION EMPLOYEES																				
1	UNION	09/30/2000	08/18/2001	42,122.00	-	3,222.33	58.00	185.65	3,500.00						133.50	2,024.09	126.70	70.07		51,420.34
2	UNION	11/30/1999	03/15/2000	10,877.10		818.80	56.00	185.65								1,828.58	113.58	23.16		13,480.83
3	UNION	05/01/2000	08/03/2000	7,657.59		585.81										1,584.06	113.13	20.53		9,841.12
4	UNION	08/30/2000	09/30/2001	53,018.00		4,055.72	58.00	185.65	3,500.00						128.00	2,289.90	204.50	79.42		63,593.19
5	UNION	07/29/2000	07/29/2001	48,008.00		3,519.61	58.00	165.85	3,500.00						113.00	6,852.62	447.30	79.35		60,741.53
6	UNION	05/01/2000	05/15/2000	1,608.03		122.86						335.05				266.24	17.77	3.22		2,351.17
7	UNION	07/14/2000	03/23/2001	25,222.00		1,929.48	58.00	165.85	3,500.00							4,294.12	306.89	54.95		35,528.88
8	UNION	08/15/2000	12/15/2000	18,248.00		1,242.97			3,500.00							-	-	219.37		21,250.15
9	UNION	05/03/2000	08/04/2000	7,857.11	330.00	601.07										1,878.92	112.04	20.33		10,599.47
10	UNION	05/01/2000	05/22/2000	1,787.17		135.19						2,182.11		1,007.99		144.94	8.33	4.74		5,290.47
11	UNION	05/15/2000	08/25/2000	8,320.27		638.50										2,047.02	122.92	22.31		11,148.02
12	UNION	05/01/2000	05/15/2000	1,139.78		87.19						342.14				82.93	5.83	3.22		1,680.97
13	UNION	09/30/2000	07/21/2001	38,348.00		2,780.47	58.00	165.85	3,500.00						111.00	5,575.34	382.43	84.02		48,980.91
14	UNION	08/22/2000	08/29/2001	34,578.00		2,845.22	58.00	165.85	3,500.00						121.25	5,294.11	344.71	58.99		48,783.93
15	UNION	08/22/2000	08/29/2001	28,032.00		2,144.45	58.00	165.85	3,500.00						90.00	4,884.44	344.71	80.99		39,278.24
16	UNION	11/30/1999	12/15/1999	1,288.59	492.71	97.05				287.00		4,039.04				287.51	17.10	3.49		6,482.49
17	UNION	05/01/2000	10/29/2000	19,710.94		1,507.89										2,947.64	213.21	38.69		24,418.37
18	UNION	05/18/2000	05/29/2000	1,128.98		88.37										-	-	3.03		2,050.97
19	UNION	05/18/2000	08/07/2000	1,693.54		129.58									832.59	-	-			3,882.73
20	UNION	08/30/2000	09/30/2001	82,828.00		4,791.04	58.00	165.85	3,500.00						104.50	6,948.47	450.68	79.42		78,813.76
21	UNION	05/01/2000	08/02/2000	7,583.95	330.00	580.17										1,878.92	112.04	20.33		10,305.41
22	UNION	09/30/2000	09/30/2001	45,000.00		3,442.50	58.00	165.85	3,500.00						108.75	5,015.07	450.68	79.42		57,818.07
23	UNION	05/18/2000	08/28/2000	9,880.75		758.64										2,899.76	-	22.70		13,589.85
24	UNION	08/05/2000	07/10/2001	33,203.00		2,540.03	58.00	165.85	3,500.00						23.25	1,922.93	120.07	67.05		41,587.98
25	UNION	07/01/2000	07/01/2001	48,880.00		3,722.49	58.00	165.85	3,500.00							146.20	6,285.47	445.07		63,081.14
26	UNION	08/30/2000	08/30/2001	36,432.00		2,787.05	58.00	165.85	3,500.00							-	-	79.42		43,134.55
27	UNION	05/01/2000	10/25/2000	19,174.38		1,488.84										2,294.14	212.12	38.49		23,185.95
28	UNION	05/15/2000	08/17/2000	10,228.34	330.00	782.32										528.03	35.88	20.53		11,823.10
29	UNION	07/14/2000	01/14/2001	16,248.00		1,242.97	58.00	185.65	3,500.00							3,338.80	222.22	40.21		24,814.85
30	UNION	08/30/2000	03/31/2001	17,058.00		1,304.94	58.00	165.85	3,500.00						81.50	3,415.88	70.93	39.81		25,892.71
31	UNION	05/24/2000	08/23/2000	2,441.61		186.78						1,960.58		368.13		183.44	11.80	6.71		5,157.05
32	UNION	08/01/2000	08/01/2001	47,618.00		3,642.82	58.00	165.85	3,500.00							2,289.60	141.91	79.35		57,471.13
33	UNION	09/28/2000	09/29/2001	40,718.00		3,114.77	58.00	165.85	3,500.00						24.75	6,941.30	450.26	79.38		55,048.09
34	UNION	08/29/2000	08/17/2001	37,408.00		2,981.79	58.00	165.85	3,500.00							6,113.90	387.09	70.08		50,573.51
35	UNION	05/01/2000	05/01/2000	73.63		5.83										15.04	1.09	0.20		95.59
36	UNION	09/15/2000	08/08/2001	32,884.00		2,515.63	58.00	185.65	3,500.00							5,014.18	327.03	57.07		44,520.46
37	UNION	11/30/1999	03/15/2000	9,816.83	492.71	750.99	58.00	165.85								1,778.85	113.58	23.16		13,836.89
38	UNION	04/01/2000	11/23/2001	87,129.01		5,135.37	58.00	165.85								3,559.03	717.59	130.22		76,882.87
39	UNION	08/15/2000	08/15/2001	47,818.00		3,642.82	58.00	165.85	3,500.00							2,290.90	142.59	79.38		57,493.12
40	UNION	08/31/2000	08/21/2001	24,735.00		1,892.23	58.00	165.85	3,500.00							1,831.15	114.40	64.03		32,358.55
41	UNION	08/08/2000	11/13/2000	15,882.23		1,214.99										2,841.67	189.84	34.41		20,182.94
42	UNION	05/01/2000	08/14/2000	8,705.33		742.46										588.96	40.02	22.90		11,099.67
43	UNION	05/01/2000	08/14/2000	8,541.17		653.40										2,551.43	128.18	22.90		11,895.08
44	UNION	05/01/2000	05/19/2000	1,484.02		113.53						985.87				111.50	7.13	4.08		2,708.13
45	UNION	05/01/2000	05/12/2000	891.64		68.21										68.00	4.48	2.57		1,032.90
46	UNION	09/30/2000	03/31/2001	16,248.00		1,242.97	58.00	165.85	3,500.00							1,130.83	70.93	39.81		22,453.99
47	UNION	05/17/2000	08/18/2000	7,583.95		580.17										1,549.02	-	20.33		9,733.47
48	UNION	02/08/2000	08/08/2000	21,143.20	330.00	1,817.45										1,009.41	40.26	22.90	50.94	24,214.16
49	UNION	04/18/2000	08/23/2000	21,810.87		1,668.53										2,821.80	189.84	34.41		28,325.25
50	UNION	08/18/2000	03/18/2001	23,490.00		1,706.99	58.00	165.85	3,500.00						53.50	3,593.11	258.31	45.88		32,957.42
51	UNION	09/30/2000	07/21/2001	31,025.00		2,373.41	58.00	165.85	3,500.00						28.25	1,845.40	114.94	84.02		38,172.67
52	UNION	09/30/2000	09/15/2001	45,785.00		3,502.55	58.00	165.85	3,500.00						129.20	6,140.09	431.82	76.13		58,786.44
53	UNION	05/01/2000	08/14/2000	11,406.32		872.58										1,744.52	128.18	22.90		14,172.50
54	UNION	05/15/2000	08/28/2000	12,015.54		919.19										1,890.82	128.18	22.90		14,874.63
55	UNION	08/15/2000	02/15/2001	18,248.00		1,242.97	58.00	165.85	3,500.00							-	223.74	40.21		21,478.57
56	UNION	05/15/2000	05/29/2000	1,808.03	330.00	122.88						1,033.24				245.84	17.77	3.22		3,358.78
57	UNION	09/22/2000	08/24/2001	39,035.00		2,988.18	58.00	165.85	3,500.00						108.17	6,373.84	-	73.10		52,295.94
58	UNION	11/30/1999	12/15/1999	1,347.59		103.08	58.00	165.85								89.37	5.45	3.49		2,218.41
59	UNION	05/15/2000	08/25/2000	11,111.33	330.00	850.02						447.77				573.72	39.22	22.31		12,926.60
60	UNION	08/30/2000	08/30/2001	54,488.00		4,166.80	58.00	165.85	3,500.00							2,123.29	141.54	79.42		64,700.70
61	UNION	09/30/2000	03/31/2001	18,734.00		1,280.15	58.00	165.85	3,500.00							3,151.56	223.66	39.81		25,150.83
62	UNION	09/30/2000	09/30/2001	55,980.00		4,259.52	58.00	165.85	3,500.00							6,948.47	450.58	79.42		71,357.04
63	UNION	09/30/2000	07/07/2001	32,594.00		2,493.44	58.00	165.85	3,500.00						104.22	1,758.05	109.44	60.99		40,839.79
64	UNION	05/15/2000	08/28/2000	12,015.54	330.00	919.19										1,890.82	128.18	22.90		15,304.63
65	UNION	05/01/2000	08/14/2000	11,406.32		872.58										2,824.97	128.18	22.90		15,352.95
66	UNION	07/20/2000	03/29/2001	28,525.00		2,029.16	58.00	165.85	3,500.00						98.84	4,852.52	308.96	54.95		37,390.08
67	UNION	05/15/2000	08/28/2000	11,713.																

DUQUESNE LIGHT COMPANY
EMPLOYEES PLACED ON SALARY CONTINUANCE
(1999 - 2000)

STATUS	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/RESERVEANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUTORIAL REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401(K) VESTING	401(K) ANNUAL/QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL
148	UNION	09/30/2000	08/23/2001		32,884.00	-	2,515.63	58.00	185.65	3,500.00	-	-	-	-	111.00	4,645.83	327.74	57.97	-	44,263.82
149	UNION	01/28/2000	02/01/2000		548.21	330.00	41.94	58.00	185.65	-	-	348.90	-	-	-	-	-	-	-	1,490.70
150	UNION	07/14/2000	06/29/2001		47,889.00	-	3,871.18	58.00	185.65	3,500.00	-	-	-	-	145.75	8,037.43	428.11	78.13	-	62,069.23
151	UNION	09/30/2000	09/30/2001		45,000.00	-	3,442.50	58.00	185.65	3,500.00	-	-	-	-	100.50	2,299.00	143.78	79.42	-	54,766.75
152	UNION	05/01/2000	08/02/2000		7,583.95	-	580.17	-	-	-	-	-	-	-	-	1,878.92	112.04	20.33	-	9,875.41
153	UNION	04/01/2000	11/09/2000		27,481.13	-	2,102.31	-	-	-	-	-	-	-	-	3,874.53	265.79	48.23	-	33,571.99
154	UNION	07/15/2000	01/15/2001		14,364.00	-	1,098.85	58.00	185.65	3,500.00	-	-	-	-	41.50	3,341.11	222.26	40.20	-	22,828.57
155	UNION	05/15/2000	08/25/2000		6,454.32	330.00	723.29	-	-	-	-	-	-	-	-	1,847.82	122.82	22.31	-	12,494.73
156	UNION	11/30/1999	03/04/2000		8,812.81	-	874.18	58.00	185.65	-	-	-	-	-	-	1,380.16	101.94	20.79	-	11,181.53
157	UNION	11/30/1999	12/15/1999		1,417.40	-	108.43	58.00	185.65	-	-	1,031.43	-	-	-	89.37	5.45	3.49	-	2,877.22
158	UNION	05/01/2000	09/04/2000		15,156.96	-	1,159.51	-	-	-	-	3,807.54	-	-	-	751.73	48.38	27.50	-	17,144.08
159	UNION	11/30/1999	12/15/1999		1,208.59	-	97.05	-	-	-	-	3,807.54	-	-	-	228.13	17.10	3.49	-	5,421.90
160	UNION	09/30/2000	07/07/2001		34,815.00	-	2,648.05	58.00	185.65	3,500.00	-	-	-	-	103.47	1,758.05	110.10	80.99	-	43,015.31
161	UNION	11/30/1999	12/15/1999		1,148.25	-	87.84	-	-	-	-	748.90	-	-	-	-	-	3.49	-	1,988.18
162	UNION	05/22/2000	08/23/2000		9,549.57	-	730.54	-	-	-	-	-	-	-	-	522.95	35.75	20.33	-	10,859.14
163	UNION	05/01/2000	08/11/2000		11,017.31	-	842.82	-	-	-	-	-	-	-	-	-	122.92	22.31	-	12,005.36
164	UNION	01/28/2000	02/08/2000		902.54	-	69.04	58.00	185.65	-	-	1,947.20	-	-	-	249.94	18.88	3.03	-	3,410.08
165	UNION	05/01/2000	10/05/2000		18,342.44	-	1,403.20	-	-	-	-	-	-	-	-	2,801.75	188.19	34.15	-	22,569.73
166	UNION	11/30/1999	12/15/1999		1,288.59	492.71	97.05	-	-	-	-	5,109.53	-	-	-	250.17	17.10	3.49	-	7,238.84
167	UNION	05/15/2000	10/27/2000		13,069.51	330.00	999.82	-	-	-	-	-	-	-	-	1,099.15	62.79	35.83	-	15,597.20
168	UNION	09/01/2000	09/01/2001		38,432.00	-	2,787.05	58.00	185.65	3,500.00	-	-	-	-	112.83	6,387.28	448.92	79.35	-	49,948.88
169	UNION	05/15/2000	08/25/2000		11,087.82	-	848.22	-	-	-	-	-	-	-	-	1,899.41	122.92	22.31	-	13,780.88
170	UNION	09/30/2000	09/30/2001		53,018.00	-	4,055.72	58.00	185.65	3,500.00	-	-	-	-	-	2,164.31	142.93	79.42	-	63,180.03
171	UNION	04/01/2000	07/15/2000		12,968.58	-	992.10	-	-	-	-	-	-	-	-	-	40.28	22.90	-	14,023.84
172	UNION	05/15/2000	08/28/2000		12,015.54	-	918.19	-	-	-	-	-	-	-	-	1,744.52	128.18	22.90	-	14,828.33
173	UNION	08/31/2000	08/21/2001		21,770.00	-	1,685.41	58.00	185.65	3,500.00	-	-	-	-	-	8,148.32	361.00	64.03	-	33,730.41
174	UNION	07/14/2000	02/23/2001		35,031.00	-	2,879.87	58.00	185.65	3,500.00	-	-	-	-	31.50	2,969.58	271.99	48.89	-	44,754.48
175	UNION	09/30/2000	06/30/2001		40,718.00	-	3,114.77	58.00	185.65	3,500.00	-	-	-	-	107.50	2,299.00	142.83	79.42	-	50,182.17
176	UNION	09/30/2000	09/30/2001		64,428.00	-	4,828.74	58.00	185.65	3,500.00	-	-	-	-	-	6,948.47	450.88	79.42	-	80,558.98
177	UNION	09/22/2000	09/07/2001		31,894.00	-	2,424.59	58.00	185.65	3,500.00	-	-	-	-	-	2,189.03	137.65	78.13	-	40,253.05
178	UNION	05/01/2000	08/14/2000		12,311.11	-	941.80	-	-	-	-	-	-	-	-	625.84	40.02	22.90	-	13,941.87
179	UNION	08/31/2000	06/21/2001		53,018.00	-	4,055.72	58.00	185.65	3,500.00	-	-	-	-	35.50	5,532.31	361.00	64.03	-	68,788.21
180	UNION	05/04/2000	08/18/2000		8,487.54	330.00	647.77	-	-	-	-	-	-	-	-	1,729.48	125.10	22.70	-	11,322.59
181	UNION	05/01/2000	08/14/2000		11,713.95	-	896.12	-	-	-	-	-	-	-	-	625.84	40.02	22.90	-	13,298.83
182	UNION	11/30/1999	12/15/1999		1,288.59	-	97.05	-	-	-	-	924.00	-	-	-	228.13	17.10	3.49	-	2,538.36
183	UNION	05/01/2000	10/18/2000		18,197.10	-	1,488.58	-	-	-	-	-	-	-	-	2,787.23	201.61	38.58	-	23,891.10
184	UNION	05/08/2000	08/18/2000		10,282.82	-	788.64	-	-	-	-	-	-	-	-	1,889.41	122.92	22.31	-	12,914.10
185	UNION	06/30/2000	06/30/2001		64,428.00	-	4,828.74	58.00	185.65	3,500.00	-	-	-	-	135.21	2,258.29	142.39	79.42	-	75,891.70
186	UNION	09/30/2000	09/30/2001		43,223.00	-	3,306.56	58.00	185.65	3,500.00	-	-	-	-	74.00	6,948.47	450.88	79.42	-	57,803.78
187	UNION	05/01/2000	07/13/2000		5,964.85	-	458.25	-	-	-	-	-	-	-	-	437.01	27.94	15.99	-	6,901.24
188	UNION	09/29/2000	09/14/2001		41,101.00	-	3,144.23	58.00	185.65	3,500.00	-	-	-	-	-	-	-	78.13	-	48,043.01
189	UNION	09/29/2000	09/29/2001		53,016.00	-	4,055.72	58.00	185.65	3,500.00	-	-	-	-	110.00	6,941.30	450.88	79.42	-	68,374.29
190	UNION	09/30/2000	09/30/2001		58,920.00	-	4,507.38	58.00	185.65	3,500.00	-	-	-	-	-	5,798.37	450.88	79.42	-	73,477.50
191	UNION	11/30/1999	06/28/2000		24,580.88	-	1,878.91	58.00	185.65	-	-	-	-	-	-	1,180.58	71.72	45.80	-	27,959.60
192	UNION	05/01/2000	05/15/2000		1,523.84	-	116.58	-	-	-	-	788.84	-	-	836.44	-	17.77	3.22	-	3,284.47
193	UNION	04/15/2000	10/21/2000		23,432.00	-	1,792.55	-	-	-	2,904.00	-	-	-	-	3,385.87	226.82	41.12	-	31,792.16
194	UNION	05/01/2000	08/24/2000		13,154.97	-	1,008.38	-	-	-	-	-	-	-	-	1,908.95	138.15	25.07	-	16,234.50
195	UNION	11/30/1999	12/15/1999		1,063.85	-	82.92	-	-	-	-	831.23	-	-	-	337.15	17.10	3.49	-	2,355.84
196	UNION	05/01/2000	10/05/2000		18,819.21	330.00	1,439.87	-	-	-	-	-	-	-	-	3,133.93	188.19	34.15	-	23,945.15
197	UNION	09/30/2000	09/30/2001		27,650.00	-	2,115.23	58.00	185.65	3,500.00	-	-	-	-	140.40	10,748.77	450.88	79.42	-	44,908.15
198	UNION	05/15/2000	10/19/2000		18,819.21	-	1,439.87	-	-	-	-	-	-	-	-	2,819.93	188.19	34.15	-	23,301.15
199	UNION	06/15/2000	02/08/2001		45,000.00	-	3,442.50	58.00	185.65	3,500.00	-	-	-	-	102.00	4,006.58	287.95	51.91	-	58,812.59
200	UNION	05/05/2000	05/25/2000		1,893.54	330.00	129.56	-	-	-	-	1,818.83	-	-	-	579.95	25.02	4.54	-	4,881.44
201	UNION	05/01/2000	09/04/2000		15,577.18	-	1,191.65	-	-	-	-	-	-	-	-	2,524.05	151.57	27.50	-	18,471.95
202	UNION	07/31/2000	07/31/2001		45,000.00	-	3,442.50	58.00	185.65	3,500.00	-	-	-	-	110.00	-	-	79.42	-	52,353.57
203	UNION	05/01/2000	05/12/2000		872.04	-	66.71	-	-	-	-	301.80	-	-	840.18	211.90	14.14	2.57	-	2,108.32
204	UNION	05/01/2000	08/12/2000		3,480.70	-	264.74	-	-	-	-	1,388.87	-	-	-	768.11	51.13	8.28	-	5,838.83
205	UNION	09/30/2000	07/21/2001		34,156.00	-	2,812.93	58.00	185.65	3,500.00	-	-	-	-	39.00	1,738.81	114.94	64.02	-	42,445.15
206	UNION	05/15/2000	11/29/2000		18,860.32	-	1,519.31	-	-	-	-	-	-	-	-	3,278.50	237.14	43.03	-	24,938.30
207	UNION	08/31/2000	08/31/2001		48,860.00	-	3,722.49	58.00	185.65	3,500.00	-	-	-	-	-	2,285.85	142.48	79.42	-	58,743.89
208	UNION	11/30/1999	03/15/2000		10,677.10	492.71	818.80	58.00	185.65	-	-	-	-	-	132.20	596.22	38.22	23.18	-	12,883.88
209	UNION	08/04/2000	04/27/2001		28,806.00	-	2,035.36	58.00	185.65	3,500.00	-	-	-	-	52.00	4,854.19	325.03	57.97	-	37,752.20
210	UNION	04/04/2000	07/08/2000		7,755.72	-	593.31	-	-	-	-	-	-	-	-	15.04	1.09	0.20	-	8,365.38
211	UNION	05/01/2000	01/08/2001		40,854.98	-	3,125.41	58.00	185.65	-	-	-	-	-	-	4,520.59	301.88	54.75	-	49,079.06

DUQUESNE LIGHT COMPANY
EMPLOYEES PLACED ON SALARY CONTINUANCE
(1999 - 2000)

STATUS	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/ SEVERANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUITION REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401(K) VESTING	401(N) ANNUAL/ QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL
222	UNION	05/01/2000	11/16/2000		23,289.21											3,395.87	226.82	41.12		28,734.44
223	UNION	05/01/2000	10/05/2000		19,907.71											2,819.93	188.19	34.15		24,472.92
224	UNION	04/01/2000	09/07/2000		19,601.98											945.96	80.86	34.51		22,142.96
225	UNION	05/17/2000	09/08/2000		11,275.82											639.73	43.47	24.87		12,848.49
228	UNION	09/30/2000	09/30/2001		26,736.00		2,045.30	58.00	165.65	3,500.00					67.50			79.42		32,649.87
227	UNION	09/30/2000	09/15/2001		44,239.00		3,384.28	58.00	165.65	3,500.00					112.91	3,552.73	138.95	76.13		55,223.85
228	UNION	07/30/2000	05/08/2001		28,006.00		2,142.46	58.00	165.65	3,500.00						1,728.69	108.50	61.00		35,766.30
229	UNION	11/30/1999	12/15/1999		1,232.76		94.31					536.38				89.77	5.45	3.49		1,062.16
230	UNION	09/30/2000	09/15/2001		39,150.00		2,964.88	58.00	165.65	3,500.00					104.72		431.82	76.13		46,479.30
231	UNION	07/31/2000	05/21/2001		29,428.00		2,251.00	58.00	165.65	3,500.00					33.75	3,965.20	359.90	64.00		39,821.68
232	UNION	05/15/2000	08/28/2000	330.00	8,541.17		653.40									1,744.52	128.18	22.90		11,418.17
233	UNION	05/01/2000	10/25/2000	330.00	18,590.09		1,498.64									1,898.85	212.12	38.49		23,366.19
234	UNION	05/15/2000	08/17/2000		10,502.14		803.41									1,584.06	113.13	20.53		13,003.27
235	UNION	09/30/2000	07/21/2001		26,247.00		2,007.90	58.00	165.65	3,500.00					78.97	1,845.40	115.63	76.13		34,092.88
236	UNION	09/30/2000	09/15/2001		50,977.00		3,899.74	58.00	165.65	3,500.00						6,655.07	431.82	76.13		85,781.41
237	UNION	09/30/2000	09/30/2001		47,618.00		3,842.82	58.00	165.65	3,500.00						2,299.90	142.93	79.42		57,502.52
238	UNION	04/15/2000	10/21/2000		23,432.00	330.00	1,782.55				2,168.00	775.00				1,124.00	72.31	41.12		29,732.98
239	UNION	09/14/2000	12/13/2000		21,205.90		1,822.23									2,053.83	137.06	24.87	17.35	25,080.94
240	UNION	09/30/2000	09/30/2001		45,912.00		3,512.27	58.00	165.65	3,500.00						6,948.47	450.68	79.42		60,824.49
241	UNION	08/31/2000	06/18/2001		45,785.00		3,502.55	58.00	165.65	3,500.00						8,929.98	430.76	76.20		62,446.14
242	UNION	09/30/2000	09/30/2001		44,852.00		3,438.83	58.00	165.65	3,500.00					111.75		143.78	70.42		52,447.43
243	UNION	05/15/2000	05/28/2000		1,606.03		122.88					358.87		325.15		288.24	17.77	3.22		2,898.14
244	UNION	09/18/2000	06/08/2001		31,894.00		2,424.59	58.00	165.65	3,500.00					94.25	5,514.05	360.39	84.02		43,872.95
245	UNION	04/01/2000	07/15/2000		12,262.85		938.11									700.56	40.26	22.90		13,864.68
246	UNION	05/17/2000	09/08/2000		10,817.19		827.52											24.87		11,669.58
247	UNION	09/15/2000	07/08/2001		31,694.00		2,424.59	58.00	165.65	3,500.00					95.65	6,172.47	381.73	64.03		44,534.12
248	UNION	08/11/2000	05/18/2001		25,745.00		1,969.49	58.00	165.65	3,500.00					81.78	4,820.11	342.71	60.99		38,750.73
249	UNION	09/30/2000	09/15/2001		48,254.00		3,891.43	58.00	165.65	3,500.00					122.20	6,655.07	431.82	76.13		82,952.30
250	UNION	07/01/2000	06/18/2001		43,269.00		3,310.08	58.00	165.65	3,500.00					108.50	6,525.10	427.49	76.13		57,437.05
251	UNION	05/15/2000	05/28/2000		1,808.03		122.88					1,827.79				295.88	17.77	3.22		3,873.55
252	UNION	05/01/2000	05/15/2000		1,523.84		118.56					1,011.40				288.24	17.77	3.22		2,938.83
253	UNION	05/01/2000	08/03/2000		11,037.52		844.37									1,095.22	113.13	20.53		13,710.77
254	UNION	05/18/2000	08/17/2000		9,147.88		699.81									1,865.87	112.04	70.36		12,175.93
255	UNION	09/29/2000	09/29/2001		47,618.00		3,842.82	58.00	165.65	3,500.00						2,287.52	143.85	79.38		57,500.80
256	UNION	05/01/2000	05/12/2000	330.00	891.84		68.21				2,000.00	2,444.29		626.01		70.14	4.48	2.57		8,437.34
257	UNION	09/30/2000	12/31/2000		13,388.00		1,022.65								7.79	1,093.43	89.92	60.54		19,122.33
258	UNION	09/29/2000	08/03/2001		30,827.00		2,358.27	58.00	165.65	3,500.00					33.25	1,934.31	120.44	87.05		39,061.97
259	UNION	09/30/2000	09/15/2001		38,900.00		2,822.85	58.00	165.65	3,500.00					92.55	8,655.07	431.82	76.13		50,700.07
260	UNION	09/30/2000	07/07/2001		28,008.00		2,142.46	58.00	165.65	3,500.00					67.60	5,305.41	110.10	80.99		39,434.21
261	UNION	05/01/2000	08/14/2000		12,311.11		941.80									1,890.82	126.18	22.90		15,282.81
262	UNION	07/31/2000	03/28/2001		18,784.00		1,436.98	58.00	165.65	3,500.00					66.25	4,408.23	290.14	51.92		28,759.17
263	UNION	04/29/2000	05/12/2000		1,051.84		80.45					898.80				249.94	16.88	3.03		2,325.05
264	UNION	05/01/2000	10/28/2000		16,398.61		1,254.48									1,057.48	88.03	38.89		18,817.28
265	UNION	11/30/1999	04/04/2001	492.71	79,450.92		6,078.00	58.00	165.65							7,637.12	521.97	106.48		94,508.83
266	UNION	05/15/2000	09/08/2000		10,987.88		839.04									2,053.83	137.06	24.87		14,022.68
267	UNION	11/30/1999	12/15/1999		1,417.40		108.43					2,692.90				250.17	17.10	3.49		4,789.49
268	UNION	02/18/2000	12/18/2000		37,978.00		2,905.36	58.00	165.65							1,821.78	367.31	66.66		47,381.36
269	UNION	05/25/2000	08/04/2000		5,673.01		433.90									1,431.10	85.94	15.59		7,639.83
270	UNION	05/01/2000	08/11/2000	330.00	11,111.33		850.02									573.72	38.98	22.31		12,826.38
271	UNION	05/15/2000	08/15/2000		3,441.82		263.28					1,248.06				411.77	38.07	6.91		5,408.71
272	UNION	09/30/2000	05/28/2001		23,821.00		1,822.31	58.00	165.65	3,500.00					89.65	4,495.81	293.05	51.91		34,295.18
273	UNION	05/01/2000	08/11/2000		10,112.42		773.60									2,047.02	122.92	22.31		13,078.27
274	UNION	05/15/2000	09/07/2000	330.00	13,154.97		1,006.36									644.80	44.08	25.07		15,205.28
275	UNION	05/01/2000	08/14/2000	330.00	12,015.54		919.19										126.16	22.90		13,413.81
276	UNION	11/30/1999	05/08/2000		21,076.59		1,812.36	58.00	165.65							881.93	53.82	34.41		23,880.76
277	UNION	01/28/2000	02/01/2000		548.21		41.94					535.82								1,126.07
278	UNION	09/14/2000	09/14/2001		48,008.00		3,519.81	58.00	165.65	3,500.00						4,998.45	449.91	79.42		58,777.04
279	UNION	05/15/2000	08/25/2000		10,112.42		773.60									1,841.92	122.82	22.31		12,873.17
280	UNION	05/01/2000	08/24/2000		15,888.98		1,215.51									2,070.13	138.15	25.07		19,337.84
281	UNION	05/15/2000	08/17/2000		7,657.59		585.81									1,564.06	113.13	20.53		9,941.12
282	UNION	09/30/2000	07/21/2001		38,459.00		2,942.11	58.00	165.65	3,500.00					119.10	5,575.34	362.43	84.02		51,243.65
283	UNION	08/01/2000	06/05/2001		40,290.00		3,082.19	58.00	165.65	3,500.00					111.80	5,759.84	376.93	67.05		53,409.29
284	UNION	11/30/1999	03/25/2000		10,737.18		821.39	58.00	165.65		594.00					652.11	39.82	25.33		13,001.28
285	UNION	09/30/2000	09/30/2001		48,860.00		3,722.49	58.00	165.65	3,500.00						6,948.47	450.68	79.42		63,582.71
286	UNION	09/30/2000	06/23/2001		23,747.00		1,818.65	58.00	165.65	3,500.00					82.91			57.97		29,426.18
287	UNION	08/01/2000	04/24/2001		20,983.00		1,805.96	58.00	165.65	3,500.00						1,541.77	103.04	57.96		28,023.38
288	UNION	11/30/1999	12/15/1999	330.00	1,232.76		94.31					2,828.33								

DUQUESNE LIGHT COMPANY
 EMPLOYEES PLACED ON SALARY CONTINUANCE
 (1999 - 2000)

STATUS	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/ SEVERANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUITION REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401(K) VESTING	401(K) ANNUAL QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL	
MANAGEMENT EMPLOYEE COSTS																					
1	MGMT	05/18/2000	12/14/2000	31,889.14	2,000.00	2,439.52										3,813.88	342.77	78.35	41.43	40,805.09	
2	MGMT	08/09/2000	08/30/2001	29,948.00	2,000.00	2,290.87	56.00	185.65							1,026.18	3,569.85	309.11	73.69	39.07	39,909.00	
3	MGMT	08/09/2000	02/09/2001	25,002.00	2,000.00	1,912.65	56.00	185.65								1,140.40	118.80	63.28	33.17	30,489.95	
4	MGMT	08/07/2000	02/07/2001	29,948.00	2,000.00	2,290.87	56.00	185.65										73.25	38.49	34,991.48	
5	MGMT	08/30/1999	08/29/2000	91,809.59	8,250.00	6,055.63	56.00	185.65							421.20	5,071.25	388.09	225.80	119.34	184,451.74	
6	MGMT	12/31/2000	11/04/2001	48,190.00	2,000.00	3,886.54	56.00	185.65				52,310.39				2,016.84		119.34	62.93	58,711.30	
7	MGMT	07/24/2000	04/18/2001	40,190.00	5,175.00	3,074.54	56.00	185.65							414.00	1,664.80	189.33	99.47	52.51	50,794.30	
8	MGMT	09/30/2000	09/30/2001	60,816.00	2,000.00	4,852.42	56.00	185.65							147.00	7,027.83	613.92	151.00	79.54	75,873.38	
9	MGMT	05/15/2000	05/14/2001	79,600.07	2,000.00	6,089.41	56.00	185.65								2,064.24	227.04	195.84	103.44	90,501.80	
10	MGMT	12/01/1999	11/30/2000	97,314.42	8,250.00	6,135.45	56.00	185.65				29,167.57				5,565.60	388.00	238.92	128.58	147,408.40	
11	MGMT	05/15/2000	05/14/2001	86,849.91		5,114.02	56.00	185.65								8,594.60	592.88	184.88	88.88	79,624.62	
12	MGMT	12/31/2000	12/31/2001	48,768.00	2,000.00	3,730.75	56.00	185.65								7,160.59	619.90	121.42	83.73	62,886.04	
13	MGMT	02/07/2000	02/02/2001	48,843.08	2,000.00	3,738.50	56.00	185.65								8,141.23	587.74	119.71	63.55	61,713.46	
14	MGMT	08/01/2000	08/28/2001	38,385.28	2,000.00	2,938.47	56.00	185.65								1,391.44	155.22	100.83	50.22	45,683.01	
15	MGMT	05/15/2000	04/18/2001	58,558.04	2,000.00	4,479.54	56.00	185.65							441.80	6,089.01	547.24	144.70	76.12	72,114.30	
16	MGMT	12/31/2000	08/30/2001	45,324.00	5,175.00	3,467.29	56.00	185.65						1,212.18	647.10	1,189.91	118.42	111.38	59.12	57,528.03	
17	MGMT	09/30/2000	09/23/2001	78,842.00	5,175.00	8,016.11	56.00	185.65							778.50	3,395.37	446.46	189.32	100.08	84,984.49	
18	MGMT	10/21/1999	07/12/2000	40,843.32	2,000.00	3,124.50	56.00	185.65								1,482.07	90.04	101.15	53.11	47,915.64	
19	MGMT	12/17/1999	12/15/2000	84,051.18	8,250.00	5,915.24	56.00	185.65								5,437.08	387.12	207.24	109.32	104,578.63	
20	MGMT	12/31/2000	12/31/2001	57,444.00	2,000.00	4,394.47	56.00	185.65								4,773.81	619.90	142.79	75.08	70,095.45	
21	MGMT										13,653.34	3,085.49			423.75						16,738.83
22	MGMT	08/04/2000	02/04/2001	45,240.00	5,175.00	3,460.86	56.00	185.65							222.00	3,408.31	304.05	113.03	59.88	58,204.78	
23	MGMT	08/07/2000	04/16/2001	41,140.00	2,000.00	3,147.21	56.00	185.65								4,226.74	419.30	102.21	53.77	51,748.88	
24	MGMT	09/30/2000	05/28/2001	42,858.00	2,000.00	3,263.41	56.00	185.65								2,846.57	399.20	105.17	55.79	51,775.79	
25	MGMT	12/31/2000	08/30/2001	31,422.00	2,000.00	2,403.78	56.00	185.65								1,189.91	1,189.91	77.77	41.00	39,980.77	
26	MGMT	08/01/2000	08/01/2001	65,592.00	2,000.00	5,017.79	56.00	185.65							984.75	4,623.59	608.50	182.33	85.75	78,788.01	
27	MGMT	01/31/2001	12/31/2001	64,499.78	2,000.00	4,934.23	56.00	185.65								4,740.00	819.90	159.20	84.37	80,153.70	
28	MGMT	12/31/2000	12/31/2001	52,584.00	2,000.00	4,022.68	56.00	185.65								4,773.81	619.90	129.63	88.80	64,802.07	
29	MGMT	05/15/2000	05/14/2001	83,878.79		5,937.70	56.00	185.65								4,399.44	592.68	205.68	108.84	95,139.78	
30	MGMT	01/18/2000	01/13/2001	58,238.51	2,000.00	4,455.25	56.00	185.65							18,078.75	8,578.11	591.20	143.28	75.77	90,382.52	
31	MGMT	08/01/2000	12/31/2001	57,323.78	2,000.00	4,385.27	56.00	185.65										76.16	74.89	84,146.67	
32	MGMT	08/30/2000	03/31/2001	31,614.00	2,000.00	2,418.47	56.00	185.65								225.00			41.45	38,588.73	
33	MGMT	07/24/2000	07/24/2001	108,578.00	8,250.00	6,288.74	56.00	185.65								811.80		609.48	208.83	141.94	125,118.24
34	MGMT			1,444,475.00																	1,444,475.00
35	MGMT	07/24/2000	01/24/2001	43,500.00	5,175.00	3,327.75	56.00	185.65							591.60	3,387.97	303.83	109.06	57.71	56,984.57	
36	MGMT	08/30/1999	02/27/2000	31,572.00		2,415.26	56.00	185.65										81.53	78.10	41.02	34,389.65
37	MGMT	10/21/1999	04/19/2000	28,110.15	2,000.00	2,150.43	56.00	185.65								2,768.71	192.91	98.13	38.54	35,547.52	
38	MGMT	09/30/2000	03/31/2001	25,002.00	2,000.00	1,912.65	56.00	185.65								3,454.90	304.68	82.58	32.79	33,747.90	
39	MGMT	08/07/2000	05/14/2001	50,806.00	2,000.00	3,886.66	56.00	185.65							453.67	5,293.69	487.07	128.21	66.45	63,182.73	
40	MGMT	05/15/2000	05/14/2001	117,748.54	3,750.00	6,431.72	56.00	185.65								315.00	6,594.60	592.68	288.64	153.12	135,779.15
41	MGMT	12/31/2000	12/31/2001	37,020.00	2,000.00	2,832.03	56.00	185.65								264.00	2,388.78	237.48	91.97	48.40	45,102.31
42	MGMT	01/15/2000	11/24/2000	85,277.78	8,250.00	5,960.82	56.00	185.65								5,078.58	511.68	209.89	110.85	105,821.36	
43	MGMT	08/07/2000	08/25/2001	1,840.00	8,250.00	6,374.03	56.00	185.65								4,075.21	537.96		2.34	22,147.19	
44	MGMT	08/07/2000	08/07/2001	69,972.00	2,000.00	5,352.86	56.00	185.65								84.00	2,316.47	232.84	172.36	91.49	80,444.67
45	MGMT	12/31/2000	10/07/2001	49,532.00	2,000.00	3,789.20	56.00	185.65								478.20	1,636.73	182.57	122.40	64.78	58,027.53
46	MGMT	12/31/2000	08/30/2001	37,794.00	2,000.00	2,891.24	56.00	185.65								534.00	3,588.85	309.11	93.30	49.30	47,402.45
47	MGMT	08/01/2000	02/01/2001	24,336.00	2,000.00	1,861.70	56.00	185.65								349.50	1,134.61	118.40	81.48	32.20	30,113.52
48	MGMT	08/01/2000	03/30/2001	52,421.00	2,000.00	4,010.21	56.00	185.65								848.50	3,717.88	350.05	129.88	68.58	63,585.83
49	MGMT	02/07/2000	02/02/2001	93,230.88	8,250.00	6,076.24	56.00	185.65										587.74	229.79	121.14	108,717.44
50	MGMT	08/07/2000	04/18/2001	52,513.00	2,000.00	4,017.24	56.00	185.65								559.00	4,741.72	419.30	129.42	88.64	64,668.97
51	MGMT	08/07/2000	05/14/2001	48,888.00	2,000.00	3,738.49	56.00	185.65								438.00	5,293.69	487.07	121.19	83.85	61,211.85
52	MGMT	08/08/2000	06/13/2001	38,930.00	2,000.00	2,978.15	56.00	185.65								138.00		97.01	50.74	44,415.55	
53	MGMT	12/31/2000	09/23/2001	50,493.00	2,000.00	3,862.71	56.00	185.65										452.95	124.71	68.06	57,221.06
54	MGMT	10/19/1999	05/19/2000	28,784.27	2,100.00	2,048.00	56.00	185.65								1,168.43	72.44	66.04	34.85	33,812.68	
55	MGMT	08/07/2000	04/30/2001	47,222.00	2,000.00	3,612.48	56.00	185.65													

DUQUESNE LIGHT COMPANY
EMPLOYEES PLACED ON SALARY CONTINUANCE
(1999 - 2000)

STATUS	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/ SEVERANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUTORIAL REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401(K) VESTING	401(K) ANNUAL QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL	
72	MGMT	06/07/2000	08/07/2001	35,232.00	2,000.00	2,695.25	58.00	165.65							252.00	2,316.47	233.84	87.02	48.10	43,084.33	
73	MGMT	02/01/1999	07/30/1999	34,590.17		2,648.15	58.00	165.65						7,532.60		2,882.29	190.98	85.37	44.99	47,994.20	
74	MGMT	12/31/2000	12/31/2001	60,884.00	2,000.00	4,656.10	58.00	165.65							450.00	4,258.28	619.90	151.00	79.54	73,308.47	
75	MGMT	12/20/1999	09/21/2000	80,452.09	8,250.00	8,154.58	58.00	165.65								4,214.83	293.88	198.96	104.58	115,330.03	
76	MGMT	08/07/2000	07/23/2001	65,227.00	2,000.00	4,989.87	58.00	165.65		652.00		14,789.45			400.50	6,858.76	585.22	180.62	85.11	80,328.73	
77	MGMT	10/21/1999	10/18/2000	61,412.90	2,000.00	4,698.09	58.00	165.65								5,152.25	386.15	151.42	79.84	74,102.30	
78	MGMT	02/07/2000	06/29/2000	42,328.41	2,000.00	3,238.12	58.00	165.65										383.27	104.45	55.02	48,330.92
79	MGMT	10/21/1999	07/12/2000	41,874.43		3,203.39	58.00	165.65								4,048.27	282.27	103.51	54.42	49,787.94	
80	MGMT			481,253.84																481,253.84	
81	MGMT	06/07/2000	05/14/2001	51,200.00	2,000.00	3,918.80	58.00	165.65							318.67			75.73		57,730.85	
82	MGMT	09/30/2000	09/30/2001	82,032.00	2,000.00	6,275.45	58.00	165.65							505.66	4,685.29	613.92	203.50	107.30	98,734.77	
83	MGMT	09/30/2000	03/31/2001	28,000.00	2,000.00	1,989.00	58.00	165.65							86.35	92.40	304.68	51.85		30,745.93	
84	MGMT	12/17/1999	10/20/2000	61,442.34	8,250.00	4,700.34	58.00	165.65								4,603.39	327.78	150.57	70.98	79,775.91	
85	MGMT	12/31/2000	09/23/2001	61,797.00	5,175.00	4,727.47	58.00	165.65							615.00	3,487.85	452.95	152.32	80.79	76,710.03	
86	MGMT	05/15/2000	05/14/2001	55,077.34		4,213.42	58.00	165.65									592.88	135.48	71.84	60,312.21	
87	MGMT	02/07/2000	10/13/2000	29,307.52	2,150.00	2,242.03	58.00	165.65								1,505.74	155.52	72.88	38.14	35,893.28	
88	MGMT	05/15/2000	05/14/2001	62,773.19	2,000.00	4,802.15	58.00	165.65								4,396.44	592.68	155.04	81.60	75,022.75	
89	MGMT	12/31/2000	09/30/2001	49,152.00	5,175.00	3,760.13	58.00	165.65							722.40	2,379.95	309.11	121.18	64.12	61,905.54	
90	MGMT	10/21/1999	06/13/2000	38,589.86	2,000.00	2,952.12	58.00	165.65								3,529.57	251.31	95.35	50.17	49,790.03	
91	MGMT	05/15/2000	03/19/2001	54,858.08	2,000.00	4,196.49	58.00	165.65		2,100.00						5,583.43	501.80	135.43	71.32	87,586.20	
92	MGMT	09/30/2000	04/01/2001	34,422.00	2,000.00	2,833.28	58.00	165.65							459.00			85.55	45.14	39,866.82	
93	MGMT	12/31/2000	12/31/2001	65,952.00	2,000.00	5,045.33	58.00	165.65							39.00	7,180.59	619.90	182.48	68.18	81,287.11	
94	MGMT	05/01/2000	05/28/2000	3,535.92	330.00	270.50										155.70	18.08	8.67	4.60	4,321.47	
95	MGMT	10/21/1999	10/12/2001	119,811.05	2,000.00	6,461.66	58.00	165.65								10,020.24	766.82	294.27	155.89	139,731.38	
96	MGMT	02/07/2000	02/02/2001	63,778.52	2,050.00	4,878.90	58.00	165.65								6,539.64	587.74	156.96	82.94	78,294.35	
97	MGMT	07/31/2000	01/31/2001	24,000.00	2,000.00	1,836.00	58.00	165.65							248.50	1,002.38	104.24	39.98	31.82	29,484.53	
98	MGMT	05/15/2000	03/19/2001	53,323.99	2,000.00	4,079.29	58.00	165.65								5,583.43	501.80	131.27	69.28	65,910.72	
99	MGMT	09/30/2000	09/30/2001	67,872.00	2,000.00	5,192.21	58.00	165.65							477.90	7,027.83	613.92	187.41	88.71	83,661.63	
100	MGMT	12/31/2000	08/28/2001	56,077.00	2,000.00	4,289.89	58.00	165.65								636.92			138.39	73.30	63,437.15
101	MGMT	08/01/2000	03/13/2001	36,413.00	2,000.00	2,785.58	58.00	165.65							362.50	1,395.75	142.38	89.91	47.62	43,458.40	
102	MGMT	08/07/2000	05/28/2001	53,269.00	2,000.00	4,075.08	58.00	165.65							474.35	3,711.18	490.70	131.10	69.54	64,442.60	
103	MGMT	02/28/2001	02/28/2002	56,387.78	2,000.00	4,313.86	58.00	165.65							372.00	6,813.82	824.01	139.53	73.74	70,946.17	
104	MGMT	07/06/1999	07/06/2000	120,000.00	8,250.00	9,180.00	58.00	165.00								6,594.60	592.68	288.84	153.12	145,280.24	
105	MGMT	11/18/1999	05/12/2000	38,827.49	2,936.00	2,955.00	58.00	165.00								3,103.82	265.83	93.42	49.55	48,252.20	
106	MGMT	08/07/2000	02/07/2001	17,828.00	2,000.00	1,348.54	58.00	165.65							180.87			26.82		21,385.48	
107	MGMT	12/31/2000	10/07/2001	44,308.00	2,000.00	3,389.58	58.00	165.65							420.00	1,834.83	182.57	109.78	57.91	52,524.30	
108	MGMT	02/07/2000	08/04/2000	25,252.57	2,100.00	1,931.82	58.00	165.65				16,479.52		3,575.53		2,038.72	292.39	61.98	32.80	51,984.98	
109	MGMT	10/25/1999	04/25/2000	55,515.53		4,248.94	58.00	165.65				10,399.87				2,741.19	195.17	136.61	72.18	73,528.94	
110	MGMT	12/31/2000	12/31/2001	60,288.00	2,000.00	4,812.03	58.00	165.65							147.00	4,773.81	619.90	148.43	78.82	72,890.84	
111	MGMT	05/15/2000	11/13/2000	28,748.78		2,275.78						2,715.06				3,308.29	297.33	72.84	38.65	38,456.71	
112	MGMT	12/31/2000	09/23/2001	50,908.00	2,000.00	3,894.31	58.00	165.65							507.00			125.95	66.59	57,721.50	
113	MGMT	08/07/2000	02/07/2001	17,298.00	2,000.00	1,323.30	58.00	165.65							39.00	3,418.20	304.74	43.27	22.95	24,871.11	
114	MGMT	12/31/2000	12/31/2001	84,672.00	2,000.00	6,477.41	58.00	165.65							616.85	4,773.81	619.90	210.14	110.68	99,702.44	
115	MGMT	12/31/2000	09/23/2001	35,156.00	2,000.00	2,689.43	58.00	165.65							357.00	1,743.83	173.52	87.59	45.95	42,474.97	
116	MGMT	08/07/2000	04/19/2001	45,759.00	2,000.00	3,500.58	58.00	165.65							484.20	3,161.19	419.30	113.58	59.79	55,719.25	
117	MGMT	03/31/2001	12/22/2001	41,283.00	2,000.00	3,158.15	58.00	165.65							281.00			80.93		47,004.73	
118	MGMT	02/15/2000	12/08/2000	45,625.20	2,000.00	3,490.33	58.00	165.65								1,842.79	190.34	114.89	60.86	53,548.06	
119	MGMT	02/07/2000	02/02/2001	54,886.58		4,198.82	58.00	165.65								2,179.84		135.60	71.40	61,894.19	
120	MGMT	08/07/2000	08/07/2001	74,448.00	2,000.00	5,695.27	58.00	165.65							531.00	6,949.58	610.39	183.83	97.40	90,737.12	
121	MGMT	10/01/1999	03/31/2000	43,772.73		3,348.61	58.00	165.65								999.14	61.95	107.28	56.89	48,568.25	
122	MGMT									8,471.92		1,715.35									10,187.27
123	MGMT	05/15/2000	11/13/2000	29,748.78	2,000.00	2,275.78						3,492.56		2,747.51		1,102.74	113.90	72.84	38.65	41,592.74	
124	MGMT	05/15/2000	05/14/2001	81,888.03	2,000.00	5,911.77	58.00	165.65									592.68	200.78	106.44	90,921.33	
125	MGMT	12/31/2000	11/04/2001	55,318.00	2,000.00	4,231.83	58.00	165.65							472.74	6,050.73	523.64	137.29	72.22	69,028.30	
126	MGMT	12/31/2000	12/31/2001	65,280.00	2,000.00	4,993.92	58.00	165.65							475.20	2,386.78	237.48	180.89	85.33	75,841.25	
127	MGMT	11/01/1999	10/29/2000	73,902.95		5,653.58	58.00	165.65								5,538.04	380.15	182.30	98.12	85,980.79	
128	MGMT	12/31/2000	12/18/2001	85,808.00	2,000.00	5,019.01	58.00	165.65							494.40	6,869.77	594.73	182.24	85.58	81,055.38	
129	MGMT	02/28/2001	08/01/2001	18,342.00	2,000.00	1,403.18	58.00	165.65							262.00	1,183.02	117.69	45.57	23.74	23,598.83	
130	MGMT	12/31/2000	06/30/2001	47,828.10	2,000.00	3,843.55	58.00	165.65							222.00	3,569.85	309.11	117.09	82.12	57,773.47	
131	MGMT	06/25/1999	12/23/1999	41,232.37		3,154.28										2,520.87	192.91	101.86	53.58	47,255.67	
132	MGMT	02/07/2000	02/07/2001	108,328.42		6,295.15	58.00	165.65								4,422.09	596.14	265.90	140.88	120,270.21	
133	MGMT	08/07/2000	08/07/2001	67,880.00	2,000.00	5,177.52	58.0														

DUQUESNE LIGHT COMPANY
 EMPLOYEES PLACED ON SALARY CONTINUANCE
 (1999 - 2000)

S747US	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/ SEVERANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUITION REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401K VESTING	401K ANNUAL QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL	
146	MGMT	05/15/2000	05/14/2001	82,294.80		4,765.55	56.00	185.65								2,198.18	227.04	153.38	81.00	88,941.58	
147	MGMT	12/31/2000	12/31/2001	55,298.00	2,000.00	4,230.14	56.00	165.65							171.00	4,773.81	619.90	136.27	136.27	82,747.28	
148	MGMT	01/31/2001	01/31/2002	78,540.00	2,000.00	6,008.31	56.00	165.65							574.00	2,241.40	237.48	193.72	102.72	90,119.28	
149	MGMT	05/15/2000	05/14/2001	88,992.27	2,000.00	5,277.91	56.00	165.65								4,398.44	592.88	160.88	89.76	81,740.39	
150	MGMT	12/31/2000	12/31/2001	56,964.00	2,000.00	4,357.75	56.00	165.65							411.00	2,368.78	237.48	141.22	74.47	86,794.35	
151	MGMT	12/31/2000	12/31/2001	83,048.00	2,000.00	4,823.17	56.00	165.65							466.20	4,773.81	619.90	155.94	82.44	76,191.11	
152	MGMT	10/21/1999	10/18/2000	54,234.23	2,250.00	4,148.92	56.00	165.65		2,000.00						5,423.49	386.15	133.47	70.50	68,868.41	
153	MGMT	09/30/2000	09/30/2001	96,516.00	5,175.00	7,383.47	56.00	165.65							695.85	7,027.83	613.92	238.02	126.25	117,997.79	
154	MGMT	08/09/2000	02/09/2001	32,988.00	2,000.00	2,523.58	56.00	165.65						4,612.41	477.60	3,421.27	304.88	82.38	43.78	48,875.53	
155	MGMT	09/30/2000	03/31/2001	28,088.00	2,000.00	2,147.20	56.00	165.65						173.20	185.33	1,151.81	118.71	69.94	36.79	34,170.43	
156	MGMT	09/30/2000	09/30/2001	93,768.00	5,175.00	7,173.25	56.00	165.65							674.10	7,027.83	813.82	112.97	122.63	114,889.35	
157	MGMT	10/21/1999	10/18/2000	48,155.18	2,000.00	3,883.87	56.00	165.65		1,780.00						5,538.04	386.15	118.88	62.60	61,846.35	
158	MGMT	09/30/2000	08/23/2001	28,578.00	2,000.00	2,282.72	56.00	165.65							140.00	1,897.82	171.03	73.13	38.58	36,182.73	
159	MGMT	08/07/2000	04/30/2001	50,870.00	2,000.00	3,891.58	56.00	165.65							501.80	3,807.90	443.44	125.95	68.50	61,828.80	
160	MGMT	08/07/2000	05/14/2001	49,800.00	2,000.00	3,809.70	56.00	165.65							472.20	1,784.52	178.93	123.71	65.05	58,435.76	
161	MGMT			937,368.00																937,368.00	
162	MGMT	08/07/2000	08/07/2001	73,872.00	2,000.00	5,851.21	56.00	165.65							222.00	8,949.58	610.39	182.26	96.56	88,805.65	
163	MGMT	10/25/1999	04/23/2000	27,695.55	2,000.00	2,118.71	56.00	165.65								2,520.87	192.91	88.29	36.00	34,853.98	
164	MGMT	12/31/2000	06/30/2001	33,678.00	2,000.00	2,576.37	56.00	165.65							450.60	3,569.85	309.11	83.50	43.94	42,933.02	
165	MGMT	12/31/2000	10/07/2001	48,088.00	2,000.00	3,525.12	56.00	165.65							195.00	5,504.70	478.58	113.59	60.22	58,088.88	
166	MGMT	12/31/2000	12/31/2001	68,432.00	2,000.00	5,082.05	56.00	165.65							483.30	2,388.78	237.48	164.15	86.90	77,094.31	
167	MGMT	12/31/2000	12/31/2001	58,652.00	2,000.00	4,333.88	56.00	165.65							413.10	7,180.59	619.90	139.53	74.11	71,614.76	
168	MGMT	08/31/2000	02/28/2001	41,982.00	5,175.00	3,211.62	56.00	165.65							603.90	3,393.57	301.17	103.18	54.78	55,046.87	
169	MGMT	09/30/2000	09/30/2001	64,632.00	2,000.00	4,844.35	56.00	165.65							478.80	4,773.81	619.90	159.21	84.49	72,520.50	
170	MGMT	08/07/2000	04/30/2001	31,903.00	2,000.00	2,440.58	56.00	165.65							158.00	4,478.57	443.44	79.20	41.72	41,764.16	
171	MGMT	12/01/1999	12/01/1999	199.11		15.23														214.34	
172	MGMT	12/31/2000	12/31/2001	52,200.00	2,000.00	3,893.30	56.00	165.65							189.48	4,773.81	619.90	129.83	68.32	64,196.09	
173	MGMT	08/07/2000	02/07/2001	1,040.00	8,250.00	6,246.90	56.00	165.65							702.80	3,418.20	304.74	-	1.34	20,185.73	
174	MGMT	07/31/2000	05/07/2001	40,412.00	2,000.00	3,091.52	56.00	165.65							375.00	1,030.71	178.75	99.69	52.80	47,482.09	
175	MGMT	10/21/1999	10/18/2000	59,568.36	2,000.00	4,556.83	56.00	165.65								5,423.49	388.15	146.51	77.45	72,378.44	
176	MGMT	12/31/2000	12/31/2001	70,500.00	2,000.00	5,383.25	56.00	165.65							171.00	4,773.81	619.90	174.05	92.21	83,945.87	
177	MGMT	02/11/2000	12/28/2000	32,911.59	2,000.00	2,517.74	56.00	165.65								-	-	40.35	21.39	37,712.72	
178	MGMT	12/31/2000	12/31/2001	69,188.00	2,000.00	5,291.35	56.00	165.65							494.25	4,773.81	619.90	170.67	90.40	82,830.03	
179	MGMT	10/21/1999	10/18/2000	62,035.32	2,200.00	4,745.70	56.00	165.65								5,538.04	386.15	152.88	80.68	75,360.52	
180	MGMT	10/31/2000	06/26/2001	14,252.00	2,000.00	1,090.28	56.00	165.65								100.00	-	35.42	-	17,889.35	
181	MGMT	12/31/2000	11/18/2001	60,529.00	2,000.00	4,830.47	56.00	165.65							487.50	6,323.74	547.47	149.35	78.99	74,968.17	
182	MGMT	02/07/2000	09/04/2000	31,378.44	2,050.00	2,400.45	56.00	165.65				18,352.11		2,952.79		2,168.91	292.39	77.32	40.79	59,034.85	
183	MGMT	12/31/2000	12/31/2001	58,112.00	2,000.00	4,522.07	56.00	165.65							419.60	7,160.59	619.90	146.05	77.25	74,279.11	
184	MGMT	11/30/2000	05/31/2001	27,539.98	2,000.00	2,106.81	56.00	165.65								1,179.07	118.04	68.19	38.08	34,553.41	
185	MGMT	05/15/2000	05/14/2001	79,184.08	2,000.00	5,872.56	56.00	165.65							882.47	4,398.44	592.88	194.16	102.96	90,564.53	
186	MGMT	09/30/2000	06/09/2001	53,884.00	2,000.00	4,122.13	56.00	165.65							582.00	-	422.83	132.85	70.39	61,435.85	
187	MGMT	08/01/2000	04/10/2001	28,318.90	2,000.00	2,188.24	56.00	165.65							78.00	2,963.27	418.92	73.81	37.00	38,275.79	
188	MGMT	05/15/2000	03/19/2001	65,475.10	2,000.00	5,008.65	56.00	165.65								5,583.43	501.80	180.32	85.14	79,036.29	
189	MGMT	12/31/2000	09/23/2001	47,503.00	2,000.00	3,633.98	56.00	165.65							78.00	5,231.68	452.95	117.57	82.06	59,300.92	
190	MGMT	07/31/2000	11/18/2001	58,565.00	2,000.00	4,480.22	56.00	165.65							468.00	6,323.74	547.47	144.97	76.43	72,827.48	
191	MGMT	09/30/2000	07/21/2001	53,201.00	2,000.00	4,069.68	56.00	165.65							471.00	1,879.62	189.14	130.96	89.47	82,232.72	
192	MGMT	05/15/2000	01/22/2001	39,355.16	2,000.00	3,010.67	56.00	165.65								1,524.08	157.41	97.34	51.17	46,417.48	
193	MGMT	08/07/2000	08/11/2001	59,217.00	2,000.00	4,530.10	56.00	165.65							496.50	5,839.72	514.33	145.65	77.31	73,042.28	
194	MGMT	10/21/1999	05/31/2000	26,849.94	2,050.00	2,053.33	56.00	165.65		350.00						1,221.54	75.73	68.09	34.89	32,914.17	
195	MGMT	05/17/2000	11/15/2000	22,517.85	2,000.00	1,722.80								3,918.83		2,205.55	297.33	55.69	29.26	32,748.90	
196	MGMT	10/21/1999	10/18/2000	52,348.19	2,000.00	4,004.48	56.00	165.65								5,152.25	386.15	128.58	88.11	64,307.39	
197	MGMT	12/31/2000	12/31/2001	91,476.00	5,175.00	6,997.91	56.00	165.65								619.90	228.55	119.61	119.61	105,521.40	
198	MGMT	08/07/2000	04/16/2001	32,541.00	2,000.00	2,489.39	56.00	165.65							338.14	3,125.19	419.30	80.66	42.50	41,257.83	
199	MGMT	12/01/1999		148.02		11.17														157.19	
TOTAL MANAGEMENT EMPLOYEE COSTS				12,794,116.71	453,791.06	757,432.96	10,248.00	30,312.65	-	1,780.00	6,218.00	23,825.26	159,341.20	-	72,849.03	45,869.07	642,035.35	67,817.00	23,897.98	12,692.88	15,102,026.18

DUQUESNE LIGHT COMPANY
 EMPLOYEES PLACED ON SALARY CONTINUANCE
 (1999 - 2000)

STATUS	SALARY CONT DATE	TERM DATE	SALARY CONTINUANCE/ SEVERANCE	OUTPLACEMENT	FICA	FUTA	SUTA	LUMP SUM PAYMENT	TUITION REIMBURSEMENT	CAREER RETRAINING	RELOCATION	RETIREMENT PLAN VESTING (PENSION)	SUPPLEMENTAL PLAN VESTING (PENSION)	401(K) VESTING	401(K) ANNUAL/ QUARTER MATCH	MEDICAL INSURANCE	DENTAL INSURANCE	LIFE INSURANCE	LONG TERM DISABILITY INSURANCE	GRAND TOTAL
OTHER																				
				5,805.00																5,805.00
				6,332.18																6,332.18
				760.00																760.00
										4,092.76										4,092.76
									836.00											836.00
										6,358.84										6,358.84
									1,299.40											1,299.40
									12,730.00											12,730.00
															85,509.34					85,509.34
															481,896.73					481,896.73
															7,755.68					7,755.68
															40,018.00					40,018.00
														161,667.01						161,667.01
															327.95					327.95
															11,314.13					11,314.13
														6,791.72						6,791.72
											378,072.14	6,788.07								384,858.21
OTHER TOTAL				12,897.18					14,866.00	10,449.80	378,072.14	6,788.07	170,458.73	626,819.81						1,220,349.53
GRAND TOTAL			19,472,430.17	477,894.53	1,268,323.94	18,872.00	55,822.75	469,000.00	24,248.00	20,568.80	23,825.28	594,134.28	6,788.07	255,777.11	681,863.05	1,385,315.36	118,856.68	36,351.87	12,763.26	24,922,832.91

Summary

Pension Vesting		
Retirement Plan Vesting	594,134.28	
Supplemental Plan Vesting	6,788.07	
Total Pension Vesting	600,922.33	
401(k)		
401(k) Vesting	255,777.11	
401(k) Annual/Qt. Match	681,863.05	
Total 401(k)	937,640.16	
Salary Continuance	19,472,430.17	
Outplacement	477,894.53	
Employer Taxes		
FICA	1,268,323.94	
FUTA	18,872.00	
SUTA	55,822.75	
Total Employer Taxes	1,343,018.69	
Lump Sum Payment	469,000.00	
Tuition Reimbursement	24,248.00	
Career Retraining	20,568.80	
Relocation	23,825.28	
Benefits Continuance		
Medical Insurance	1,385,315.36	
Dental Insurance	118,856.68	
Life Insurance	36,351.87	
Long Term Disability Insur.	12,763.26	
Total Benefits Continuance	1,553,287.17	

1999 COBRA Survey: One In Five Elect Coverage, Cost Is 156% Of Active Employee Cost

329.04.-1

8-27-99

In the spring of 1999, Charles D. Spencer & Associates, Inc., surveyed employers about their experience with health coverage portability through COBRA continuation of coverage.

Almost 20% of beneficiaries eligible for COBRA actually elected the coverage. On average, COBRA claims costs were 156% of active employee claims costs. Administrative costs averaged \$22 per continuee per month.

The total number of employees counted in the survey was 2.87 million, and the number of health plan participants was 2.47 million, which represented about 86% of the surveyed work force.

This report analyzes the results of the survey.

SEE ALSO

Classification: COBRA (329.)
Overview Of IRC Secs. 104, 105, 106
Health Plans (340.-1)
Spencer Benefit Managers' Survey
(421.1.-1)
Spencer HIPAA Survey (501.-69)

Average claims costs for COBRA continuees exceeded costs for active employees by 56%, according to the 12th annual nationwide survey of employers' and administrators' COBRA experience, conducted by Charles D. Spencer & Associates, Inc.

The survey, which collected information for the 1998 plan year, found that 20.2% of employees and dependents eligible for COBRA continuation of coverage actually took the health care coverage offered. Approximately 7.31% of all employees identified in the survey became eligible for COBRA.

Table 1, below, illustrates key survey findings over the past eight years.

Overall Health Costs Down

The 211 companies responding to the 1999 survey administered COBRA for 2.87 million workers.

Total annual health care costs for the companies that reported costs were \$5.39 billion, averaging \$3,701 per employee/participant. This is 5.5% higher than the \$3,508 average cost in 1998, which was a 5.3% increase from 1997.

Table 2 on the next page, shows the percentage of employees both entitled to and electing COBRA during the last nine surveys. In the 1999 survey, about 7.31% of employees (210,418 individuals) became eligible for continuation of coverage. This figure includes employees entitled to COBRA because of termination of employ-

TABLE 1: COBRA Elections At A Glance: 1992-1999

	1992	1993	1994	1995	1996	1997	1998	1999
% of employees eligible for COBRA	12.1	8.7	14.5	7.2	11.4	10.2	8.4	7.3
% of eligible employees who elected COBRA	13.2	19.3	19.6	18.2	19.2	28.1	19.2	20.2
Ratio of COBRA costs to active costs	151%	148%	149%	155%	146%	156%	151%	156%
Average annual active employee costs	\$2,892	\$3,854	\$3,903	\$3,420	\$3,710	\$3,332	\$3,508	\$3,701
Average annual COBRA costs	\$4,307	\$5,703	\$5,854	\$6,301	\$5,399	\$6,187	\$5,297	\$5,737
Average COBRA duration (18-month event)	10.5	10.2	10.7	10.3	10.3	11.9	10.1	10.1
Average COBRA duration (36-month event)	23.2	22.6	23	25	23.1	21.3	23.5	23.4
% of work force covered by a health plan	82	85	79	79	80	81	85	86

Source: Charles D. Spencer & Associates, Inc.

SPENCER'S BENEFITS REPORTS

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329.04.-2
8-27-99

1999 COBRA Survey: One In Five Elect Coverage, Cost Is 156% Of Active Employee Cost

Year	Entitled (as a % of active employees)	Elected (as a % of active employees)	Elected (as a % of those entitled)
1999	7.31%	1.48%	20.2%
1998	6.4	1.23	19.2
1997	10.20	2.34	28.11
1996	11.40	2.20	19.23
1995	7.20	1.30	18.15
1994	14.54	2.86	19.64
1993	8.71	1.68	19.30
1992	12.06	1.60	13.23
1991	10.60	2.20	20.50
1990	9.20	2.80	28.50
1989	16.00	1.70	11.20

Source: Charles D. Spencer & Associates, Inc.

ment or reduction in hours, and spouses and dependents eligible for coverage because of death, divorce, Medicare eligibility, or loss of dependency status. This figure is the third lowest in the survey's history (1998 was the lowest) and may in part be due to an unemployment rate in 1998 that was the lowest in more than 20 years.

The 1999 COBRA survey also identified the following five primary difficulties in the continuation of coverage law:

- keeping up with the recordkeeping burdens associated with continuation of coverage,
- collecting premium payments,
- cost of the coverage,
- notifying employees and other beneficiaries and being notified of COBRA eligibility and changes,
- complying with vague and what respondents perceive as unreasonable provisions of the law.

These same difficulties have been listed most frequently for the last six years by survey respondents. In general, the types of complaints over the past five years have been similar, although the tone of the complaints in the last four years has been markedly less strident than in past years. This may be due to employers and administrators simply becoming more accustomed to dealing with COBRA issues.

Table 3, on 329.04.-3, shows the areas survey participants listed as problematic, from 1989 to 1999. For each year, the table lists the percentage of total respondents that mentioned a specific problem.

Health Plan Participation

In the spring of 1999, Charles D. Spencer & Associates asked subscribers to complete a questionnaire regarding experience with continuation of coverage. The 211 participants in the survey can be grouped as follows:

- 53 firms with 20 to 250 employees,
- 104 firms with 251 to 2,500 employees,
- 54 firms with more than 2,500 employees.

Of the 2,878,800 employees counted in the 1999 survey, 86% were health plan participants.

For employers with 20 to 250 employees, the health plan participation rate was 83%. The health plan participation rate for employers with 251 to 2,500 employees was 86%. For employers with more than 2,500 employees, three firms had substantial part-time work forces and health plan participation rates of less than 60%. If those four firms are excluded, the participation rate for large employers was 90%.

For comparison, data from the Bureau of Labor Statistics notes health plan participation rates of 70% for employers with fewer than 100 employees and 92% for employers with 100 or more employees.

COBRA Costs

Continuing the trend identified in previous Spencer surveys, costs for COBRA beneficiaries outstripped the costs for active employees. Also consistent with previous surveys, COBRA costs varied radically and unpredictably from employer to employer.

Among those respondents that could compare active employee claims costs and COBRA costs, average continuation of coverage claims costs were 156% of active employee claims costs (in 1998, the ratio was 151%). Graph 1 on page 329.04.-4, provides a comparison of COBRA costs for the past nine survey years.

Of the companies that could compare COBRA costs and active costs, 24% reported COBRA costs that were lower than active costs (34% in 1998). About 64% of the companies had COBRA costs between 100% and 200%

continued on next page

1999 COBRA Survey: One In Five Elect Coverage, Cost Is 156% Of Active Employee Cost

329.04.-3
8-27-99

TABLE 3: COBRA CONCERNS

Cited As Problem (% of respondents)	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Difficulties in collecting premiums	24	25	24	25	36	30	32	37	33	34
Adverse selection (claims cost)	35	36	42	31	36	21	28	18	25	29
Administrative difficulty: paperwork, etc.	31	29	28	30	30	28	30	22	39	27
Notifying employees on timely and accurate basis	5	7	16	9	9	9	13	8	16	19
Notification from continue of election or change in status	24	23	28	14	19	18	19	15	12	13
Excessive time for beneficiary response, tracking eligibility	18	13	22	19	24	17	16	10	11	13
Communicating the plan to participants and beneficiaries	8	8	13	18	10	6	15	15	12	11
Lack of final rules, complexity of law	22	34	28	15	15	14	12	10	8	10
Coverage for preexisting conditions, coordinating coverage (HIPAA—1997, 1998, 1999 only)	13	5	4	6	2	1	1	8	3	6
Lack of formula to determine premium, handling rate increases	2	0	1	2	1	2	2	2	0	4
No major problems	0	3	0	2	2	4	8	5	4	4
Coordinating with state plans, Medicare, carriers and HMOs, employers	9	3	8	9	11	11	8	8	4	9
COBRA forces employer to cover ex-employees and provide coverage for short-term employees	3	2	5	1	3	4	8	5	4	2
Software problems, adequate systems to handle	1	1	3	2	2	1	0	5	1	2
Difficulties in administering disability provisions	0	0	3	1	1	0	0	2	0	2
Accurate completion of claim forms	1	3	3	1	1	2	4	5	3	1
Coordination with branch offices	0	1	3	1	2	2	0	0	3	0
Beneficiaries can't afford coverage	3	2	1	3	5	2	6	5	0	0

Source: Charles D. Spencer & Associates, Inc.

of active costs (39% in 1998), 8% had COBRA costs that were between two and three times active costs (16% in 1998), and 2% had COBRA costs that were more than three times active employee costs (11% in 1998).

Average annual COBRA costs per participant, including claims and administration, were \$5,737.

The 1999 survey also asked respondents to list average monthly premiums charged for COBRA. The table on the next column shows the average premiums (a combination of single and family premiums) for the last ten surveys. Because COBRA premiums are based on total health plan costs (generally in the previous year), they do not indicate current COBRA expenses.

Average COBRA Premiums

Year	Premium
1989	\$195.63
1990	206.60
1991	251.07
1992	263.50
1993	292.50
1994	318.00
1995	320.00
1996	316.62
1997	342.26*
1998	360.50
1999	397.45

*revised figure

SPENCER'S BENEFITS REPORTS

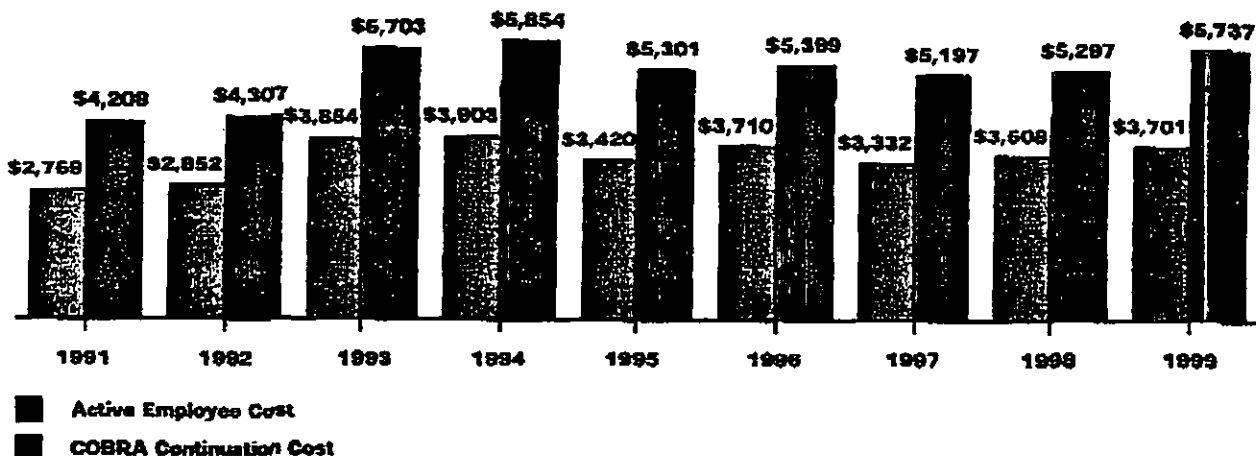
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329.04.-4
8-27-99

1999 COBRA Survey: One In Five Elect Coverage, Cost Is 156% Of Active Employee Cost

Graph 1: COBRA Costs vs. Active Employee Costs



Source: Charles D. Spencer & Assoc.

Graph 2, on page 329.04.-5, illustrates the relationship between COBRA costs and active employee costs for those respondents that were able to provide both pieces of information. The graph lists the plans in order of increasing costs for active employees and clearly illustrates what little relationship COBRA costs have to active employee health care costs. In all the years since COBRA was enacted, this lack of relationship, for any one company, between active employee costs and COBRA costs has remained constant. In fact, only when an employer has more than 10,000 employees do COBRA costs begin to reflect the overall average of 156% of total costs. And even with the largest companies, COBRA costs sometimes greatly exceed the average (but do not drop below the average).

Cost Conclusions

The 1999 survey figures prompt several conclusions:

1. Employers are subsidizing the claims costs of continued coverage, by an average of 56%. Eleven full years of continuation of coverage statistics clearly indicate that COBRA participants are sicker and have higher claims costs than do active employees.

Because COBRA beneficiaries must pay for the high cost of COBRA coverage, the trend of sicker beneficiaries choosing the coverage is not surprising. As should have been predicted from the start, the 2% differential allowed for administrative expenses for COBRA does not offset the significant differences in claims costs. In other words, adverse selection is a built-in aspect of COBRA.

2. As in the past, the range of claims cost ratios was wide—from less than 50% to more than 400%. As mentioned above, only the largest employers have COBRA experience approaching the average. For most other employers, providing COBRA coverage is much like rolling dice—sometimes you win, sometimes you don't.

3. Predicting COBRA costs for a company in any one year is practically impossible, and those costs bear little relationship to active employee costs, as is shown in Graph 2. The low incidence of COBRA elections in any one company makes COBRA operate more like individual health insurance than like group insurance.

Administrative Costs

For all the employers surveyed, administrative costs for COBRA ranged from a low of \$24 per continuee per year to a high of \$1,800. The average for all participants was \$258.24 per year, or \$21.52 per month.

The administrative costs of COBRA do not bear any noticeable relationship to COBRA costs; that is, low COBRA costs do not mean low administrative costs and high COBRA costs do not necessarily mean high administrative costs.

Eligibility, Elections

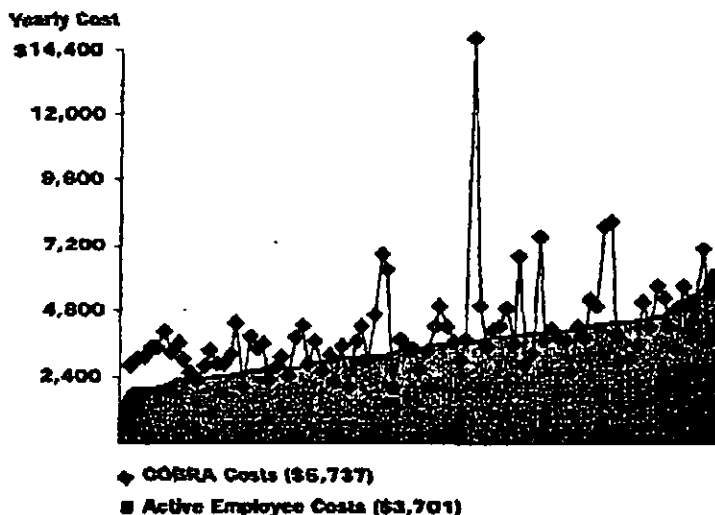
The total numbers of employees and beneficiaries eligible for COBRA continuation of coverage in the 1999 survey were as follows (the percentage of total active work force represented is in parentheses):

continued on next page

**1999 COBRA Survey: One In Five Elect Coverage,
Cost Is 156% Of Active Employee Cost**

**329.04.-5
8-27-99**

**Graph 2: Little Connection Between COBRA Costs
And Active Employee Health Care Costs, 1999**



Employees/Beneficiaries Eligible For COBRA

Total:	210,418	(7.31%)
<i>By employer size:</i>		
20-250	2,200	(29.5%)
251-2,500	17,586	(15.9%)
2,501+	90,632	(6.90%)

The eligibility rate is the third lowest in the last nine years.

Of those employees and beneficiaries who were eligible for COBRA, the actual number electing the coverage was as follows (the number in parentheses represents those who elected expressed as a percentage of all those eligible):

Employees/Beneficiaries Electing COBRA

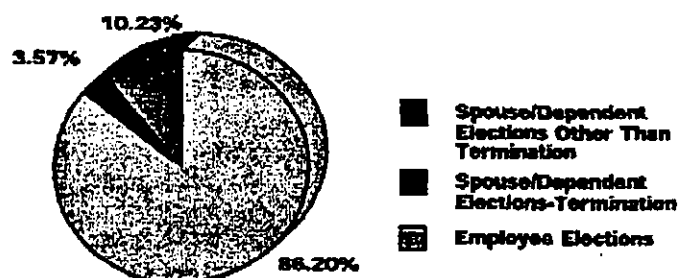
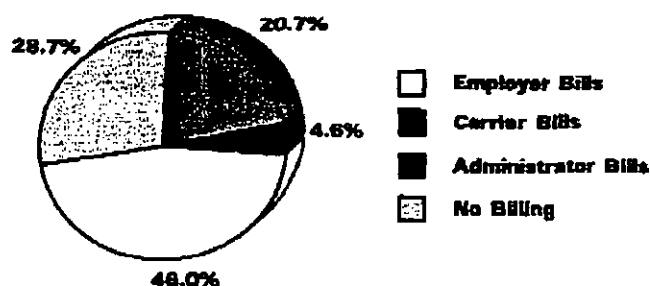
<i>(As % Of Eligibles)</i>		
Total:	42,546	(20.22%)
<i>By employer size:</i>		
20-250	380	(17.27%)
251-2,500	2,818	(16.08%)
2,501+	39,338	(20.64%)

The number electing (as a percent of those eligible) was the second highest in the last ten years. Table 2, on page 329.04.-2, profiles rates for COBRA eligibility and elections.

In the 1999 survey, the number of spouses and dependents making independent elections in cases where the employee was terminated or had hours reduced was 3.6% of the total number of employees choosing COBRA (see Graph 3 on page 329.04.-6), the lowest rate for the last nine years. Comparable figures for previous years were 4.2%, 10.5%, 11.5%, 4.4%, 7.9%, 15.0%, 10.2%, and 16.0%.

The number of spouses and dependents electing COBRA because of death, divorce, Medicare eligibility, or the end of dependency increased to 10.23% in 1999, the first rise in four years. In 1998, spouse and dependent 36-month elections represented only 3.3%, the lowest number in nine years. This figure was 6.3% in 1997, 7.5% in 1996, 17.5% in 1995, 8.0% in 1994, 13.5% in 1993, 8.3% in 1992, 7.6% in 1991, and 19.0% in 1990.

A slightly higher percentage of eligible spouses and dependents actually elected the coverage than did employees. An average of 24.7% of eligible spouses/dependents elected coverage in 1998, compared with 19.01% of employees. Spouse/dependent elections as a percentage of those eligible were 14.2% in 1998, 15.4% in 1997, 27.8% in 1996, 26.0% in 1995, 9.6% in 1994, 37.0% in 1993, 23.4% in 1992, 25.0% in 1990, and 36.6% in 1988.

329.04.-6
8-27-99**1999 COBRA Survey: One In Five Elect Coverage,
Cost Is 156% Of Active Employee Cost****Graph 3: Reasons For COBRA Elections**
(percentage of elections)**Graph 4: Who Bills For Continued Coverage**
(percentage of elections)**Length Of Coverage**

Length of COBRA coverage has held relatively steady for the last six years. According to the 1999 survey, for 18-month qualifying events, the average length of coverage was 10.1, slightly below the eight year average of 10.5 months. (10.1 months in 1998, 11.9 in 1997, 10.3 in 1996, 10.2 in 1995, 10.8 in 1994, 10.2 in 1993, 10.5 in 1992, and 10.0 in 1991).

Coverage for 36-month events was continued an average of 23.4 months, the second highest in the last nine years (23.5 months in 1998, 21.3 in 1997, 23.1 in 1996, 22.8 in 1995, 23.1 in 1994, 22.6 in 1993, 23.2 in 1992, and 20.7 in 1991).

Very few continues convert to individual policies, according to the 1999 survey. Of the 42,546 individuals who elected COBRA in the 1999 survey, just 96 (0.2%) converted to an individual policy, compared with 64 (0.2%) in 1998, 234 (0.7%) in 1997, 0.39% in 1996, 1.6% in 1995, 0.9% in 1994, 0.8% in 1993, 0.2% in 1992, and 2.6% in 1991.

Premiums, Billing

All but 43 respondents charged the full 102% allowed by law for continuation of coverage; only seven were

employers with more than 500 employees.

For those not charging the full amount, the most common employer subsidy was the 2% additional premium allowed.

In terms of actual billing for the continued coverage, 29% reported that no billing was done—the employee was responsible for paying for the coverage (see Graph 4 above). This rate has declined a bit over the last two years: 29% in 1998, 30% in 1997, 37% in 1996, 35% in both 1995 and 1994, 34% in 1993, 32% in 1992, and 33% in 1991. In 46% of the cases in 1999, the employer did the billing, higher than in previous years (44% in 1998, 45% in 1997, 36% in 1996, 43% in 1995, 35% in 1994, 30% in 1993, and 38% in 1992).

About one-tenth of 1% (52 individuals) of the employees who elected COBRA were denied coverage because of gross misconduct. This involved only seven respondents, only two of whom listed more than three denials.

A little more than half (54%) of the respondents reported that the administrators had been provided formal guidelines on gross misconduct (52% in 1998, 51% in 1997, 52% in 1996, 49% in 1995, 43% in 1994, 50% in 1993, and 47% in 1992).



Insuring the Way

August 3, 2000

Mr. Jerry Katz
DQE
Cherrington Corporate Center
Suite 200
400 Fairway Drive
Moon Township, PA 15108

Dear Jerry:

Based upon the over 450 employees who have been terminated as a result of the divestiture of the power generation locations, we have calculated that the additional healthcare cost attributable to increased utilization will be \$1,119,203. This figure is in accordance with the methodology outlined in our study of September 1999, as updated July 2000.

If you have any questions, please call me at 412/645-8587.

Sincerely,

David A. Hathy
Senior Consultant

Hilb, Rogal and
Hamilton Company
1100 State Street
Pittsburgh, PA 15219

USA Toll-Free 800-333-5599
500 Ohio Street
Pittsburgh, PA 15212

Tel: 412-251-3350
Fax: 412-251-3275
www.hrh.com



Oxford Realty Services

July 19, 2000

Mr. John Laudenslager
Manager Asset Planning & Development
DQE Inc.
500 Cherrington Corporate Center
Moon Township, PA 15108

**Re: Duquesne Light Company
Sublease Analysis
411 Seventh Avenue**

Dear John:

Pursuant to your request, please find enumerated below and on the financial analysis attached cost evaluation on a per square foot basis for the subletting excess office space at 411 Seventh Avenue. The cost of obtaining a subtenant is a combination of the following factors:

- 1) the period of time required to find and modify the space
- 2) the hard costs required to put the subtenant in space
- 3) rent subsidies required over the period of lease term remaining

Period of Time

In order to calculate the period time required to have a subtenant in place a review of the existing market conditions must be evaluated. According to the 2000 CBD Office Market Overview as prepared by Oxford Realty Services the Class A and B office space markets comprising a total of 22,793,348 square feet currently has 2,450,950 square feet available or a vacancy rate of 10.75%. According to Holliday Fenoglio Fowler L.P. the Pittsburgh CBD office sector in 1999 had a positive absorption of more than 320,044 square feet. Forecasts for 2000 project a possible increase in 2000 over 1999 of 25%. If that trend continues it translates into on average a four (4) year supply of office space.

Costs to Sublease

Subleased space competes directly with all other comparable space on the market and as such must provide market inducement to prospective subtenants and market compensation to participating brokers.

Market inducements (or costs) to procure subtenants include:

- a) tenant improvements or modifications required to renovate the premises
- b) design fee required
- c) relocation expenses to vacate the space and help offset prospective tenants costs to occupy the space.
- d) Broker and co-broker commissions.

Mr. John Laudenslager
July 19, 2000
Page 2

Rent Subsidy

In a market where an ample supply of space is available it is often necessary to offer prospective tenants a rental rate which is not equivalent to the rate the existing tenant is contracted to pay. Additionally, it is often the perspective of a potential subtenant that they should not have to pay the existing tenant rate because they are helping the tenant out of his problem of excess space. This percentage of rent subsidy varies from building to building but generally is between 5% to 20% of the contracted rate.

Assessment

Based on our review of market availabilities, current market rents and leasing costs it is our opinion that on average it will cost \$33.07/r.s.f. for Duquesne Light to sublease its space in 411 Seventh Avenue. These costs were based on:

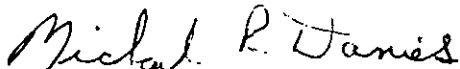
- 1) an eleven month time period to re-let the space
- 2) costs of \$16.00/r.s.f. to re-tenant the premises
- 3) 6% brokerage fees
- 4) an achievable rental rate of \$15.00/r.s.f.

These costs are detailed further on the attached financial analysis.

Should you have any questions or require any additional information please do not hesitate to call.

Sincerely,

OXFORD REALTY SERVICES • ONCOR INTERNATIONAL



Michael R. Daniels
Assistant Vice President
Office Leasing

/mw
attachment

Financial Analysis - Sublease Transaction
Duquesne Light Company

	<u>2000*</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004**</u>	<u>Total</u>	<u>Net Present Value***</u>
<u>9th Floor</u>							7.29%
<u>Duquesne Light Company's Rent Obligation</u>							
20,298 r.s.f.							
Rate/r.s.f.	\$15.56	\$15.56	\$15.56	\$15.56	\$15.56		
Aggregate Rent	\$210,560	\$315,837	\$315,837	\$315,837	\$210,560	\$1,368,631	\$1,170,516

Prospect (Assume sublease as of 4/1/01)

20,298 r.s.f.							
Rate/r.s.f.	\$0.00	\$15.00	\$15.00	\$15.00	\$15.00		
Aggregate Rent	\$0.00	\$228,348	\$304,470	\$304,470	\$202,976	\$1,040,264	\$859,175
					Rent Short Fall	\$328,427	\$311,341

Costs of Sublease (to be paid 4/1/01)

Design Allowance	\$1.00/r.s.f.	\$20,298					
Construction & Moving Allowance	\$15.00/r.s.f.	\$304,470					
Commission with Co-Broker	6% of \$1,040,264	\$62,416					
Total Costs		\$387,184	****				\$357,022

<u>Summary</u>			
	Rent Short Fall	NPV	\$311,341
	Subleasing Costs	NPV	\$357,022
	Total 9th Floor Costs to DLC	NPV	\$668,363

Assumptions:
 * April 28, 2000 - December 31, 2000
 ** January 1, 2004 - August 31, 2004
 *** Net Present Value calculated to April 28, 2000
 **** Costs to be incurred May 1, 2001

Financial Analysis - Sublease Transaction
Duquesne Light Company

	2000*	2001	2002	2003	2004**	Total	Net Present Value ***
10th Floor							7.29%
Duquesne Light Company's Rent Obligation							
20,298 r.s.f.							
Rate/r.s.f.	\$15.56	\$15.56	\$15.56	\$15.56	\$15.56		
Aggregate Rent	\$210,560	\$315,837	\$315,837	\$315,837	\$210,560	\$1,368,631	\$1,170,516
Prospect (Assume sublease as of 4/1/01)							
20,298 r.s.f.							
Rate/r.s.f.	\$0.00	\$15.00	\$15.00	\$15.00	\$15.00		
Aggregate Rent	\$0.00	\$228,348	\$304,470	\$304,470	\$202,976	\$1,040,264	\$859,175
					Rent Short Fall	\$328,427	\$311,341
Costs of Sublease (to be paid 4/1/01)							
Design Allowance	\$1.00/s.f.	\$20,298					
Construction & Moving Allowance		\$304,470					
Commission with Co-Broker	6% of \$1,040,264	\$62,416					
Total Costs		\$387,184	****				\$357,022
					Summary		
					Rent Short Fall	NPV	\$311,341
					Subleasing Costs	NPV	\$357,022
					Total 10th Floor Costs to DLC	NPV	\$668,363

Assumptions:

- * April 28, 2000 - December 31, 2000
- ** January 1, 2004 - August 31, 2004
- *** Net Present Value calculated to April 28, 2000
- **** Costs to be incurred May 1, 2001

Financial Analysis - Sublease Transaction
Duquesne Light Company

	2000*	2001	2002	2003	2004**	Total	Net Present Value***
14th Floor							7.29%
Duquesne Light Company's Rent Obligation							
14,652 r.s.f.							
Rate/r.s.f.	\$15.56	\$15.56	\$15.56	\$15.56	\$15.56		
Aggregate Rent	\$151,992	\$227,988	\$227,988	\$227,988	\$151,992	\$987,948	\$844,933
Prospect (Assume sublease as of 4/1/01)							
14,652 r.s.f.							
Rate/r.s.f.	\$0.00	\$15.00	\$15.00	\$15.00	\$15.00		
Aggregate Rent	\$0.00	\$164,835	\$219,780	\$219,780	\$146,520	\$750,915	\$620,203
						Rent Short Fall	\$237,033
							\$224,730
Costs of Sublease (to be paid 4/1/01)							
Design Allowance	\$1.00/r.s.f.	\$14,652					
Construction & Moving Allowance	\$15.00/r.s.f.	\$219,780					
Commission with Co-Broker	6% of \$1,040,264	\$45,054					
Total Costs		\$279,486	****				
						Summary	
						Rent Short Fall	NPV \$224,730
						Subleasing Costs	NPV \$259,893
						Total 14th Floor Costs to DLC	NPV \$484,623

Assumptions:
 * April 28, 2000 - December 31, 2000
 ** January 1, 2004 - August 31, 2004
 *** Net Present Value calculated to April 28, 2000
 **** Costs to be incurred May 1, 2001

Financial Analysis - Sublease Transaction
Duquesne Light Company

	2000*	2001	2002	2003	2004**	Total	Net Present Value***
15th Floor							7.29%
Duquesne Light Company's Rent Obligation							
20,298 r.s.f.							
Rate/r.s.f.	\$15.56	\$15.56	\$15.56	\$15.56	\$15.56		
Aggregate Rent	\$210,560	\$315,837	\$315,837	\$315,837	\$210,560	\$1,368,631	\$1,170,516
Prospect (Assume sublease as of 4/1/01)							
20,298 r.s.f.							
Rate/r.s.f.	\$0.00	\$15.00	\$15.00	\$15.00	\$15.00		
Aggregate Rent	\$0.00	\$228,348	\$304,470	\$304,470	\$202,976	\$1,040,264	\$859,175
					Rent Short Fall	\$328,427	\$311,341
Costs of Sublease (to be paid 4/1/01)							
Design Allowance	\$1.00/r.s.f.	\$20,298					
Construction & Moving Allowance	\$15.00/r.s.f.	\$304,470					
Commission with Co-Broker	6% of \$1,040,264	\$62,416					
Total Costs		\$387,184	****				\$357,022
					Summary		
					Rent Short Fall	NPV	\$311,341
					Subleasing Costs	NPV	\$357,022
					Total 15th Floor Costs to DLC	NPV	\$668,363

Assumptions:

- * April 28, 2000 - December 31, 2000
- ** January 1, 2004 - August 31, 2004
- *** Net Present Value calculated to April 28, 2000
- **** Costs to be incurred May 1, 2001

Daily CTC Reconciliation During Final Month -- Illustrative Scenario

Total CTC Revenue Requirement: Return Of & On Stranded + Return Of Unamort. Deferred Tax Balance						
Deferred Tax	\$	3,000,000			Daily Return	Annual Return:
Stranded	\$	5,000,000		Stranded	0.0300%	11.000%
Day	Stranded	Deferred Tax		Cost	Deferred Tax	Total Daily
	Beg. of Day	Beg. of Day		Revenues	Revenues	CTC Revenues
1	\$ 5,000,000	\$ 3,000,000		\$ 188,062	\$ 111,938	\$ 300,000
2	\$ 4,813,437	\$ 2,888,062		\$ 188,041	\$ 111,959	\$ 300,000
3	\$ 4,626,839	\$ 2,776,103		\$ 188,020	\$ 111,980	\$ 300,000
4	\$ 4,440,206	\$ 2,664,124		\$ 187,999	\$ 112,001	\$ 300,000
5	\$ 4,253,538	\$ 2,552,123		\$ 187,978	\$ 112,022	\$ 300,000
6	\$ 4,066,835	\$ 2,440,101		\$ 187,957	\$ 112,043	\$ 300,000
7	\$ 3,880,097	\$ 2,328,058		\$ 187,936	\$ 112,064	\$ 300,000
8	\$ 3,693,325	\$ 2,215,995		\$ 187,915	\$ 112,085	\$ 300,000
9	\$ 3,506,517	\$ 2,103,910		\$ 187,894	\$ 112,106	\$ 300,000
10	\$ 3,319,674	\$ 1,991,804		\$ 187,873	\$ 112,127	\$ 300,000
11	\$ 3,132,796	\$ 1,879,678		\$ 187,852	\$ 112,148	\$ 300,000
12	\$ 2,945,883	\$ 1,767,530		\$ 187,831	\$ 112,169	\$ 300,000
13	\$ 2,758,935	\$ 1,655,361		\$ 187,810	\$ 112,190	\$ 300,000
14	\$ 2,571,952	\$ 1,543,171		\$ 187,789	\$ 112,211	\$ 300,000
15	\$ 2,384,934	\$ 1,430,960		\$ 187,768	\$ 112,232	\$ 300,000
16	\$ 2,197,881	\$ 1,318,729		\$ 187,747	\$ 112,253	\$ 300,000
17	\$ 2,010,793	\$ 1,206,476		\$ 187,726	\$ 112,274	\$ 300,000
18	\$ 1,823,670	\$ 1,094,202		\$ 187,705	\$ 112,295	\$ 300,000
19	\$ 1,636,511	\$ 981,907		\$ 187,684	\$ 112,316	\$ 300,000
20	\$ 1,449,318	\$ 869,591		\$ 187,663	\$ 112,337	\$ 300,000
21	\$ 1,262,090	\$ 757,254		\$ 187,642	\$ 112,358	\$ 300,000
22	\$ 1,074,826	\$ 644,896		\$ 187,621	\$ 112,379	\$ 300,000
23	\$ 887,528	\$ 532,517		\$ 187,600	\$ 112,400	\$ 300,000
24	\$ 700,194	\$ 420,116		\$ 187,579	\$ 112,421	\$ 300,000
25	\$ 512,825	\$ 307,695		\$ 187,558	\$ 112,442	\$ 300,000
26	\$ 325,421	\$ 195,253		\$ 187,537	\$ 112,463	\$ 300,000
27	\$ 137,982	\$ 82,789		\$ 187,516	\$ 112,484	\$ 300,000

Balances projected to be fully recovered during Day 27.

Daily collections are assumed to be constant for illustrative purposes.

CTC RECOVERY FROM SPECIAL CONTRACT CUSTOMERS

1. Aggregated annual CTC revenues by rate schedule for all special contract customers assuming that the customers' usage equals that shown in schedule 6 of the POLR I Agreement:

Based on Historic Consumption in Schedule 6

Special Contracts	Historic kWh Consumption (Based on Schedule 6)	Billed CTC Revenues
GS/GM	652,200	42,262.18
GL	144,908,168	3,172,958.51
L	682,718,420	9,168,453.66
HVPS	1,185,220,666	15,440,400.12

2.(a) In each reconciliation statement, a similar accounting for special contracts based on actual usage:

Based on Actual Annual Consumption (2/1/99 – 1/31/00)

Special Contracts	Actual kWh Consumption	Billed CTC Revenues
GS/GM	468,000	28,277.63
GL	147,386,200	3,164,434.86
L	741,054,917	9,089,222.58
HVPS	1,241,136,000	16,227,274.60

2.(b) In each reconciliation statement, a similar accounting for special contracts based on actual usage:

Based on Actual Consumption (2/1/99 – 6/30/00)

Special Contracts	Actual kWh Consumption	Billed CTC Revenues
GS/GM	599,400	38,558.44
GL	209,038,140	4,341,920.58
L	1,084,849,312	13,272,096.78
HVPS	1,777,776,000	22,694,942.69

Duquesne Light Company
 Payment Received From / (Made To) Orion as of the Closing Date

	Amounts
Coal:	
Cheswick	5,773,311.79
Elrama	4,456,019.88
Avon Lake	6,256,479.52
New Castle	101,654.02
Niles	2,846,972.13
Total	19,434,437.34
Oil:	
Brunot Island	378,177.53
Cheswick	44,749.66
Elrama	80,554.54
Phillips	9,960.14
Avon Lake	325,345.15
New Castle	26,136.52
Niles	100,988.61
Total	965,912.15
Gas:	
Avon Lake trans.	3,354.00
Materials & Supplies:	
Cheswick	(94,953.06)
Elrama	(433,815.47)
Brunot Island	(86,698.37)
Phillips	(22,117.99)
Avon lake	6,281.33
Niles	155,865.91
New Castle	(155,434.94)
Total	(630,872.59)
Net Payment from Orion	19,772,830.90

NOTE: Final closing with Orion has not occurred as of 8/2/00.

ORIGINAL

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

AUG 04 2000

PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**PENNSYLVANIA PUBLIC UTILITY)
COMMISSION)**

v.)

Docket No. R-00974104

**DUQUESNE LIGHT COMPANY)
Application to Approve Restructuring)
Plan Pursuant to 66 Pa.C.S. § 2806(d))**

DOCKETED

AUG 08 2000

**CTC RECONCILIATION AND AUCTION ACCOUNTING
COMPLIANCE FILING**

**DOCUMENT
FOLDER**

VOLUME I OF IV

Shippingport Remediation

**Maureen L. Hogel
Vice President, Legal
DUQUESNE LIGHT COMPANY
411 Seventh Avenue
Pittsburgh, PA 15219
(412) 393-4150**

**John S. Moot
Kathleen L. Barrón
SKADDEN, ARPS, SLATE,
MEAGHER & FLOM LLP
1440 New York Avenue, N.W.
Washington, D.C. 20005
(202) 371-7310
(202) 371-7012 (fax)**

Dated: August 4, 2000

4-7-99

DUQUESNE LIGHT COMPANY

NONCAPITAL SUBORDER

Noncapital Suborder No. R2693

Estimated Cost \$1,500,000

Cost Center Providing Service 754, 757

Job Title Shippingport Power Station - Asbestos Removal

Job Location Shippingport Power Station

Initiator Warren N. Berkes Mail Drop C-GO Extension 1486

Work to be Started 4/99 Work to be Completed 12/99

Scope

Remove all asbestos from the turbine plant as directed by Gary Brandenberger, Vice President and Assistant to the President.

*Note: Reactor Removed & Plant Decommissioned - However,
 Asbestos Had Not Been Removed From Plant.
 LTD Charges 12/31/99 - \$1,554,869 RJM 1/26/00*

G. R. Brandenberger
 Cost Center Manager, Requesting Service
 G. R. Brandenberger, 14-002

3/30/99
 Date

James J. McHugh
 Cost Center Manager, Providing Service
 for R. J. Swiderski, 10-754

4/6/99
 Date

IDENTIFICATION OF R2693 ACTIVITY FOR JAN THRU NOV 1999

PD	JRNL	WHOLE ACCOUNT	JE DESCRIPTION	REFERENCE 2	SUM JE AMOUNT
6	005098	0 754 10 9211800 R 2693	DISTRIB OF LABOR -	RECAPITULAT.	784.48
	005164	0 754 48 9260501 R 2693	NCSO-BUDGET LABOR	RNG TRANSFER	-178.86
	005192	0 757 57 9211800 R 2693	MANUAL ACCRUAL-UNP	ID INVOICES	280000.00
	005229	0 002 49 1823235 R 2693	REQUESTED SERVICE		280784.48
		0 754 48 9211800 R 2693	PROVIDED SERVICE		-784.48
		0 757 48 9211800 R 2693	PROVIDED SERVICE		-280000.00
					-280784.48
					0.00
*	005261	0 002 49 8350400 R 2693	TRF LABOR FRINGES FOR NCSO		178.86
					280784.48
*	7	005098	0 754 10 9211800 R 2693	DISTRIB OF LABOR -	3781.47
		005135	0 757 57 9211800 R 2693	1374 BURNHAM INDU	
				197370	35145.94
				198826	17717.29
				198835	35066.86
				198836	22271.31
				198838	49753.36
				198843	73019.12
				198846	635.71
					231589.59
					231589.59
					231589.59
					231589.59
*	005164	0 754 48 9260501 R 2693	NCSO-BUDGET LABOR	RNG TRANSFER	-862.17
	005192	0 757 57 9211800 R 2693	MANUAL ACCRUAL-UNP	ID INVOICES	391000.00
	005197	0 757 57 9211800 R 2693	REVERSE PRIOR MONT	'S JV 5192	-280000.00
	005229	0 002 49 1823235 R 2693	REQUESTED SERVICE		346371.06
		0 754 48 9211800 R 2693	PROVIDED SERVICE		-3781.47
		0 757 48 9211800 R 2693	PROVIDED SERVICE		-342589.59
					-346371.06

IDENTIFICATION OF R2693 ACTIVITY FOR JAN THRU NOV 1999

PD	JRNL	WHOLE ACCOUNT	JE DESCRITION	REFERENCE 2	SUM JE AMOUNT
*					0.00
*					345508.89
8	005098	0 754 10 9211800 R 2693	DISTRIB OF LABOR -	RECAPITULAT.	5132.73
	005129	0 754 20 9211800 R 2693	SCIM INVTRY DISTRB		6708.40
	005135	0 754 30 9211800 R 2693	11578 JACKSON, DAV	202457	127.41
		0 757 57 9211800 R 2693	B348 FOSTER WHEEL	203463	3232.97
			1374 BURNHAM INDU		
			198826		-589.51
			198835		-1157.98
			198836		-779.51
			198838		-1741.33
			198843		-2556.33
			198844		-22.26
			302303		79299.15
			302248		34756.78
			302238		89796.66
			302241		433.09
			302244		9139.66
			302245		3970.66
			302248		614.93
			302249		6673.67
			302252		4108.86
			302253		5033.26
			302289		28763.18
			203014		60092.86
			203019		99638.36
			*		410744.80
			*		413977.77
			*		414105.18
			*		414105.18
	005164	0 754 48 9260501 R 2693	NCSO-BUDGET LABOR	RNG TRANSFER	-1170.26
	005192	0 757 57 9211800 R 2693	MANUAL ACCRUAL-UNP	ID INVOICES	306000.00
	005197	0 757 57 9211800 R 2693	REVERSE PRIOR MONT	'S JV 5192	-391000.00
	005229	0 002 49 1823235 R 2693	REQUESTED SERVICE		340946.31
		0 754 48 9211800 R 2693	PROVIDED SERVICE		-11968.54
		0 757 48 9211800 R 2693	PROVIDED SERVICE		-328977.77

IDENTIFICATION OF R2693 ACTIVITY FOR JAN THRU NOV 1999

PD	JRNL	WHOLE ACCOUNT	JE DESCRIPTION	REFERENCE 2	SUM JE AMOUNT
					-340946.31
*					0.00
*					339776.05
9	005098	0 754 10 9211800 R 2693	DISTRIB OF LABOR -	RECAPITULAT.	3633.74
	005135	0 754 30 9211800 R 2693	11578 JACKSON, DAV	209432	131.75
		0 757 57 9211800 R 2693	1374 BURNHAM INDU	207971	67284.77
				207973	72009.26
				207974	71445.69
				207975	65085.32
				207976	7374.62
				207977	11993.26
			*		295192.92
			*		295192.92
					295324.67
					295324.67
	005164	0 754 48 9260501 R 2693	NCSO-BUDGET LABOR	RNG TRANSFER	-828.49
	005192	0 757 57 9211800 R 2693	MANUAL ACCRUAL-UNP	ID INVOICES	333000.00
	005197	0 757 57 9211800 R 2693	REVERSE PRIOR MONT	'S JV 5192	-306000.00
	005229	0 002 49 1823235 R 2693	REQUESTED SERVICE		325958.41
		0 754 48 9211800 R 2693	PROVIDED SERVICE		-3765.49
		0 757 48 9211800 R 2693	PROVIDED SERVICE		-322192.92
					-325958.41
					0.00
	005253	0 002 49 8350400 R 2693	TRF LABOR FRINGES NCSO		2860.92
					327990.84
10	005053	0 754 11 9211800 R 2693	LABOR OVERTIME - S	LARIED EMPS.	85.34
	005098	0 754 10 9211800 R 2693	DISTRIB OF LABOR -	RECAPITULAT.	2857.74
	005129	0 754 20 9211800 R 2693	SCIM INVTRY DISTRB		447.83

IDENTIFICATION OF R2693 ACTIVITY FOR JAN THRU NOV 1999

PD	JRNL	WHOLE ACCOUNT	JE DESCRITPION	REFERENCE 2	SUM JE AMOUNT
10	005135	0 754 30 9211800 R 2693	11578 JACKSON, DAV	215256	146.32
		0 757 57 9211800 R 2693	1374 BURNHAM INDU	216312	49749.99
				216314	44605.28
				216316	55471.43
				216318	59233.12
				216320	49268.54
				216323	57342.02
			*		315670.38
			7819 SARGENT ELEC	215499	14837.00
			*		330507.38
					330653.70
					330653.70
					330653.70
	005164	0 754 48 9260501 R 2693	NCSO-BUDGET LABOR	RNG TRANSFER	-656.59
	005192	0 757 57 9211800 R 2693	MANUAL ACCRUAL-UNP	ID INVOICES	264500.00
	005197	0 757 57 9211800 R 2693	REVERSE PRIOR MONT	'S JV 5192	-333000.00
	005229	0 002 49 1823235 R 2693	REQUESTED SERVICE		265544.61
		0 754 48 9211800 R 2693	PROVIDED SERVICE		-3537.23
		0 757 48 9211800 R 2693	PROVIDED SERVICE		-262007.38
					-265544.61
					0.00
					264888.02
			*		
11	005063	0 754 11 9211800 R 2693	REV. PREV. MONTH'S	JV 5043	-85.34
	005098	0 754 11 9211800 R 2693	DISTRIB OF LABOR -	RECAPITULAT.	85.34
	005135	0 757 57 9211800 R 2693	1374 BURNHAM INDU	222158	11066.58
				222224	32733.55
				222227	30414.10
				222233	27931.86
				222236	28815.25
				222237	11811.60
				222238	1311.11
				222239	6439.04
				222240	396.25
				222241	37623.11
				222243	1600.11

IDENTIFICATION OF R2693 ACTIVITY FOR JAN THRU NOV 1999

PD	JRNL	WHOLE ACCOUNT	JE DESCRIPTION	REFERENCE 2	SUM JE AMOUNT
11	005135	0 757 57 9211800 R 2693	1374 BURNHAM INDU	222244	213.94
				222246	123.02
				222249	819.42
				222251	68465.68
			*		-----
					259764.62
			*		-----
					259764.62

					259764.62

					259764.62
	005197	0 757 57 9211800 R 2693	REVERSE PRIOR MONT	'S JV 5192	-264500.00
	005229	0 002 49 1823235 R 2693	REQUESTED SERVICE		-4735.38
		0 757 48 9211800 R 2693	PROVIDED SERVICE		4735.38
			*		-----
					0.00
			*		-----
					-4735.38
					=====
					1554212.90

IDENTIFICATION OF R2693 ACTIVITY FOR DEC 1999

PD	JRNL	WHOLE ACCOUNT	JE DESCRIPTION	REFERENCE 2	SUM JE AMOUNT
12	005251	0 002 49 8350400 R 2693	TRF LABOR FRINGES FOR NCSO		656.59
					=====
					656.59



3229 Babcock Blvd. • Pittsburgh, PA 15237 • (412) 366-6622 • FAX (412) 366-7540

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DUQUESNE LIGHT COMPANY
ACCOUNTS PAYABLE DEPT., 29-4
BOX 1920
PITTSBURGH, PA 15230-1920

INVOICE

DL537A-001

DATE	6/29/99	CUSTOMER ORDER NO.	D-152138	CONTROL NO.	BI - 537A
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QUANTITY	UM	DESCRIPTION	MARK UP	UNIT PRICE	AMOUNT
<p>S.A.P.S. WORK PACKAGE NO. 99-174 WORK PERFORMED: 4/14/99 - 5/31/99</p> <p>BILLING COVERING INSULATION WORK FURNISHED AT THE ABOVE NOTED PROJECT. COPY OF SIGNED TIMESHEETS ATTACHED.</p> <p>RENTALS:</p>					
20 ✓		NEGATIVE AIR MACHINE	1 WEEK	\$90.00	\$1,800.00 ✓
20 ✓		NEGATIVE AIR MACHINE	3 DAYS	\$15.00	\$900.00 ✓
1 ✓		VEHICLE - STAKEBED TRUCK	1 WEEK	\$210.00	\$210.00 ✓
1 ✓		VEHICLE - STAKEBED TRUCK	3 DAYS	\$35.00	\$105.00 ✓
12 ✓		NEGATIVE AIR MACHINE	1 WEEK	\$90.00	\$1,080.00 ✓
12 ✓		NEGATIVE AIR MACHINE	3 DAYS	\$15.00	\$540.00 ✓
1 ✓		VEC LOADER	1 WEEK	\$2,000.00	\$2,000.00 ✓
1 ✓		VEC LOADER	3 DAYS	\$400.00	\$1,200.00 ✓
12 ✓		LIGHT STRINGER - 50'	1 WEEK	\$7.50	\$90.00 ✓
12 ✓		LIGHT STRINGER - 50'	2 DAYS	\$1.25	\$30.00 ✓
1 ✓		DISTRIBUTION PANEL	1 WEEK	\$111.90	\$111.90 ✓
1 ✓		DISTRIBUTION PANEL	2 DAYS	\$18.65	\$37.30 ✓
1 ✓		10' SCAFFOLD PLANK (\$/FT)	1 WEEK	\$6.00	\$6.00 ✓
1 ✓		10' SCAFFOLD PLANK (\$/FT)	2 DAYS	\$1.00	\$2.00 ✓
3 ✓		NEGATIVE AIR MACHINE	1 WEEK	\$90.00	\$270.00 ✓
3 ✓		NEGATIVE AIR MACHINE	2 DAYS	\$15.00	\$90.00 ✓
1 ✓		VEC LOADER	1 WEEK	\$2,000.00	\$2,000.00 ✓
1 ✓		VEC LOADER	2 DAYS	\$400.00	\$800.00 ✓
				SUBTOTAL RENTALS	\$17,080.10 ✓

J. Grant

*S.A.P.S.
7/19/99*

JUL 30 1999
APPROVED

R 757 2693 9211800 99-174 57 \$ 34,646.3

3.5% Discount - \$1,256.61



3229 Babcock Blvd. • Pittsburgh, PA 15237 • (412) 366-6622 • FAX (412) 366-7540

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DUQUESNE LIGHT COMPANY
ACCOUNTS PAYABLE DEPT., 29-4
BOX 1920
PITTSBURGH, PA 15230-1920

INVOICE
DL537A-001

DATE	6/29/99	CUSTOMER ORDER NO.	D-152138	CONTROL NO.	BI - 537A
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QUANTITY	UM	DESCRIPTION	MARK UP	UNIT PRICE	AMOUNT
S.A.P.S. WORK PACKAGE NO. 99-174 WORK PERFORMED: 4/14/99 - 5/31/99 BILLING COVERING INSULATION WORK FURNISHED AT THE ABOVE NOTED PROJECT. COPY OF SIGNED TIMESHEETS ATTACHED.					
LABOR:					
<u>- 1ST SHIFT STRAIGHT TIME -</u>					
		SUPERINTENDENT	56 ✓	HOURS @ \$48.84	\$2,735.04 ✓
		AIR MONI. OR TECHNICIAN	233.5 ✓	HOURS @ \$35.00	\$8,172.50 ✓
		LABORER	24 ✓	HOURS @ \$25.40	\$609.60 ✓
		LABORER FOREMAN	24 ✓	HOURS @ \$25.86	\$620.64 ✓
		HEALTH PHYSICIST	11 ✓	HOURS @ \$89.44	\$983.84 ✓
SUBTOTAL LABOR					\$13,121.62 ✓
MATERIALS:					
117 ✓	EA	MILEAGE		\$0.34	\$39.78 ✓
223 ✓	EA	ASBESTOS BULK SAMPLES		\$15.00	\$3,345.00 ✓
6 ✓	DZ	COTTON GLOVES *See Dival Safety Backup		\$5.28	\$31.68 ✓
2 ✓	DZ	LEATHER PALM GLOVES *See Construction Rental Backup		\$22.44	\$44.88 ✓
200 ✓	EA	CLEAR DISPOSAL BAGS (100 BAGS/ROLL)		\$0.89	\$178.00 ✓
48 ✓	EA	100 Watt RS Bulbs *See Scott Electric Backup		\$2.07	\$99.36 ✓
1 ✓	RL	VISQUEEN 12 X 100 FLAME RETARDENT		\$66.15	\$66.15 ✓
7 ✓	EA	6" CUTTING WHEELS *See Construction Rental Backup		\$1.51	\$10.57 ✓
24 ✓	RL	TAPE DUCT 2" (24/CASE)		\$4.20	\$100.80 ✓
1 ✓	EA	TRUCK TRIP ON 5/25/99		\$150.00	\$150.00 ✓
6 ✓	EA	FOX TAILS *See Construction Rental Backup		\$2.28	\$13.68 ✓
6 ✓	EA	DUST PANS *See Construction Rental Backup		\$1.43	\$8.58 ✓
6 ✓	EA	BROOMS *See Home Depot Backup		\$5.54	\$33.24 ✓
1 ✓	EA	TRUCK TRIP ON 5/26/99 - DELIVERY OF DUMPSTER		\$150.00	\$150.00 ✓
1 ✓	EA	TRUCK TRIP ON 5/26/99 - DELIVERY OF PORTA JOHNS		\$150.00	\$150.00 ✓
600 ✓	EA	CLEAR DISPOSAL BAGS (100 BAGS/ROLL)		\$0.89	\$534.00 ✓
10 ✓	EA	LUMBER 1" X 3" X 8' STRIPS		\$1.12	\$11.20 ✓
500 ✓	FT	GARDEN SPRAYER *See Home Depot Backup		\$0.24	\$120.00 ✓



3229 Babcock Blvd. • Pittsburgh, PA 15237 • (412) 366-6622 • FAX (412) 366-7540

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DUQUESNE LIGHT COMPANY
ACCOUNTS PAYABLE DEPT., 29-4
BOX 1920
PITTSBURGH, PA 15230-1920

INVOICE

DL537A-001

DATE	6/29/99	CUSTOMER ORDER NO.	D-152138	CONTROL NO.	BI - 537A
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QUANTITY	UM	DESCRIPTION	MARK UP	UNIT PRICE	AMOUNT	
S.A.P.S.						
WORK PACKAGE NO. 99-174						
WORK PERFORMED: 4/14/99 - 5/31/99						
BILLING COVERING INSULATION WORK FURNISHED AT THE ABOVE NOTED PROJECT. COPY OF SIGNED TIMESHEETS ATTACHED.						
MATERIALS:						
50 ✓	LB	WIRE LACING 16 GAUGE S.S.		\$3.41	\$170.50 ✓	
5 ✓	LB	NAILS COMMON		\$1.21	\$6.05 ✓	
120 ✓	EA	150 WATT LIGHT BULBS *See Scott Electric Backup		\$1.57	\$188.40 ✓	
48 ✓	EA	100 WATT RS BULBS *See Scott Electric Backup		\$2.07	\$99.36 ✓	
1 ✓	EA	TRUCK TRIP ON 5/27/99		\$150.00	\$150.00 ✓	
SUBTOTAL MATERIALS					\$5,701.23 ✓	
RENTALS:						
2 ✓		WALKIE-TALKIES (PER PAIR W/ CHARGES)	1	MONTH	\$550.00	\$1,100.00 ✓
2 ✓		LIGHT STRINGER - 100'	1	MONTH	\$55.00	\$110.00 ✓
2 ✓		PORTA-JOHN'S (COST INCLUDES PUMPING)	1	MONTH	\$66.00	\$132.00 ✓
8 ✓		ASBESTOS VACUUM W/ FILTER	2	WEEKS	\$120.00	\$1,920.00 ✓
8 ✓		ASBESTOS VACUUM W/ FILTER	2	DAYS	\$20.00	\$320.00 ✓
1 ✓		DISTRIBUTION PANEL	2	WEEKS	\$111.90	\$223.80 ✓
1 ✓		DISTRIBUTION PANEL	2	DAYS	\$18.65	\$37.30 ✓
40 ✓		SCAFFOLD SAFEWAY FRAMES & BRACE	2	WEEKS	\$1.80	\$144.00 ✓
40 ✓		SCAFFOLD SAFEWAY FRAMES & BRACE	2	DAYS	\$0.30	\$24.00 ✓
30 ✓		8' SCAFFOLD PLANK (\$/FT)	2	WEEKS	\$4.80	\$288.00 ✓
30 ✓		8' SCAFFOLD PLANK (\$/FT)	2	DAYS	\$0.80	\$48.00 ✓
10 ✓		10' SCAFFOLD PLANK (\$/FT)	2	WEEKS	\$6.00	\$120.00 ✓
10 ✓		10' SCAFFOLD PLANK (\$/FT)	2	DAYS	\$1.00	\$20.00 ✓
1 ✓		TRAILER - SHOWER W/ FILTER	2	WEEKS	\$180.00	\$360.00 ✓
1 ✓		TRAILER - SHOWER W/ FILTER	1	DAY	\$30.00	\$30.00 ✓
8 ✓		SCAFFOLD LEVELING JACKS (WHEELS)	2	WEEKS	\$1.20	\$19.20 ✓
8 ✓		SCAFFOLD LEVELING JACKS (WHEELS)	1	DAY	\$0.20	\$1.60 ✓
2 ✓		SHOWER WATER HOLDING TANK	2	WEEKS	\$210.00	\$840.00 ✓
2 ✓		SHOWER WATER HOLDING TANK	1	DAY	\$35.00	\$70.00 ✓

CONTRACTOR EQUIPMENT LOG

FORM 30-252 REV. 2

CONTRACTOR

Burnham Indus. Cont.

EQUIPMENT

#:

QUANTITY USED	DESCRIPTION
2 pr ✓	Radios
200' ✓	Light Stringers
2 ✓	Porta Johns
8 ✓	Hepa Vac's
1 ✓	Power Load Cen
40 ✓	Safety Frames
40 ✓	B-74 Braces
30 ✓	8' plank
10 ✓	10' plank
1 ✓	Shower Trailer
8 ✓	Scuffold wheels
2 ✓	Water Holding Tr
20 ✓	neg air machines
1 ✓	Stake Truck
12 ✓	neg air machin
1 ✓	Vec loader
1	O2 Tank
1 ✓	Acetylene Tank
12 ✓	light Stringers
1 ✓	Power load Cen
10' ✓	10' plank
3 ✓	Neg Air Mach
1 ✓	Vec loader

INITIALS FOR DAILY VERIFICATION (Plant)

CONTRACTOR SIGNATURE

Mark M...

DiVal Safety Equipment, Inc.

SAFETY • ASBESTOS • HAZ-MAT



1721 NIAGARA STREET, BUFFALO, NEW YORK 14207 Phone: (716) 874-8080 FAX: (716) 874-4886

BURNHAM INDUSTRIAL CONT.
229 BARCOCK BLVD
PITTSBURGH PA 15237

Burnham Industrial Cont.
3229 BARCOCK BLVD
PITTSBURGH PA 15237

26/2

CUSTOMER NUMBER 11115	1	Invoice 219520	Date 5/17/99
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ORDER NUMBER	CUSTOMER PURCHASE ORDER NUMBER	SALESPERSON NUMBER NAME	SHIP VIA
45172/00	BI537A	102 Martin Schneider	DELIVERY

QUALITY		UNIT OF MEASURE	ITEM NUMBER AND DESCRIPTION	PRICE/UNIT	EXTENDED PRICE
ORDERED	SHIPPED				
900	900	PR	T83	.39	351.00 T
12	12		8 OZ COTTON GLOVE	6.25	75.00 T
20	20		$\begin{array}{r} \$0.39 \quad \$0.39 \\ \times 1.04 \quad \times .07 \\ \hline \$0.41 \quad + \$0.03 \\ \hline = \$0.44/PR \\ \$5.28/DZ \end{array}$	11.95	239.00 T
ORDERED BY T					

INVOICES OVER 30 DAYS WILL BE SUBJECTED TO A SURCHARGE OF 1 1/2% PER MONTH.



Give The Gift of Safety
The Home Safety Store, Inc.
716-832-SAFE

SUB-TOTAL	TAX %	TAX AMOUNT	TOTAL
665.00	7.000	46.55	711.55

DELIVERED BY _____ DATE _____ RECEIVED BY _____ DATE _____

CUSTOMER COPY

CONSTRUCTION RENTAL & SUPPLY, INC.

5601 Grand Avenue
Pittsburgh, Pennsylvania 15225-1200



SALES · RENTALS · SERVICES

C664
Phone 412.269.9109
1.800.44.TOOLS
Fax 412.269.3659 - Office
Fax 412.269.9168 - Whrs.

1999

I N V O I C E

SOLD TO:
BURNHAM INDUSTRIAL CONTR
3229 BABCOCK BLVD.
PITTSBURGH, PA
15237

SHIP TO:
(SAME)

:33PM marcia

DER NO	INVOICE NO	ORDER DATE	INVOICE DATE	CUSTOMER	CUSTOMER P.O. NO.	SLSMN
8925	9012	5/24/99	5/26/99	38500 BI-537A		300

RMS	SHIP VIA/ROUTING	DATE REQUESTED	SHIPPED	LOC	TAKEN BY
T 30 DAY	OUR TRUCK	5/24/99		1	NJS

RT NUMBER	H/M DESCRIPTION	QTY ORD	EA	QTY SHP	EA	QTY BKO	PRICE	U/M	AMOUNT
						SHIP UNITS	UNITS	DISC*	
IR	AID50	1	EA	1		0	34.94	EA	34.94
		20	EA	20		0	3.93	EA	78.60
LVLTHRPALM	LEATHER PALM WORK GLOVES	24	PR	24		0	1.68	PR	40.32
						0	1.85	EA	44.40
						0	1.04	EA	8.32
						0	.30	EA	6.00
						0	204.73	EA	204.73
						50	1.36	EA	.00

TOTAL GROSS	417.31
TOTAL TAX	23.71
INVOICE AMOUNT	441.02

LOCATIONS:

SCOTT ELECTRIC

ELECTRICAL DISTRIBUTORS

1100 S MAIN ST.
P.O. BOX 5
PITTSBURGH, PA 15601
724-831-4321
800-442-8045
FAX 800-426-9598

LIGHTING DIVISION
724-925-2300
800-444-4545
FAX 724-925-2698
FAX 800-445-1654

LIGHTING GALLERY
724-838-0800
800-945-5267
FAX 724-837-9530

APPARATUS DIVISION
724-925-1515
800-777-7975
FAX 724-925-6619
FAX 800-678-6619

TOOL DIVISION
724-687-5005
800-388-2232
FAX 724-621-7169

39TH &
PITTSBI
412-687
800-388
FAX 412

CUSTOMER COPY

HES

Order No.: 051000

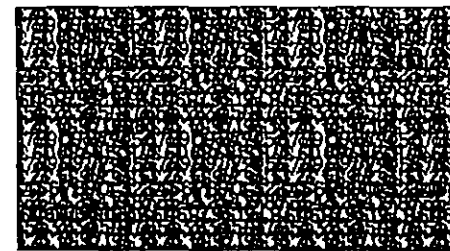
Order Date: 05/26/91

Required Date: 05/26/91

PACKING LIST

Sold To: BURNHAM INDUSTRIAL CONTRACTORS
1229 BABCOCK BLVD
PITTSBURGH PA 15237-2825

Ship To: SAME



Customer P.O.: B13374

Job Name:

Warehouse: 2 PITTSBURGH

Salesman: BOB HOUSE

Tax Status: PA-T02

Entered By: JOE JOE NETZEL

Terms: NET ON DELIVERY *** COD ***

Ship Via: PICKUP

** COD **

Load Mark:

Material Location:

Cartons:

Instructions:

Weight: 147

Pieces:

Location	Line	Order	Ship	B/O	Item #	Catalog Number/Description	Price/UM	Extens
	2	80	80	X	5-188	GEL 100W/120V MED IF ROUGH SERV LAMP	1.865/E	1
	1	120	120	X	5-202	GEL 150W/120V 421 MED BASE IF LAMP #19148	1.411/E	1
<p><u>100 WATT RS</u></p> <p>\$1.865 \$1.865 X 1.04 X .07 <u>\$1.94</u> + <u>\$0.13</u> = \$2.07/EA</p>								
<p><u>150 WATT</u></p> <p>\$1.411 \$1.411 X 1.04 X \$0.07 <u>\$1.47</u> + <u>\$0.10</u> = \$1.57/EA</p>								

MAY 26 1991

ALL CLAIMS FOR SHORTAGES MUST BE REPORTED 24 HOURS AFTER RECEIPT OF ORDER. A PACKING SLIP IS REQUIRED FOR RETURNS. NO RETURNS AFTER 30 DAYS. NO RETURNS ON SPECIAL ORDER ITEMS. WRITTEN AUTHORIZATION IS REQUIRED BEFORE MATERIAL IS RETURNED. ALL SALES ARE FINAL. CASH DISCOUNTS ALLOWED ONLY WHEN PREVIOUS INVOICES ARE PAID. SALES TAX WILL BE ADDED TO ALL APPLICABLE ITEMS. A PROPERLY EXECUTED EXEMPTION FORM MUST BE ON FILE.

PAGE 1

RECEIVED IN GOOD ORDER AND CONDITION BY:

MTC

Net Total

Count

Tax

TOTAL

I N V O I C E

OCT. 19 1998

SOLD TO:
BURNHAM INDUSTRIAL CONTR
3229 BABCOCK BLVD.
PITTSBURGH, PA
15237

SHIP TO:

(SAME)

1:32PM

ORDER NO	INVOICE NO	ORDER DATE	INVOICE DATE	CUSTOMER	CUSTOMER P.O. NO.	SLSM
3414	3325	10/13/98	10/16/98	38500 VERBAL TIM		300

TERMS	SHIP VIA/ROUTING	DATE REQUESTED	SHIPPED	LOC	TAKEN
NET 30 DAY	OUR TRUCK	10/13/98	10/15/98	1	ERS

PART NUMBER	H/M DESCRIPTION	QTY ORD	QTY SHP	QTY BKO	PRICE	U/M	AMOUNT	DISC%
-------------	-----------------	---------	---------	---------	-------	-----	--------	-------

				7				
				0				
				0				
				0				
				0				
		24	PR	24				
ABRFALCON61678	6 X 1/16 X 7/8 T1 CUTOFF WHEEL	200	EA	200		1.36 EA	272.0	

TOTAL GROSS	632.1
TOTAL TAX	44.3
TOTAL INVOICE	676.4

$$\begin{matrix} \$1.36 & \$1.36 \\ \times 1.04 & \times .07 \\ \hline \$1.41 & + \$0.10 = \$1.51/EA \end{matrix}$$
 50 Per Box = \$75.50/BX

Construction Rental & Supply, Inc.

INVOICE

OCT 04 1995

Welding Machines • Cranes • Chaintalls • Pipe Machines
 5601 Grand Avenue, Pittsburgh, Pennsylvania 15225
 412/269-9109 Fax 412/269-9168

INVOICE No. 0995455

INVOICE DATE 9/30/95

PAGE 1

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BURNHAM INDUSTRIAL CONTRACTORS
 3229 BABCOCK BLVD.
 PITTSBURGH, PA 15237

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OUR ORDER NO.	YOUR ORDER NO.	DATE	TERMS	SHIPPED VIA	Pgs. of Coll.
53125	BI-487	9/20/95	NET 30 DAYS		1
QUAN	DESCRIPTION			PRICE	AMOUNT

53	8" COUNTER BRUSH	N 951255C	2.06 EA	109.18
			1.00 EA	24.00
	FOX TAIL			
		SUB TOTAL		133.18
		PA STATE SALES TAX		9.32
		TOTAL AMOUNT DUE	-----	142.50

$$\begin{array}{r} \$2.06 \\ \times 1.04 \\ \hline \$2.14 \end{array} + \begin{array}{r} \$2.06 \\ \times .07 \\ \hline \$0.14 \end{array} = \$2.28/EA$$

BI-537A
THE HOME DEPOT 4123
 112 BEN AVON HEIGHTS ROAD
 PITTSBURGH, PA 15237 (412)364-6114

SALE 4123 00002 97770 05/24/99
 11 835 03:51 PM



$$\begin{array}{r} \$4.99 \\ \times 1.04 \\ \hline \$5.19 \end{array} + \begin{array}{r} \$4.99 \\ \times .07 \\ \hline \$0.35 \end{array} =$$

 \$5.54/EA

071798005416	18IN BROOM	4.99
071798005416	18IN BROOM	4.99
071798005416	18IN BROOM	4.99
071798005416	18IN BROOM	4.99
071798005416	18IN BROOM	4.99
071798005416	18IN BROOM	4.99
	SUBTOTAL	29.94
	TAX PA 7.000	2.10
	TOTAL	\$32.04
79016658944	HOME DEPOT	32.04
AUTH #/INVOICE 001070/4020611	TA	

BURNHAM INDUSTRIAL C
 WANNAY GEORGE

[Signature]

CUSTOMER COPY



4123 02 97770 05/24/99 4926

ORIGINAL RECEIPT REQUIRED FOR REFUND
 THANK YOU FOR SHOPPING AT THE HOME DEPOT
 WAREHOUSE PRICES - DAY IN, DAY OUT



SPECIAL SERVICES CUSTOMER AGREEMENT

Store 4123 OHIO TOWNSHIP
12 BEN AVON HEIGHTS RD
PITTSBURGH, PA 15237

Phone: (412) 364-6114
Salesperson: JDM
Reviewer:

VALIDATION AREA

This is only a [†]QUOTE for the merchandise and services printed below. This becomes an Agreement upon payment and an endorsement by a Home Depot register validation.

4123 00016 13447
SALE 32 204
CUSTOMER AGREEMENT # 011220
RECALL AMOUNT
813.46 TAX
TOTAL \$
HOME DEPOT

SOLD TO	Name		Home Phone	
	BURNHAM INDUSTRIAL		CONT	
	Address 3229 BABCOCK		Work Phone () -	
			Company Name	
	City MC KNIGHT		Job Description PO B1537A	
	State PA	Zip 15237	County ALLEGHENY	

PHONE SALE
[†]QUOTE is valid for this date: 06/07/99

MERCHANDISE AND SERVICE SUMMARY

CUSTOMER PICKUP #1	REF #W07 SKU #515-684 Customer Pickup / Will Call
---------------------------	---

STOCK MERCHANDISE TO BE PICKED UP:							
REF #	SKU	QTY	UM	DESCRIPTION	TAX	PRICE EACH	EXTEN
R01	718-861	2.00	EA	/	Y		\$2
R02	684-632	2.00	EA	/	Y		\$3
R03	549-932	12.00	EA	/	Y		\$
R04	410-950	12.00	EA	/	Y		\$
R05	701-986	6.00	EA	/	Y		\$:
R06	118-594	1.00	EA	5/BIN X 50FT ALL SEASON HOSE /	Y	\$10.94	\$

SCHEDULED PICKUP DATE: 06/07/1999 **MERCHANDISE TOTAL: \$8**

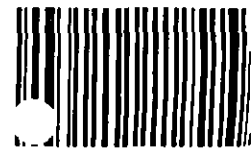
TOTAL CHARGES OF ALL MERCHANDISE & SERVICES				END OF CUSTOMER PICKUP - REF #W07	
	\$10.94	\$10.94		ORDER TOTAL	\$81
	X 1.04	X .07		SALES TAX	\$:
	\$11.38	\$0.77	= \$12.15/EA	TOTAL	\$8:
			24 ft.	BALANCE DUE	\$8

END OF ORDER No. 11220

TERMS AND CONDITIONS

WILL CALL

Will Call items will be held in the store for 7 days only. Bring this Agreement to the Service Desk (EXPO- Will-Call Pick Up Door).



DAILY TIME AND DISTRIBUTION SHEET

DUQUESNE LIGHT COMPANY

14230

PAGE OF

FORM G-18-98182 (6/94)

DAY OF WEEK Tues	DATE MO 3 DAY 18 YEAR 1999	JOB NAME S.A., P.S	CONSTR. ORDER NO. R2693
CONTRACTOR Burnham Incls Cont.		P.O. NO. D152138	REL. NO. 61
		EXTRA ORDER	WORK PACKAGE NO. 99-174

QUANTITY	NAME	LABOR AND EQUIPMENT		REGULAR	HOURS		ACTION CODE				REMARKS	
		IN	OUT		PREM	TOTAL	1	2	3	4		
Bldg. Ins.	Sheryl DeFrances	7 ⁰⁰	3 ³⁰	8		8						
Bldg. Ins.	Ron Seevers	7 ⁰⁰	3 ³⁰	8		8						
Bldg. Ins.	Paul Jones	7 ⁰⁰	3 ³⁰	8		8						

MATERIAL	CHARGE	ACCOUNT NO.
A Bulk Samples	R2693	9211800

ACTION CODE	DESCRIPTION OF WORK PERFORMED	SUB ORDER NO. CHARGE	ACCOUNT NO.
	Asbestos Survey	R2693	9211800

APPROVED _____ APPROVED (CONTRACTOR) *Manda Moore* APPROVED (DLCO.) *John Holmes*

NOTE: List material furnished by the Contractor, show quantity, description and account number. Preclude Labor Construction

DAILY TIME AND DISTRIBUTION SHEET

DUQUESNE LIGHT COMPANY

14234

PAGE OF

FORM G18-98182 (6/94)

DAY OF WEEK Fri	DATE MO. 5 DAY 21 YEAR 99	JOB NAME S, A, P.S	CONSTR. ORDER NO. #16 R2693
CONTRACTOR Burnham Indus. Cont.		P.O. NO. D.52138	REL. NO. 61
		EXTRA ORDER	WORK PACKAGE NO. 99-174

QUANTITY	NAME	LABOR AND EQUIPMENT			ACTION CODE				REMARKS		
		IN	OUT	REGULAR	HOURS PREM	TOTAL	1	2		3	4
Bldg Ins.	Run Seewers	7 ⁰⁰	3 ³⁰	8		8					
Bldg Ins.	Paul Jones	7 ⁰⁰	3 ³⁰	8		8					
Bldg Ins.	Sheryl DeFrances	7 ⁰⁰	3 ³⁰	8		8					

MATERIAL	CHARGE	ACCOUNT NO.
1/6 Bulk Samples	R2693	9211800

ACTION CODE	DESCRIPTION OF WORK PERFORMED	SUB ORDER NO.	
		CHARGE	ACCOUNT NO.
	Asbestos Survey	R2693	9211800

APPROVED _____ APPROVED (CONTRACTOR) *Mally Mottos* APPROVED (DLCO) *John Holmes*

NOTE: List material furnished by the Contractor, show quantity, description and account number. Distribute Labor Construction



3229 Babcock Blvd. • Pittsburgh, PA 15237 • (412) 366-6622 • FAX (412) 366-7540

AUG 16 1999

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DUQUESNE LIGHT COMPANY
ACCOUNTS PAYABLE DEPT., 29-4
BOX 1920
PITTSBURGH, PA 15230-1920

INVOICE

DL537A-002

DATE	7/13/99	CUSTOMER ORDER NO.	D-152138	CONTROL NO.	BI - 537A
------	---------	--------------------	----------	-------------	-----------

QUANTITY	UM	DESCRIPTION	MARK UP	UNIT PRICE	AMOUNT
S.A.P.S. WORK PACKAGE NO. 99-174 WORK PERFORMED: 6/1/99 - 6/4/99 BILLING COVERING INSULATION WORK FURNISHED AT THE ABOVE NOTED PROJECT. COPY OF SIGNED TIMESHEETS ATTACHED.					
MATERIALS:					
1 ✓	DZ	RUBBER GLOVES *See C.R. Faber Backup		\$15.60	\$15.60 ✓
12 ✓	EA	GARDEN SPRAYER *See Home Depot Backup		\$12.15	\$145.80 ✓
20 ✓	GAL	ENCAPSULANT		\$16.00	\$320.00 ✓
10 ✓	GAL	WETTING AGENT/ENCAPSULANT		\$16.00	\$160.00 ✓
20 ✓	EA	WARNING SIGNS FOR ASBESTOS		\$0.36	\$7.20 ✓
3 ✓	EA	SOCK FILTERS *See CR Faber Backup		\$19.98	\$59.94 ✓
100 ✓	EA	LUMBER 1" X 3" X 8' STRIPS		\$1.12	\$112.00 ✓
30 ✓	EA	LUMBER 2" X 4" X 8' STRIPS		\$3.28	\$98.40 ✓
100 ✓	EA	C-CLAMPS *See Home Depot Backup		\$4.41	\$441.00 ✓
1000 ✓	EA	CLEAR DISPOSAL BAGS (100 BAGS/ROLL)		\$0.89	\$890.00 ✓
300 ✓	EA	FILTERS: 24 X 24 X 1/2 SECONDARY PAD		\$1.12	\$336.00 ✓
60 ✓	EA	FILTERS: 24 X 24 X 1-1/2 PRIMARY PANEL		\$4.30	\$258.00 ✓
50 ✓	EA	6" CUTTING WHEELS *See Construction Rental Backup		\$1.51	\$75.50 ✓
8 ✓	BX	SHOWER TOWELS *See Great Lakes Backup		\$16.90	\$135.20 ✓
8 ✓	EA	FLEX DUCT 25' - 12"		\$38.24	\$305.92 ✓
10 ✓	BX	ALCOHOL WIPES *See Phar-Mor Backup		\$1.40	\$14.00 ✓
30 ✓	EA	8' BULBS *See Scott Electric Backup		\$3.03	\$90.90 ✓
60 ✓	EA	4' BULBS *See Scott Electric Backup		\$1.10	\$66.00 ✓
140 ✓	EA	150 WATT LIGHT BULBS *See Scott Electric Backup		\$1.57	\$219.80 ✓
1 ✓	EA	TRUCK TRIP ON 6/1/99		\$150.00	\$150.00 ✓
1 ✓	EA	TRUCK TRIP ON 6/4/99 - PICKUP OF DUMPSTER		\$150.00	\$150.00 ✓
1 ✓	EA	TRUCK TRIP ON 6/4/99 - DELIVERY OF DUMPSTER		\$150.00	\$150.00 ✓
1 ✓	LOT	DISPOSAL OF RESIDUAL WASTE *See Hawk Backup		\$468.00	\$468.00 ✓
SUBTOTAL MATERIALS					\$9,647.22 ✓

H.J.P.
8/19/99

APPROVED

AUG 6 1999

Discount 3.5% = \$607.96

AS

TOTAL NET AMOUNT DUE THIS INVOICE

\$17,369.90 ✓

8/11/99



198826

3229 Babcock Blvd. • Pittsburgh, PA 15237 • (412) 366-6622 • FAX (412) 366-7540

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DUQUESNE LIGHT COMPANY
ACCOUNTS PAYABLE DEPT., 29-4
BOX 1920
PITTSBURGH, PA 15230-1920

R-61

INVOICE
DL537A-002

DATE	7/13/99	CUSTOMER ORDER NO.	D-152138	CONTROL NO.	BI -537A
------	---------	--------------------	----------	-------------	----------

QUANTITY	UM	DESCRIPTION	MARK UP	UNIT PRICE	AMOUNT
S.A.P.S. WORK PACKAGE NO. 99-174 WORK PERFORMED: 6/1/99 - 6/4/99 BILLING COVERING INSULATION WORK FURNISHED AT THE ABOVE NOTED PROJECT. COPY OF SIGNED TIMESHEETS ATTACHED.					
LABOR:					
- 1ST SHIFT STRAIGHT TIME -					
		AIR MONITOR TECHNICIAN	25 ✓	HOURS @ \$35.00	\$875.00 ✓
		ASBESTOS INSULATOR MECHANIC	8 ✓	HOURS @ \$43.05	\$344.40 ✓
		HEALTH PHYSICIST	8 ✓	HOURS @ \$89.44	\$715.52 ✓
		HEALTH PHYSICIST TECH.	8 ✓	HOURS @ \$41.60	\$332.80 ✓
		INSULATOR GEN. FOREMAN	8 ✓	HOURS @ \$48.84	\$390.72 ✓
		LABORER	104 ✓	HOURS @ \$25.71	\$2,673.84 ✓
		LABORER FOREMAN	32 ✓	HOURS @ \$25.86	\$827.52 ✓
		SUPERINTENDENT	32 ✓	HOURS @ \$48.84	\$1,562.88 ✓
SUBTOTAL LABOR					\$7,722.68 ✓
MATERIALS:					
5 ✓	EA	ASBESTOS BULK SAMPLES		\$15.00	\$75.00 ✓
2 ✓	RL	TAPE CAUTION		\$45.94	\$91.88 ✓
1 ✓	RL	TAPE CAUTION - YELLOW		\$45.94	\$45.94 ✓
8 ✓	RL	VISQUEEN 12 X 100 FLAME RETARDENT		\$66.15	\$529.20 ✓
6 ✓	RL	VISQUEEN 20 X 100 FLAME RETARDENT		\$110.25	\$661.50 ✓
120 ✓	RL	TAPE DUCT 2" (24/CASE)		\$4.20	\$504.00 ✓
20 ✓	EA	GLOVE BAGS 72 X 120		\$25.20	\$504.00 ✓
80 ✓	EA	GLOVE BAGS 60 X 60		\$10.50	\$840.00 ✓
40 ✓	EA	GLOVE BAGS 60 X 60		\$10.50	\$420.00 ✓
8 ✓	EA	P-22 STAPLE GUN *See Jendco Safety Backup		\$12.48	\$99.84 ✓
8 ✓	EA	T-50 STAPLE GUN *See Home Depot Backup		\$17.60	\$140.80 ✓
20 ✓	BX	P-22 STAPLES * SEE Jendco Safety Backup		\$1.48	\$29.60 ✓
20 ✓	BX	T-50 STAPLES *See Jendco Safety Backup		\$1.77	\$35.40 ✓
12 ✓	PR	RUBBER BOOTS *See C.R. Faber Backup		\$15.60	\$187.20 ✓
144 ✓	CR	SPRAY GLUE		\$5.65	\$813.60 ✓

Discount

JENDCO

SAFETY SUPPLY

1616 Integrity Drive East
COLUMBUS, OHIO 43209

(614) 449-9600

FAX (614) 449-9605

INVOICE NUMBER:

INVOICE DATE: 05/19/99

PAGE: 1

SOLD TO: BURNHAM INDUSTRIAL CORP
3229 BABCOCK BLVD
PITTSBURGH
PA
15237

SHIP TO: BURNHAM INDUSTRIAL CORP
3229 BABCOCK BLVD
PITTSBURGH
PA
15237

SHIP VIA: UNITED PARCEL SERVICE
SHIP DATE: 05/19/99
DUE DATE: 06/18/99
TERMS: NET 30

CUST. I.D.: BURNHA
P.O. NUMBER: TIM
P.O. DATE: 05/19/99
OUR ORDER NO.: 19487
SALESPERSON: SEL

ITEM I.D. / DESCRIPTION	ORDERED	SHIPPED	UNIT	PRICE	NET	TAX
5001081-0050-0516 T 50 5/16 STAPLE	80.00	80.00	BOX	1.7000	136.00	T
5001081-0022-0014 P22 1/4" STAPLES	30.00	30.00	BOX	1.4200	42.60	T
5001081-0022 P22 HAND STAPLER	10.00	10.00	EACH	12.0000	120.00	T
<i>T-50 staples</i>	<i>••••</i>	<i>P-22 staples</i>	<i>1.42 x</i>	<i>5</i>	<i>12. x</i>	
	<i>1.7 x</i>		<i>1.04 =</i>		<i>1.04 =</i>	
	<i>1.04 =</i>		<i>1.48 +</i>		<i>12.48 +</i>	
	<i>1.77 +</i>					

TERMS ARE NET 30 DAYS. OVERDUE BALANCES ARE SUBJECT TO 1.5% MONTHLY FINANCE CHARGE. (18% APR)

SUBTOTAL	298.60
TAX	0.00
PAYMENTS	0.00
TOTAL	298.60



SPECIAL SERVICES CUSTOMER AGREEMENT

Store 4123 OHIO TOWNSHIP
112 BEN AVON HEIGHTS RD
PITTSBURGH, PA 15237

Phone: (412) 364-6114
Salesperson: JDM
Reviewer:

VALIDATION AREA

This is only a [†]QUOTE for the merchandise and services printed below. This becomes an Agreement upon payment and an endorsement by a Home Depot register validation.

SALE	11 597	04/20/1999
CUSTOMER AGREEMENT #	7739	
479.20	RECALL AMOUNT	479.20
	TAX	33.52
	TOTAL	\$512.72
79016658944	HOME DEPOT	512.72
AUTH 6/INVOICE		TA

SOLD TO	Name		Home Phone	
	BURNHAM INDUSTRIAL CONT		(412) 366-6622	
	Address 3229 BABCOCK		Work Phone () -	
			Company Name	
	City MC KNIGHT		Job Description	
State PA		Zip 15237	County ALLEGHENY	

PHONE SALE
[†]QUOTE is valid for this date: 04/20/1999!

MERCHANDISE AND SERVICE SUMMARY

CUSTOMER PICKUP #1		REF #W03 SKU #515-884 Customer Pickup / Will Call				
STOCK MERCHANDISE TO BE PICKED UP:						
REF #	SKU	QTY	DESCRIPTION	TAX	PRICE EACH	EXTENSION
		EA	/	Y	\$5.45	\$136.25
		EA	/	Y	\$19.57	\$156.56
		BX	/	Y	\$4.29	\$4.29
		EA	STAPLE GUN TACKER-HD /	Y	\$15.86	\$79.30
		EA	/	Y	\$2.57	\$102.80
MERCHANDISE TOTAL:						\$479.20
END OF CUSTOMER PICKUP - REF #W03						
ALL MERCHANDISE & SERVICES						
ORDER TOTAL						\$479.20
SALES TAX						\$33.54
TOTAL						\$512.74
BALANCE DUE						\$512.74
END OF ORDER No. 7739						

T-50 Staple Gun

TERMS AND CONDITIONS

WILL CALL

Will Call items will be held in the store for 7 days only. Bring this Agreement to the Service Desk (EXPO- Will-Call Pick Up Door).



(9801) J0007527

C. R. FABER Rental / Supply Inc.

P.O. Box 41026

Pittsburgh, PA 15202

Bus. (412) 761-6620

FAX (412) 761-7411

BURNHAM INDUSTRIAL CONTRACTING
3229 BABCOCK BLVD.
PITTSBURGH, PA. 15237

APR 4 1996

Federal I.D. 25-1528748

Invoice No. 9603229

Purchase Order BI 508

Date MARCH 29, 1996

Terms: 1% 15/NET 30 DAYS

QUANTITY	DESCRIPTION	PRICE	S/N	EXTENDED PRICE									
12 PAIR 3 DOZEN	1040Y SLUSH BOOTS SIZE 14 5299 GLOVES	15.00 15.00		180.00 45.00									
TOTAL AMOUNT DUE				\$ 225.00									
	<table border="0"> <tr> <td><u>Boots</u></td> <td><u>Gloves</u></td> </tr> <tr> <td>\$15.00</td> <td>\$15.00</td> </tr> <tr> <td>x 1.04</td> <td>x 1.04</td> </tr> <tr> <td><u>\$15.60 /Pair</u></td> <td><u>\$15.60 /Dz.</u></td> </tr> <tr> <td></td> <td>\$1.30 /Pr.</td> </tr> </table>	<u>Boots</u>	<u>Gloves</u>	\$15.00	\$15.00	x 1.04	x 1.04	<u>\$15.60 /Pair</u>	<u>\$15.60 /Dz.</u>		\$1.30 /Pr.		
<u>Boots</u>	<u>Gloves</u>												
\$15.00	\$15.00												
x 1.04	x 1.04												
<u>\$15.60 /Pair</u>	<u>\$15.60 /Dz.</u>												
	\$1.30 /Pr.												

PLEASE NOTIFY US PROMPTLY IF THIS STATEMENT DOES NOT AGREE WITH YOUR RECORDS.

SERVICE CHARGE OF 1.5% ON UNPAID BALANCE AFTER 30 DAYS.



SPECIAL SERVICES CUSTOMER AGREEMENT

Store 4123 OHIO TOWNSHIP
312 BEN AVON HEIGHTS RD
PITTSBURGH, PA 15237

Phone: (412) 364-6114
Salesperson: JDM
Reviewer:

VALIDATION AREA

SALE 4123 00016 13447 06/07
32 204 11:10

CUSTOMER AGREEMENT # 011220
RECALL AMOUNT 813.
813.46 TAX 56.
TOTAL \$870.
HOME DEPOT 870.

This is only a **QUOTE** for the merchandise and services printed below. This becomes an Agreement upon payment and an endorsement by a Home Depot register validation.

SOLD TO	Name BURNHAM INDUSTRIAL CONT		Home Phone (412) 366-6622
	Address 3229 BABCOCK		Work Phone () -
	Company Name		
	City MC KNIGHT		Job Description PO BI537A
	State PA	Zip 15237	County ALLEGHENY

PHONE SALE

QUOTE is valid for this date: 06/07/1999!

MERCHANDISE AND SERVICE SUMMARY

CUSTOMER PICKUP #1	REF #W07 SKU #515-664 Customer Pickup / Will Call
---------------------------	---

STOCK MERCHANDISE TO BE PICKED UP:				DESCRIPTION	TAX	PRICE EACH	EXTENSION
R01	718-861	2.00	EA	/	Y		\$278.00
R02	684-632	2.00	EA	/	Y		\$390.00
R03	549-932	12.00	EA	/	Y		\$19.44
R04	410-950	12.00	EA	/	Y		\$19.44
R05	701-986	6.00	EA	/	Y		\$95.64
R06	118-594	1.00	EA	5/8IN X 50FT ALL SEASON HOSE /	Y	\$10.94	\$10.94

SCHEDULED PICKUP DATE: 06/07/1999 MERCHANDISE TOTAL: \$813.46

TOTAL CHARGES OF ALL MERCHANDISE & SERVICES				END OF CUSTOMER PICKUP - REF #W07	
	\$10.94	\$10.94		ORDER TOTAL	\$813.46
	X 1.04	X .07		SALES TAX	\$56.94
	\$11.38	\$0.77	- \$12.15/EA	TOTAL	\$870.40
			24/ft.	BALANCE DUE	\$870.40

END OF ORDER No. 11220

TERMS AND CONDITIONS

WILL CALL

Will Call items will be held in the store for 7 days only. Bring this Agreement to the Service Desk (EXPO- Will-Call Pick Up Door).



(9801) 0100011690



C.R. FABER RENTAL & SUPPLY, INC.

P.O. Box 41028, Pittsburgh, PA 15202

Bus. (412) 761-6620

Fax. (412) 761-7411

SEP. 15 1997

PAGE	
DATE	09/11/97
ORDER DATE	09/10/97
SHIP DATE	09/10/97

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BURNHAM INDUSTRIAL CONTRACTING
3229 BABCOCK BOULEVARD
PITTSBURGH PA 15237

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BURNHAM INDUSTRIAL CONTRACT
3229 BABCOCK BOULEVARD
PITTSBURGH PA 15237

W/H	SLSP	TERMS	FREIGHT	SHIP VIA	F.O.B.	ORDER NO.
01	RJF	1% 15/NET 30	PREPAID	OUR TRUCK		017632-
ORDERED BY			TELEPHONE NO.		CUSTOMER REFERENCE NO.	

JIM BURNHAM

412-366-6622

BI 559 A

ITEM # / CUSTOMER ITEM # / DESCRIPTION	QUANTITY ORDERED	QUANTITY SHIPPED	UM	UNIT PRICE NET PRICE	EXTENSION
AF540 SOCK FILTERS (DRAIN SOCKS)	24	24	EA	18.000	432.

$$\begin{array}{r} \$18.00 \\ \times 1.04 \\ \hline \$18.72 \end{array} \quad + \quad \begin{array}{r} \$18.00 \\ \times .07 \\ \hline \$1.26 \end{array} = \$19.98 / EA$$

F PAID ON OR BEFORE 09/26/97 YOU MAY DEDUCT 4.32 AND PAY 457.92

DUPLICATE CHARGE OF % PER MONTH ON ALL ACCOUNTS OVER 30 DAYS OLD.	PRODUCTS	MISCELLANEOUS	FREIGHT & HANDLING	TAXES	TOTAL DUE
	432.00	.00	.00	30.24	462.24

THANK YOU FOR YOUR ORDER!

CUSTOMER COPY

LAST PAGE



SPECIAL SERVICES CUSTOMER AGREEMENT

Store 4123 OHIO TOWNSHIP
112 BEN AVON HEIGHTS RD
PITTSBURGH, PA 15237

Phone: (412) 364-6114
Salesperson: SMK
Reviewer:

VALIDATION AREA

SALE 06/07/99
02:18 PM

CUSTOMER AGREEMENT #
186.59 RECALL AMOUNT 186.59
TAX 13.06
TOTAL \$199.65
HOME DEPOT 199.65
TA

This is only a [†]QUOTE for the merchandise and services printed below. This becomes an Agreement upon payment and an endorsement by a Home Depot register validation.

SOLD TO	Name		Home Phone	
	BURNHAM INDUSTRIAL CONT		(412) 366-6622	
	Address 3229 BABCOCK		Work Phone () -	
	Company Name			
	City MC KNIGHT		Job Description PO B1537A	
	State PA	Zip 15237	County ALLEGHENY	

PHONE SALE

[†]QUOTE is valid for this date: 06/07/1999

MERCHANDISE AND SERVICE SUMMARY

CUSTOMER PICKUP #1

REF #W02 SKU #515-664 Customer Pickup / Will Call

STOCK MERCHANDISE TO BE PICKED UP:

REF #	SKU	QTY	UM	DESCRIPTION	TAX	PRICE EACH	EXTENSION
R01	823-104	47.00	EA	3IN C-CLAMP /	Y	\$3.97	\$186.59
MERCHANDISE TOTAL:							\$186.59

SCHEDULED PICKUP DATE: 06/07/1999

END OF CUSTOMER PICKUP - REF #W02

TOTAL CHARGES OF A

SERVICES

3.97 x
1.04 =
4.13 M+

OF ORDER No. 11235

ORDER TOTAL	\$186.59
SALES TAX	\$13.06
TOTAL	\$199.65
BALANCE DUE	\$199.65

3.97 x
0.07 =
0.28 M+

TERMS AND CONDITIONS

WILL CALL

Will Call items will be held in the store

4.41 M*

at the Service Desk (EXPO- Will-Call Pick Up Door)



INVOICE

OCT. 19 1998

SOLD TO:
BURNHAM INDUSTRIAL CONTR
3229 BABCOCK BLVD.
PITTSBURGH, PA
15237

SHIP TO:

(SAME)

1:32PM

ORDER NO	INVOICE NO	ORDER DATE	INVOICE DATE	CUSTOMER	CUSTOMER P.O. NO.	SLSMI
3414	3325	10/13/98	10/16/98	38500 VERBAL TIM		300

TERMS	SHIP VIA/ROUTING	DATE REQUESTED	SHIPPED	LOC	TAKEN
NET 30 DAY	OUR TRUCK	10/13/98	10/15/98	1	ERS

PART NUMBER	QTY ORD	QTY SHP	QTY BKO	PRICE	U/M	AMOUNT
H/M DESCRIPTION			SHIP UNITS			DISC%

			7			
			0			
			0			
			0			
			0			
	24	PR	24	0		
ABRFALCON61678	200	EA	200	0	1.36 EA	272.00
6 X 1/16 X 7/8 T1 CUTOFF WHEEL						

TOTAL GROSS 632.10
 TOTAL TAX 44.20
 TOTAL INVOICE 676.40

\$1.36 \$1.36
 x 1.04 x .07
 \$1.41 + \$0.10 = \$1.51/EA
 50 Per Box = \$75.50/BX



Great Lakes textiles, inc.
7200 NORTHFIELD ROAD • CLEVELAND, OHIO 44148

(440) 439-1300

MAY 3 1999

INVOICE DATE

04/28/99

PAGE

1

INVOICE NUMBER

62314

PLEASE REFER TO THIS NO. WHEN MAKING PAYMENT OR INQUIRY

SAME AS "INVOICE TO" UNLESS OTHERWISE INDICATED

BURNHAM INDUSTRIAL CONTRACTORS
3229 BABCOCK BLVD.
PITTSBURGH, PA 15237

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BURNHAM INDUSTRIAL CONTRACTORS
3229 BABCOCK BLVD.
PITTSBURGH, PA 15237

OUR CODING REFERENCE			CUSTOMER CODING REFERENCES					
SHIP VIA			CUSTOMER ACCOUNT NO.	CONTROL NO.	CUSTOMER ORDER NO.	DATE	TERMS	
CCX			BURNHA	0012150	VBL-TIM	04/28/99	NET 30	
CK NUMBER	QUANTITY SHIPPED	U/M	ITEM DESCRIPTION			LIST PRICE	NET PRICE	EXTENSION
VRL	64	CS	DISPOSABLE TOWELS 300/CS				16.250	1,040.00
	1	EA				.00	.000	.00
	**							**
			..0.. 16.25 x 1.04 = 16.90 M+					
PAYABLE IN U.S. FUNDS								

FINANCE CHARGE OF 1 1/2% PER MONTH ON BALANCE DUE OVER 30 DAYS

TOTAL INVOICE AMOUNT DUE

1,040.00

INVOICE

HEADQUARTERS
1700 S MAIN ST
P.O. BOX 5
GREENSBURG, PA 15601-0899
724 834-4321
800 442-8045
FAX 800 426-9586

LOCATIONS:
29TH & BUTLER ST
PITTSBURGH, PA 15201-3291
412 687-5000
800 388-2232
FAX 412-621-7168

SCOTT ELECTRIC
JCT 22 & 220 AT WYE SWITCHES
P.O. BOX 660
DUNCANSVILLE, PA 16835-0660
814 695-5595
800 252-3530
FAX 800-451-4815
FAX 814 695-1265

1840 E 10TH ST
ERIE, PA 16511-1719
814-461-0777
877-844-0777
FAX 814-461-0886
FAX 877-844-0886

LIGHTING GALLERY
450 S MAIN ST
GREENSBURG, PA 15601-3015
724 838-0800
800 945-5267
FAX 724-837-8530

APPARATUS DIVISION
636 N 4TH ST
YOUNGWOOD, PA 15097-1551
724 925-1515
800 777-7975
FAX 724-925-4618
FAX 800-678-6819

DISTRIBUTOR
LIGHTING DIVISION
606 N 4TH ST
YOUNGWOOD, PA 15097-1552
724 925-2300
800 444-4545
FAX 724 925-2698
FAX 800 445-1854

TOOL DIVISION
29TH & BUTLER ST.
PITTSBURGH, PA 15201-3291
412 687-5005
800 388-2232
FAX 412-621-7168

ORIG.

If paying by invoice - please remit to: P.O. BOX 5 - GREENSBURG, PA 15601-0899

SOLD TO:

7558

BURNHAM INDUSTRIAL CONTRACTORS
3229 BABCOCK BLVD
PITTSBURGH PA 15237-2825

SHIP TO:

SAME

JUN. 03 1999



CORPORATE FEDERAL ID
25-1052048

CUSTOMER PO: B1537A

SHIP DATE: 05/28/1999

WAREHOUSE: 2 PITTSBURGH

JOB NAME:

SALESMAN: OOX HOUSE

TERMS: CREDIT CARD *** COD ***

SHIP VIA: SCOTT TRUCK

LINE	ORDERED	SHIPPED	BACK ORDER	ITEM #	CATALOG NUMBER / DESCRIPTION	PRICE/UM	EXTENSION
1	30	30		5-279	GEL F96T12/CW/WM SLIMLINE COOL LAMP	2.730/E	81.90
	60	60		5-275	GEL F40CW/RS/WM RS WATT-MISER LAMP	0.990/E	59.40
	120	120		5-202	GEL 150A/120V A21 MED BASE IF LAMP #19168	1.411/E	169.32
	KD						
<p>***** Don't let Summer Storms sizzle your electronics! Call Scott Electric APPARATUS DIVISION for all types of Surge Suppression and Lightning Arrestor Protection. 1-800-777-7975 *****</p>							
	2.73 x		0.99 x				
	1.04 =		1.04 =				
	2.84 M+		1.03 M+				
	2.73 x		0.99 x				
	0.07 =		0.07 =				
	0.19 M+		0.07 M+				
	3.03 M*		1.10 M*				

8' Bulbs

4' Bulbs

BF-537A

Cash Discount

Deduct:

If paid on or before:

NO CASH REFU

MERCHANDISE CREDIT ONLY

Cash discount allowed only when previous invoices are paid
 ALL SALES ARE FINAL. Request for claims or returns must be accompanied by this inv. and are subject to a Return Charge
 No claims will be allowed for labor or damages. If the account has not been paid at maturity and the account has to be placed for collection, collection fees will be added. No credit will be allowed for goods returned without consent. Service charges on past due accounts will be assessed at 2% per month

SUB TOTAL:	310.62
TRANSPORTATION:	0.00
MISC./HANDLING:	0.00
SALES TAX:	21.75
AMOUNT DUE:	\$332.37

LOCATIONS:

5 MAIN ST.
BOX S
PITTSBURGH, PA 15601
14-4321
12-8045
00-426-9598

LIGHTING DIVISION
724-925-2300
800-444-4545
FAX 724-925-2698
FAX 800-445-1654

SCOTT ELECTRIC

LIGHTING GALLERY
724-838-0800
800-945-5267
FAX 724-837-9530

ELECTRICAL DISTRIBUTORS

APPARATUS DIVISION
724-925-1515
800-777-7975
FAX 724-925-6619
FAX 800-678-6619

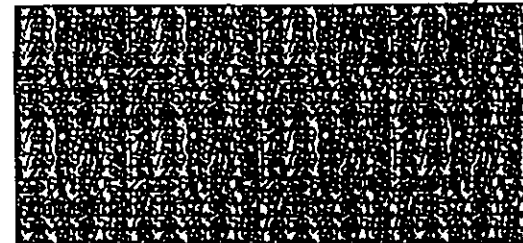
TOOL DIVISION
724-687-5005
800-388-2232
FAX 724-621-7169
FAX 412

39TH &
PITTSBURGH
412-687
800-388
FAX 412

CUSTOMER COPY

HES
Ord# 318008
Order Date: 05/26/1999
Required Date: 05/26/1999

PACKING LIST



Sold To: BURNHAM INDUSTRIAL CONTRACTORS
3229 BARBODI BLVD
7558 PITTSBURGH PA 15237-2825

Ship To: SAME

Order P.O.: BI537A
Job Name:
Fax Status: PA-T02

Warehouse: 2 PITTSBURGH
Salesman: COX HOUSE
Entered By: JOE NETZEL
Ship Via: PICKUP

Terms: NET ON DELIVERY *** COD ***

*** COD ***

Load Mark:
Material Location:
Weight: 167
Cartons:
Pieces:

Location	Line	Order	Ship	B/O	Item #	Catalog Number/Description	Price/UM	Extension							
	2	50	60	0	5-188	GEL 100A/RS/120V MED IF ROUGH SERV LAMP	1.865/E	111.90							
	1	120	120	0	5-202	GEL 150A/120V A21 MED BASE IF LAMP #19148	1.411/E	169.32							
<p><u>100 WATT RS</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>\$1.865</td> <td>\$1.865</td> <td></td> </tr> <tr> <td>X 1.04</td> <td>X .07</td> <td></td> </tr> <tr> <td><u>\$1.94</u></td> <td><u>\$0.13</u></td> <td>= \$2.07/EA</td> </tr> </table>							\$1.865	\$1.865		X 1.04	X .07		<u>\$1.94</u>	<u>\$0.13</u>	= \$2.07/EA
\$1.865	\$1.865														
X 1.04	X .07														
<u>\$1.94</u>	<u>\$0.13</u>	= \$2.07/EA													
<p><u>150 WATT</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td>\$1.411</td> <td>\$1.411</td> <td></td> </tr> <tr> <td>X 1.04</td> <td>X \$0.07</td> <td></td> </tr> <tr> <td><u>\$1.47</u></td> <td><u>\$0.10</u></td> <td>= \$1.57/EA</td> </tr> </table>							\$1.411	\$1.411		X 1.04	X \$0.07		<u>\$1.47</u>	<u>\$0.10</u>	= \$1.57/EA
\$1.411	\$1.411														
X 1.04	X \$0.07														
<u>\$1.47</u>	<u>\$0.10</u>	= \$1.57/EA													

MAY 26 1999

CLAIMS FOR SHORTAGES MUST BE REPORTED 24 HOURS AFTER RECEIPT OF ORDER. A PACKING LIST IS REQUIRED WITH RETURNS. NO RETURNS AFTER 30 DAYS. NO RETURNS ON SPECIAL ORDER. WRITTEN AUTHORIZATION IS REQUIRED BEFORE MATERIAL IS RETURNED. ALL SALES ARE CASH DISCOUNTS ALLOWED ONLY WHEN PREVIOUS INVOICES ARE PAID. SALES TAX WILL BE ADDED TO ALL APPLICABLE ITEMS. A PROPERLY EXECUTED EXEMPTION FORM MUST BE ON FILE WITH THIS ORDER.

PAGE 1

RECEIVED IN GOOD ORDER AND CONDITION BY:

MTC

Net Total	201.22
Discount	0.00
Tax	19.69
TOTAL	220.91

JUN 07 1999

HAWK LOGISTICS

171 Gass Road
Pittsburgh, PA 15229
(412) 364-7823

Date: June 3, 1999

Invoice No. BUR103

Lease No. _____

SHIPPER:

BURNHAM INDUSTRIAL CONTRACTING
3229 Babcock Blvd.
Pittsburgh PA 15237
(Shippingport Atomic Energy Plant)

CONSIGNEE:

BFI - IMPERIAL LANDFILL
Imperial PA

OWNER:

DRIVER:

DATE	COMMODITY	UNIT	RATE	CHARGE
05/25/99	Spot 30 cyd. Roll Off	1	75.00	75.00
06/03/99	Switch and Dispose (C&D)	1	375.00	375.00

Payable to Hawk Logistics.

75.00 +
375.00 +
450.00 *

450. x
1.04 =
468.00 +

TOTAL CHARGES 450.00

CASE OF ANY DISCREPANCY, SHORTAGE OR DAMAGE

Date _____ Company Name _____

Received _____ Bldg. or Location _____

SIGNATURE _____
(SHIPPER)

SIGNATURE _____
(CONSIGNEE)

SPECIAL INSTRUCTIONS: INTERSTATE COMMERCE REQUIREMENTS: THIS BILL MUST
BE PAID WITHIN SEVEN (7) DAYS.

FILE

CONTINUED