

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Generation-Related Regulatory Assets										
Book Cost	455.14	455.14	455.14	536.18	536.18	536.18	536.18	536.18	536.18	536.18
Accumulated Amortization	<u>0.00</u>	<u>(33.88)</u>	<u>(83.77)</u>	<u>(148.40)</u>	<u>(213.03)</u>	<u>(277.66)</u>	<u>(342.29)</u>	<u>(406.92)</u>	<u>(471.55)</u>	<u>(536.18)</u>
Net Book Cost	455.14	421.26	371.37	387.78	323.15	258.52	193.89	129.26	64.63	0.00
Accumulated Deferred Taxes	<u>(109.06)</u>	<u>(98.94)</u>	<u>(81.78)</u>	<u>(91.59)</u>	<u>(76.33)</u>	<u>(61.06)</u>	<u>(45.79)</u>	<u>(30.53)</u>	<u>(15.26)</u>	<u>0.00</u>
Net Plant Less Accum. Deferred Taxes	346.08	322.32	289.59	296.19	246.83	197.46	148.10	98.73	49.37	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	346.08	322.32	289.59	296.19	246.83	197.46	148.10	98.73	49.37	0.00

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Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Transmission-Related Regulatory Assets										
Book Cost	32.68	32.68	32.68	32.68	32.68	32.68	32.68	32.68	32.68	32.68
Accumulated Amortization	<u>0.00</u>	<u>0.80</u>	<u>1.57</u>	<u>2.26</u>	<u>2.82</u>	<u>3.35</u>	<u>3.69</u>	<u>3.84</u>	<u>3.92</u>	<u>3.90</u>
Net Book Cost	32.68	33.48	34.25	34.94	35.50	36.03	36.37	36.52	36.60	36.58
Accumulated Deferred Taxes	<u>(32.66)</u>	<u>(33.47)</u>	<u>(34.25)</u>	<u>(34.94)</u>	<u>(35.50)</u>	<u>(36.03)</u>	<u>(36.37)</u>	<u>(36.52)</u>	<u>(36.60)</u>	<u>(36.58)</u>
Net Plant Less Accum. Deferred Taxes	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	0.02	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Rate Base and Net Book Value Forecast
(Revised)

Year	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
Distribution-Related Regulatory Assets										
Book Cost	56.85	56.85	56.85	56.85	56.85	56.85	56.85	56.85	56.85	56.85
Accumulated Amortization	<u>0.00</u>	<u>(5.58)</u>	<u>(10.91)</u>	<u>(15.88)</u>	<u>(19.16)</u>	<u>(21.16)</u>	<u>(23.61)</u>	<u>(26.43)</u>	<u>(29.40)</u>	<u>(32.74)</u>
Net Book Cost	56.85	51.27	45.93	40.96	37.69	35.69	33.23	30.42	27.45	24.11
Accumulated Deferred Taxes	<u>(56.52)</u>	<u>(51.10)</u>	<u>(45.93)</u>	<u>(40.96)</u>	<u>(37.69)</u>	<u>(35.69)</u>	<u>(33.23)</u>	<u>(30.42)</u>	<u>(27.45)</u>	<u>(24.11)</u>
Net Plant Less Accum. Deferred Taxes	0.33	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Working Capital	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Rate Base	0.33	0.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

DUQUESNE LIGHT COMPANY
Net Present Value of
Generating Plant Assets
as of 12/31/05
\$ in Millions

Combined Cycle
\$33.8/mwh in 2006 with escalations @ 2.5%

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	23.7	(23.6)	0.1
Sammis	14.0	(8.0)	6.0
Eastlake	2.5	(7.0)	(4.5)
Elrama	0.0	(35.0)	(35.0)
Mansfield 1	46.9	(12.6)	34.3
Mansfield 2	15.3	(0.9)	14.4
Mansfield 3	30.1	(2.3)	27.7
Brunot Island	0.0	(13.9)	(13.9)
Phillips	0.0	(9.5)	(9.5)
Total Fossil	132.5	(112.9)	19.7
<u>Nuclear Plants:</u>			
Beaver Valley 1	84.8	(0.0)	84.8
Beaver Valley 2	25.5	(8.5)	16.9
Perry	0.0	(11.0)	(11.0)
Total Nuclear	110.2	(19.6)	90.7
TOTAL PLANTS	\$242.7	(\$132.4)	\$110.3

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

	<u>\$33.8/mwh in 2006 with escalations @ 2.5%</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	
CHESWICK										
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	
Unit Output (gwh)	4,235	4,062	4,425	4,231	3,707	4,413	4,249	4,062	4,374	
Delivered Output (gwh)	4,030	3,866	4,211	4,027	3,528	4,200	4,044	3,866	4,163	
Revenues	136.32	134.03	149.66	146.69	131.73	160.72	158.62	155.44	171.57	
<u>Fuel-Related Expenses</u>										
Fuel Costs	61.67	60.69	68.62	70.81	65.11	79.74	79.21	78.70	88.19	
Fuel Related ECR Costs	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32	
NOx Emissions	8.24	8.17	9.60	9.34	7.63	10.85	10.87	10.49	12.08	
SO2 Emissions	<u>6.16</u>	<u>6.23</u>	<u>7.64</u>	<u>7.69</u>	<u>6.64</u>	<u>9.49</u>	<u>9.68</u>	<u>9.71</u>	<u>11.70</u>	
Total Fuel	77.14	76.21	87.00	89.01	80.58	101.32	101.03	100.20	113.29	
<u>Non-fuel O&M Expenses</u>										
Variable O&M	3.73	3.67	4.11	4.03	3.62	4.43	4.38	4.30	4.75	
Fixed O&M	13.15	15.38	15.33	14.11	9.12	16.38	15.26	17.69	17.55	
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>18.56</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
Subtotal	16.88	19.06	19.43	18.14	31.30	20.81	19.63	21.98	22.30	
Carbon Injection Costs	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07	
FICA	0.53	0.57	0.58	0.57	0.43	0.58	0.60	0.67	0.68	
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	
Total Non-fuel	22.14	24.14	24.54	23.47	35.96	26.04	25.28	27.50	27.76	
Capital Expenditures	5.56	5.72	5.89	6.08	15.46	4.96	3.58	2.12	1.53	
Direct Expenses	104.83	106.07	117.43	118.55	132.01	132.31	129.89	129.82	142.58	
Direct Margin	31.48	27.95	32.22	28.14	(0.28)	28.41	28.73	25.63	28.98	
Overhead Allocation	16.73	17.26	18.61	19.02	21.48	20.99	21.40	22.63	23.68	
Expenses Incl. Corp O/I	121.57	123.33	136.04	137.57	153.49	153.30	151.29	152.45	166.27	
Margin after Corp O/I	14.75	10.69	13.62	9.12	(21.76)	7.42	7.33	2.99	5.30	
<u>Costs per kwh (cents)</u>										
Fuel	1.91	1.97	2.07	2.21	2.28	2.41	2.50	2.59	2.72	
Non-fuel	0.55	0.62	0.58	0.58	1.02	0.62	0.63	0.71	0.67	
Capital Expenditures	<u>0.13</u>	<u>0.15</u>	<u>0.14</u>	<u>0.15</u>	<u>0.44</u>	<u>0.12</u>	<u>0.09</u>	<u>0.05</u>	<u>0.04</u>	
Direct Expenses	2.60	2.74	2.79	2.94	3.74	3.15	3.21	3.36	3.43	
Direct Margin	0.78	0.72	0.77	0.70	(0.01)	0.68	0.71	0.66	0.70	
Overhead Allocation	0.42	0.45	0.44	0.47	0.61	0.50	0.53	0.59	0.57	
Expenses Incl. Corp O/I	3.02	3.19	3.23	3.42	4.35	3.65	3.74	3.94	3.99	
Margin after Corp O/I	0.37	0.28	0.32	0.23	(0.62)	0.18	0.18	0.08	0.13	
NPV of Margin after O/I	<u>23.7</u>									
NPV of Decommissioning	<u>23.6</u>									
NPV OF NET MARGIN	<u>0.1</u>									

DUQUESNE LIGHT

Costs of Fossil Plants

\$ In Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

SAMMIS	2006	2007	2008	2009	2010
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73
Unit Output (gwh)	1,558	1,290	1,563	1,437	1,537
Delivered Output (gwh)	1,493	1,236	1,498	1,378	1,474
Revenues	50.51	42.86	53.24	50.19	55.02
Fuel-Related Expenses					
Fuel Costs	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.03	0.03	0.03	0.03	0.03
NOx Emissions	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	<u>0.28</u>	<u>0.66</u>	<u>1.11</u>	<u>1.02</u>	<u>1.27</u>
Total Fuel	26.83	22.80	29.08	27.75	31.03
Non-fuel O&M Expenses					
Variable O&M	2.29	1.93	2.40	2.26	2.48
Fixed O&M	4.29	3.75	4.80	4.63	4.71
Overhaul	<u>0.00</u>	<u>4.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	6.58	9.68	7.19	6.89	7.18
FICA	0.21	0.17	0.21	0.20	0.24
Property Tax	1.49	1.49	1.49	1.49	1.49
Cap Stock Tax	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	8.58	11.64	9.20	8.88	9.22
Capital Expenditures	0.22	4.16	0.49	1.59	0.52
Direct Expenses	35.63	38.60	38.77	38.21	40.76
Direct Margin	14.88	4.26	14.47	-11.98	14.26
Overhead Allocation	5.69	6.28	6.14	6.13	6.63
Expenses Incl. Corp O/H	41.32	44.89	44.91	44.34	47.39
Margin after Corp O/H	9.19	(2.03)	8.33	5.85	7.62
Costs per kwh (cents)					
Fuel	1.80	1.84	1.94	2.01	2.11
Non-fuel	0.57	0.94	0.61	0.64	0.63
Capital Expenditures	<u>0.01</u>	<u>0.34</u>	<u>0.03</u>	<u>0.12</u>	<u>0.04</u>
Direct Expenses	2.39	3.12	2.59	2.77	2.77
Direct Margin	1.00	0.34	0.97	0.87	0.97
Overhead Allocation	0.38	0.51	0.41	0.44	0.45
Expenses Incl. Corp O/H	2.77	3.63	3.00	3.22	3.22
Margin after Corp O/H	0.62	(0.16)	0.56	0.42	0.52
NPV of Margin after O/H	14.0				
NPV of Decommissioning	8.0				
NPV OF NET MARGIN	6.0				

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

EASTLAKE	2006	2007	2008	2009	2010	2011
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83
Unit Output (gwh)	1,206	1,367	1,208	1,205	1,267	1,123
Delivered Output (gwh)	1,149	1,302	1,151	1,148	1,207	1,069
Revenues	38.85	45.13	40.91	41.82	45.08	40.92
Fuel-Related Expenses						
Fuel Costs	15.96	18.60	16.95	17.43	18.85	17.19
Fuel Related ECR Costs	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	1.05	1.24	1.14	1.19	1.30	1.20
SO2 Emissions	5.26	6.57	6.12	6.57	7.51	7.00
Total Fuel	22.38	26.52	24.33	25.31	27.78	25.52
Non-fuel O&M Expenses						
Variable O&M	1.67	1.94	1.76	1.80	1.95	1.77
Fixed O&M	4.73	5.17	5.54	5.14	5.76	5.37
Overhaul	0.00	0.00	0.00	0.00	0.64	1.43
Subtotal	6.40	7.11	7.30	6.94	8.35	8.57
FICA	0.20	0.21	0.22	0.20	0.26	0.20
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	8.14	8.86	9.05	8.68	10.14	10.31
Capital Expenditures	2.39	0.66	0.91	0.91	1.06	0.78
Direct Expenses	32.91	36.05	34.30	34.90	38.98	36.61
Direct Margin	5.94	9.08	6.61	6.91	6.09	4.31
Overhead Allocation	5.25	5.87	5.43	5.60	6.34	5.81
Expenses Incl. Corp O/H	38.16	41.91	39.73	40.50	45.33	42.42
Margin after Corp O/H	0.69	3.21	1.17	1.31	(0.25)	(1.49)
Costs per kwh (cents)						
Fuel	1.95	2.04	2.11	2.21	2.30	2.39
Non-fuel	0.71	0.68	0.79	0.76	0.84	0.96
Capital Expenditures	0.21	0.05	0.08	0.08	0.09	0.07
Direct Expenses	2.87	2.77	2.98	3.04	3.23	3.42
Direct Margin	0.52	0.70	0.57	0.60	0.50	0.40
Overhead Allocation	0.46	0.45	0.47	0.49	0.53	0.54
Expenses Incl. Corp O/H	3.32	3.22	3.45	3.53	3.75	3.97
Margin after Corp O/H	0.06	0.25	0.10	0.11	(0.02)	(0.14)
NPV of Margin after O/H	2.5					
NPV of Decommissioning	7.0					
NPV OF NET MARGIN	(4.5)					

DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

ELRAMA
 kwh Market Price (cents)
 Unit Output (gwh)
 Delivered Output (gwh)

2006

Revenues

Fuel-Related Expenses

Fuel Costs
 Fuel Related ECR Costs
 NOx Emissions
 SO2 Emissions
 Total Fuel

Non-fuel O&M Expenses

Variable O&M
 Fixed O&M
 Overhaul
 Subtotal
 FICA
 Property Tax
 Cap Stock Tax
 Total Non-fuel

Capital Expenditures

Direct Expenses
 Direct Margin

Overhead Allocation

Expenses incl. Corp O/H
 Margin after Corp O/H

Costs per kwh (cents)

Fuel
 Non-fuel
 Capital Expenditures
 Direct Expenses
 Direct Margin

Overhead Allocation

Expenses Incl. Corp O/H
 Margin after Corp O/H

NPV of Margin after O/H	0.0
NPV of Decommissioning	35.0
NPV OF NET MARGIN	(35.0)

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ In Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
MANSFIELD 1										
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22
Unit Output (gwh)	1,519	1,973	1,978	1,781	1,973	1,973	1,632	1,865	1,973	1,951
Delivered Output (gwh)	1,377	1,789	1,794	1,615	1,789	1,789	1,480	1,691	1,789	1,769
Revenues	46.58	62.02	63.74	58.83	66.79	68.46	58.06	67.98	73.72	74.72
Fuel-Related Expenses										
Fuel Costs	16.86	22.55	23.25	21.55	24.55	25.26	21.48	25.28	27.49	27.98
Fuel Related ECR Costs	3.49	4.58	4.71	4.38	4.95	5.08	4.36	5.08	5.51	5.59
NOx Emissions	3.36	5.02	5.23	4.76	5.67	5.92	4.68	5.94	6.70	6.86
SO2 Emissions	<u>(0.39)</u>	<u>(0.31)</u>	<u>(0.33)</u>	<u>(0.41)</u>	<u>(0.39)</u>	<u>(0.43)</u>	<u>(0.58)</u>	<u>(0.53)</u>	<u>(0.53)</u>	<u>(0.58)</u>
Total Fuel	23.32	31.84	32.87	30.28	34.77	35.84	29.95	35.76	39.16	39.85
Non-fuel O&M Expenses										
Variable O&M	2.73	3.63	3.73	3.44	3.90	4.01	3.39	3.97	4.31	4.37
Fixed O&M	3.52	3.88	3.37	5.83	4.45	4.71	4.74	3.68	3.74	7.33
Overhaul	<u>2.93</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2.59</u>	<u>0.81</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	9.18	7.51	7.10	9.27	8.35	8.72	10.71	8.46	8.06	11.70
FICA	0.20	0.22	0.21	0.27	0.28	0.24	0.25	0.23	0.24	0.24
Property Tax	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Cap Stock Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Non-fuel	10.35	8.71	8.29	10.51	9.61	9.91	11.94	9.67	9.28	12.92
Capital Expenditures	3.20	0.40	0.75	3.45	0.43	0.82	3.72	0.47	0.89	0.86
Direct Expenses	36.88	40.95	41.91	44.24	44.81	46.59	45.61	45.91	49.33	53.63
Direct Margin	9.70	21.07	21.83	14.58	21.98	21.87	12.45	22.08	24.40	21.09
Overhead Allocation	5.89	6.66	6.64	7.10	7.29	7.39	7.51	8.00	8.19	9.42
Expenses Incl. Corp O/H	42.77	47.61	48.55	51.34	52.10	53.98	53.12	53.91	57.52	63.05
Margin after Corp O/H	3.81	14.41	15.19	7.49	14.69	14.48	4.94	14.07	16.20	11.67
Costs per kwh (cents)										
Fuel	1.69	1.78	1.83	1.87	1.94	2.00	2.02	2.12	2.19	2.25
Non-fuel	0.75	0.49	0.46	0.65	0.54	0.56	0.81	0.57	0.52	0.73
Capital Expenditures	<u>0.23</u>	<u>0.02</u>	<u>0.04</u>	<u>0.21</u>	<u>0.02</u>	<u>0.05</u>	<u>0.25</u>	<u>0.03</u>	<u>0.05</u>	<u>0.05</u>
Direct Expenses	2.68	2.29	2.34	2.74	2.51	2.60	3.08	2.71	2.76	3.03
Direct Margin	0.70	1.18	1.22	0.90	1.23	1.22	0.84	1.31	1.36	1.19
Overhead Allocation	0.43	0.37	0.37	0.44	0.41	0.41	0.51	0.47	0.46	0.53
Expenses Incl. Corp O/H	3.11	2.66	2.71	3.18	2.91	3.02	3.59	3.19	3.22	3.56
Margin after Corp O/H	0.28	0.81	0.85	0.46	0.82	0.81	0.33	0.83	0.91	0.66
NPV of Margin after O/H	<u>46.9</u>									
NPV of Decommissioning	12.6									
NPV OF NET MARGIN	<u>34.3</u>									

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ In Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

MANSFIELD 2	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33
Unit Output (gwh)	549	423	550	548	496	549	550	423	549	549	541
Delivered Output (gwh)	500	385	501	499	452	500	501	385	500	500	493
Revenues	16.90	13.34	17.81	18.18	16.87	19.12	19.66	15.47	20.60	21.11	21.34
Fuel-Related Expenses											
Fuel Costs	6.02	4.77	6.39	6.55	6.10	6.95	7.16	5.66	7.56	7.78	7.89
Fuel Related ECR Costs	1.24	0.99	1.31	1.34	1.25	1.41	1.45	1.16	1.53	1.57	1.59
NOx Emissions	1.38	1.00	1.50	1.56	1.43	1.70	1.78	1.29	1.92	2.00	2.05
SO2 Emissions	(0.10)	(0.14)	(0.11)	(0.12)	(0.15)	(0.15)	(0.16)	(0.22)	(0.18)	(0.20)	(0.22)
Total Fuel	8.55	6.64	9.09	9.33	8.63	9.91	10.24	7.90	10.83	11.16	11.31
Non-fuel O&M Expenses											
Variable O&M	0.99	0.78	1.04	1.06	0.99	1.12	1.15	0.90	1.21	1.23	1.25
Fixed O&M	0.96	1.05	0.92	1.58	1.21	1.28	1.29	1.00	1.02	2.01	1.59
Overhaul	0.00	0.82	0.00	0.00	0.00	0.00	0.00	0.05	0.00	0.00	0.00
Subtotal	1.95	2.65	1.96	2.65	2.20	2.40	2.44	2.85	2.22	3.24	2.83
FICA	0.06	0.05	0.06	0.08	0.07	0.07	0.07	0.06	0.07	0.07	0.10
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	2.27	2.98	2.28	2.99	2.53	2.73	2.78	3.18	2.56	3.58	3.20
Capital Expenditures	0.17	0.87	0.08	0.18	0.93	0.09	0.19	1.01	0.09	0.21	0.17
Direct Expenses	10.99	10.48	11.45	12.49	12.10	12.73	13.21	12.08	13.48	14.94	14.68
Direct Margin	5.91	2.86	6.36	5.68	4.77	6.39	6.45	3.39	7.12	6.16	6.66
Overhead Allocation	1.75	1.71	1.81	2.00	1.97	2.02	2.18	2.11	2.24	2.62	2.16
Expenses Incl. Corp O/H	12.74	12.18	13.27	14.50	14.07	14.75	15.38	14.19	15.72	17.57	16.84
Margin after Corp O/H	4.16	1.16	4.54	3.68	2.80	4.37	4.27	1.28	4.88	3.54	4.50
Costs per kwh (cents)											
Fuel	1.71	1.72	1.81	1.87	1.91	1.98	2.04	2.05	2.17	2.23	2.30
Non-fuel	0.46	0.77	0.46	0.60	0.56	0.55	0.55	0.83	0.51	0.72	0.65
Capital Expenditures	0.03	0.23	0.02	0.04	0.21	0.02	0.04	0.26	0.02	0.04	0.03
Direct Expenses	2.20	2.72	2.29	2.50	2.68	2.55	2.64	3.14	2.70	2.99	2.98
Direct Margin	1.18	0.74	1.27	1.14	1.06	1.28	1.29	0.88	1.42	1.23	1.35
Overhead Allocation	0.35	0.44	0.36	0.40	0.44	0.40	0.43	0.55	0.45	0.53	0.44
Expenses Incl. Corp O/H	2.55	3.17	2.65	2.91	3.11	2.95	3.07	3.69	3.15	3.52	3.42
Margin after Corp O/H	0.83	0.30	0.91	0.74	0.62	0.87	0.85	0.33	0.98	0.71	0.91
NPV of Margin after O/H	15.3										
NPV of Decommissioning	0.9										
NPV OF NET MARGIN	14.4										

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

MANSFIELD 3	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
kwh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44	4.55	4.66
Unit Output (gwh)	945	945	749	945	945	855	948	945	738	935	948	855	945	940
Delivered Output (gwh)	875	875	693	874	875	791	877	875	683	865	877	791	875	870
Revenues	29.59	30.33	24.61	31.83	32.66	30.27	34.41	35.17	28.15	36.54	37.98	35.10	39.79	40.56
Fuel-Related Expenses														
Fuel Costs	10.34	10.64	8.67	11.25	11.58	10.78	12.28	12.62	10.13	13.21	13.78	12.75	14.49	14.80
Fuel Related ECR Costs	2.18	2.24	1.85	2.36	2.42	2.26	2.56	2.62	2.14	2.74	2.85	2.65	3.00	3.06
NOx Emissions	2.83	2.95	2.25	3.19	3.33	3.04	3.64	3.78	2.80	4.04	4.30	3.91	4.66	4.81
SO2 Emissions	(0.18)	(0.19)	(0.26)	(0.23)	(0.25)	(0.29)	(0.29)	(0.31)	(0.41)	(0.36)	(0.38)	(0.46)	(0.45)	(0.49)
Total Fuel	15.17	15.64	12.50	16.58	17.09	15.79	18.20	18.71	14.65	19.63	20.54	18.85	21.69	22.18
Non-fuel O&M Expenses														
Variable O&M	1.73	1.78	1.44	1.86	1.91	1.77	2.01	2.06	1.65	2.14	2.22	2.06	2.34	2.38
Fixed O&M	1.70	1.87	1.62	2.81	2.15	2.27	2.28	1.78	1.81	3.57	2.86	2.83	3.21	3.28
Overhaul	0.00	0.00	1.32	0.00	0.00	0.00	0.00	0.00	1.59	0.08	0.00	0.00	0.00	0.00
Subtotal	3.43	3.65	4.39	4.67	4.05	4.04	4.29	3.83	5.04	5.78	5.08	4.89	5.55	5.66
FICA	0.11	0.11	0.09	0.13	0.14	0.11	0.13	0.12	0.10	0.12	0.18	0.19	0.19	0.20
Property Tax	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Cap Stock Tax	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Total Non-fuel	4.01	4.23	4.95	5.28	4.66	4.63	4.90	4.42	5.62	6.37	5.74	5.55	6.21	6.33
Capital Expenditures	0.19	0.35	1.59	0.21	0.38	1.71	0.22	0.41	1.85	0.25	0.45	1.99	0.27	0.49
Direct Expenses	19.37	20.22	19.04	22.06	22.14	22.13	23.32	23.55	22.12	26.25	26.72	26.39	28.17	29.00
Direct Margin	10.22	10.11	5.57	9.77	10.52	8.14	11.08	11.62	6.03	10.29	11.26	8.71	11.62	11.56
Overhead Allocation	3.09	3.29	3.02	3.54	3.60	3.51	3.84	4.11	3.67	4.61	3.93	3.82	4.43	4.30
Expenses Incl. Corp O/H	22.46	23.51	22.06	25.60	25.74	25.64	27.16	27.65	25.79	30.85	30.65	30.21	32.60	33.30
Margin after Corp O/H	7.13	6.82	2.55	6.23	6.92	4.63	7.24	7.52	2.35	5.68	7.33	4.89	7.19	7.26
Costs per kwh (cents)														
Fuel	1.73	1.79	1.81	1.90	1.95	2.00	2.08	2.14	2.15	2.27	2.34	2.38	2.48	2.55
Non-fuel	0.46	0.48	0.71	0.60	0.53	0.59	0.56	0.51	0.82	0.74	0.65	0.70	0.71	0.73
Capital Expenditures	0.02	0.04	0.23	0.02	0.04	0.22	0.03	0.05	0.27	0.03	0.05	0.25	0.03	0.06
Direct Expenses	2.21	2.31	2.75	2.52	2.53	2.80	2.66	2.69	3.24	3.03	3.05	3.34	3.22	3.33
Direct Margin	1.17	1.16	0.80	1.12	1.20	1.03	1.26	1.33	0.88	1.19	1.28	1.10	1.33	1.33
Overhead Allocation	0.35	0.38	0.44	0.41	0.41	0.44	0.44	0.47	0.54	0.53	0.45	0.48	0.51	0.49
Expenses Incl. Corp O/H	2.57	2.69	3.18	2.93	2.94	3.24	3.10	3.16	3.78	3.57	3.49	3.82	3.73	3.83
Margin after Corp O/H	0.81	0.78	0.37	0.71	0.79	0.59	0.83	0.86	0.34	0.66	0.84	0.62	0.82	0.83
NPV of Margin after O/H	30.1													
NPV of Decommissioning	2.3													
NPV OF NET MARGIN	27.7													

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
BRUNOT ISLAND							
kwh Market Price (cents)	16.91	17.34	17.77	18.21	18.67	19.13	19.61
Unit Output (gwh)	27	27	27	27	27	27	27
Delivered Output (gwh)	25.40	25.40	25.40	25.40	25.40	25.40	25.40
Revenues	4.30	4.40	4.51	4.63	4.74	4.86	4.98
<u>Fuel-Related Expenses</u>							
Fuel Costs	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Fuel	2.47	2.53	2.60	2.67	2.74	2.82	2.89
<u>Non-fuel O&M Expenses</u>							
Variable O&M	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Fixed O&M	0.71	0.73	0.75	0.77	0.79	0.79	0.80
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	0.74	0.76	0.78	0.80	0.82	0.83	0.83
FICA	0.02	0.02	0.02	0.02	0.03	0.02	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.43	1.44	1.47	1.48	1.51	1.51	0.70
Capital Expenditures	0.20	0.20	0.21	0.19	0.19	0.20	0.11
Direct Expenses	4.09	4.18	4.27	4.34	4.45	4.53	3.71
Direct Margin	0.21	0.23	0.24	0.28	0.29	0.33	1.28
Overhead Allocation	0.65	0.68	0.68	0.70	0.72	0.72	0.61
Expenses Incl. Corp O/H	4.74	4.86	4.95	5.04	5.17	5.25	4.32
Margin after Corp O/H	(0.44)	(0.45)	(0.44)	(0.41)	(0.43)	(0.39)	0.67
<u>Costs per kwh (cents)</u>							
Fuel	9.71	9.97	10.24	10.52	10.80	11.09	0.00
Non-fuel	5.61	5.68	5.77	5.84	5.95	5.96	0.00
Capital Expenditures	<u>0.77</u>	<u>0.79</u>	<u>0.81</u>	<u>0.75</u>	<u>0.77</u>	<u>0.79</u>	<u>0.00</u>
Direct Expenses	16.09	16.44	16.82	17.10	17.51	17.84	0.00
Direct Margin	0.83	0.90	0.95	1.11	1.16	1.30	0.00
Overhead Allocation	2.57	2.68	2.66	2.74	2.85	2.83	0.00
Expenses Incl. Corp O/H	18.65	19.12	19.48	19.85	20.36	20.66	0.00
Margin after Corp O/H	(1.74)	(1.78)	(1.71)	(1.63)	(1.69)	(1.53)	0.00
NPV of Margin after O/H	(1.0)						
NPV of Decommissioning	13.9						
NPV OF NET MARGIN	(14.8)						

DUQUESNE LIGHT
Costs of Nuclear Plan
in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
HAVER VALLEY 1										
Wh Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22
Unit Output (gwh)	2,864	3,373	2,874	2,864	3,373	2,864	2,874	3,373	2,864	3,336
Delivered Output (gwh)	2,694	3,172	2,703	2,694	3,172	2,694	2,703	3,172	2,694	3,137
Revenues	91.12	109.97	96.05	98.13	118.43	103.10	106.02	127.53	111.03	132.52
<u>Fuel-Related Expenses</u>										
Fuel Costs	12.50	15.20	13.39	13.75	16.73	14.67	15.17	18.38	16.10	19.31
Fuel Related ECR Costs	<u>2.69</u>	<u>3.17</u>	<u>2.70</u>	<u>2.69</u>	<u>3.17</u>	<u>2.69</u>	<u>2.70</u>	<u>3.17</u>	<u>2.69</u>	<u>3.14</u>
Total Fuel	15.20	18.37	16.09	16.45	19.91	17.37	17.88	21.55	18.79	22.44
<u>Non-fuel O&M Expenses</u>										
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	29.19	29.92	30.67	31.44	32.22	33.03	33.85	34.70	35.57	36.46
Overhaul	<u>16.02</u>	<u>0.00</u>	<u>16.88</u>	<u>17.32</u>	<u>0.00</u>	<u>18.25</u>	<u>18.74</u>	<u>0.00</u>	<u>19.77</u>	<u>0.00</u>
Subtotal	45.21	29.92	47.55	48.76	32.22	51.28	52.60	34.70	55.33	36.46
ICA	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88	1.92	1.95
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	51.06	35.80	53.46	54.70	38.20	57.29	58.65	40.79	61.46	42.62
Capital Expenditures	6.68	6.86	7.04	7.23	7.43	7.63	7.84	8.06	8.28	8.51
Direct Expenses	72.93	61.03	76.59	78.37	65.53	82.29	84.36	70.39	88.53	73.57
Direct Margin	18.19	48.94	19.45	19.76	52.89	20.81	21.65	57.14	22.50	58.95
Overhead Allocation	11.64	9.93	12.14	12.57	10.66	13.05	13.90	12.27	14.71	12.92
Expenses incl. Corp O/H	84.57	70.96	88.73	90.95	76.20	95.34	98.26	82.67	103.23	86.49
Margin after Corp O/H	6.55	39.01	7.32	7.18	42.23	7.76	7.75	44.87	7.79	46.04
<u>Costs per kwh (cents)</u>										
Fuel	0.56	0.58	0.60	0.61	0.63	0.64	0.66	0.68	0.70	0.72
Non-fuel	1.90	1.13	1.98	2.03	1.20	2.13	2.17	1.29	2.28	1.36
Capital Expenditures	<u>0.25</u>	<u>0.22</u>	<u>0.26</u>	<u>0.27</u>	<u>0.23</u>	<u>0.28</u>	<u>0.29</u>	<u>0.25</u>	<u>0.31</u>	<u>0.27</u>
Direct Expenses	2.71	1.92	2.83	2.91	2.07	3.05	3.12	2.22	3.29	2.35
Direct Margin	0.68	1.54	0.72	0.73	1.67	0.77	0.80	1.80	0.84	1.88
Overhead Allocation	0.43	0.31	0.45	0.47	0.34	0.48	0.51	0.39	0.55	0.41
Expenses incl. Corp O/H	3.14	2.24	3.28	3.38	2.40	3.54	3.64	2.61	3.83	2.76
Margin after Corp O/H	0.24	1.23	0.27	0.27	1.33	0.29	0.29	1.41	0.29	1.47
NPV of Margin after O/H	84.8									
Overfunded Decomm.	0.0									
NPV OF NET MARGIN	84.8									

DUQUESNE LIGHT
Costs of Nuclear Plant
in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
HAVER VALLEY 2																						
Wholesale Market Price (cents)	3.38	3.47	3.55	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44	4.55	4.66	4.78	4.90	5.02	5.15	5.28	5.41	5.54	
Net Output (gwh)	991	883	885	991	883	883	994	883	883	991	883	883	991	883	883	991	883	883	991	883	991	
Electric Output (gwh)	931	829	832	931	829	829	934	829	829	931	829	829	931	829	829	931	829	829	931	829	931	
Revenues	31.49	28.74	29.55	33.91	30.95	31.72	36.62	33.33	34.16	39.33	35.89	36.79	42.35	38.65	39.62	45.61	41.62	42.67	49.11	44.83	51.60	
fuel-Related Expenses																						
Fuel Costs	1.01	3.77	3.84	4.41	4.09	4.22	1.90	4.50	4.64	5.38	4.94	5.09	5.89	5.43	5.59	6.46	5.97	6.13	7.09	6.56	6.73	
Fuel Related EGR Costs	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	
Total Fuel	1.97	1.11	4.68	5.38	4.92	5.05	5.81	5.32	5.47	6.31	5.77	5.92	6.82	6.26	6.42	7.39	6.80	6.96	8.02	7.39	7.56	
non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	8.15	8.66	8.87	9.10	9.32	9.56	9.79	10.04	10.29	10.55	10.81	11.08	11.36	11.64	11.93	12.23	12.54	12.85	13.17	13.50	13.84	
Overhaul	0.00	3.64	3.73	0.00	1.93	4.03	0.00	4.25	4.37	0.00	4.61	4.73	0.00	4.99	5.13	0.00	5.41	5.55	0.00	5.86	6.02	
Subtotal	8.15	12.29	12.60	9.10	13.25	13.59	9.79	14.29	14.66	10.55	15.42	15.81	11.36	16.63	17.06	12.23	17.94	18.41	13.17	19.36	19.86	
ICA	0.46	0.47	0.48	0.49	0.50	0.51	0.52	0.53	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71	
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	
Op Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	
Total Non-fuel	9.76	13.62	13.94	10.44	14.60	14.95	11.17	15.68	16.05	11.95	16.86	17.26	12.82	18.11	18.55	13.73	19.46	19.93	14.71	20.91	21.42	
Capital Expenditures	5.70	5.84	6.00	6.15	6.32	6.49	6.67	6.85	7.03	7.22	7.24	7.42	7.61	7.80	7.99	8.19	8.40	8.61	8.82	9.04	9.27	
Direct Expenses	10.42	14.00	14.61	11.97	15.84	16.49	12.67	17.85	18.55	15.48	19.87	20.60	17.25	22.16	22.95	19.32	24.65	25.50	21.55	27.34	28.25	
Direct Margin	11.07	4.74	4.94	11.94	5.11	5.23	12.95	5.48	5.61	13.85	6.03	6.19	15.10	6.49	6.66	16.29	6.98	7.17	17.56	7.49	13.35	
Overhead Allocation	3.26	3.91	3.90	3.52	4.20	4.20	3.90	4.85	4.74	4.47	4.39	4.42	4.28	4.77	5.20	4.72	5.71	5.69	5.72	6.26	7.51	
Expenses Incl. Corp O/H	13.68	17.91	18.51	15.49	20.04	20.70	17.57	22.70	23.29	19.96	24.25	25.03	21.54	26.93	28.15	24.03	30.36	31.19	27.27	33.60	35.76	
Margin after Corp O/H	7.81	0.83	1.04	8.42	0.91	1.03	9.05	0.63	0.87	9.37	1.64	1.76	10.81	1.72	1.47	11.57	1.27	1.47	11.85	1.23	5.84	
Costs per kWh (cents)																						
Fuel	0.53	0.55	0.56	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.82	0.84	0.86	0.89	0.81	
Non-fuel	1.05	1.64	1.68	1.12	1.76	1.80	1.20	1.89	1.94	1.28	2.03	2.08	1.38	2.18	2.24	1.48	2.35	2.40	1.58	2.52	2.30	
Capital Expenditures	0.61	0.70	0.72	0.66	0.76	0.78	0.71	0.83	0.85	0.78	0.87	0.90	0.82	0.94	0.96	0.88	1.01	1.04	0.92	1.09	1.00	
Direct Expenses	2.19	2.90	2.96	2.36	3.12	3.20	2.54	3.36	3.44	2.74	3.60	3.69	2.93	3.88	3.98	3.15	4.18	4.28	3.39	4.50	4.11	
Direct Margin	1.19	0.57	0.59	1.28	0.62	0.63	1.39	0.66	0.68	1.49	0.73	0.75	1.62	0.78	0.80	1.75	0.84	0.86	1.89	0.90	1.43	
Overhead Allocation	0.35	0.47	0.47	0.38	0.51	0.51	0.42	0.59	0.57	0.48	0.53	0.53	0.46	0.58	0.63	0.51	0.69	0.69	0.61	0.76	0.81	
Expenses Incl. Corp O/H	2.54	3.37	3.43	2.74	3.62	3.70	2.95	3.94	4.02	3.22	4.13	4.23	3.39	4.46	4.60	3.66	4.87	4.97	4.00	5.26	4.92	
Margin after Corp O/H	0.84	0.10	0.13	0.90	0.11	0.12	0.97	0.08	0.11	1.01	0.20	0.21	1.16	0.21	0.18	1.24	0.15	0.18	1.27	0.15	0.63	
IPV of Margin after O/H	25.5																					
Underfunded Decomm.	8.5																					
IPV OF NET MARGIN	16.9																					

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DUQUESNE LIGHT
Costs of Nuclear Plant
 \$ in Millions

\$33.8/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
PERRY																						
kwh Market Price (cents)	3.38	3.47	3.53	3.64	3.73	3.83	3.92	4.02	4.12	4.22	4.33	4.44	4.55	4.66	4.78	4.90	5.02	5.15	5.28	5.41	5.54	
Unit Output (gwh)	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,416	
Delivered Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347	
Revenues	45.42	41.42	47.85	43.52	50.13	45.72	52.81	48.04	55.34	50.47	58.30	53.03	61.08	55.71	64.36	58.52	67.42	61.49	71.04	64.61	74.63	
Fuel-Related Expenses																						
Fuel Costs	6.42	5.91	6.87	6.29	7.30	6.70	7.79	7.13	8.25	7.58	8.80	8.04	9.29	8.49	9.82	8.71	9.79	8.71	9.82	8.71	2.43	
Fuel Related EOP Costs	1.31	1.20	1.35	1.20	1.31	1.20	1.32	1.20	1.31	1.20	1.35	1.20	1.31	1.20	1.32	1.20	1.31	1.20	1.35	1.20	0.33	
Total Fuel	7.77	7.10	8.22	7.49	8.61	7.89	9.13	8.32	9.59	8.78	10.15	9.24	10.63	9.68	11.17	9.91	11.14	9.91	11.17	9.91	2.76	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	18.11	18.56	19.03	19.50	19.99	20.49	21.00	21.53	22.06	22.62	23.18	23.76	24.35	24.96	25.59	26.23	26.88	27.55	28.24	28.95	29.67	
Overhead	0.00	0.00	0.00	0.15	0.00	0.22	0.00	0.63	0.00	0.88	0.00	0.15	0.00	0.23	0.00	0.58	0.00	0.58	0.00	0.58	0.00	
Subtotal	18.11	22.52	19.03	23.67	19.99	24.88	21.00	26.15	22.06	27.50	23.18	28.91	24.35	30.39	25.59	31.80	26.88	33.13	28.24	34.53	29.67	
FICA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Property Tax	11.31	11.31	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	11.34	
Cap Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	
Total Non-fuel	31.81	36.22	32.73	37.37	33.69	38.58	34.70	39.86	35.77	41.20	36.88	42.61	38.06	44.10	39.29	45.51	40.59	46.83	41.95	48.23	43.38	
Capital Expenditures	3.22	3.52	3.40	3.72	3.59	3.93	3.80	4.16	4.02	4.40	4.25	4.61	4.48	4.90	4.73	5.17	5.00	5.45	5.27	5.75	5.56	
Direct Expenses	42.80	46.84	44.34	48.57	45.92	50.41	47.63	52.34	49.38	54.37	51.28	56.49	53.17	58.67	55.19	60.58	56.72	62.19	58.38	63.89	51.70	
Direct Margin	2.63	(5.43)	3.50	(5.05)	4.21	(4.69)	5.18	(4.30)	5.96	(3.90)	7.02	(3.46)	7.91	(2.96)	9.17	(2.06)	10.71	(0.70)	12.65	0.72	22.93	
Overhead Allocation	6.83	7.62	7.03	7.79	7.47	7.99	7.85	9.12	8.20	9.55	7.53	8.17	8.36	8.70	8.70	9.75	9.35	9.97	10.58	10.71	10.15	
Expenses Incl. Corp O/H	49.63	54.47	51.37	56.37	53.40	58.40	55.48	61.46	57.58	63.92	58.81	64.66	61.53	67.37	63.89	70.33	66.06	72.17	68.97	74.60	61.85	
Margin after Corp O/H	(4.20)	(13.05)	(3.52)	(12.84)	(3.26)	(12.68)	(2.67)	(13.42)	(2.24)	(13.45)	(0.51)	(11.63)	(0.45)	(11.66)	0.46	(11.81)	1.36	(10.67)	2.07	(9.99)	12.79	
Costs per kwh (cents)																						
Fuel	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.81	0.83	0.83	0.83	0.83	0.83	0.83	0.21	
Non-fuel	2.37	3.03	2.43	3.13	2.51	3.23	2.58	3.34	2.66	3.45	2.74	3.57	2.83	3.69	2.92	3.81	3.02	3.92	3.12	4.04	3.22	
Capital Expenditures	0.22	0.29	0.25	0.31	0.27	0.33	0.28	0.35	0.30	0.37	0.32	0.39	0.32	0.41	0.35	0.43	0.37	0.46	0.39	0.38	0.31	
Direct Expenses	3.19	3.92	3.29	4.07	3.42	4.22	3.54	4.38	3.68	4.55	3.81	4.73	3.96	4.91	4.10	5.07	4.22	5.21	4.34	5.35	3.84	
Direct Margin	0.20	(0.45)	0.26	(0.42)	0.31	(0.39)	0.38	(0.36)	0.44	(0.33)	0.52	(0.29)	0.59	(0.25)	0.68	(0.17)	0.80	(0.06)	0.94	0.06	1.70	
Overhead Allocation	0.51	0.64	0.52	0.63	0.56	0.67	0.58	0.76	0.61	0.80	0.56	0.68	0.62	0.73	0.65	0.82	0.70	0.83	0.79	0.90	0.75	
Expenses Incl. Corp O/H	3.70	4.56	3.82	4.72	3.98	4.89	4.12	5.14	4.29	5.35	4.37	5.41	4.58	5.64	4.74	5.89	4.92	6.04	5.12	6.24	4.59	
Margin after Corp O/H	(0.31)	(1.09)	(0.26)	(1.08)	(0.24)	(1.06)	(0.20)	(1.12)	(0.17)	(1.13)	(0.04)	(0.97)	(0.03)	(0.98)	0.03	(0.99)	0.10	(0.89)	0.15	(0.84)	0.95	
NPV of Margin after O/H	(41.4)																					
Underfunded Decomm.	11.0																					
NPV OF NET MARGIN	(52.5)																					

DUQUESNE LIGHT COMPANY
Net Present Value of
Generating Plant Assets
as of 12/31/05
\$ in Millions

Combined Cycle
Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

	<u>Plant Margin</u>	<u>Decommissioning</u>	<u>Net Plant Value</u>
<u>Fossil Plants:</u>			
Cheswick	194.6	(23.6)	171.0
Sammis	51.0	(8.0)	43.0
Eastlake	38.5	(7.0)	31.5
Elrama	0.0	(35.0)	(35.0)
Mansfield 1	125.1	(12.6)	112.5
Mansfield 2	39.0	(0.9)	38.1
Mansfield 3	79.7	(2.3)	77.3
Brunot Island	3.5	(13.9)	(10.4)
Phillips	0.0	(9.5)	(9.5)
Total Fossil	531.3	(112.9)	418.5
<u>Nuclear Plants:</u>			
Beaver Valley 1	218.5	(0.0)	218.5
Beaver Valley 2	91.9	(8.5)	83.4
Perry	56.1	(11.0)	45.1
Total Nuclear	366.6	(19.6)	347.0
TOTAL PLANTS	\$897.9	(\$132.4)	\$765.5

DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
CHESWICK									
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37
Unit Output (gwh)	4,235	4,062	4,425	4,231	3,707	4,413	4,249	4,062	4,374
Delivered Output (gwh)	4,030	3,866	4,211	4,027	3,528	4,200	4,044	3,866	4,163
Revenues	177.62	174.64	195.01	191.14	171.65	209.42	206.68	202.54	223.56
<u>Fuel-Related Expenses</u>									
Fuel Costs	61.67	60.69	68.62	70.81	65.11	79.74	79.21	78.70	88.19
Fuel Related ECR Costs	1.08	1.11	1.14	1.17	1.20	1.23	1.26	1.30	1.32
NOx Emissions	8.24	8.17	9.60	9.34	7.63	10.85	10.87	10.49	12.08
SO2 Emissions	<u>6.16</u>	<u>6.23</u>	<u>7.64</u>	<u>7.62</u>	<u>6.64</u>	<u>9.49</u>	<u>9.68</u>	<u>9.71</u>	<u>11.70</u>
Total Fuel	77.14	76.21	87.00	89.01	80.58	101.32	101.03	100.20	113.29
<u>Non-fuel O&M Expenses</u>									
Variable O&M	3.73	3.67	4.11	4.03	3.62	4.43	4.38	4.30	4.75
Fixed O&M	13.15	15.38	15.33	14.11	9.12	16.38	15.26	17.69	17.55
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>18.56</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	16.88	19.06	19.43	18.14	31.30	20.81	19.63	21.98	22.30
Carbon Injection Costs	3.01	2.80	2.81	3.09	2.52	2.93	3.33	3.13	3.07
FICA	0.53	0.57	0.58	0.52	0.43	0.58	0.60	0.67	0.68
Property Tax	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84	0.84
Cap Stock Tax	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.88
Total Non-fuel	22.14	24.14	24.54	23.47	35.96	26.04	25.28	27.50	27.76
Capital Expenditures	5.56	5.72	5.89	6.08	15.46	4.96	3.58	2.12	1.53
Direct Expenses	104.83	106.07	117.43	118.55	132.01	132.31	129.89	129.82	142.58
Direct Margin	72.79	68.57	77.57	72.59	39.64	77.11	76.80	72.73	80.98
Overhead Allocation	16.73	17.26	18.61	19.02	21.48	20.99	21.40	22.63	23.68
Expenses Incl. Corp O/H	121.57	123.33	136.04	137.57	153.49	153.30	151.29	152.45	166.27
Margin after Corp O/H	56.06	51.30	58.97	53.57	18.16	56.12	55.39	50.10	57.29
<u>Costs per kwh (cents)</u>									
Fuel	1.91	1.97	2.07	2.21	2.28	2.41	2.50	2.59	2.72
Non-fuel	0.55	0.62	0.58	0.58	1.02	0.62	0.63	0.71	0.67
Capital Expenditures	<u>0.14</u>	<u>0.15</u>	<u>0.14</u>	<u>0.15</u>	<u>0.44</u>	<u>0.12</u>	<u>0.09</u>	<u>0.05</u>	<u>0.04</u>
Direct Expenses	2.60	2.74	2.79	2.94	3.74	3.15	3.21	3.36	3.43
Direct Margin	1.81	1.77	1.84	1.80	1.12	1.84	1.90	1.88	1.95
Overhead Allocation	0.42	0.45	0.44	0.47	0.61	0.50	0.53	0.59	0.57
Expenses Incl. Corp O/H	3.02	3.19	3.23	3.42	4.35	3.65	3.74	3.94	3.99
Margin after Corp O/H	1.39	1.33	1.40	1.33	0.51	1.34	1.37	1.30	1.38
NPV of Margin after O/H	194.6								
NPV of Decommissioning	23.6								
NPV OF NET MARGIN	171.0								

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ In Millions

	Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @				
	2006	2007	2008	2009	2010
SAMMIS					
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87
Unit Output (gwh)	1,558	1,290	1,563	1,437	1,537
Delivered Output (gwh)	1,493	1,236	1,498	1,378	1,474
Revenues	65.82	55.85	69.37	65.40	71.69
Fuel-Related Expenses					
Fuel Costs	23.77	20.33	25.67	24.55	27.34
Fuel Related ECR Costs	0.03	0.03	0.03	0.03	0.03
NOx Emissions	2.05	1.77	2.24	2.15	2.39
SO2 Emissions	<u>0.98</u>	<u>0.66</u>	<u>1.14</u>	<u>1.02</u>	<u>1.27</u>
Total Fuel	26.83	22.80	29.08	27.75	31.03
Non-fuel O&M Expenses					
Variable O&M	2.29	1.93	2.40	2.26	2.48
Fixed O&M	4.29	3.75	4.80	4.63	4.71
Overhaul	<u>0.00</u>	<u>4.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	6.58	9.68	7.19	6.89	7.18
FICA	0.21	0.17	0.21	0.20	0.24
Property Tax	1.49	1.49	1.49	1.49	1.49
Cap-Stock Tax	0.31	0.31	0.31	0.31	0.31
Total Non-fuel	8.58	11.64	9.20	8.88	9.22
Capital Expenditures	0.22	4.16	0.49	1.59	0.52
Direct Expenses	35.63	38.60	38.77	38.21	40.76
Direct Margin	30.18	17.24	30.60	27.18	30.93
Overhead Allocation	5.69	6.28	6.14	6.13	6.63
Expenses Incl. Corp O/I	41.32	44.89	44.91	44.34	47.39
Margin after Corp O/I	24.50	10.96	24.46	21.05	24.30
Costs per kwh (cents)					
Fuel	1.80	1.84	1.94	2.01	2.11
Non-fuel	0.57	0.94	0.61	0.64	0.63
Capital Expenditures	<u>0.01</u>	<u>0.34</u>	<u>0.03</u>	<u>0.12</u>	<u>0.04</u>
Direct Expenses	2.39	3.12	2.59	2.77	2.77
Direct Margin	2.02	1.39	2.04	1.97	2.10
Overhead Allocation	0.38	0.51	0.41	0.44	0.45
Expenses Incl. Corp O/I	2.77	3.63	3.00	3.22	3.22
Margin after Corp O/I	1.64	0.89	1.63	1.53	1.65
NPV of Margin after O/I	<u>51.0</u>				
NPV of Decommissioning	8.0				
NPV OF NET MARGIN	<u>43.0</u>				

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

EASTLAKE	2006	2007	2008	2009	2010	2011
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99
Unit Output (gwh)	1,206	1,367	1,208	1,205	1,267	1,123
Delivered Output (gwh)	1,149	1,302	1,151	1,148	1,207	1,069
Revenues	50.62	58.80	53.30	54.49	58.73	53.33
<u>Fuel-Related Expenses</u>						
Fuel Costs	15.96	18.60	16.95	17.43	18.85	17.19
Fuel Related ECR Costs	0.12	0.12	0.12	0.13	0.13	0.13
NOx Emissions	1.05	1.24	1.14	1.19	1.30	1.20
SO2 Emissions	2.26	6.57	6.12	6.57	7.51	7.00
Total Fuel	22.38	26.52	24.33	25.31	27.78	25.52
<u>Non-fuel O&M Expenses</u>						
Variable O&M	1.67	1.94	1.76	1.80	1.95	1.77
Fixed O&M	4.73	5.17	5.54	5.14	5.76	5.37
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.64</u>	<u>1.43</u>
Subtotal	6.40	7.11	7.30	6.94	8.35	8.57
FICA	0.20	0.21	0.22	0.20	0.26	0.20
Property Tax	1.27	1.27	1.27	1.27	1.27	1.27
Cap Stock Tax	0.26	0.26	0.26	0.26	0.26	0.26
Total Non-fuel	8.14	8.86	9.05	8.68	10.14	10.31
Capital Expenditures	2.39	0.66	0.91	0.91	1.06	0.78
Direct Expenses	32.91	36.05	34.30	34.90	38.98	36.61
Direct Margin	17.71	22.76	19.00	19.58	19.75	16.72
Overhead Allocation	5.25	5.87	5.43	5.60	6.34	5.81
Expenses Incl. Corp O/I	38.16	41.91	39.73	40.50	45.33	42.42
Margin after Corp O/I	12.46	16.89	13.57	13.98	13.41	10.91
<u>Costs per kwh (cents)</u>						
Fuel	1.95	2.04	2.11	2.21	2.30	2.39
Non-fuel	0.71	0.68	0.79	0.76	0.84	0.96
Capital Expenditures	<u>0.21</u>	<u>0.05</u>	<u>0.08</u>	<u>0.08</u>	<u>0.09</u>	<u>0.07</u>
Direct Expenses	2.87	2.77	2.98	3.04	3.23	3.42
Direct Margin	1.54	1.75	1.65	1.71	1.64	1.56
Overhead Allocation	0.46	0.45	0.47	0.49	0.53	0.54
Expenses Incl. Corp O/I	3.32	3.22	3.45	3.53	3.75	3.97
Margin after Corp O/I	1.08	1.30	1.18	1.22	1.11	1.02
NPV of Margin after O/I	38.5					
NPV of Decommissioning	7.0					
NPV OF NET MARGIN	31.5					

DUQUESNE LIGHT

Costs of Fossil Plants

\$ In Millions

Arithmetic Escalation to \$44.1/mwh 1

EURAMA

2006

kwh Market Price (cents)

Unit Output (gwh)

Delivered Output (gwh)

Revenues

Fuel-Related Expenses

Fuel Costs

Fuel Related ECR Costs

NOx Emissions

SO2 Emissions

Total Fuel

Non-fuel O&M Expenses

Variable O&M

Fixed O&M

Overhaul

Subtotal

FICA

Property Tax

Cap Stock Tax

Total Non-fuel

Capital Expenditures

Direct Expenses

Direct Margin

Overhead Allocation

Expenses Incl. Corp O/H

Margin after Corp O/H

Costs per kwh (cents)

Fuel

Non-fuel

Capital Expenditures

Direct Expenses

Direct Margin

Overhead Allocation

Expenses Incl. Corp O/H

Margin after Corp O/H

NPV of Margin after O/H

0.0

NPV of Decommissioning

35.0

NPV OF NET MARGIN

(35.0)

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DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

	Arithmetic Escalation to \$44.1/mwh In 2006 with escalations @ 2.5%									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
MANSFIELD 1										
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50
Unit Output (gwh)	1,519	1,973	1,978	1,781	1,973	1,973	1,632	1,865	1,973	1,951
Delivered Output (gwh)	1,377	1,789	1,794	1,615	1,789	1,789	1,480	1,691	1,789	1,769
Revenues	60.70	80.81	83.06	76.65	87.03	89.20	75.65	88.58	96.06	97.36
Fuel-Related Expenses										
Fuel Costs	16.86	22.55	23.25	21.55	24.55	25.26	21.48	25.28	27.49	27.98
Fuel Related ECR Costs	3.49	4.58	4.71	4.38	4.95	5.08	4.36	5.08	5.51	5.59
NOx Emissions	3.36	5.02	5.23	4.76	5.67	5.92	4.68	5.94	6.70	6.86
SO2 Emissions	(0.32)	(0.31)	(0.33)	(0.41)	(0.39)	(0.43)	(0.58)	(0.53)	(0.53)	(0.58)
Total Fuel	23.32	31.84	32.87	30.28	34.77	35.84	29.95	35.76	39.16	39.85
Non-fuel O&M Expenses										
Variable O&M	2.73	3.63	3.73	3.44	3.90	4.01	3.39	3.97	4.31	4.37
Fixed O&M	3.52	3.88	3.37	5.83	4.45	4.71	4.74	3.68	3.74	7.33
Overhaul	2.23	0.00	0.00	0.00	0.00	0.00	2.52	0.81	0.00	0.00
Subtotal	9.18	7.51	7.10	9.27	8.35	8.72	10.71	8.46	8.06	11.70
FICA	0.20	0.22	0.21	0.27	0.28	0.24	0.25	0.23	0.24	0.24
Property Tax	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48	0.48
Cap Stock Tax	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Total Non-fuel	10.35	8.71	8.29	10.5	9.61	9.94	11.94	9.67	9.28	12.92
Capital Expenditures	3.20	0.40	0.75	3.45	0.43	0.82	3.72	0.47	0.89	0.86
Direct Expenses	36.88	40.95	41.91	44.24	44.81	46.59	45.61	45.91	49.33	53.63
Direct Margin	23.82	39.87	41.15	32.41	42.22	42.61	30.04	42.68	46.74	43.73
Overhead Allocation	5.89	6.66	6.64	7.10	7.29	7.39	7.51	8.00	8.19	9.42
Expenses incl. Corp O/H	42.77	47.61	48.55	51.34	52.10	53.98	53.12	53.91	57.52	63.05
Margin after Corp O/H	17.93	33.20	34.51	25.31	34.93	35.22	22.53	34.68	38.54	34.31
Costs per kwh (cents)										
Fuel	1.69	1.78	1.83	1.87	1.94	2.00	2.02	2.12	2.19	2.25
Non-fuel	0.75	0.49	0.46	0.65	0.54	0.56	0.81	0.57	0.52	0.73
Capital Expenditures	0.23	0.02	0.04	0.21	0.02	0.05	0.25	0.03	0.05	0.05
Direct Expenses	2.68	2.29	2.34	2.74	2.51	2.60	3.08	2.71	2.76	3.03
Direct Margin	1.73	2.23	2.29	2.01	2.36	2.38	2.03	2.52	2.61	2.47
Overhead Allocation	0.43	0.37	0.37	0.44	0.41	0.41	0.51	0.47	0.46	0.53
Expenses incl. Corp O/H	3.11	2.66	2.71	3.18	2.91	3.02	3.59	3.19	3.22	3.56
Margin after Corp O/H	1.30	1.86	1.92	1.57	1.95	1.97	1.52	2.05	2.15	1.94
NPV of Margin after O/H	125.1									
NPV of Decommissioning	12.6									
NPV OF NET MARGIN	112.5									

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DUQUESNE LIGHT
Costs of Fossil Plants
 \$ in Millions

Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
MANSFIELD 2											
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64
Unit Output (gwh)	549	423	550	548	496	549	550	423	549	549	541
Delivered Output (gwh)	500	385	501	499	452	500	501	385	500	500	493
Revenues	22.03	17.38	23.20	23.69	21.98	24.92	25.61	20.16	26.84	27.50	27.81
Fuel-Related Expenses											
Fuel Costs	6.02	4.77	6.39	6.55	6.10	6.95	7.16	5.66	7.56	7.78	7.89
Fuel Related ECR Costs	1.24	0.99	1.31	1.34	1.25	1.41	1.45	1.16	1.53	1.57	1.59
NOx Emissions	1.38	1.00	1.50	1.56	1.43	1.70	1.78	1.29	1.92	2.00	2.05
SO2 Emissions	(0.10)	(0.14)	(0.11)	(0.12)	(0.13)	(0.15)	(0.16)	(0.22)	(0.18)	(0.20)	(0.22)
Total Fuel	8.55	6.64	9.09	9.33	8.63	9.91	10.24	7.90	10.83	11.16	11.31
Non-fuel O&M Expenses											
Variable O&M	0.99	0.78	1.04	1.06	0.99	1.12	1.15	0.90	1.21	1.23	1.25
Fixed O&M	0.96	1.05	0.92	1.58	1.21	1.28	1.29	1.00	1.02	2.01	1.59
Overhaul	0.00	0.82	0.00	0.00	0.00	0.00	0.00	0.95	0.00	0.00	0.00
Subtotal	1.95	2.65	1.96	2.65	2.20	2.40	2.44	2.85	2.22	3.24	2.83
FICA	0.06	0.05	0.06	0.08	0.07	0.07	0.07	0.06	0.07	0.07	0.10
Property Tax	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Cap Stock Tax	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14	0.14
Total Non-fuel	2.27	2.98	2.28	2.99	2.53	2.73	2.78	3.18	2.56	3.58	3.20
Capital Expenditures	0.17	0.87	0.08	0.18	0.93	0.09	0.19	1.01	0.09	0.21	0.17
Direct Expenses	10.99	10.48	11.45	12.49	12.10	12.73	13.21	12.08	13.48	14.94	14.68
Direct Margin	11.04	6.90	11.75	11.19	9.88	12.19	12.40	8.07	13.36	12.56	13.12
Overhead Allocation	1.75	1.71	1.81	2.00	1.97	2.02	2.18	2.11	-2.24	2.62	2.16
Expenses Incl. Corp O/H	12.74	12.18	13.27	14.50	14.07	14.75	15.38	14.19	15.72	17.57	16.84
Margin after Corp O/H	9.28	5.20	9.94	9.19	7.91	10.17	10.23	5.97	11.12	9.93	10.97
Costs per kwh (cents)											
Fuel	1.71	1.72	1.81	1.87	1.91	1.98	2.04	2.05	2.17	2.23	2.30
Non-fuel	0.46	0.77	0.46	0.60	0.56	0.55	0.55	0.83	0.51	0.72	0.65
Capital Expenditures	0.03	0.23	0.02	0.04	0.21	0.02	0.04	0.26	0.02	0.04	0.03
Direct Expenses	2.20	2.72	2.29	2.50	2.68	2.55	2.64	3.14	2.70	2.99	2.98
Direct Margin	2.21	1.79	2.35	2.24	2.19	2.44	2.48	2.10	2.67	2.51	2.66
Overhead Allocation	0.35	0.44	0.36	0.40	0.44	0.40	0.43	0.55	0.45	0.53	0.44
Expenses Incl. Corp O/H	2.55	3.17	2.65	2.91	3.11	2.95	3.07	3.69	3.15	3.52	3.42
Margin after Corp O/H	1.86	1.35	1.98	1.84	1.75	2.03	2.04	1.55	2.22	1.99	2.23
NPV of Margin after O/H	39.0										
NPV of Decommissioning	0.9										
NPV OF NET MARGIN	38.1										

DUQUESNE LIGHT

Costs of Fossil Plants

\$ in Millions

	Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%													
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
MANFIELD 3														
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	5.93	6.08
Unit Output (gwh)	945	945	749	945	945	855	948	945	738	935	948	855	945	940
Delivered Output (gwh)	875	875	693	874	875	791	877	875	683	865	877	791	875	870
Revenues	38.55	39.52	32.07	41.48	42.56	39.44	44.83	45.83	36.68	47.61	49.49	45.74	51.85	52.86
Fuel-Related Expenses														
Fuel Costs	10.34	10.64	8.67	11.25	11.58	10.78	12.28	12.62	10.13	13.21	13.78	12.75	14.49	14.80
Fuel Related ECR Costs	2.18	2.24	1.85	2.36	2.42	2.26	2.56	2.62	2.14	2.74	2.85	2.65	3.00	3.06
NOx Emissions	2.83	2.95	2.25	3.19	3.33	3.04	3.64	3.78	2.80	4.04	4.30	3.91	4.66	4.81
SO2 Emissions	(0.18)	(0.19)	(0.26)	(0.23)	(0.25)	(0.22)	(0.22)	(0.31)	(0.41)	(0.36)	(0.38)	(0.46)	(0.45)	(0.49)
Total Fuel	15.17	15.64	12.50	16.58	17.09	15.79	18.20	18.71	14.65	19.63	20.54	18.85	21.69	22.18
Non-fuel O&M Expenses														
Variable O&M	1.73	1.78	1.44	1.86	1.91	1.77	2.01	2.06	1.65	2.14	2.22	2.06	2.34	2.38
Fixed O&M	1.70	1.87	1.62	2.81	2.15	2.27	2.28	1.78	1.81	3.57	2.86	2.83	3.21	3.28
Overhaul	0.00	0.00	1.32	0.00	0.00	0.00	0.00	0.00	1.59	0.08	0.00	0.00	0.00	0.00
Subtotal	3.43	3.65	4.39	4.67	4.05	4.04	4.29	3.83	5.04	5.78	5.08	4.89	5.55	5.66
FICA	0.11	0.11	0.09	0.13	0.14	0.11	0.13	0.12	0.10	0.12	0.18	0.19	0.19	0.20
Property Tax	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
Cap Stock Tax	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24	0.24
Total Non-fuel	4.01	4.23	4.95	5.28	4.66	4.63	4.90	4.42	5.62	6.37	5.74	5.55	6.21	6.33
Capital Expenditures	0.19	0.35	1.59	0.21	0.38	1.71	0.22	0.41	1.85	0.25	0.45	1.99	0.27	0.49
Direct Expenses	19.37	20.22	19.04	22.06	22.14	22.13	23.32	23.55	22.12	26.25	26.72	26.39	28.17	29.00
Direct Margin	19.18	19.30	13.03	19.42	20.42	17.31	21.51	22.28	14.56	21.36	22.76	19.34	23.68	23.85
Overhead Allocation	3.09	3.29	3.02	3.54	3.60	3.51	3.84	4.11	3.67	4.61	3.93	3.82	4.43	4.30
Expenses Incl. Corp O/H	22.46	23.51	22.06	25.60	25.74	25.64	27.16	27.65	25.79	30.85	30.65	30.21	32.60	33.30
Margin after Corp O/H	16.09	16.01	10.01	15.88	16.82	13.80	17.67	18.18	10.88	16.75	18.84	15.53	19.25	19.55
Costs per kwh (cents)														
Fuel	1.73	1.79	1.81	1.90	1.95	2.00	2.08	2.14	2.15	2.27	2.34	2.38	2.48	2.55
Non-fuel	0.46	0.48	0.71	0.60	0.53	0.59	0.56	0.51	0.82	0.74	0.65	0.70	0.71	0.73
Capital Expenditures	0.02	0.04	0.23	0.02	0.04	0.22	0.03	0.05	0.27	0.03	0.05	0.25	0.03	0.06
Direct Expenses	2.21	2.31	2.75	2.52	2.53	2.80	2.66	2.69	3.24	3.03	3.05	3.34	3.22	3.33
Direct Margin	2.19	2.21	1.88	2.22	2.33	2.19	2.45	2.55	2.13	2.47	2.60	2.45	2.71	2.74
Overhead Allocation	0.35	0.38	0.44	0.41	0.41	0.44	0.44	0.47	0.54	0.53	0.45	0.48	0.51	0.49
Expenses Incl. Corp O/H	2.57	2.69	3.18	2.93	2.94	3.24	3.10	3.16	3.78	3.57	3.49	3.82	3.73	3.83
Margin after Corp O/H	1.84	1.83	1.45	1.82	1.92	1.74	2.01	2.08	1.59	1.94	2.15	1.96	2.20	2.25
NPV of Margin after O/H	79.7													
NPV of Decommissioning	2.3													
NPV OF NET MARGIN	77.3													

DUQUESNE LIGHT
Costs of Fossil Plants
\$ In Millions

Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

BRUNO ISLAND	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
kwh Market Price (cents)	22.04	22.59	23.15	23.73	24.33	24.93	25.56
Unit Output (gwh)	27	27	27	27	27	27	27
Delivered Output (gwh)	25.40	25.40	25.40	25.40	25.40	25.40	25.40
Revenues	5.60	5.74	5.88	6.03	6.18	6.33	6.49
<u>Fuel-Related Expenses</u>							
Fuel Costs	2.47	2.53	2.60	2.67	2.74	2.82	2.89
Fuel Related ECR Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NOx Emissions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SO2 Emissions	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Fuel	2.47	2.53	2.60	2.67	2.74	2.82	2.89
<u>Non-fuel O&M Expenses</u>							
Variable O&M	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Fixed O&M	0.71	0.73	0.75	0.77	0.79	0.79	0.80
Overhaul	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Subtotal	0.74	0.76	0.78	0.80	0.82	0.83	0.83
FICA	0.02	0.02	0.02	0.02	0.03	0.02	0.00
Property Tax	0.33	0.33	0.33	0.33	0.33	0.33	0.33
Cap Stock Tax	0.34	0.34	0.34	0.34	0.34	0.34	0.34
Total Non-fuel	1.43	1.44	1.47	1.48	1.51	1.51	0.70
Capital Expenditures	0.20	0.20	0.21	0.19	0.19	0.20	0.11
Direct Expenses	4.09	4.18	4.27	4.34	4.45	4.53	3.71
Direct Margin	1.51	1.56	1.61	1.68	1.73	1.80	2.79
Overhead Allocation	0.65	0.68	0.68	0.70	0.72	0.72	0.61
Expenses Incl. Corp O/H	4.74	4.86	4.95	5.04	5.17	5.25	4.32
Margin after Corp O/H	0.86	0.88	0.93	0.99	1.01	1.08	2.18
<u>Costs per kwh (cents)</u>							
Fuel	9.71	9.97	10.24	10.52	10.80	11.09	0.00
Non-fuel	5.61	5.68	5.77	5.84	5.95	5.96	0.00
Capital Expenditures	<u>0.77</u>	<u>0.72</u>	<u>0.81</u>	<u>0.75</u>	<u>0.77</u>	<u>0.79</u>	<u>0.00</u>
Direct Expenses	16.09	16.44	16.82	17.10	17.51	17.84	0.00
Direct Margin	5.95	6.15	6.34	6.63	6.81	7.10	0.00
Overhead Allocation	2.57	2.68	2.66	2.74	2.85	2.83	0.00
Expenses Incl. Corp O/H	18.65	19.12	19.48	19.85	20.36	20.66	0.00
Margin after Corp O/H	3.38	3.47	3.67	3.89	3.96	4.27	0.00
NPV of Margin after O/H	<u>3.5</u>						
NPV of Decommissioning	13.9						
NPV OF NET MARGIN	<u>(10.4)</u>						

DUQUESNE LIGHT
Costs of Nuclear Plan
 In Millions

Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
HAVER VALLEY 1										
wh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50
Unit Output (gwh)	2,864	3,373	2,874	2,864	3,373	2,864	2,874	3,373	2,864	3,336
Delivered Output (gwh)	2,694	3,172	2,703	2,694	3,172	2,694	2,703	3,172	2,694	3,137
Revenues	118.74	143.30	125.15	127.87	154.32	134.34	138.14	166.18	144.67	172.68
Fuel-Related Expenses										
Fuel Costs	12.50	15.20	13.39	13.75	16.73	14.67	15.17	18.38	16.10	19.31
Fuel Related ECR Costs	<u>2.69</u>	<u>3.17</u>	<u>2.70</u>	<u>2.69</u>	<u>3.17</u>	<u>2.69</u>	<u>2.70</u>	<u>3.17</u>	<u>2.69</u>	<u>3.14</u>
Total Fuel	15.20	18.37	16.09	16.45	19.91	17.37	17.88	21.55	18.79	22.44
Non-fuel O&M Expenses										
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fixed O&M	29.19	29.92	30.67	31.44	32.22	33.03	33.85	34.70	35.57	36.46
Overhaul	<u>16.02</u>	<u>0.00</u>	<u>16.88</u>	<u>17.32</u>	<u>0.00</u>	<u>18.25</u>	<u>18.74</u>	<u>0.00</u>	<u>19.77</u>	<u>0.00</u>
Subtotal	45.21	29.92	47.55	48.76	32.22	51.28	52.60	34.70	55.33	36.46
ICA	1.64	1.67	1.70	1.74	1.77	1.81	1.84	1.88	1.92	1.95
Property Tax	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06	2.06
Cap Stock Tax	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15	2.15
Total Non-fuel	51.06	35.80	53.46	54.70	38.20	57.29	58.65	40.79	61.46	42.62
Capital Expenditures	6.68	6.86	7.04	7.23	7.43	7.63	7.84	8.06	8.28	8.51
Direct Expenses	72.93	61.03	76.59	78.37	65.53	82.29	84.36	70.39	88.53	73.57
Direct Margin	45.80	82.27	48.56	49.49	88.78	52.05	53.78	95.79	56.14	99.11
Overhead Allocation	11.64	9.93	12.14	12.57	10.66	13.05	13.90	12.27	14.71	12.92
Expenses Incl. Corp O/H	84.57	70.96	88.73	90.95	76.20	95.34	98.26	82.67	103.23	86.49
Margin after Corp O/H	34.16	72.34	36.42	36.92	78.12	39.00	39.88	83.52	41.44	86.19
Costs per kwh (cents)										
Fuel	0.56	0.58	0.60	0.61	0.63	0.64	0.66	0.68	0.70	0.72
Non-fuel	1.90	1.13	1.98	2.03	1.20	2.13	2.17	1.29	2.28	1.36
Capital Expenditures	<u>0.25</u>	<u>0.22</u>	<u>0.26</u>	<u>0.27</u>	<u>0.23</u>	<u>0.28</u>	<u>0.29</u>	<u>0.25</u>	<u>0.31</u>	<u>0.27</u>
Direct Expenses	2.71	1.92	2.83	2.91	2.07	3.05	3.12	2.22	3.29	2.35
Direct Margin	1.70	2.59	1.80	1.84	2.80	1.93	1.99	3.02	2.08	3.16
Overhead Allocation	0.43	0.31	0.45	0.47	0.34	0.48	0.51	0.39	0.55	0.41
Expenses Incl. Corp O/H	3.14	2.24	3.28	3.38	2.40	3.54	3.64	2.61	3.83	2.76
Margin after Corp O/H	1.27	2.28	1.35	1.37	2.46	1.45	1.48	2.63	1.54	2.75
NPV of Margin after O/H	218.5									
Overfunded Decomm.	0.0									
NPV OF NET MARGIN	218.5									

DUQUESNE LIGHT
Costs of Nuclear Plant
 \$ in Millions

Arithmetic Escalation to \$44.1/mwh in 2006 with escalations @ 2.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
BEAVER VALLEY 2																						
kwh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22	
Unit Output (gwh)	991	881	883	991	883	881	994	883	883	991	883	883	991	883	883	991	883	883	991	883	991	
Delivered Output (gwh)	931	829	812	931	829	829	934	829	829	931	829	829	931	829	829	931	829	829	931	829	931	
Revenues	41.03	37.45	38.50	44.19	40.33	41.34	47.72	43.43	41.52	51.24	46.77	47.94	55.18	50.37	51.62	59.43	54.24	55.59	64.00	58.41	67.24	
Fuel-Related Expenses																						
Fuel Costs	4.01	3.72	3.84	4.44	4.09	4.22	4.90	4.50	4.64	5.38	4.94	5.09	5.89	5.43	5.59	6.46	5.97	6.13	7.09	6.56	6.73	
Fuel Related ECR Costs	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	0.93	0.83	0.83	
Total Fuel	4.97	4.54	4.68	5.38	4.92	5.05	5.81	5.32	5.47	6.31	5.77	5.92	6.82	6.26	6.42	7.39	6.80	6.96	8.02	7.39	7.56	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	8.45	8.66	8.87	9.10	9.32	9.56	9.79	10.04	10.29	10.55	10.81	11.08	11.36	11.64	11.93	12.23	12.54	12.85	13.17	13.50	13.84	
Overhaul	0.00	3.61	3.72	0.00	3.93	4.03	0.00	4.25	4.37	0.00	4.61	4.73	0.00	4.99	5.13	0.00	5.31	5.55	0.00	5.86	6.02	
Subtotal	8.45	12.29	12.60	9.10	13.25	13.59	9.79	14.29	14.66	10.55	15.42	15.81	11.36	16.63	17.06	12.23	17.94	18.41	13.17	19.36	19.86	
IFCA	0.46	0.47	0.48	0.49	0.50	0.51	0.52	0.53	0.54	0.55	0.58	0.60	0.61	0.62	0.63	0.65	0.66	0.67	0.68	0.70	0.71	
Property Tax	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	0.42	
Cap Stock Tax	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	
Total Non-fuel	9.76	13.62	13.94	10.44	14.60	14.95	11.17	15.68	16.05	11.95	16.86	17.26	12.82	18.11	18.55	13.73	19.46	19.93	14.71	20.91	21.42	
Capital Expenditures	5.70	5.84	6.00	6.15	6.32	6.49	6.67	6.85	7.03	7.22	7.24	7.42	7.61	7.80	7.99	8.19	8.40	8.61	8.82	9.04	9.27	
Direct Expenses	10.42	14.00	14.61	11.97	15.84	16.49	13.67	17.85	18.55	15.48	19.87	20.60	17.15	22.16	22.95	19.32	24.65	25.50	21.55	27.24	28.25	
Direct Margin	20.61	13.45	13.89	22.22	14.49	14.84	24.05	15.58	15.97	15.76	16.90	17.34	27.93	18.20	18.67	30.11	19.59	20.10	32.45	21.07	28.98	
Overhead Allocation	3.26	3.91	3.90	3.52	4.20	4.20	3.90	4.85	4.74	4.47	4.39	4.42	4.28	4.77	5.20	4.72	5.71	5.69	5.72	6.26	7.51	
Expenses Incl. Corp O/H	23.68	27.91	28.51	25.49	30.04	30.70	27.57	32.70	33.19	29.96	34.25	35.03	31.54	36.93	38.15	34.03	40.36	41.19	37.27	43.60	45.76	
Margin after Corp O/H	17.35	9.54	9.99	18.70	10.38	10.64	20.15	10.73	11.22	21.29	12.52	12.91	23.65	13.43	13.47	25.39	13.88	14.40	26.73	14.81	21.48	
Costs per kwh (cents)																						
Fuel	0.53	0.55	0.56	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.82	0.84	0.86	0.89	0.81	
Non-fuel	1.05	1.64	1.68	1.12	1.76	1.80	1.20	1.89	1.91	1.28	2.03	2.08	1.38	2.18	2.24	1.48	2.35	2.40	1.58	2.52	2.30	
Capital Expenditures	0.61	0.70	0.72	0.66	0.76	0.78	0.71	0.83	0.85	0.78	0.87	0.90	0.82	0.94	0.96	0.88	1.01	1.04	0.95	1.09	1.00	
Direct Expenses	2.19	2.90	2.96	2.36	3.12	3.20	2.54	3.36	3.44	2.74	3.60	3.69	2.93	3.88	3.98	3.15	4.18	4.28	3.39	4.50	4.11	
Direct Margin	2.23	1.62	1.67	2.39	1.75	1.79	2.58	1.88	1.93	2.77	2.04	2.09	3.00	2.20	2.25	3.23	2.36	2.42	3.49	2.54	3.11	
Overhead Allocation	0.35	0.47	0.47	0.38	0.51	0.51	0.42	0.59	0.57	0.48	0.53	0.53	0.46	0.58	0.63	0.51	0.69	0.69	0.61	0.76	0.81	
Expenses Incl. Corp O/H	2.54	3.37	3.43	2.74	3.62	3.70	2.95	3.94	4.02	3.22	4.13	4.23	3.39	4.46	4.60	3.66	4.87	4.97	4.00	5.26	4.92	
Margin after Corp O/H	1.86	1.15	1.20	2.01	1.24	1.28	2.16	1.29	1.35	2.29	1.51	1.56	2.54	1.62	1.63	2.73	1.67	1.74	2.87	1.79	2.31	
SPV of Margin after O/H	91.9																					
Underfunded Decomm.	8.5																					
SPV OF NET MARGIN	83.4																					

HUQUESNE LIGHT
Costs of Nuclear Plant
in Millions

Arithmetic Escalation to \$44.11/mwh in 2006 with escalations @ 1.5%

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
ERRY																						
Wh Market Price (cents)	4.41	4.52	4.63	4.75	4.87	4.99	5.11	5.24	5.37	5.50	5.64	5.78	5.93	6.08	6.23	6.38	6.54	6.71	6.87	7.05	7.22	
Net Output (gwh)	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,412	1,256	1,416	1,256	1,416	
Dispatched Output (gwh)	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,346	1,195	1,343	1,195	1,347	1,195	1,343	1,195	1,347	1,195	1,347	
Revenues	59.19	53.97	62.35	56.71	65.32	59.57	68.81	62.60	72.10	65.77	75.96	69.09	79.59	72.59	83.86	76.26	87.85	80.13	92.57	84.18	97.25	
fuel-Related Expenses																						
fuel Costs	6.42	5.91	6.87	6.29	7.30	6.70	7.79	7.13	8.25	7.58	8.80	8.01	9.29	8.49	9.82	8.71	9.79	8.71	9.82	8.71	2.43	
fuel Related ECR Costs	1.31	1.20	1.25	1.20	1.23	1.20	1.22	1.20	1.23	1.20	1.22	1.20	1.22	1.20	1.25	1.20	1.23	1.20	1.22	1.20	0.33	
Total fuel	7.77	7.10	8.22	7.49	8.64	7.89	9.13	8.32	9.59	8.78	10.15	9.24	10.63	9.68	11.17	9.91	11.14	9.91	11.17	9.91	2.76	
Non-fuel O&M Expenses																						
Variable O&M	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Fixed O&M	18.11	18.56	19.03	19.50	19.99	20.49	21.00	21.53	22.06	22.62	23.18	23.76	24.35	24.96	25.59	26.23	26.88	27.55	28.24	28.95	29.67	
Overhead	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Subtotal	18.11	22.52	19.03	23.67	19.99	24.88	21.00	26.15	22.06	27.50	23.18	28.91	24.35	30.39	25.59	31.80	26.88	33.13	28.24	31.53	29.67	
CCA	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Property Tax	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	11.33	
Op-Stock Tax	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	2.36	
Total Non-fuel	11.81	36.22	32.73	37.37	33.69	38.58	34.70	39.86	35.77	41.20	36.88	42.61	38.06	44.10	39.29	45.51	40.59	46.83	41.95	48.23	43.38	
Capital Expenditures	3.22	3.52	3.40	3.72	3.59	3.93	3.80	4.16	4.02	4.40	4.25	4.64	4.48	4.90	4.73	5.17	5.00	5.45	5.27	5.75	5.56	
Direct Expenses	42.80	46.84	44.34	48.57	45.92	50.41	47.63	52.34	49.38	54.37	51.28	56.49	53.17	58.67	55.19	60.58	56.71	62.19	58.38	63.89	51.70	
Direct Margin	16.39	7.13	18.00	8.14	19.40	9.17	21.18	10.26	22.73	11.39	24.68	12.60	26.42	13.92	28.67	15.68	31.14	17.93	34.18	20.30	45.55	
Overhead Allocation	6.83	7.62	7.03	7.79	7.47	7.99	7.85	8.12	8.20	8.55	7.53	8.17	8.36	8.70	8.70	9.25	9.35	9.97	10.58	10.71	10.15	
Expenses incl. Corp O/H	49.63	54.47	51.37	56.37	53.40	58.40	55.48	61.46	57.58	63.92	58.81	64.66	61.53	67.37	63.89	70.33	66.06	72.17	68.97	74.60	61.85	
Margin after Corp O/H	9.56	(0.50)	10.98	0.34	11.93	1.17	13.34	1.14	14.53	1.84	17.15	4.44	18.06	5.22	19.97	5.93	21.79	7.96	23.60	9.59	35.40	
Costs per kWh (cents)																						
Fuel	0.58	0.59	0.61	0.63	0.64	0.66	0.68	0.70	0.71	0.73	0.75	0.77	0.79	0.81	0.83	0.83	0.83	0.83	0.83	0.83	0.21	
Non-fuel	2.37	3.03	2.43	3.13	2.51	3.23	2.58	3.34	2.66	3.45	2.74	3.57	2.83	3.69	2.92	3.81	3.02	3.92	3.12	4.04	3.22	
Capital Expenditures	0.23	0.29	0.22	0.21	0.22	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.21	
Direct Expenses	3.19	3.92	3.29	4.07	3.42	4.22	3.54	4.38	3.68	4.55	3.81	4.73	3.96	4.91	4.10	5.07	4.22	5.21	4.34	5.35	3.84	
Direct Margin	1.22	0.60	1.34	0.68	1.44	0.77	1.57	0.86	1.69	0.95	1.83	1.05	1.97	1.17	2.13	1.31	2.32	1.50	2.54	1.70	3.38	
Overhead Allocation	0.51	0.64	0.52	0.65	0.56	0.67	0.58	0.76	0.61	0.80	0.56	0.68	0.62	0.73	0.65	0.82	0.70	0.83	0.79	0.90	0.75	
Expenses incl. Corp O/H	3.70	4.56	3.82	4.72	3.98	4.89	4.12	5.14	4.29	5.35	4.37	5.41	4.58	5.64	4.74	5.89	4.92	6.04	5.12	6.24	4.59	
Margin after Corp O/H	0.71	(0.04)	0.82	0.03	0.89	0.10	0.99	0.10	1.08	0.15	1.27	0.37	1.35	0.44	1.48	0.50	1.62	0.67	1.75	0.80	2.63	
NPV of Margin after O/H	56.1																					
Underfunded Decomm.	11.0																					
NPV OF NET MARGIN	45.1																					

Regulatory Assets @ 12/31/96

	Trans.	Distr.	Generation (1)		Generation (2)			Total	Total Duquesne Light
			Fossil	Nuclear	Nuclear	Fossil	Other		
10-K Regulatory Assets									
Regulatory Tax Receivable	32.66	56.52			172.66	132.29		304.94	394.12
Unamortized Debt Premium/Discount (3)	6.46	27.18	7.98	13.56	18.84	11.08		29.92	85.11
Beaver Valley 2 Lease Premium				<u>3.88</u>	<u>4.31</u>			<u>4.31</u>	<u>8.19</u>
Total Unamortized Debt Cost	6.46	27.18	7.98	17.44	23.14	11.08	0.00	34.22	93.30
Deferred Rate Synch. Costs					41.45			41.45	41.45
BV2 Sale/Leaseback Premium				13.55	16.51			16.51	30.06
Deferred Employee Costs (4)	0.70	11.09			10.51	7.29		17.80	29.59
Deferred Nuclear Maintenance					13.46			13.46	13.46
DOE Decom & Decon					9.78			9.78	9.78
Deferred Coal Costs						12.19		12.19	12.19
Other									
Deferred Caretaker Costs						6.77		6.77	6.77
BV2 Training Costs					2.62			2.62	2.62
Low Level Rad. Waste					2.27			2.27	2.27
Coal Cost Equalization						0.32		0.32	0.32
Deferred Oxford Centre Costs	0.00	0.07			0.07	0.05		0.12	0.20
PA Deregulation Expenses	0.01	0.09			0.08	0.06		0.14	0.23
Demand Side Management	0.00	0.06			0.06	0.04		0.10	0.16
Corporate Development Project	0.00	0.04			0.04	0.03		0.07	0.11
Section 211	0.00	0.04			0.04	0.03		0.06	0.10
1996 Management Audit	0.00	0.02			0.02	0.01		0.03	0.05
Administrative & General	<u>0.00</u>	<u>0.01</u>			<u>0.01</u>	<u>0.01</u>		<u>0.01</u>	<u>0.02</u>
Total Other	<u>0.02</u>	<u>0.33</u>	<u>0.00</u>	<u>0.00</u>	<u>5.20</u>	<u>7.31</u>	<u>0.00</u>	<u>12.51</u>	<u>12.86</u>
Total Regulatory Assets per 10-K	39.85	95.12	7.98	30.99	292.71	170.16	0.00	462.87	636.80
Adjustments									
PV Beaver Valley Lease					291.44			291.44	291.44
Nuclear Decommissioning					0.00			0.00	0.00
Pre-Accrue Nuclear Outages					22.65			22.65	22.65
Gain on Sale/Leaseback (5)					61.13			61.13	61.13
Deferred Rate Synch. Costs (5)					0.27			0.27	0.27
Beaver Valley 2 (5)					0.17			0.17	0.17
Fossil Decommissioning						0.00		0.00	0.00
Deferred Fuel Cost						14.81		14.81	14.81
Transition Costs							18.10	18.10	18.10
FAS 106 (4)(6)	0.28	4.43	2.91	4.20				0.00	11.82
FAS 106 (4)(7)	<u>0.17</u>	<u>2.63</u>			<u>2.49</u>	<u>1.73</u>		<u>4.22</u>	<u>7.02</u>
Total Adjustments	<u>0.45</u>	<u>7.06</u>	<u>2.91</u>	<u>4.20</u>	<u>378.15</u>	<u>16.54</u>	<u>18.10</u>	<u>412.79</u>	<u>427.40</u>
Adjusted Regulatory Assets	<u>40.29</u>	<u>102.18</u>	<u>10.90</u>	<u>35.19</u>	<u>670.86</u>	<u>186.70</u>	<u>18.10</u>	<u>875.66</u>	<u>1,064.21</u>

(1) Recovered through interest and lease expense

(2) Recovered through amortization.

(3) Allocation based on gross plant balances

(4) Allocation based on labor costs

(5) Shown as deferred tax assets in 1996 Form 10-K

(6) FAS 106 with amortization schedule ending 2002, included in non-production expense

(7) FAS 106 with amortization schedule ending 2012, PV @ 1999

Allocation Percentages	Trans	Distr	Fossil	Nuclear	Total
Labor Costs	2.37%	37.47%	24.65%	35.51%	100.00%
Gross Plant	7.59%	31.94%	22.40%	38.07%	100.00%

**Amortization Schedule
Regulatory Assets
Generation**

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Total Regulatory Assets												
10-K Regulatory Assets												
Regulatory Tax Receivable	304.94	(31.55)	(36.91)	236.48	(33.78)	(33.78)	(33.78)	(33.78)	(33.78)	(33.78)	(33.78)	(0.00)
Unamortized Debt Costs (1)	34.22	0.00	0.00	34.22	(4.89)	(4.89)	(4.89)	(4.89)	(4.89)	(4.89)	(4.89)	(0.00)
Deferred Rate Synch. Costs	41.45	(4.14)	(4.14)	33.16	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(0.00)
BV2 Sale/Leaseback Premium	16.51	0.00	0.00	16.51	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	0.00
Deferred Employee Costs (2)	17.80	0.00	0.00	17.80	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	0.00
Deferred Nuclear Maintenance	13.46	0.56	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom. & Decom	9.78	(1.30)	(1.30)	7.18	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.53</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	0.00
Total Other	12.51	(0.20)	(0.20)	12.11	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	0.00
Total Regulatory Assets per 10-K	462.87	(36.33)	(52.33)	374.21	(53.46)	(53.46)	(53.46)	(53.46)	(53.46)	(53.46)	(53.46)	(0.00)
Adjustments												
PV Beaver Valley Lease	291.44	(25.00)	(38.66)	227.78	(15.40)	(15.40)	(15.40)	(15.40)	(15.40)	(15.40)	(40.02)	95.38
Pre-Accrue Nuclear Outages	22.65	0.00	0.00	22.65	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	0.00
Gain on Sale Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Deferred Fuel Cost	14.81	0.00	0.00	14.81	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	0.00
Transition Costs	18.10	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
FAS 106 (2)	<u>4.22</u>	<u>0.00</u>	<u>0.00</u>	<u>4.22</u>	<u>(0.60)</u>	<u>(0.60)</u>	<u>(0.60)</u>	<u>(0.60)</u>	<u>(0.60)</u>	<u>(0.60)</u>	<u>(0.60)</u>	<u>0.00</u>
Total Adjustments	412.79	(28.00)	(41.66)	343.12	(31.87)	(31.87)	(31.87)	(31.87)	(31.87)	(31.87)	(56.49)	95.38
Adjusted Regulatory Assets	875.66	(64.33)	(93.99)	717.33	(85.33)	(85.33)	(85.33)	(85.33)	(85.33)	(85.33)	(109.95)	95.38
Remove outage accounting (4)		(0.56)	10.77									95.38
FAS 109 Plant (5)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>62.94</u>	<u>(8.99)</u>	<u>(8.99)</u>	<u>(8.99)</u>	<u>(8.99)</u>	<u>(8.99)</u>	<u>(8.99)</u>	<u>(8.99)</u>	<u>(0.00)</u>
Total	875.66	(64.89)	(83.22)	780.28	(94.33)	(94.33)	(94.33)	(94.33)	(94.33)	(94.33)	(118.95)	95.38
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	21.55	(2.39)	(2.39)	16.76	(2.39)	(2.39)	(2.39)	(2.39)	(2.39)	(2.39)	(2.39)	0.00
BV2 Sale/Leaseback Premium	<u>17.43</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>13.55</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>(1.94)</u>	<u>(0.00)</u>
Total	38.97	(4.33)	(4.33)	30.31	(4.33)	(4.33)	(4.33)	(4.33)	(4.33)	(4.33)	(4.33)	0.00
Total Generation	914.63	(69.22)	(87.55)	810.59	(98.66)	(98.66)	(98.66)	(98.66)	(98.66)	(98.66)	(123.28)	95.38

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Regulatory Assets												
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	172.66	(21.85)	(26.36)	124.44	(17.78)	(17.78)	(17.78)	(17.78)	(17.78)	(17.78)	(17.78)	(0.00)
Unamortized Debt Premium/Discount (1)	18.84	0.00	0.00	18.84	(2.69)	(2.69)	(2.69)	(2.69)	(2.69)	(2.69)	(2.69)	0.00
Beaver Valley 2 Lease Premium	4.31	0.00	0.00	4.31	(0.62)	(0.62)	(0.62)	(0.62)	(0.62)	(0.62)	(0.62)	(0.00)
Total Unamortized Debt Cost	23.14	0.00	0.00	23.14	(3.31)	(3.31)	(3.31)	(3.31)	(3.31)	(3.31)	(3.31)	0.00
Deferred Rate Synch. Costs	41.45	(4.14)	(4.14)	33.16	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(4.74)	(0.00)
BV2 Sale Leaseback Premium	16.51	0.00	0.00	16.51	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	0.00
Deferred Employee Costs (2)	10.51	0.00	0.00	10.51	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	0.00
Deferred Nuclear Maintenance	13.46	0.56	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom. & Decon	9.78	(1.30)	(1.30)	7.18	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	(1.03)	0.00
Other												
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Other Regulatory Assets	0.31	0.00	0.00	0.31	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Total Other	5.20	(0.10)	(0.10)	5.00	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.00)
Total Regulatory Assets per 10-K	292.71	(26.84)	(42.68)	223.19	(31.88)	(31.88)	(31.88)	(31.88)	(31.88)	(31.88)	(31.88)	0.00
Adjustments												
PV Beaver Valley Lease	291.44	(25.00)	(38.66)	227.78	(15.40)	(15.40)	(15.40)	(15.40)	(15.40)	(15.40)	(40.02)	95.38
Pre-Accrue Nuclear Outages	22.65	0.00	0.00	22.65	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	(3.24)	0.00
Gain on Sale/Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
FAS 106 (2)	2.49	0.00	0.00	2.49	(0.36)	(0.36)	(0.36)	(0.36)	(0.36)	(0.36)	(0.36)	(0.00)
Total Adjustments	378.15	(28.00)	(41.66)	308.49	(26.93)	(26.93)	(26.93)	(26.93)	(26.93)	(26.93)	(51.55)	95.38
Adjusted Regulatory Assets	670.86	(54.84)	(84.34)	531.67	(58.81)	(58.81)	(58.81)	(58.81)	(58.81)	(58.81)	(83.43)	95.38
Remove outage accounting (4)		(0.56)	10.77									
FAS 109 Plant (5)	0.00	0.00	0.00	62.94	(8.99)	(8.99)	(8.99)	(8.99)	(8.99)	(8.99)	(8.99)	(0.00)
Total	670.86	(55.40)	(73.57)	594.62	(67.80)	(67.80)	(67.80)	(67.80)	(67.80)	(67.80)	(92.42)	95.38
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Premium/Discount	13.56	(1.51)	(1.51)	10.55	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	0.00
BV2 Sale/Leaseback Premium	17.43	(1.94)	(1.94)	13.55	(1.94)	(1.94)	(1.94)	(1.94)	(1.94)	(1.94)	(1.94)	(0.00)
Total	30.99	(3.44)	(3.44)	24.10	(3.44)	(3.44)	(3.44)	(3.44)	(3.44)	(3.44)	(3.44)	0.00
Total Nuclear Generation	701.85	(58.84)	(77.01)	618.72	(71.25)	(71.25)	(71.25)	(71.25)	(71.25)	(71.25)	(95.87)	95.38

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
Regulatory Assets												
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	132.29	(9.70)	(10.55)	112.04	(16.01)	(16.01)	(16.01)	(16.01)	(16.01)	(16.01)	(16.01)	(0.00)
Unamortized Debt Costs (1)	11.08	0.00	0.00	11.08	(1.58)	(1.58)	(1.58)	(1.58)	(1.58)	(1.58)	(1.58)	0.00
Deferred Employee Costs (2)	7.29	0.00	0.00	7.29	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.00)</u>
Total Other	7.31	(0.10)	(0.10)	7.11	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	0.00
Total Regulatory Assets per 10-K	170.16	(9.49)	(9.65)	151.02	(21.57)	(21.57)	(21.57)	(21.57)	(21.57)	(21.57)	(21.57)	0.00
Adjustments												
Deferred Fuel Cost	14.81	0.00	0.00	14.81	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	(2.12)	0.00
FAS 106 (2)	<u>1.73</u>	<u>0.00</u>	<u>0.00</u>	<u>1.73</u>	<u>(0.25)</u>	<u>(0.25)</u>	<u>(0.25)</u>	<u>(0.25)</u>	<u>(0.25)</u>	<u>(0.25)</u>	<u>(0.25)</u>	<u>0.00</u>
Total Adjustments	16.54	0.00	0.00	16.54	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	0.00
Total	186.70	(9.49)	(9.65)	167.56	(23.94)	(23.94)	(23.94)	(23.94)	(23.94)	(23.94)	(23.94)	0.00
Regulatory Assets Recovered through Interest Expense												
Unamortized Debt Premium/Discount	<u>7.98</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>6.21</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>(0.89)</u>	<u>0.00</u>
Total Fossil Generation	194.68	(10.37)	(10.54)	173.77	(24.82)	(24.82)	(24.82)	(24.82)	(24.82)	(24.82)	(24.82)	0.00

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

Amortization Schedule
 Regulatory Assets
 Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
Regulatory Assets												
Other												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	<u>18.10</u>	<u>0.00</u>	<u>0.00</u>	<u>18.10</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>0.00</u>
Total Adjustments	<u>18.10</u>	<u>0.00</u>	<u>0.00</u>	<u>18.10</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>0.00</u>
Total Other Regulatory Assets	<u>18.10</u>	<u>0.00</u>	<u>0.00</u>	<u>18.10</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>0.00</u>

**Net Regulatory Assets
Tax Effect**

	<u>Trans.</u>	<u>Distr.</u>	<u>Generation (1)</u>		<u>Generation (2)</u>			<u>Total</u>	<u>Total Duquesne Light</u>
			<u>Fossil</u>	<u>Nuclear</u>	<u>Nuclear</u>	<u>Fossil</u>	<u>Other</u>		
10-K Regulatory Assets									
Regulatory Tax Receivable	(32.66)	(56.52)			(34.22)	(46.22)	(80.44)	(169.61)	
Unamortized Debt Premium/Discount (3)	(2.68)	(11.28)	(3.31)	(5.63)	(6.85)	(4.03)	(10.88)	(33.78)	
Beaver Valley 2 Lease Premium				<u>(1.61)</u>	<u>(1.53)</u>		<u>(1.53)</u>	<u>(3.14)</u>	
Total Unamortized Debt Cost	(2.68)	(11.28)	(3.31)	(7.24)	(8.38)	(4.03)	(12.41)	(36.92)	
Deferred Rate Synch. Costs					(3.05)		(3.05)	(3.05)	
BV2 Sale/Leaseback Premium				(5.62)	(6.85)		(6.85)	(12.47)	
Deferred Employee Costs (4)	(0.29)	(4.60)			0.00	0.00	0.00	(4.89)	
Deferred Nuclear Maintenance					(5.59)		(5.59)	(5.59)	
DOE Decom & Decon					(4.07)		(4.07)	(4.07)	
Deferred Coal Costs						0.00	0.00	0.00	
Other									
Deferred Caretaker Costs						(2.86)	(2.86)	(2.86)	
BV2 Training Costs					(0.92)		(0.92)	(0.92)	
Low Level Rad. Waste					0.00		0.00	0.00	
Coal Cost Equalization						0.00	0.00	0.00	
Deferred Oxford Centre Costs	0.00	0.00			0.00	0.00	0.00	0.00	
PA Deregulation Expenses	0.00	0.00			0.00	0.00	0.00	0.00	
Demand Side Management	0.00	0.00			0.00	0.00	0.00	0.00	
Corporate Development Project	0.00	0.00			0.00	0.00	0.00	0.00	
Section 211	0.00	0.00			0.00	0.00	0.00	0.00	
1996 Management Audit	0.00	0.00			0.00	0.00	0.00	0.00	
Administrative & General	<u>0.00</u>	<u>0.00</u>			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
Total Other	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.92)</u>	<u>(2.86)</u>	<u>0.00</u>	<u>(3.77)</u>	
Total Regulatory Assets per 10-K	(35.63)	(72.40)	(3.31)	(12.86)	(63.08)	(53.10)	0.00	(116.18)	(240.38)
Adjustments									
PV Beaver Valley Lease					(120.93)		(120.93)	(120.93)	
Nuclear Decommissioning					0.00		0.00	0.00	
Pre-Accrue Nuclear Outages					(9.40)		(9.40)	(9.40)	
Gain on Sale-Leaseback (5)					0.00		0.00	0.00	
Deferred Rate Synch. Costs (5)					0.00		0.00	0.00	
Beaver Valley 2 (5)					0.00		0.00	0.00	
Fossil Decommissioning						0.00	0.00	0.00	
Deferred Fuel Cost						(6.14)	(6.14)	(6.14)	
Transition Costs							(7.51)	(7.51)	
FAS 106 (4)(6)	<u>(0.12)</u>	<u>(1.84)</u>	<u>(1.21)</u>	<u>(1.74)</u>			0.00	(4.91)	
FAS 106 (4)(7)	<u>(0.07)</u>	<u>(1.09)</u>			<u>(1.03)</u>	<u>(0.72)</u>	<u>(1.75)</u>	<u>(2.91)</u>	
Total Adjustments	<u>(0.19)</u>	<u>(2.93)</u>	<u>(1.21)</u>	<u>(1.74)</u>	<u>(131.36)</u>	<u>(6.86)</u>	<u>(7.51)</u>	<u>(151.80)</u>	
Adjusted Regulatory Assets	(35.82)	(75.32)	(4.52)	(14.60)	(194.44)	(59.96)	(7.51)	(261.91)	(392.18)

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Total Tax Effect												
10-K Regulatory Assets												
Regulatory Tax Receivable	(80.44)	10.31	12.64	(57.48)	8.21	8.21	8.21	8.21	8.21	8.21	8.21	(0.00)
Unamortized Debt Costs (1)	(12.41)	0.00	0.00	(12.41)	1.77	1.77	1.77	1.77	1.77	1.77	1.77	(0.00)
Deferred Rate Synch. Costs	(3.05)	0.31	0.31	(2.44)	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.00
BV2 Sale/Leaseback Premium	(6.85)	0.00	0.00	(6.85)	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	(5.59)	(0.23)	4.47	(1.35)	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.00
DOE Decom. & Decon	(4.07)	0.54	0.54	(2.99)	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.00
Deferred Coal Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other												
Deferred Caretaker Costs	(2.86)	0.00	0.00	(2.86)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	(0.00)
BV2 Training Costs	(0.92)	0.04	0.04	(0.84)	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.00
Low Level Rad. Waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Coal Cost Equalization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Regulatory Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other	(3.77)	0.04	0.04	(3.69)	0.53	0.53	0.53	0.53	0.53	0.53	0.53	0.00
Total Regulatory Assets per 10-K	(116.18)	10.96	18.00	(87.21)	12.46	12.46	12.46	12.46	12.46	12.46	12.46	0.00
Adjustments												
PV Beaver Valley Lease	(120.93)	10.37	16.04	(94.51)	6.39	6.39	6.39	6.39	6.39	6.39	16.60	(39.58)
Pre-Accrete Nuclear Outages	(9.40)	0.00	0.00	(9.40)	1.34	1.34	1.34	1.34	1.34	1.34	1.34	(0.00)
Gain on Sale/Leaseback (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Fuel Cost	(6.14)	0.00	0.00	(6.14)	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.00
Transition Costs	(7.51)	0.00	0.00	(7.51)	1.07	1.07	1.07	1.07	1.07	1.07	1.07	0.00
FAS 106 (2)	(1.75)	0.00	0.00	(1.75)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.00
Total Adjustments	(145.73)	10.37	16.04	(119.32)	9.93	9.93	9.93	9.93	9.93	9.93	20.15	(39.58)
Adjusted Regulatory Assets	(261.91)	21.34	34.04	(206.53)	22.39	22.39	22.39	22.39	22.39	22.39	32.61	(39.58)
Remove outage accounting (4)		0.23	(4.47)									
FAS 109 Plant	0.00	0.00	0.00	(17.56)	2.51	2.51	2.51	2.51	2.51	2.51	2.51	(0.00)
Total Amortization Tax Effect	(261.91)	21.57	29.57	(224.09)	24.90	24.90	24.90	24.90	24.90	24.90	35.12	(39.58)
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	(8.94)	0.99	0.99	(6.95)	0.99	0.99	0.99	0.99	0.99	0.99	0.99	(0.00)
BV2 Sale/Leaseback Premium	(7.23)	0.80	0.80	(5.62)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.00
Total	(16.17)	1.80	1.80	(12.58)	1.80	1.80	1.80	1.80	1.80	1.80	1.80	(0.00)
Total Generation	(278.08)	23.37	31.37	(236.67)	26.70	26.70	26.70	26.70	26.70	26.70	36.91	(39.58)

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Outage accounting is reflected in the revenue requirement for the generating unit

**Amortization Schedule
Regulatory Assets
Generation**

	Actual Year - End 1996	Estimated Change 1997	Estimated Change 1998	Estimated Year - End 1998	1999	2000	2001	2002	2003	2004	2005	Net Balance 12/31/2005
Tax Effect												
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	(34.22)	6.95	8.82	(18.45)	2.64	2.64	2.64	2.64	2.64	2.64	2.64	0.00
Unamortized Debt Premium Discount (1)	(6.85)	0.00	0.00	(6.85)	0.98	0.98	0.98	0.98	0.98	0.98	0.98	(0.00)
Beaver Valley 2 Lease Premium	(1.53)	0.00	0.00	(1.53)	0.22	0.22	0.22	0.22	0.22	0.22	0.22	(0.00)
Total Unamortized Debt Cost	(8.38)	0.00	0.00	(8.38)	1.20	1.20	1.20	1.20	1.20	1.20	1.20	0.00
Deferred Rate Synch. Costs	(3.05)	0.31	0.31	(2.44)	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.00
BV2 Sale Leaseback Premium	(6.85)	0.00	0.00	(6.85)	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	(5.59)	(0.23)	4.47	(1.35)	0.19	0.19	0.19	0.19	0.19	0.19	0.19	0.00
DOE Decom. & Decon	(4.07)	0.54	0.54	(2.99)	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.00
Other												
BV2 Training Costs	(0.92)	0.04	0.04	(0.84)	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.00
Low Level Rad. Waste	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Regulatory Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Other	(0.92)	0.04	0.04	(0.84)	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.00
Total Regulatory Assets per 10-K	(63.08)	7.61	14.18	(41.29)	5.90	5.90	5.90	5.90	5.90	5.90	5.90	(0.00)
Adjustments												
PV Beaver Valley Lease	(120.93)	10.37	16.04	(94.51)	6.39	6.39	6.39	6.39	6.39	6.39	16.60	(39.58)
Pre-Accrue Nuclear Outages	(9.40)	0.00	0.00	(9.40)	1.34	1.34	1.34	1.34	1.34	1.34	1.34	(0.00)
Gain on Sale Leaseback (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FAS 106 (2)	(1.03)	0.00	0.00	(1.03)	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.00
Total Adjustments	(131.36)	10.37	16.04	(103.91)	7.73	7.73	7.73	7.73	7.73	7.73	17.95	(39.58)
Adjusted Regulatory Assets	(194.44)	17.98	30.22	(145.20)	13.63	13.63	13.63	13.63	13.63	13.63	23.85	(39.58)
Remove outage accounting		0.23	(4.47)									
FAS 109 Plant	0.00	0.00	0.00	(17.56)	2.51	2.51	2.51	2.51	2.51	2.51	2.51	(0.00)
Total	(194.44)	18.21	25.75	(162.77)	16.14	16.14	16.14	16.14	16.14	16.14	26.35	(39.58)
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	(5.63)	0.63	0.63	(4.38)	0.63	0.63	0.63	0.63	0.63	0.63	0.63	(0.00)
BV2 Sale Leaseback Premium	(7.23)	0.80	0.80	(5.62)	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.00
Total	(12.86)	1.43	1.43	(10.00)	1.43	1.43	1.43	1.43	1.43	1.43	1.43	(0.00)
Total Nuclear Generation	(207.30)	19.64	27.18	(172.77)	17.57	17.57	17.57	17.57	17.57	17.57	27.78	(39.58)

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
Tax Effect												
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	(46.22)	3.36	3.82	(39.04)	5.58	5.58	5.58	5.58	5.58	5.58	5.58	0.00
Unamortized Debt Costs (1)	(4.03)	0.00	0.00	(4.03)	0.58	0.58	0.58	0.58	0.58	0.58	0.58	(0.00)
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Coal Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other												
Deferred Caretaker Costs	(2.86)	0.00	0.00	(2.86)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	(0.00)
Coal Cost Equalization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Regulatory Assets	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Other	(2.86)	0.00	0.00	(2.86)	0.41	0.41	0.41	0.41	0.41	0.41	0.41	(0.00)
Total Regulatory Assets per 10-K	(53.10)	3.36	3.82	(45.92)	6.56	6.56	6.56	6.56	6.56	6.56	6.56	0.00
Adjustments												
Deferred Fuel Cost	(6.14)	0.00	0.00	(6.14)	0.88	0.88	0.88	0.88	0.88	0.88	0.88	0.00
FAS 106 (2)	<u>(0.72)</u>	<u>0.00</u>	<u>0.00</u>	<u>(0.72)</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.10</u>	<u>0.00</u>
Total Adjustments	(6.86)	0.00	0.00	(6.86)	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.00
Total	(59.96)	3.36	3.82	(52.78)	7.54	7.54	7.54	7.54	7.54	7.54	7.54	0.00
Regulatory Assets Recovered through Interest Expense												
Unamortized Debt Cost	(3.31)	0.37	0.37	(2.58)	0.37	0.37	0.37	0.37	0.37	0.37	0.37	(0.00)
Total Fossil Generation	(63.28)	3.73	4.19	(55.36)	7.91	7.91	7.91	7.91	7.91	7.91	7.91	0.00

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

Amortization Schedule
 Regulatory Assets
 Generation

	<u>Actual</u> <u>Year - End</u> <u>1996</u>	<u>Estimated</u> <u>Change</u> <u>1997</u>	<u>Estimated</u> <u>Change</u> <u>1998</u>	<u>Estimated</u> <u>Year - End</u> <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
<u>Tax Effect</u>												
<u>Other</u>												
10-K Regulatory Assets												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	<u>(7.51)</u>	<u>0.00</u>	<u>0.00</u>	<u>(7.51)</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>0.00</u>
Total Adjustments	<u>(7.51)</u>	<u>0.00</u>	<u>0.00</u>	<u>(7.51)</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>0.00</u>
Total Other Regulatory Assets	<u>(7.51)</u>	<u>0.00</u>	<u>0.00</u>	<u>(7.51)</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>1.07</u>	<u>0.00</u>

Net Regulatory Assets

			Generation (1)		Generation (2)			Total Duquesne Light
	Trans.	Distr.	Fossil	Nuclear	Nuclear	Fossil	Other	
10-K Regulatory Assets								
Regulatory Tax Receivable	0.00	0.00			138.44	86.07		224.51
Unamortized Debt Premium/Discount (3)	3.78	15.90	4.67	7.94	11.99	7.05		19.04
Beaver Valley 2 Lease Premium				<u>2.27</u>	<u>2.78</u>			<u>2.78</u>
Total Unamortized Debt Cost	3.78	15.90	4.67	10.21	14.76	7.05		21.81
Deferred Rate Synch. Costs					38.39			38.39
BV2 Sale/Leaseback Premium				7.92	9.66			9.66
Deferred Employee Costs (4)	0.41	6.49			10.51	7.29		17.80
Deferred Nuclear Maintenance					7.87			7.87
DOE Decom & Decon					5.71			5.71
Deferred Coal Costs						12.19		12.19
Other								
Deferred Caretaker Costs						3.92		3.92
BV2 Training Costs					1.70			1.70
Low Level Rad. Waste					2.27			2.27
Coal Cost Equalization						0.32		0.32
Deferred Oxford Centre Costs	0.00	0.07			0.07	0.05		0.12
PA Deregulation Expenses	0.01	0.09			0.08	0.06		0.14
Demand Side Management	0.00	0.06			0.06	0.04		0.10
Corporate Development Project	0.00	0.04			0.04	0.03		0.07
Section 211	0.00	0.04			0.04	0.03		0.06
1996 Management Audit	0.00	0.02			0.02	0.01		0.03
Administrative & General	<u>0.00</u>	<u>0.01</u>			<u>0.01</u>	<u>0.01</u>		<u>0.01</u>
Total Other	<u>0.02</u>	<u>0.33</u>	<u>0.00</u>	<u>0.00</u>	<u>4.29</u>	<u>4.45</u>	<u>0.00</u>	<u>8.73</u>
Total Regulatory Assets per 10-K	4.21	22.72	4.67	18.13	229.63	117.06	0.00	346.69
Adjustments								
PV Beaver Valley Lease					170.51			170.51
Nuclear Decommissioning					0.00			0.00
Pre-Accrue Nuclear Outages					13.25			13.25
Gain on Sale/Leaseback (5)					61.13			61.13
Deferred-Rate Synch. Costs (5)					0.27			0.27
Beaver Valley 2 (5)					0.17			0.17
Fossil Decommissioning						0.00		0.00
Deferred Fuel Cost						8.66		8.66
Transition Costs							10.59	10.59
FAS 106 (4)(6)	0.16	2.59	1.71	2.46				0.00
FAS 106 (4)(7)	<u>0.10</u>	<u>1.54</u>			<u>1.46</u>	<u>1.01</u>		<u>2.47</u>
Total Adjustments	<u>0.26</u>	<u>4.13</u>	<u>1.71</u>	<u>2.46</u>	<u>246.79</u>	<u>9.67</u>	<u>10.59</u>	<u>275.60</u>
Adjusted Regulatory Assets	4.47	26.85	6.38	20.59	476.42	126.73	10.59	613.74

(1) Recovered through interest and lease expense

(2) Recovered through amortization

(3) Allocation based on gross plant balances

(4) Allocation based on labor costs

(5) Shown as deferred tax assets in 1996 Form 10-K

(6) FAS 106 with amortization schedule ending 2002, included in non-production expense

(7) FAS 106 with amortization schedule ending 2012, PV of 1999

Allocation Percentages	Trans.	Distr.	Fossil	Nuclear	Total
Labor Costs	2.37%	17.17%	21.65%	35.51%	100.00%
Gross Plant	7.59%	31.11%	22.10%	38.07%	100.00%
Effective Tax Rate	41.49%				

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Total Net Regulatory Assets												
10-K Regulatory Assets												
Regulatory Tax Receivable	224.51	(21.24)	(24.27)	179.00	(25.57)	(25.57)	(25.57)	(25.57)	(25.57)	(25.57)	(25.57)	0.00
Unamortized Debt Costs (1)	21.81	0.00	0.00	21.81	(3.12)	(3.12)	(3.12)	(3.12)	(3.12)	(3.12)	(3.12)	0.00
Deferred Rate Synch. Costs	38.39	(3.84)	(3.84)	30.72	(4.39)	(4.39)	(4.39)	(4.39)	(4.39)	(4.39)	(4.39)	(0.00)
BV2 Sale/Leaseback Premium	9.66	0.00	0.00	9.66	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(0.00)
Deferred Employee Costs (2)	17.80	0.00	0.00	17.80	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	(2.54)	0.00
Deferred Nuclear Maintenance	7.87	0.33	(6.30)	1.90	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	0.00
DOE Deconv. & Decon	5.71	(0.76)	(0.76)	4.19	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.00)
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	3.92	0.00	0.00	3.92	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	0.00
BV2 Training Costs	1.70	(0.06)	(0.06)	1.58	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.53</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	0.00
Total Other	8.73	(0.16)	(0.16)	8.42	(1.20)	(1.20)	(1.20)	(1.20)	(1.20)	(1.20)	(1.20)	0.00
Total Regulatory Assets per 10-K	346.69	(25.36)	(34.33)	287.00	(41.00)	(41.00)	(41.00)	(41.00)	(41.00)	(41.00)	(41.00)	0.00
Adjustments												
PV Beaver Valley Lease	170.51	(14.63)	(22.62)	133.27	(9.01)	(9.01)	(9.01)	(9.01)	(9.01)	(9.01)	(23.41)	55.80
Pre-Accrue Nuclear Outages	13.25	0.00	0.00	13.25	(1.89)	(1.89)	(1.89)	(1.89)	(1.89)	(1.89)	(1.89)	(0.00)
Gain on Sale/Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
Deferred Fuel Cost	8.66	0.00	0.00	8.66	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(0.00)
Transition Costs	10.59	0.00	0.00	10.59	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	0.00
FAS 106 (2)	<u>2.47</u>	<u>0.00</u>	<u>0.00</u>	<u>2.47</u>	<u>(0.35)</u>	<u>(0.35)</u>	<u>(0.35)</u>	<u>(0.35)</u>	<u>(0.35)</u>	<u>(0.35)</u>	<u>(0.35)</u>	<u>0.00</u>
Total Adjustments	267.05	(17.63)	(25.62)	223.81	(21.94)	(21.94)	(21.94)	(21.94)	(21.94)	(21.94)	(36.35)	55.80
Adjusted Regulatory Assets	613.74	(42.99)	(59.95)	510.80	(62.94)	(62.94)	(62.94)	(62.94)	(62.94)	(62.94)	(77.35)	55.80
Remove outage accounting (4)		(0.33)	6.30									
FAS 109 Plant (5)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45.38</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(0.00)</u>
Total	613.74	(43.32)	(53.65)	556.18	(69.42)	(69.42)	(69.42)	(69.42)	(69.42)	(69.42)	(83.83)	55.80
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	12.61	(1.40)	(1.40)	9.81	(1.40)	(1.40)	(1.40)	(1.40)	(1.40)	(1.40)	(1.40)	0.00
BV2 Sale/Leaseback Premium	<u>10.19</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>7.93</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>0.00</u>
Total	22.80	(2.53)	(2.53)	17.73	(2.53)	(2.53)	(2.53)	(2.53)	(2.53)	(2.53)	(2.53)	(0.00)
Total Generation	636.54	(45.85)	(56.18)	573.92	(71.96)	(71.96)	(71.96)	(71.96)	(71.96)	(71.96)	(86.36)	55.80

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Net Regulatory Assets												
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	138.44	(14.90)	(17.54)	105.99	(15.14)	(15.14)	(15.14)	(15.14)	(15.14)	(15.14)	(15.14)	0.00
Unamortized Debt Premium/Discount (1)	11.99	0.00	0.00	11.99	(1.71)	(1.71)	(1.71)	(1.71)	(1.71)	(1.71)	(1.71)	(0.00)
Beaver Valley 2 Lease Premium	<u>2.78</u>	<u>0.00</u>	<u>0.00</u>	<u>2.78</u>	<u>(0.40)</u>	<u>(0.40)</u>	<u>(0.40)</u>	<u>(0.40)</u>	<u>(0.40)</u>	<u>(0.40)</u>	<u>(0.40)</u>	<u>0.00</u>
Total Unamortized Debt Cost	14.76	0.00	0.00	14.76	(2.11)	(2.11)	(2.11)	(2.11)	(2.11)	(2.11)	(2.11)	0.00
Deferred Rate Synch. Costs	38.39	(3.84)	(3.84)	30.72	(4.39)	(4.39)	(4.39)	(4.39)	(4.39)	(4.39)	(4.39)	(0.00)
BV2 Safe Leaseback Premium	9.66	0.00	0.00	9.66	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(0.00)
Deferred Employee Costs (2)	10.51	0.00	0.00	10.51	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	(1.50)	0.00
Deferred Nuclear Maintenance	7.87	0.33	(6.30)	1.90	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	(0.27)	0.00
DOE/Decort & Decon	5.71	(0.76)	(0.76)	4.19	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.00)
Other												
BV2 Training Costs	1.70	(0.06)	(0.06)	1.58	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	(0.23)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Other Regulatory Assets	<u>0.31</u>	<u>0.00</u>	<u>0.00</u>	<u>0.31</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>0.00</u>
Total Other	4.29	(0.06)	(0.06)	4.17	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.60)	(0.00)
Total Regulatory Assets per 10-K	229.63	(19.24)	(28.50)	181.89	(25.98)	(25.98)	(25.98)	(25.98)	(25.98)	(25.98)	(25.98)	0.00
Adjustments												
PV Beaver Valley Lease	170.51	(14.63)	(22.62)	133.27	(9.01)	(9.01)	(9.01)	(9.01)	(9.01)	(9.01)	(23.41)	55.80
Pre-Accrue Nuclear Outages	13.25	0.00	0.00	13.25	(1.89)	(1.89)	(1.89)	(1.89)	(1.89)	(1.89)	(1.89)	(0.00)
Gain on Sale Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.27	0.00	0.00	0.27	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
FAS 106 (2)	<u>1.46</u>	<u>0.00</u>	<u>0.00</u>	<u>1.46</u>	<u>(0.21)</u>	<u>(0.21)</u>	<u>(0.21)</u>	<u>(0.21)</u>	<u>(0.21)</u>	<u>(0.21)</u>	<u>(0.21)</u>	<u>(0.00)</u>
Total Adjustments	246.79	(17.63)	(25.62)	203.54	(19.05)	(19.05)	(19.05)	(19.05)	(19.05)	(19.05)	(33.45)	55.80
Adjusted Regulatory Assets	476.42	(36.86)	(54.12)	385.44	(45.03)	(45.03)	(45.03)	(45.03)	(45.03)	(45.03)	(59.44)	55.80
Remove outage accounting (4)		(0.33)	6.30									
FAS 109 Plant (5)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>45.38</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(6.48)</u>	<u>(0.00)</u>
Total	476.42	(37.19)	(47.82)	430.82	(51.52)	(51.52)	(51.52)	(51.52)	(51.52)	(51.52)	(65.92)	55.80
Regulatory Assets Recovered through Interest/Lease Expense												
Unamortized Debt Cost	7.94	(0.88)	(0.88)	6.17	(0.88)	(0.88)	(0.88)	(0.88)	(0.88)	(0.88)	(0.88)	(0.00)
BV2 Safe Leaseback Premium	<u>10.19</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>7.93</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>(1.13)</u>	<u>0.00</u>
Total	18.13	(2.01)	(2.01)	14.10	(2.01)	(2.01)	(2.01)	(2.01)	(2.01)	(2.01)	(2.01)	(0.00)
Total Nuclear Generation	494.55	(39.20)	(49.83)	444.92	(53.53)	(53.53)	(53.53)	(53.53)	(53.53)	(53.53)	(67.93)	55.80

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Outage accounting is reflected in the revenue requirement for the generating unit

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
Net Regulatory Assets												
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	86.07	(6.34)	(6.73)	73.00	(10.43)	(10.43)	(10.43)	(10.43)	(10.43)	(10.43)	(10.43)	0.00
Unamortized Debt Costs (1)	7.05	0.00	0.00	7.05	(1.01)	(1.01)	(1.01)	(1.01)	(1.01)	(1.01)	(1.01)	0.00
Deferred Employee Costs (2)	7.29	0.00	0.00	7.29	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	(1.04)	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	3.92	0.00	0.00	3.92	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	(0.56)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.00)</u>
Total Other	4.45	(0.10)	(0.10)	4.25	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	0.00
Total Regulatory Assets per 10-K	117.06	(6.13)	(5.83)	105.10	(15.01)	(15.01)	(15.01)	(15.01)	(15.01)	(15.01)	(15.01)	(0.00)
Adjustments												
Deferred Fuel Cost	8.66	0.00	0.00	8.66	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(1.24)	(0.00)
FAS 106 (2)	<u>1.01</u>	<u>0.00</u>	<u>0.00</u>	<u>1.01</u>	<u>(0.14)</u>	<u>(0.14)</u>	<u>(0.14)</u>	<u>(0.14)</u>	<u>(0.14)</u>	<u>(0.14)</u>	<u>(0.14)</u>	<u>0.00</u>
Total Adjustments	9.67	0.00	0.00	9.67	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	(1.38)	0.00
Total	126.73	(6.13)	(5.83)	114.78	(16.40)	(16.40)	(16.40)	(16.40)	(16.40)	(16.40)	(16.40)	(0.00)
Regulatory Assets Recovered through Interest Expense												
Unamortized Debt Cost	4.67	(0.52)	(0.52)	3.63	(0.52)	(0.52)	(0.52)	(0.52)	(0.52)	(0.52)	(0.52)	0.00
Total Fossil Generation	131.40	(6.65)	(6.35)	118.41	(16.92)	(16.92)	(16.92)	(16.92)	(16.92)	(16.92)	(16.92)	(0.00)

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

Amortization Schedule
Regulatory Assets
Generation

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
Net Regulatory Assets												
Other												
10-K Regulatory Assets												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	<u>10.59</u>	<u>0.00</u>	<u>0.00</u>	<u>10.59</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>(1.51)</u>	<u>0.00</u>
Total Adjustments	10.59	0.00	0.00	10.59	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	0.00
Total Other Regulatory Assets	10.59	0.00	0.00	10.59	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	(1.51)	0.00

Regulatory Assets @ 12/31/96
Included in Rate Base

	Trans.	Distr.	Generation (1)		Generation (2)			Total Duquesne Light
			Fossil	Nuclear	Nuclear	Fossil	Other	
10-K Regulatory Assets								
Regulatory Tax Receivable	32.66	56.52			172.66	132.29	304.94	394.12
Unamortized Debt Premium/Discount (3)	0.00	0.00	0.00	0.00	18.84	11.08	29.92	29.92
Beaver Valley 2 Lease Premium				<u>0.00</u>	<u>4.31</u>		<u>4.31</u>	<u>4.31</u>
Total Unamortized Debt Cost	0.00	0.00	0.00	0.00	23.14	11.08	34.22	34.22
Deferred Rate Synch. Costs					0.00		0.00	0.00
BV2 Sale/Leaseback Premium				0.00	16.51		16.51	16.51
Deferred Employee Costs (4)	0.00	0.00			0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance					13.46		13.46	13.46
DOE Decom & Decon					0.00		0.00	0.00
Deferred Coal Costs						12.19	12.19	12.19
Other								
Deferred Caretaker Costs						6.77	6.77	6.77
BV2 Training Costs					2.62		2.62	2.62
Low Level Rad. Waste					2.27		2.27	2.27
Coal Cost Equalization						0.32	0.32	0.32
Deferred Oxford Centre Costs	0.00	0.07			0.07	0.05	0.12	0.20
PA Deregulation Expenses	0.01	0.09			0.08	0.06	0.14	0.23
Demand Side Management	0.00	0.06			0.06	0.04	0.10	0.16
Corporate Development Project	0.00	0.04			0.04	0.03	0.07	0.11
Section 211	0.00	0.04			0.04	0.03	0.06	0.10
1996 Management Audit	0.00	0.02			0.02	0.01	0.03	0.05
Administrative & General	<u>0.00</u>	<u>0.01</u>			<u>0.01</u>	<u>0.01</u>	<u>0.01</u>	<u>0.02</u>
Total Other	<u>0.02</u>	<u>0.33</u>	<u>0.00</u>	<u>0.00</u>	<u>5.20</u>	<u>7.31</u>	<u>0.00</u>	<u>12.51</u>
Total Regulatory Assets per 10-K	32.68	56.85	0.00	0.00	230.98	162.87	0.00	393.84
Adjustments								
PV Beaver Valley Lease					0.00		0.00	0.00
Nuclear Decommissioning					0.00		0.00	0.00
Pre-Accrue Nuclear Outages					0.00		0.00	0.00
Gain on Sale/Leaseback (5)					61.13		61.13	61.13
Deferred Rate Synch. Costs (5)					0.00		0.00	0.00
Beaver Valley 2 (5)					0.17		0.17	0.17
Fossil Decommissioning						0.00	0.00	0.00
Deferred Fuel Cost						0.00	0.00	0.00
Transition Costs (6)							0.00	0.00
FAS 106 (4)(7)	<u>0.00</u>	<u>0.00</u>			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FAS 106 (4)(8)	<u>0.00</u>	<u>0.00</u>			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Adjustments	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>61.30</u>	<u>0.00</u>	<u>0.00</u>	<u>61.30</u>
Adjusted Regulatory Assets	<u>32.68</u>	<u>56.85</u>	<u>0.00</u>	<u>0.00</u>	<u>292.28</u>	<u>162.87</u>	<u>0.00</u>	<u>455.14</u>

(1) Recovered through interest and lease expense.

(2) Recovered through amortization.

(3) Allocation based on gross plant balances, 8/17 included in rate base.

(4) Allocation based on labor costs.

(5) Shown as deferred tax assets in 1996 Form 10-K.

(6) Item is included in rate base beginning 1/1/99.

(7) FAS 106 with amortization schedule ending 2002, included in non-production expense

(8) FAS 106 with amortization schedule ending 2012, PV @ 1999

Allocation Percentages	Trans.	Distr.	Fossil	Nuclear	Total
Labor Costs	2.37%	37.47%	24.65%	35.51%	100.00%
Gross Plant	7.59%	31.94%	22.40%	38.07%	100.00%

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Total Generation												
10-K Regulatory Assets												
Regulatory Tax Receivable	304.94	(31.55)	(36.91)	236.48	(33.78)	(33.78)	(33.78)	(33.78)	(33.78)	(33.78)	(33.78)	(0.00)
Unamortized Debt Costs (1)	34.22	0.00	0.00	34.22	(4.89)	(4.89)	(4.89)	(4.89)	(4.89)	(4.89)	(4.89)	(0.00)
Deferred Rate Synch. Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BV2 Sale Leaseback Premium	16.51	0.00	0.00	16.51	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	13.46	0.56	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom. & Decon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.53</u>	<u>0.00</u>	<u>0.00</u>	<u>0.53</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>(0.08)</u>	<u>0.00</u>
Total Other	12.51	(0.20)	(0.20)	12.11	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	(1.73)	0.00
Total Regulatory Assets per 10-K	393.84	(30.88)	(46.89)	316.07	(45.15)	(45.15)	(45.15)	(45.15)	(45.15)	(45.15)	(45.15)	(0.00)
Adjustments												
PV Beaver Valley Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nuclear Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre-Accrue Nuclear Outages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Sale Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Fossil Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.00)
Deferred Fuel Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transition Costs (4)	0.00	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
FAS 106 (2)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Adjustments	61.30	(3.00)	(3.00)	73.40	(10.49)	(10.49)	(10.49)	(10.49)	(10.49)	(10.49)	(10.49)	0.00
Adjusted Regulatory Assets	455.14	(33.88)	(49.89)	389.47	(55.64)	(55.64)	(55.64)	(55.64)	(55.64)	(55.64)	(55.64)	(0.00)
FAS 109 Plant (5)	<u>0</u>	<u>0.00</u>	<u>0.00</u>	<u>62.94</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>62.67</u>
Total Generation	455.14	(33.88)	(49.89)	452.41	(55.68)	(55.68)	(55.68)	(55.68)	(55.68)	(55.68)	(55.68)	62.67

(1) Allocation based on gross plant balances

(2) Allocation based on labor costs

(3) Shown as deferred tax assets in 1996 Form 10-K

(4) Included in rate base beginning 1/1/99

(5) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	Net Balance <u>12/31/2005</u>
Nuclear Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	172.66	(21.85)	(26.36)	124.44	(17.78)	(17.78)	(17.78)	(17.78)	(17.78)	(17.78)	(17.78)	(0.00)
Unamortized Debt Premium Discount (1)	18.84	0.00	0.00	18.84	(2.69)	(2.69)	(2.69)	(2.69)	(2.69)	(2.69)	(2.69)	0.00
Beaver Valley 2 Lease Premium	<u>4.31</u>	<u>0.00</u>	<u>0.00</u>	<u>4.31</u>	<u>(0.62)</u>	<u>(0.62)</u>	<u>(0.62)</u>	<u>(0.62)</u>	<u>(0.62)</u>	<u>(0.62)</u>	<u>(0.62)</u>	<u>(0.00)</u>
Total Unamortized Debt Cost	23.14	0.00	0.00	23.14	(3.31)	(3.31)	(3.31)	(3.31)	(3.31)	(3.31)	(3.31)	0.00
Deferred Rate Synch. Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BV2 Sale-Leaseback Premium	16.51	0.00	0.00	16.51	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	(2.36)	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Nuclear Maintenance	13.46	0.56	(10.77)	3.25	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.46)	(0.00)
DOE Decom. & Decon	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other												
BV2 Training Costs	2.62	(0.10)	(0.10)	2.42	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	(0.35)	0.00
Low Level Rad. Waste	2.27	0.00	0.00	2.27	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	(0.32)	0.00
Other Regulatory Assets	<u>0.31</u>	<u>0.00</u>	<u>0.00</u>	<u>0.31</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>(0.04)</u>	<u>0.00</u>
Total Other	5.20	(0.10)	(0.10)	5.00	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.71)	(0.00)
Total Regulatory Assets per 10-K	230.98	(21.40)	(37.24)	172.34	(24.62)	(24.62)	(24.62)	(24.62)	(24.62)	(24.62)	(24.62)	(0.00)
Adjustments												
PV Beaver Valley Lease	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nuclear Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre-Accrue Nuclear Outages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gain on Sale Leaseback (3)	61.13	(3.00)	(3.00)	55.13	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	(7.88)	0.00
Deferred Rate Synch. Costs (3)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Beaver Valley 2 (3)	0.17	0.00	0.00	0.17	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.00)
FAS 106 (2)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Adjustments	61.30	(3.00)	(3.00)	55.30	(7.90)	(7.90)	(7.90)	(7.90)	(7.90)	(7.90)	(7.90)	(0.00)
Adjusted Regulatory Assets	292.28	(24.40)	(40.24)	227.64	(32.52)	(32.52)	(32.52)	(32.52)	(32.52)	(32.52)	(32.52)	0.00
FAS 109 Plant (4)	0.00	0.00	0.00	62.94	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)	62.67
Total Nuclear Generation	292.28	(24.40)	(40.24)	290.58	(32.56)	(32.56)	(32.56)	(32.56)	(32.56)	(32.56)	(32.56)	62.67

(1) Allocation based on gross plant balances
 (2) Allocation based on labor costs
 (3) Shown as deferred tax assets in 1996 Form 10-K
 (4) FAS 109 allocated to plant is reflected in the generating plant balance through 12/31/98

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance 12/31/2005</u>
Fossil Related												
10-K Regulatory Assets												
Regulatory Tax Receivable	132.29	(9.70)	(10.55)	112.04	(16.01)	(16.01)	(16.01)	(16.01)	(16.01)	(16.01)	(16.01)	(0.00)
Unamortized Debt Costs (1)	11.08	0.00	0.00	11.08	(1.58)	(1.58)	(1.58)	(1.58)	(1.58)	(1.58)	(1.58)	0.00
Deferred Employee Costs (2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Coal Costs	12.19	0.31	1.00	13.50	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	(1.93)	0.00
Other												
Deferred Caretaker Costs	6.77	0.00	0.00	6.77	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	(0.97)	0.00
Coal Cost Equalization	0.32	(0.10)	(0.10)	0.12	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)	0.00
Other Regulatory Assets	<u>0.22</u>	<u>0.00</u>	<u>0.00</u>	<u>0.22</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>(0.00)</u>
Total Other	7.31	(0.10)	(0.10)	7.11	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	(1.02)	0.00
Total Regulatory Assets per 10-K	162.87	(9.49)	(9.65)	143.73	(20.53)	(20.53)	(20.53)	(20.53)	(20.53)	(20.53)	(20.53)	(0.00)
Adjustments												
Fossil Decommissioning	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Fuel Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FAS 106 (2)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Adjustments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fossil Generation	162.87	(9.49)	(9.65)	143.73	(20.53)	(20.53)	(20.53)	(20.53)	(20.53)	(20.53)	(20.53)	(0.00)

(1) Allocation based on gross plant balances.

(2) Allocation based on labor costs.

Amortization Schedule

Generation Regulatory Assets Included in Rate Base

	Actual Year - End <u>1996</u>	Estimated Change <u>1997</u>	Estimated Change <u>1998</u>	Estimated Year - End <u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>Net Balance</u> <u>12/31/2005</u>
<u>Other</u>												
10-K Regulatory Assets												
Total Regulatory Assets per 10-K	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Adjustments												
Transition Costs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>18.10</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>(2.59)</u>	<u>0.00</u>
Total Adjustments	0.00	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00
Total Other	0.00	0.00	0.00	18.10	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	(2.59)	0.00

Duquesne Light Company

Committed Generation Related Depreciation and Amortization
1999 - 2005
(\$ Millions)

1999	198.5
2000	268.5
2001	274.5
2002	283.6
2003	268.9
2004	265.4
2005	<u>222.5</u>
	<u>1,781.9</u>

DUQUESNE LIGHT COMPANY

Fossil and Nuclear Plant Decommissioning Estimates

\$ in Millions

	<u>Decomm.</u> <u>Cost</u>	<u>NPV @</u> <u>12/31/05</u>	<u>Funding</u> <u>Level</u>	<u>(Under)/Over</u> <u>Funding</u>
Elrama	43.41	35.05	0.00	(35.05)
Cheswick	59.39	23.59	0.00	(23.59)
Eastlake	14.11	7.03	0.00	(7.03)
Sammis	14.99	8.01	0.00	(8.01)
Brunot Island	28.63	13.87	0.00	(13.87)
Phillips	11.76	9.49	0.00	(9.49)
Mansfield 1	33.42	12.60	0.00	(12.60)
Mansfield 2	2.54	0.89	0.00	(0.89)
Mansfield 3	8.35	2.33	0.00	(2.33)
Total Fossil	\$216.59	\$112.85	\$0.00	(\$112.85)
Beaver Valley 1	587.68	110.45	110.45	(0.00)
Beaver Valley 2	198.74	31.17	22.63	(8.54)
Perry	342.64	53.74	42.71	(11.03)
Total Nuclear	\$1,129.06	\$195.36	\$175.79	(\$19.57)
Total Generation	\$1,345.65	\$308.21	\$175.79	(\$132.42)

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DUQUESNE LIGHT COMPANY

Detail of Fossil Decommissioning

\$ in Millions

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	Total	NPV @ 2006	
Elrama - Year 1	4,918	4,918	4,918	4,918	4,918																	24,589	20,496	
Elrama - Year 2		3,765	3,765	3,765	3,765	3,765																	18,824	14,551
Elrama - Year 3			0,000	0,000	0,000	0,000	0,000																0,000	0,000
Total Elrama	4,918	8,683	8,683	8,683	8,683	3,765	0,000															43,414	35,048	
Cheswick - Year 1									4,504	4,504	4,504	4,504	4,504										22,522	9,525
Cheswick - Year 2										4,608	4,608	4,608	4,608	4,608									23,041	9,037
Cheswick - Year 3										2,764	2,764	2,764	2,764	2,764	2,764								13,822	5,028
Total Cheswick									4,504	9,113	11,877	11,877	11,877	11,877	7,373	2,764						59,385	23,590	
Eastlake - Year 1						0,995	0,995	0,995	0,995	0,995	0,995												4,976	2,639
Eastlake - Year 2						1,290	1,290	1,290	1,290	1,290	1,290	1,290											6,450	3,172
Eastlake - Year 3							0,536	0,536	0,536	0,536	0,536	0,536	0,536										2,681	1,223
Total Eastlake						0,995	2,285	2,821	2,821	2,821	2,821	1,826	0,536									14,107	7,033	
Sammis - Year 1						0,973	0,973	0,973	0,973	0,973													4,863	2,781
Sammis - Year 2						1,262	1,262	1,262	1,262	1,262	1,262												6,312	3,347
Sammis - Year 3							0,764	0,764	0,764	0,764	0,764	0,764											3,818	1,878
Total Sammis						0,973	2,235	2,999	2,999	2,999	2,026	0,764										14,993	8,005	
Brunot Island - Year 1								4,569	4,569	4,569	4,569	4,569											22,843	11,233
Brunot Island - Year 2									1,157	1,157	1,157	1,157	1,157										5,786	2,639
Brunot Island - Year 3										0,000	0,000	0,000	0,000	0,000									0,000	0,000
Total Brunot Island								4,569	5,726	5,726	5,726	5,726	1,157	0,000								28,629	13,872	
Phillips - Year 1	1,332	1,332	1,332	1,332	1,332																		6,659	5,551
Phillips - Year 2		1,020	1,020	1,020	1,020	1,020																	5,098	3,941
Phillips - Year 3			0,000	0,000	0,000	0,000	0,000																0,000	0,000
Total Phillips	1,332	2,351	2,351	2,351	2,351	1,020	0,000															11,757	9,492	
Mansfield 1 - Year 1										3,104	3,104	3,104	3,104	3,104									15,522	6,088
Mansfield 1 - Year 2											3,579	3,579	3,579	3,579	3,579								17,897	6,510
Mansfield 1 - Year 3											0,000	0,000	0,000	0,000	0,000	0,000							0,000	0,000
Total Mansfield 1										3,104	6,684	6,684	6,684	6,684	6,684	3,579	0,000					33,418	12,598	
Mansfield 2 - Year 1											0,236	0,236	0,236	0,236	0,236								1,181	0,430
Mansfield 2 - Year 2												0,272	0,272	0,272	0,272	0,272							1,362	0,459
Mansfield 2 - Year 3												0,000	0,000	0,000	0,000	0,000	0,000					0,000	0,000	
Total Mansfield 2											0,236	0,509	0,509	0,509	0,509	0,272	0,000					2,543	0,889	
Mansfield 3 - Year 1															0,775	0,775	0,775	0,775	0,775				3,876	1,125
Mansfield 3 - Year 2															0,894	0,894	0,894	0,894	0,894	0,894			4,469	1,202
Mansfield 3 - Year 3															0,000	0,000	0,000	0,000	0,000	0,000	0,000		0,000	0,000
Total Mansfield 3															0,775	1,669	1,669	1,669	1,669	0,894	0,000	8,346	2,327	

\$216,593

\$112,853

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DUQUESNE LIGHT COMPANY

Detail of Projected Nuclear Decommissioning Trust Fund Activity

\$ in Millions

	1997	1998	1999	2000	2001	2002	2003	2004	2005	Required	Funding
	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	Balance	(Over)/ Under
After-Tax Interest Rate	7.5%										
Beaver Valley 1											
Trust Fund Beginning Balance	24.029	31.543	39.621	48.305	57.640	67.676	78.464	90.061	102.528		
Interest on Balance	1.802	2.366	2.972	3.623	4.323	5.076	5.885	6.755	7.690		
Contribution	5.509	5.509	5.509	5.509	5.509	5.509	5.509	5.509	0.224		
Interest on Contribution	0.203	0.203	0.203	0.203	0.203	0.203	0.203	0.203	0.008		
End of Year Fund Balance	<u>31.543</u>	<u>39.621</u>	<u>48.305</u>	<u>57.640</u>	<u>67.676</u>	<u>78.464</u>	<u>90.061</u>	<u>102.528</u>	<u>110.450</u>	110.450	0.000
Beaver Valley 2											
Trust Fund Beginning Balance	5.099	6.533	8.074	9.731	11.512	13.426	15.485	17.697	20.076		
Interest on Balance	0.382	0.490	0.606	0.730	0.863	1.007	1.161	1.327	1.506		
Contribution	1.014	1.014	1.014	1.014	1.014	1.014	1.014	1.014	1.014		
Interest on Contribution	0.037	0.037	0.037	0.037	0.037	0.037	0.037	0.037	0.037		
End of Year Fund Balance	<u>6.533</u>	<u>8.074</u>	<u>9.731</u>	<u>11.512</u>	<u>13.426</u>	<u>15.485</u>	<u>17.697</u>	<u>20.076</u>	<u>22.633</u>	31.170	8.537
Perry											
Trust Fund Beginning Balance	4.611	7.278	10.145	13.227	16.540	20.102	23.930	28.046	32.471		
Interest on Balance	0.346	0.546	0.761	0.992	1.240	1.508	1.795	2.103	2.435		
Contribution	2.239	2.239	2.239	2.239	2.239	2.239	2.239	2.239	7.524		
Interest on Contribution	0.082	0.082	0.082	0.082	0.082	0.082	0.082	0.082	0.277		
End of Year Fund Balance	<u>7.278</u>	<u>10.145</u>	<u>13.227</u>	<u>16.540</u>	<u>20.102</u>	<u>23.930</u>	<u>28.046</u>	<u>32.471</u>	<u>42.707</u>	53.739	11.032
Total											
Trust Fund Beginning Balance	33.739	45.354	57.840	71.263	85.692	101.204	117.879	135.805	155.075		
Interest on Balance	2.530	3.402	4.338	5.345	6.427	7.590	8.841	10.185	11.631		
Contribution	8.762	8.762	8.762	8.762	8.762	8.762	8.762	8.762	8.762		
Interest on Contribution	0.323	0.323	0.323	0.323	0.323	0.323	0.323	0.323	0.323		
End of Year Fund Balance	<u>45.354</u>	<u>57.840</u>	<u>71.263</u>	<u>85.692</u>	<u>101.204</u>	<u>117.879</u>	<u>135.805</u>	<u>155.075</u>	<u>175.790</u>	\$195.359	\$19.569

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DUQUESNE LIGHT COMPANY

Detail of Nuclear Decommissioning Costs

\$ in Millions

		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>
Beaver Valley 1 (1997 CAPCOS)		27,464	18,673	3,813	3,813	3,823	3,813	3,813	3,813	3,823	3,813	3,813	3,206	2,810	18,691
Beaver Valley 1 (1997 DLCS)	47.50%	13,045	8,869	1,811	1,811	1,816	1,811	1,811	1,811	1,816	1,811	1,811	1,523	1,335	8,878
Inflation factor (4%)		2,107	2,191	2,279	2,370	2,465	2,563	2,666	2,772	2,883	2,999	3,119	3,243	3,373	3,508
Cash Expenditures		27,485	19,434	4,127	4,292	4,476	4,642	4,828	5,021	5,236	5,431	5,648	4,940	4,502	31,145
Discount factor (to 2005, 7.5%)		2,137	2,297	2,469	2,655	2,854	3,068	3,298	3,545	3,811	4,097	4,404	4,735	5,090	5,471
Amt Required (2005 DLCS)		12,862	8,460	1,671	1,617	1,568	1,513	1,464	1,416	1,374	1,326	1,282	1,043	0,884	5,692
<hr/>															
Beaver Valley 2 (1997 CAPCOS)													25,489	48,963	56,753
Beaver Valley 2 (1997 DLCS)	13.74%												3,502	6,728	7,798
Inflation factor (4%)													3,243	3,373	3,508
Cash Expenditures													11,359	22,693	27,355
Discount factor (to 2005, 7.5%)													4,735	5,090	5,471
Amt Required (2005 DLCS)													2,399	4,459	5,000
<hr/>															
Perry (1997 CAPCOS)													43,946	84,417	97,847
Perry (1997 DLCS)	13.74%												6,038	11,599	13,444
Inflation factor (4%)													3,243	3,373	3,508
Cash Expenditures													19,584	39,125	47,163
Discount factor (to 2005, 7.5%)													4,735	5,090	5,471
Amt Required (2005 DLCS)													4,136	7,687	8,620

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DUQUESNE LIGHT

Detail of Nuclear Decommissioning Costs

\$ in Millions

	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>2042</u>	<u>2043</u>	<u>Total</u>	
Beaver Valley 1 (1997 CAPCOS)	42.688	65.805	65.718	52.785	14.326	4.160										350.661
Beaver Valley 1 (1997 DLCS)	20.277	31.257	31.216	25.073	6.805	1.976										
Inflation factor (4%)	3.648	3.794	3.946	4.104	4.268	4.439										
Cash Expenditures	73.978	118.600	123.182	102.897	29.044	8.772										587.679
Discount factor (to 2005, 7.5%)	5.882	6.323	6.797	7.307	7.855	8.444										
Amt Required (2005 DLCS)	12.578	18.757	18.123	14.082	3.698	1.039										110.450
Beaver Valley 2 (1997 CAPCOS)	53.143	49.267	51.701	30.167	25.320	16.805	1.598	1.593	1.593	1.593	1.598	1.593	1.593	8.238		377.009
Beaver Valley 2 (1997 DLCS)	7.302	6.769	7.104	4.145	3.479	2.309	0.220	0.219	0.219	0.219	0.220	0.219	0.219	1.132		
Inflation factor (4%)	3.648	3.794	3.946	4.104	4.268	4.439	4.616	4.801	4.993	5.193	5.400	5.617	5.841	6.075		
Cash Expenditures	26.640	25.685	28.032	17.010	14.849	10.249	1.013	1.051	1.093	1.137	1.186	1.230	1.279	6.876		198.737
Discount factor (to 2005, 7.5%)	5.882	6.323	6.797	7.307	7.855	8.444	9.077	9.758	10.490	11.277	12.122	13.032	14.009	15.060		
Amt Required (2005 DLCS)	4.529	4.062	4.124	2.328	1.890	1.214	0.112	0.108	0.104	0.101	0.098	0.094	0.091	0.457		31.170
Perry (1997 CAPCOS)	91.624	84.942	89.137	52.010	43.655	28.973	2.755	2.747	2.747	2.747	2.755	2.747	2.747	14.203		650.000
Perry (1997 DLCS)	12.589	11.671	12.247	7.146	5.998	3.981	0.378	0.377	0.377	0.377	0.378	0.377	0.377	1.952		
Inflation factor (4%)	3.648	3.794	3.946	4.104	4.268	4.439	4.616	4.801	4.993	5.193	5.400	5.617	5.841	6.075		
Cash Expenditures	45.930	44.283	48.330	29.328	25.601	17.670	1.747	1.812	1.885	1.960	2.044	2.120	2.205	11.855		342.642
Discount factor (to 2005, 7.5%)	5.882	6.323	6.797	7.307	7.855	8.444	9.077	9.758	10.490	11.277	12.122	13.032	14.009	15.060		
Amt Required (2005 DLCS)	7.809	7.004	7.110	4.014	3.259	2.093	0.192	0.186	0.180	0.174	0.169	0.163	0.157	0.787		53.739

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(J) Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Cheswick									
Off-system Sales Revenue	3.5	3.7	9.8	10.2	10.2	11.4	9.6	10.2	3.9
Revenue from Customers	90.3	91.8	108.7	113.9	118.7	127.9	134.5	137.0	167.8
Total Revenue	93.8	95.6	118.5	124.0	128.9	139.3	144.2	147.2	171.7
Operating Expenses									
Fuel	39.9	36.8	45.9	48.1	47.2	52.8	52.9	48.7	59.5
Emissions	0.7	0.2	5.9	6.2	8.8	10.8	11.0	9.3	13.4
Non Fuel O&M (production)	11.0	24.6	15.8	14.9	16.8	16.8	15.6	28.6	18.1
Outage Accounting	2.7	(10.9)	2.2	2.2	2.2	2.2	2.2	(13.0)	3.1
Non-production Expenses	10.1	13.5	12.2	14.8	14.5	15.6	18.0	22.3	18.4
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.7	9.7	9.9	10.1	10.0	10.3	11.8	15.5	15.9
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.0	4.0	4.8	5.0	5.2	5.6	5.9	6.0	7.4
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.3	1.3	1.3	1.3	1.4	1.3	1.3	1.3	1.4
Current Taxes	7.4	1.8	11.2	11.6	13.5	14.9	15.9	10.2	20.3
Deferred Taxes	(3.0)	2.7	(2.7)	(2.7)	(2.8)	(3.0)	(3.3)	2.3	(4.0)
ITC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total Operating Expenses	83.5	84.2	107.2	112.2	117.4	128.1	131.9	131.9	154.2
Operating Income	10.3	11.3	11.3	11.8	11.5	11.2	12.2	15.3	17.6
Interest Expense	4.6	5.0	5.0	5.3	5.1	5.0	5.4	6.8	7.8
Net Income	5.7	6.3	6.3	6.6	6.4	6.2	6.8	8.5	9.7
Preferred Return	0.8	0.9	0.9	0.9	0.9	0.8	0.9	1.2	1.3
Income Available for Equity Return	4.9	5.4	5.4	5.7	5.5	5.4	5.9	7.4	8.4
Operating Income	10.3	11.3	11.3	11.8	11.5	11.2	12.2	15.3	17.6
Rate Base	106.9	117.9	118.1	122.9	119.3	116.3	127.5	159.6	182.7
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	42.8	47.3	47.3	49.3	47.8	46.6	51.1	64.0	73.2
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Cheswick										
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	174.3	175.3	189.8	190.2	177.3	209.8	208.1	209.2	221.2	4.5
Total Revenue	174.3	175.3	189.8	190.2	177.3	209.8	208.1	209.2	221.2	4.5
Operating Expenses										
Fuel	62.7	61.8	69.8	72.0	66.3	81.0	80.5	80.0	89.5	0.0
Emissions	14.4	14.4	17.2	17.0	14.3	20.3	20.6	20.2	23.8	0.0
Non Fuel O&M (production)	16.9	19.1	19.4	18.1	31.3	20.8	19.6	22.0	22.3	0.0
Outage Accounting	3.1	3.1	3.1	3.1	(17.0)	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	16.8	17.4	18.7	19.1	21.6	21.4	22.2	23.5	24.5	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.5
Book Depreciation	17.5	18.2	18.9	19.9	22.9	24.1	25.2	26.2	32.5	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	7.7	7.7	8.4	8.4	7.8	9.2	9.2	9.2	9.7	0.2
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.0
Other Taxes	1.4	1.4	1.4	1.3	1.4	1.4	1.4	1.5	1.4	0.0
Current Taxes	19.1	19.1	21.1	21.0	11.7	23.2	23.0	22.6	24.7	(0.1)
Deferred Taxes	(2.5)	(2.9)	(3.3)	(3.8)	3.4	(4.2)	(4.5)	(5.1)	(7.9)	0.0
TTC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)
Total Operating Expenses	157.8	159.9	175.4	176.9	164.3	198.0	197.9	200.8	221.2	4.5
Operating Income	16.5	15.5	14.4	13.3	12.9	11.9	10.2	8.4	(0.0)	(0.0)
Interest Expense	7.4	6.9	6.4	5.9	5.8	5.3	4.6	3.7	(0.0)	(0.0)
Net Income	9.2	8.6	8.0	7.4	7.2	6.6	5.7	4.7	(0.0)	(0.0)
Preferred Return	1.2	1.2	1.1	1.0	1.0	0.9	0.8	0.6	(0.0)	(0.0)
Income Available for Equity Return	7.9	7.4	6.9	6.4	6.2	5.7	4.9	4.0	(0.0)	(0.0)
Operating Income	16.5	15.5	14.4	13.3	12.9	11.9	10.2	8.4	0.0	0.0
Rate Base	172.0	160.9	150.1	138.9	134.7	123.6	106.6	87.4	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	68.9	64.5	60.2	55.7	54.0	49.6	42.7	35.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Cheswick											
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	9.5	12.4	12.4	12.4	7.7	2.9	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total Revenue	9.5	12.4	12.4	12.4	7.7	2.9	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Expenses											
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	9.1	11.9	11.9	11.9	7.4	2.8	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.4	0.5	0.5	0.5	0.3	0.1	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	9.5	12.4	12.4	12.4	7.7	2.9	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Preferred Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income Available for Equity Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

(J) Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Elrama									
Off-system Sales Revenue	2.7	2.9	6.8	7.0	7.4	8.0	6.2	8.5	0.0
Revenue from Customers	94.6	104.4	105.8	107.3	108.0	111.3	107.1	113.2	12.3
Total Revenue	97.3	107.3	112.6	114.3	115.4	119.3	113.3	121.7	12.3
Operating Expenses									
Fuel	34.8	41.1	38.1	37.6	38.7	42.0	39.1	45.2	0.0
Emissions	0.0	0.0	6.5	7.0	6.3	7.3	6.1	8.1	0.0
Non Fuel O&M (production)	17.8	16.7	22.8	20.8	20.3	20.4	23.6	21.3	0.0
Outage Accounting	(0.7)	1.7	(2.8)	(1.0)	0.5	0.5	(2.9)	0.0	0.0
Non-production Expenses	11.1	11.6	12.0	13.4	13.2	13.2	12.8	13.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	14.7	16.2	17.1	18.1	19.0	19.8	20.5	21.5	12.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.2	4.6	4.7	4.7	4.8	4.9	4.7	5.0	0.5
Property Taxes	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.0
Other Taxes	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	0.0
Current Taxes	7.4	8.7	7.0	8.0	8.7	8.7	7.1	8.3	2.7
Deferred Taxes	(3.6)	(4.9)	(3.5)	(4.7)	(5.7)	(6.1)	(5.0)	(6.7)	(3.0)
ITC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)
Total Operating Expenses	87.4	97.3	103.3	105.5	107.3	112.3	107.6	117.2	12.3
Operating Income	9.9	9.9	9.2	8.8	8.1	7.0	5.7	4.4	0.0
Interest Expense	4.4	4.4	4.1	3.9	3.6	3.1	2.6	2.0	0.0
Net Income	5.5	5.5	5.1	4.9	4.5	3.9	3.2	2.5	0.0
Preferred Return	0.7	0.7	0.7	0.7	0.6	0.5	0.4	0.3	0.0
Income Available for Equity Return	4.8	4.8	4.4	4.2	3.9	3.4	2.8	2.1	0.0
Operating Income	9.9	9.9	9.2	8.8	8.1	7.0	5.7	4.4	0.0
Rate Base	103.5	103.3	96.1	91.9	84.1	72.9	59.7	46.1	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	41.5	41.4	38.5	36.8	33.7	29.2	23.9	18.5	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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Elrama										
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	5.1	9.1	9.1	9.1	9.1	3.9	0.0	0.0	0.0	0.0
Total Revenue	5.1	9.1	9.1	9.1	9.1	3.9	0.0	0.0	0.0	0.0
Operating Expenses										
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	4.9	8.7	8.7	8.7	8.7	3.8	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.2	0.4	0.4	0.4	0.4	0.2	0.0	0.0	0.0	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	5.1	9.1	9.1	9.1	9.1	3.9	0.0	0.0	0.0	0.0
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Elrama											
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenses											
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
IFC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(J) Revenue Requirements Forecast

Fossil Generation

(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Brunot Island									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	6.0	5.7	6.0	5.6	5.4	5.2	5.1	6.7	5.8
Total Revenue	6.1	5.7	6.0	5.6	5.4	5.2	5.1	6.7	5.8
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.7	0.4	0.6	0.6	0.6	0.6	0.7	0.7	0.7
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.5	0.4	0.5	0.3	0.3	0.3	0.3	1.0	0.3
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	2.0	2.0	2.1	2.0	1.9	1.9	1.9	2.3	2.3
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.3	0.2	0.2	0.2	0.2	0.3	0.3
Property Taxes	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.3	1.3	1.3	1.2	1.1	1.1	1.1	1.3	1.2
Deferred Taxes	(0.7)	(0.6)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)
ITC Amortization	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total Operating Expenses	4.4	4.0	4.3	4.0	3.9	3.8	3.8	5.1	4.4
Operating Income	1.7	1.7	1.7	1.6	1.5	1.4	1.3	1.5	1.4
Interest Expense	0.8	0.8	0.8	0.7	0.7	0.6	0.6	0.7	0.6
Net Income	0.9	0.9	1.0	0.9	0.8	0.8	0.7	0.9	0.8
Preferred Return	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Income Available for Equity Return	0.8	0.8	0.8	0.8	0.7	0.7	0.6	0.7	0.7
Operating Income	1.7	1.7	1.7	1.6	1.5	1.4	1.3	1.5	1.4
Rate Base	17.6	17.7	17.9	16.7	15.6	14.5	13.4	16.1	14.7
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	7.1	7.1	7.2	6.7	6.2	5.8	5.4	6.5	5.9
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Brunot Island										
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	5.9	5.7	5.5	5.2	5.1	7.2	0.7	4.8	6.0	6.0
Total Revenue	5.9	5.7	5.5	5.2	5.1	7.2	0.7	4.8	6.0	6.0
Operating Expenses										
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.7	0.7	0.7	0.8	0.8	0.8	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.3	0.3	0.3	0.3	0.3	0.3	0.1	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.6	5.7	5.7
Book Depreciation	2.6	2.7	2.7	2.6	2.6	5.7	0.1	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.2	0.2	0.2	0.3	0.0	0.2	0.3	0.3
Property Taxes	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.3	1.2	1.2	1.1	1.1	2.0	0.1	(0.0)	(0.0)	(0.0)
Deferred Taxes	(0.8)	(0.8)	(0.9)	(0.8)	(0.9)	(2.1)	0.0	0.0	0.0	0.0
ITC Amortization	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	0.0	0.0	0.0	0.0
Total Operating Expenses	4.6	4.6	4.6	4.4	4.4	7.2	0.7	4.8	6.0	6.0
Operating Income	1.3	1.1	0.9	0.8	0.6	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	0.6	0.5	0.4	0.4	0.3	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Income	0.7	0.6	0.5	0.4	0.4	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Preferred Return	0.1	0.1	0.1	0.1	0.0	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income Available for Equity Return	0.6	0.5	0.5	0.4	0.3	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	1.3	1.1	0.9	0.8	0.6	0.0	0.0	0.0	0.0	0.0
Rate Base	13.0	11.4	9.8	8.2	6.6	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	5.2	4.6	3.9	3.3	2.7	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Brunot Island											
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	6.0	6.0	1.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total Revenue	6.0	6.0	1.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Expenses											
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	5.7	5.7	1.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.1	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	6.0	6.0	1.2	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Preferred Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income Available for Equity Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

(J) Revenue Requirements Forecast
Fossil Generation
(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
B.I. Cold Reserve									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	30.0
Total Revenue	2.4	2.4	2.4	2.3	2.3	2.3	2.3	2.3	30.0
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	28.8
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.3
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	11.9
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(11.9)
ITC Amortization	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Total Operating Expenses	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	30.0
Operating Income	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	(0.0)
Interest Expense	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	(0.0)
Net Income	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	(0.0)
Preferred Return	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	(0.0)
Income Available for Equity Return	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	(0.0)
Operating Income	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	0.0
Rate Base	17.5	17.5	17.5	17.4	17.4	17.4	17.4	17.4	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
B.I. Cold Reserve										
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)
Total Revenue	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)
Operating Expenses										
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	0.0	0.0
Total Operating Expenses	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.0)	(0.0)
Operating Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Preferred Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income Available for Equity Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
B.1. Cold Reserve											
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Total Revenue	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Expenses											
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Preferred Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income Available for Equity Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

(J) Revenue Requirements Forecast

Fossil Generation

(Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Phillips									
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	7.2	7.7	6.7	6.6	6.6	6.6	30.1	56.3	0.1
Total Revenue	7.2	7.7	6.7	6.6	6.6	6.6	30.1	56.3	0.1
Operating Expenses									
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.5	1.0	0.0	0.0	0.0	0.0	24.4	53.6	0.4
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.3	0.3	0.3	0.3	0.3	0.3	1.3	2.5	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	1.7	1.9	1.5	1.6	1.6	1.6	11.2	22.2	(0.0)
Deferred Taxes	0.1	(0.1)	0.2	0.2	0.1	0.1	(10.0)	(22.2)	(0.1)
FIC Amortization	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
Total Operating Expenses	2.4	2.9	1.9	1.9	1.9	1.8	26.7	55.9	0.1
Operating Income	4.8	4.8	4.8	4.8	4.8	4.8	3.4	0.4	(0.0)
Interest Expense	2.1	2.1	2.1	2.1	2.1	2.1	1.5	0.2	(0.0)
Net Income	2.7	2.7	2.7	2.7	2.6	2.6	1.9	0.2	(0.0)
Preferred Return	0.4	0.4	0.4	0.4	0.4	0.4	0.3	0.0	(0.0)
Income Available for Equity Return	2.3	2.3	2.3	2.3	2.3	2.3	1.6	0.2	(0.0)
Operating Income	4.8	4.8	4.8	4.8	4.8	4.8	3.4	0.4	0.0
Rate Base	50.1	50.2	50.0	49.8	49.7	49.6	35.2	3.8	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	20.1	20.1	20.0	20.0	19.9	19.9	14.1	1.5	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Phillips										
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	1.4	2.5	2.5	2.5	2.5	1.1	(0.0)	(0.0)	(0.0)	(0.0)
Total Revenue	1.4	2.5	2.5	2.5	2.5	1.1	(0.0)	(0.0)	(0.0)	(0.0)
Operating Expenses										
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	1.3	2.4	2.4	2.4	2.4	1.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	0.1	0.1	0.1	0.1	0.1	0.0	(0.0)	(0.0)	(0.0)	(0.0)
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	1.4	2.5	2.5	2.5	2.5	1.1	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest Expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Net Income	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Preferred Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Income Available for Equity Return	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Phillips											
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Expenses											
Fuel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Emissions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non Fuel O&M (production)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Outage Accounting	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-production Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Property Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Taxes	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deferred Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ITC Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest Expense	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Preferred Return	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income Available for Equity Return	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rate Base	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Rate Base	9.61%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Rate Base - Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Return on Equity	11.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

(J) Revenue Requirements Forecast
Fossil Generation
 (Revised)

Year	1997	1998	1999	2000	2001	2002	2003	2004	2005
Mansfield									
Off-system Sales Revenue	3.1	3.3	7.4	7.1	8.4	8.4	7.4	9.3	2.9
Revenue from Customers	89.9	97.6	101.6	78.0	82.9	82.0	89.6	90.7	98.9
Total Revenue	92.9	100.9	109.0	85.1	91.4	90.4	96.9	100.0	101.8
Operating Expenses									
Fuel	40.5	46.7	48.9	32.8	37.0	36.9	38.5	41.5	42.1
Emissions	0.0	0.0	5.5	5.3	6.2	6.1	6.6	7.3	7.4
Non Fuel O&M (production)	12.6	12.8	12.8	12.6	11.8	11.9	13.6	12.7	13.2
Outage Accounting	1.2	1.2	1.3	(2.7)	(0.4)	(1.1)	0.9	0.9	0.9
Non-production Expenses	9.5	10.8	11.4	10.0	10.6	10.6	11.3	11.4	12.2
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.2	8.4	8.4	8.0	7.5	7.6	7.8	8.0	8.2
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.0	4.3	4.5	3.4	3.6	3.6	3.9	4.0	4.4
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.4	1.3	1.4	1.3	1.3	1.3	1.3	1.4	1.3
Current Taxes	5.8	6.3	6.5	4.6	5.3	5.0	5.7	5.6	5.5
Deferred Taxes	(1.7)	(2.2)	(2.7)	(0.9)	(1.7)	(1.5)	(2.3)	(2.3)	(2.3)
IFC Amortization	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Total Operating Expenses	81.9	90.0	98.5	75.0	81.6	81.0	87.8	91.1	93.3
Operating Income	11.0	10.9	10.4	10.1	9.7	9.4	9.1	9.0	8.5
Interest Expense	4.9	4.8	4.6	4.5	4.3	4.2	4.1	4.0	3.8
Net Income	6.1	6.0	5.8	5.6	5.4	5.2	5.1	5.0	4.7
Preferred Return	0.8	0.8	0.8	0.8	0.7	0.7	0.7	0.7	0.6
Income Available for Equity Return	5.3	5.2	5.0	4.8	4.7	4.5	4.4	4.3	4.1
Operating Income	11.0	10.9	10.4	10.1	9.7	9.4	9.1	9.0	8.5
Rate Base	114.7	113.0	108.8	105.2	101.2	97.6	95.2	93.4	89.0
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	46.0	45.3	43.6	42.2	40.6	39.1	38.2	37.5	35.7
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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Mansfield										
Off-system Sales Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Revenue from Customers	96.1	105.3	104.0	111.8	114.0	116.3	114.7	117.1	126.4	141.2
Total Revenue	96.1	105.3	104.0	111.8	114.0	116.3	114.7	117.1	126.4	141.2
Operating Expenses										
Fuel	40.1	45.8	46.2	47.4	50.9	51.7	49.3	52.4	54.3	58.9
Emissions	6.9	8.3	8.3	8.7	9.6	9.8	9.1	9.9	10.3	11.8
Non Fuel O&M (production)	14.6	13.8	13.4	16.6	14.6	15.2	17.4	15.1	15.3	20.7
Outage Accounting	(2.1)	(0.0)	(0.6)	0.9	0.9	0.9	(1.9)	(1.4)	(1.5)	(0.1)
Non-production Expenses	10.8	11.7	11.5	12.7	12.9	13.2	14.0	14.7	14.6	17.2
Major Maintenance Expense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Decommissioning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Book Depreciation	8.4	8.5	8.6	9.0	9.1	9.4	10.1	10.4	11.0	11.4
Amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Revenue Tax	4.2	4.6	4.6	4.9	5.0	5.1	5.0	5.2	5.6	6.2
Property Taxes	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Taxes	1.4	1.4	1.4	1.4	1.5	1.4	1.5	1.5	1.5	1.5
Current Taxes	4.2	4.9	4.5	5.1	5.0	5.1	3.8	3.2	5.3	0.5
Deferred Taxes	(1.1)	(2.0)	(1.8)	(2.5)	(2.6)	(2.7)	(1.3)	(0.9)	(1.3)	3.0
ITC Amortization	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Total Operating Expenses	87.8	97.5	96.7	104.7	107.4	109.7	107.6	110.7	115.7	131.7
Operating Income	8.2	7.8	7.4	7.1	6.6	6.7	7.1	6.4	10.7	9.5
Interest Expense	3.7	3.5	3.3	3.2	2.9	3.0	3.1	2.8	4.8	4.2
Net Income	4.6	4.3	4.1	3.9	3.7	3.7	3.9	3.5	5.9	5.3
Preferred Return	0.6	0.6	0.6	0.5	0.5	0.5	0.5	0.5	0.8	0.7
Income Available for Equity Return	4.0	3.7	3.5	3.4	3.2	3.2	3.4	3.1	5.1	4.5

Operating Income	8.2	7.8	7.4	7.1	6.6	6.7	7.1	6.4	10.7	9.5
Rate Base	85.8	81.3	76.9	74.0	68.9	69.5	73.5	66.6	111.5	98.5
Return on Rate Base	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%	9.61%
Rate Base - Equity	34.4	32.6	30.8	29.6	27.6	27.8	29.4	26.7	44.7	39.5
Return on Equity	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%

Revised Karl Exhibits

Duquesne Light Company
Nuclear Plant Fuel Cost cents/ mmBtu

Year	Beaver Valley 1	Beaver Valley 2	Perry	Spent Fuel \$/ MWHr
1997	47.24	40.00	57.28	1.00
1998	41.80	38.38	43.34	1.00
1999	39.66	37.73	42.44	1.00
2000	38.12	39.30	41.58	1.00
2001	38.19	40.33	42.56	1.00
2002	39.35	39.48	42.80	1.00
2003	39.00	39.06	43.31	1.00
2004	40.05	39.84	43.69	1.00
2005	41.72	39.40	46.01	1.00
2006	42.44	40.13	46.20	1.00
2007	43.82	41.48	47.73	1.00
2008	45.29	42.78	49.28	1.00
2009	46.66	44.17	50.82	1.00
2010	48.22	45.65	52.46	1.00
2011	49.77	47.13	54.11	1.00
2012	51.33	48.61	55.85	1.00
2013	52.97	50.19	57.58	1.00
2014	54.62	51.76	59.32	1.00
2015	56.27	53.43	61.26	1.00
2016		55.09	63.09	1.00
2017		56.76	65.02	1.00
2018		58.29	66.78	1.00
2019		59.87	68.58	1.00
2020		61.48	71.43	1.00
2021		63.14	72.34	1.00
2022		64.85	74.29	1.00
2023		66.60	76.30	1.00
2024		68.40	78.36	1.00
2025		70.24	80.47	1.00
2026		72.14	82.64	1.00

Projected Unit Equivalent Availability Factors

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cheswick	67.6%	80.4%	80.8%	77.4%	84.1%	80.8%	70.8%	84.1%	80.8%	77.4%	84.1%	80.8%	70.7%	84.1%
Elrama 1	65.5%	58.5%	69.6%	69.6%	68.2%	65.4%	72.4%							
Elrama 2	66.4%	58.7%	48.0%	59.9%	58.7%	56.3%	62.3%							
Elrama 3	69.3%	52.5%	62.5%	68.8%	61.3%	62.5%	61.3%							
Elrama 4	65.7%	77.9%	70.4%	70.4%	77.9%	60.0%	73.4%							
Sammis	91.2%	82.6%	91.2%	76.6%	91.2%	84.2%	91.2%	84.2%	91.2%	76.6%	91.2%	84.2%	91.2%	
Eastlake	65.3%	79.3%	70.8%	80.0%	70.8%	70.8%	76.8%	65.7%	70.8%	80.0%	70.8%	70.8%	74.3%	67.3%
Mansfield 1	89.6%	89.6%	69.0%	89.6%	89.6%	81.0%	89.6%	89.6%	69.0%	89.6%	89.6%	81.0%	89.6%	89.6%
Mansfield 2	79.7%	92.0%	92.0%	70.8%	92.0%	92.0%	83.2%	92.0%	92.0%	70.8%	92.0%	92.0%	83.2%	92.0%
Mansfield 3	90.8%	82.1%	90.8%	90.8%	69.9%	90.8%	90.8%	82.1%	90.8%	90.8%	69.9%	90.8%	90.8%	82.1%
Perry	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%
Beaver Valley 1	94.1%	76.0%	79.9%	94.1%	79.9%	79.9%	94.1%	79.9%	79.9%	94.1%	79.9%	79.9%	94.1%	79.9%
Beaver Valley 2	83.7%	83.7%	94.1%	83.7%	83.7%	94.1%	83.8%	83.7%	94.1%	83.7%	83.8%	94.1%	83.7%	83.7%
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cheswick	80.8%	77.4%	84.1%											
Elrama 1														
Elrama 2														
Elrama 3														
Elrama 4														
Sammis														
Eastlake														
Mansfield 1	73.9%	84.7%	89.6%	89.6%										
Mansfield 2	92.0%	70.8%	92.0%	92.0%	92.0%									
Mansfield 3	90.8%	90.8%	70.9%	89.8%	90.8%	82.1%	90.8%	90.8%						
Perry	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%	93.5%	83.2%
Beaver Valley 1	79.9%	94.1%	79.9%	94.1%										
Beaver Valley 2	94.1%	83.7%	83.7%	94.1%	83.8%	83.7%	94.1%	83.7%	83.8%	94.1%	83.7%	83.7%	94.1%	83.7%

**Duquesne Light Company
Projected Annual Unit Output (GWhr)**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cheswick	3272	3608	3652	3485	3823	3733	3303	3947	4030	3866	4211	4027	3528	4200
Elrama 1	541	449	543	507	532	514	568							
Elrama 2	456	453	372	465	458	441	485							
Elrama 3	533	473	571	534	557	571	552							
Elrama 4	990	1126	1027	1015	1133	862	1122							
Sammis	1370	1206	1324	1119	1331	1250	1359	1261	1493	1236	1498	1378	1474	
Eastlake	1110	1158	1045	1172	1027	1053	1131	956	1149	1302	1151	1148	1207	1069
Mansfield 1	1580	1561	1249	1687	1695	1535	1709	1710	1377	1789	1794	1615	1789	1789
Mansfield 2	449	432	463	358	472	473	440	477	500	385	501	499	452	500
Mansfield 3	869	720	830	842	645	845	848	764	875	875	693	874	875	791
Perry	1343	1195	1347	1195	1343	1195	1346	1195	1343	1195	1346	1195	1343	1195
Beaver 1	3172	2564	2703	3172	2694	2694	3181	2694	2694	3172	2703	2694	3172	2694
Beaver 2	816	829	934	829	829	931	832	829	931	829	832	931	829	829
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cheswick	4044	3866	4163											
Elrama 1														
Elrama 2														
Elrama 3														
Elrama 4														
Sammis														
Eastlake														
Mansfield 1	1481	1691	1789	1769										
Mansfield 2	501	385	500	500	493									
Mansfield 3	877	875	683	865	877	791	875	870						
Perry	1346	1195	1343	1195	1346	1195	1343	1195	1347	1195	1343	1195	1347	1195
Beaver 1	2703	3172	2694	3137										
Beaver 2	934	829	829	931	832	829	931	829	832	931	829	829	934	829

Duquesne Light Company
Projected Annual Unit Production Cost (\$millions)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cheswick	68.0	69.4	71.9	72.9	79.8	78.9	87.6	90.3	93.4	94.9	105.5	106.7	113.7	121.5
Elrama 1	11.6	13.6	13.3	13.4	14.0	14.1	15.4							
Elrama 2	10.2	11.6	12.1	12.3	12.4	12.5	13.6							
Elrama 3	11.6	14.2	13.8	13.7	14.4	15.2	15.2							
Elrama 4	20.2	24.9	23.2	24.1	26.3	25.9	27.7							
Sammis	22.9	24.4	25.4	25.9	27.1	27.8	29.3	29.5	32.6	32.0	35.5	33.9	37.4	
Eastlake	21.6	22.5	21.7	25.1	23.6	24.4	27.7	25.8	29.0	33.8	31.9	32.6	36.5	34.5
Mansfield 1	37.7	37.7	25.9	30.1	30.9	30.3	33.6	34.7	31.7	37.6	38.2	38.2	41.3	42.7
Mansfield 2	10.5	10.3	8.1	7.5	8.5	9.1	8.5	9.6	10.0	9.1	10.5	11.4	10.4	11.8
Mansfield 3	19.3	16.9	14.5	14.8	13.2	16.3	16.5	15.5	17.5	18.2	16.5	20.2	20.0	19.1
Perry	25.3	25.9	22.4	26.1	23.6	26.9	24.7	28.3	25.9	29.7	27.3	31.2	28.8	32.9
Beaver 1	52.9	60.8	52.6	42.0	54.9	55.9	44.8	59.1	60.5	48.4	63.8	65.4	52.3	68.9
Beaver 2	17.8	16.1	12.1	14.9	15.2	12.7	15.8	16.0	13.4	16.9	17.3	14.5	18.2	18.7
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Cheswick	120.0	122.4	135.4											
Elrama 1														
Elrama 2														
Elrama 3														
Elrama 4														
Sammis														
Eastlake														
Mansfield 1	40.2	42.7	45.2	49.6										
Mansfield 2	12.1	10.5	12.4	13.8	13.6									
Mansfield 3	21.3	21.3	19.6	24.2	24.3	20.7	23.5	23.9						
Perry	30.4	34.7	32.0	36.6	33.8	38.6	35.5	40.7	37.5	41.7	37.4	41.8	37.5	41.7
Beaver 1	70.8	56.7	74.6	59.1										
Beaver 2	15.7	19.7	20.3	17.0	21.4	21.9	18.4	23.1	23.7	19.3	23.7	23.7	19.4	23.7

Revised Nelson Exhibits

Duquesne Statement No. 10
Docket No. R-00974104
Witness: Ralph Nelson
Revision 1: October 13, 1997

Revision to Direct Testimony of Ralph L. Nelson

The following exhibits have been revised to reflect more recent forecasts of non-fuel O&M and capital expenditures:

- Exhibit RLN-1 Fossil Non-Fuel O&M Expenses
- Exhibit RLN-2 Fossil Non-Fuel O&M Expenses (Constant 1996 \$)
- Exhibit RLN-5 20 year Projected Capital Expenditures
- Exhibit RLN-6 20 year Projected Capital Expenditures (Constant 1996\$)

These revisions incorporate the projections from Duquesne's operating 1998 and 1999 operating plan and also more recent forecast data obtained from Ohio Edison Company and Pennsylvania Power Company for Sammis and Mansfield Power Stations, respectively.

FOSSIL NON-FUEL O&M EXPENSES (\$ x 1000)

STATION		CHESWICK	ELRAMA	BRUNOT IS	PHILLIPS	EASTLAKE	SAMMIS	MANSFIELD	TOTAL
1993	(A)	18,191	16,753	259	117	5,313	4,498	8,912	54,043
1994	(A)	14,125	17,263	310	215	3,977	5,460	15,027	56,377
1995	(A)	16,420	18,652	327	162	5,210	6,260	12,009	59,040
1996	(A)	18,492	21,891	341	178	3,814	3,638	12,817	61,171
4 YEAR AVG	(A)	16,807	18,640	309	168	4,579	4,964	12,191	57,658
1997	(P)	14,651	20,950	425	292	4,845	4,496	12,859	58,518
1998	(P)	27,920	19,593	430	290	6,551	6,174	12,200	73,158
1999	(P)	15,830	22,772	446	300	6,830	7,421	12,845	66,444
2000	(P)	14,932	20,823	457	308	5,403	5,509	12,644	60,076
2001	(P)	16,816	20,263	468	315	5,999	8,290	11,807	63,959
2002	(P)	16,828	20,359	481	324	6,203	5,535	11,912	61,642
2003	(P)	15,618	23,595	493	332	5,893	6,785	13,630	66,345
2004	(P)	28,562	21,511	506	341	6,552	5,963	12,754	76,189
2005	(P)	18,126		520	350	7,904	7,112	13,218	47,231
2006	(P)	16,858		534		6,398	6,578	14,558	44,927
2007	(P)	19,038		549		7,108	9,677	13,812	50,184
2008	(P)	19,420		563		7,299	7,193	13,525	48,000
2009	(P)	18,173		578		6,933	6,884	16,611	49,179
2010	(P)	31,178		593		7,705	7,249	14,592	61,316
2011	(P)	20,801		609		9,303		15,157	45,870
2012	(P)	19,604		625				18,250	38,479
2013	(P)	21,961						14,337	36,298
2014	(P)	22,420						15,350	37,770
2015	(P)							20,737	20,737
2016	(P)							7,936	7,936

FOSSIL UNITS REMOVED FROM GENERATING LINEUP FOLLOWING THE END OF BOOK LIFE.

STATION	END OF BOOK LIFE
ELRAMA	2004
SAMMIS	2010
EASTLAKE	2011
BRUNOT IS	2012
CHESWICK	2014
MANSFIELD 1	2015

(A) - ACTUAL
(P) - PROJECTED

FOSSIL NON-FUEL O&M EXPENSES

(1996 CONSTANT \$ x 1000)

STATION		CHESWICK	ELRAMA	BRUNOT IS	PHILLIPS	EASTLAKE	SAMMIS	MANSFIELD	TOTAL
1993	(A)	19,475	17,936	277	125	5,688	4,816	9,541	57,858
1994	(A)	14,797	18,084	325	225	4,166	5,720	15,741	59,058
1995	(A)	16,765	19,044	334	165	5,319	6,391	12,261	60,280
1996	(A)	18,492	21,891	341	178	3,814	3,638	12,817	61,171
4 YEAR AVG	(A)	17,382	19,239	319	173	4,747	5,141	12,590	59,592
1997	(P)	14,308	20,459	415	285	4,731	4,391	12,558	57,146
1998	(P)	26,600	18,667	410	277	6,242	5,882	11,623	69,701
1999	(P)	14,714	21,167	414	279	6,349	6,898	11,940	61,760
2000	(P)	13,527	18,864	414	279	4,895	4,991	11,455	54,426
2001	(P)	14,849	17,892	414	278	5,297	7,320	10,426	56,475
2002	(P)	14,483	17,521	414	279	5,338	4,764	10,252	53,050
2003	(P)	13,087	19,772	413	278	4,938	5,686	11,422	55,597
2004	(P)	23,306	17,552	413	278	5,346	4,866	10,407	62,167
2005	(P)	14,402		413	278	6,280	5,651	10,502	37,525
2006	(P)	13,042		413		4,950	5,089	11,262	34,756
2007	(P)	14,355		414		5,359	7,297	10,414	37,839
2008	(P)	14,272		414		5,364	5,286	9,940	35,276
2009	(P)	13,017		414		4,966	4,931	11,898	35,226
2010	(P)	21,745		413		5,374	5,056	10,177	42,765
2011	(P)	14,127		413		6,318		10,293	31,151
2012	(P)	12,963		413				12,068	25,445
2013	(P)	14,141						9,231	23,372
2014	(P)	14,056						9,624	23,680
2015	(P)							12,659	12,659
2016	(P)							4,717	4,717

FOSSIL UNITS REMOVED FROM GENERATING LINEUP FOLLOWING THE END OF BOOK LIFE.

STATION	END OF BOOK LIFE
ELRAMA	2004
SAMMIS	2010
EASTLAKE	2011
BRUNOT IS	2012
CHESWICK	2014
MANSFIELD 1	2015

(A) - ACTUAL
(P) - PROJECTED

20-YEAR PROJECTED CAPITAL EXPENDITURES

(\$ X 1000)

	(A)	(A)	(A)	(A)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)	(P)			
	1994	1995	1996	AVG	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
CHESWICK																										
GEN. CAP	1,329	2,170	3,024	2,174	5,720	13,341	3,790	4,286	4,414	4,547	4,683	14,028	4,969	5,118	5,272	5,431	5,593	14,965	4,451	3,056	1,574	973				
CAAA	344	1,108	1,932	1,128	0	4,984	0	0	0	0	15,125	30,130	0	0	0	0	0	0	0	0	0	0	0	0	0	
RSW	2,074	747	1,586	1,469	2,140	5,690	1,240	7,610	60	60	60	60	70	70	70	70	80	80	80	80	90	90				
TOTAL	3,747	4,025	6,542	4,771	7,860	24,015	5,030	11,896	4,474	4,607	19,868	44,218	5,039	5,188	5,342	5,501	5,673	15,045	4,531	3,136	1,664	1,063				
ELRAMA																										
GEN. CAP	8,636	4,913	6,807	6,785	10,148	3,450	1,840	3,951	3,052	2,096	1,079	667														
CAAA	5,834	3,653	2,273	3,920	1,363	5,600	950	0	0	0	0	0														
RSW	871	538	11	473	1,505	1,790	90	4,250	2,260	270	60	0														
TOTAL	15,341	9,104	9,091	11,179	13,016	10,840	2,880	8,201	5,312	2,366	1,139	667														
BRUNOT IS																										
GEN. CAP	34	41	3	26	888	1,475	4,850	100	103	105	108	111	114	117	120	123	104	107	110	113						
CAAA	0	0	0	0	0	0	0	0	0	0	0	4,200	0	0	0	0	0	0	0	0	0					
RSW	0	0	0	0	460	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
TOTAL	34	41	3	26	1,348	1,475	4,850	100	103	105	108	4,311	114	117	120	123	104	107	110	113						
PHILLIPS																										
GEN. CAP	0	0	0	0	0	210	215																			
CAAA	0	0	0	0	0	0	0																			
RSW	465	156	9	210	401	750	0																			
TOTAL	465	156	9	210	401	960	215																			
EASTLAKE																										
GEN. CAP	652	933	32	539	656	1,813	1,330	338	222	778	1,256	3,034	3,469	2,258	526	770	764	905	621							
CAAA	88	96	2	62	1,237	37	218	100	5,040	5,100	300	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSW	196	38	73	102	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	936	1,067	107	703	1,893	1,850	1,548	438	5,262	5,878	1,556	3,034	3,469	2,258	526	770	764	905	621							
SAMMIS																										
GEN. CAP	1,582	1,671	819	1,357	1,876	211	909	55	1,370	867	1,118	291	1,279	64	3,999	321	1,412	337								
CAAA	194	46	62	101	38	38	194	0	2,078	100	100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RSW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	1,776	1,717	881	1,458	1,914	249	1,103	55	3,448	967	1,218	291	1,279	64	3,999	321	1,412	337								
MANSFIELD																										
GEN. CAP	9,378	7,774	35	5,729	1,567	4,072	1,694	2,899	780	1,668	2,877	1,062	1,796	3,098	1,143	1,935	3,338	1,232	2,083	3,493	1,326	2,245	716	1,387		
CAAA	3,853	1,144	697	1,898	75	0	0	731	200	350	0	2,900	0	0	0	0	0	0	0	0	0	0	0	0	0	
RSW	361	101	191	218	547	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL	13,592	9,019	923	7,845	2,189	4,072	1,694	3,630	980	2,018	2,877	3,962	1,796	3,098	1,143	1,935	3,338	1,232	2,083	3,493	1,326	2,245	716	1,387		
TOTAL																										
GEN. CAP	21,611	17,502	10,720	16,611	20,855	24,572	14,628	11,629	9,941	10,061	11,121	19,193	11,627	10,555	11,060	8,580	11,211	17,546	7,265	6,662	2,900	3,218	716	1,387		
CAAA	10,313	6,047	4,966	7,109	2,713	10,659	1,362	831	7,318	5,550	15,525	37,230	0	0	0	0	0	0	0	0	0	0	0	0	0	
RSW	3,967	1,580	1,870	2,472	5,053	8,230	1,330	11,860	2,320	330	120	60	70	70	70	80	80	80	80	90	90	90	90	0	0	
TOTAL	35,891	25,129	17,556	26,192	28,621	43,461	17,320	24,320	19,579	15,941	26,766	56,483	11,697	10,725	11,130	8,650	11,291	17,626	7,345	6,742	2,990	3,308	716	1,387		

20-YEAR PROJECTED CAPITAL EXPENDITURES

(CONSTANT 1996 \$ x 1000)

	(A) 1994	(A) 1995	(A) 1996	(A) AVG	(P) 1997	(P) 1998	(P) 1999	(P) 2000	(P) 2001	(P) 2002	(P) 2003	(P) 2004	(P) 2005	(P) 2006	(P) 2007	(P) 2008	(P) 2009	(P) 2010	(P) 2011	(P) 2012	(P) 2013	(P) 2014	(P) 2015	(P) 2016		
CHESWICK																										
GEN. CAP	1,392	2,216	3,024	2,211	5,586	12,711	3,523	3,883	3,898	3,913	3,924	11,448	3,949	3,959	3,975	3,991	4,006	10,437	3,023	2,021	1,013	610				
CAAA	360	1,131	1,932	1,141	0	4,748	0	0	0	0	12,675	24,585	0	0	0	0	0	0	0	0	0	0	0	0		
RSW	2,173	763	1,586	1,507	2,090	5,421	1,153	6,894	53	52	50	49	56	54	53	51	57	56	54	53	58	56				
TOTAL	3,925	4,110	6,542	4,859	7,676	22,880	4,675	10,777	3,951	3,965	16,649	36,080	4,004	4,014	4,028	4,043	4,063	10,493	3,077	2,074	1,071	666				
ELRAMA																										
GEN. CAP	9,047	5,016	6,807	6,957	9,910	3,287	1,710	3,579	2,695	1,804	904	544														
CAAA	6,111	3,730	2,273	4,038	1,331	5,335	883	0	0	0	0	0														
RSW	912	549	11	491	1,470	1,705	84	3,850	1,996	232	50	50														
TOTAL	16,070	9,295	9,091	11,486	12,711	10,328	2,677	7,430	4,690	2,036	954	544														
BRUNOT IS																										
GEN. CAP	36	42	3	27	867	1,405	4,508	91	91	90	91	91	91	91	90	90	74	75	75	75						
CAAA	0	0	0	0	0	0	0	0	0	0	0	3,427	0	0	0	0	0	0	0	0	0					
RSW	0	0	0	0	449	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
TOTAL	36	42	3	27	1,316	1,405	4,508	91	91	90	91	3,518	91	91	90	90	74	75	75	75						
PHILLIPS																										
GEN. CAP	0	0	0	0	0	200																				
CAAA	0	0	0	0	0	0																				
RSW	487	159	9	218	392	715																				
TOTAL	487	159	9	218	392	915																				
EASTLAKE																										
GEN. CAP	683	953	32	556	641	1,727	1,236	306	196	670	1,053	2,476	2,756	1,747	397	566	547	631	422							
CAAA	92	98	2	64	1,208	35	203	91	4,450	4,389	251	0	0	0	0	0	0	0	0	0						
RSW	205	39	73	106	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
TOTAL	981	1,089	107	726	1,849	1,763	1,439	397	4,646	5,059	1,304	2,476	2,756	1,747	397	566	547	631	422							
SAMMIS																										
GEN. CAP	1,657	1,706	819	1,394	1,832	201	845	50	1,210	746	937	237	1,016	50	3,015	236	1,011	235								
CAAA	203	47	62	104	37	36	180	0	1,835	86	84	0	0	0	0	0	0	0								
RSW	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0								
TOTAL	1,860	1,753	881	1,498	1,869	237	1,025	50	3,045	832	1,021	237	1,016	50	3,015	236	1,011	235								
MANSFIELD																										
GEN. CAP	9,824	7,937	35	5,932	1,530	3,880	1,575	2,626	689	1,436	2,411	867	1,427	2,397	862	1,422	2,391	859	1,415	2,021	854	1,408	437	824		
CAAA	4,036	1,168	697	1,967	73	0	0	662	177	301	0	2,366	0	0	0	0	0	0	0	0	0	0	0	0	0	
RSW	378	103	191	224	534	0	0	0	0	0	0	0	0	0	0	0	0	0	0	53	0	0	0	0		
TOTAL	14,238	9,208	923	8,123	2,037	3,880	1,575	3,288	866	1,737	2,411	3,233	1,427	2,397	862	1,753	1,980	3,347	2,180	4,956	0	2,380	0	449		
TOTAL																										
GEN. CAP	22,639	17,870	10,720	17,076	20,366	23,411	13,397	10,535	8,778	8,659	9,319	15,661	9,238	8,243	8,339	6,306	8,030	12,238	4,934	4,116	1,867	2,018	437	824		
CAAA	10,803	6,174	4,966	7,314	2,649	10,155	1,266	753	6,462	4,776	13,010	30,378	0	0	0	0	0	0	0	0	0	0	0	0		
RSW	4,155	1,613	1,070	2,546	4,935	7,841	1,236	10,745	2,049	284	101	49	56	54	53	51	57	56	54	106	58	56	0	0		
TOTAL	37,597	25,657	17,556	26,937	27,950	41,407	15,899	22,033	17,288	13,719	22,430	46,088	9,293	8,297	8,392	6,357	8,068	12,293	4,988	4,222	1,925	2,074	437	824		

Revised Duckworth Exhibits

O and M 1

Exhibit RED-1

Duquesne Light Company
Nuclear Non-Fuel O&M Costs
(millions of dollars)

Year		Beaver Valley Unit 1	Beaver Valley Unit 2	Total Beaver Valley	Perry Nuclear Power Plant	Total All Units
1992	(A)	\$77.9	\$86.0	\$163.9	\$113.2	\$277.1
1993	(A)	\$89.2	\$82.9	\$172.1	\$170.1	\$342.2
1994	(A)	\$78.7	\$64.7	\$143.4	\$170.2	\$313.6
1995	(A)	\$81.3	\$68.3	\$149.6	\$168.1	\$317.7
1996	(A)	\$75.7	\$72.5	\$148.2	\$134.2	\$282.4
3 year avg	(A)	\$78.6	\$68.5	\$147.1	\$157.5	\$304.6
3 Year Average - 2 Unit Westinghouse PWR Sites (a)				\$150.4		
1997	(P)	\$74.5	\$75.1	\$149.6	\$116.0	\$265.6
1998	(P)	\$83.5	\$82.0	\$165.5	\$116.8	\$282.3
1999	(P)	\$75.1	\$68.8	\$143.9	\$109.7	\$253.6
2000	(P)	\$62.1	\$55.0	\$117.1	\$101.0	\$218.1
2001	(P)	\$60.6	\$56.4	\$117.0	\$108.3	\$225.3
2002	(P)	\$62.5	\$57.7	\$120.2	\$108.0	\$228.2
2003	(P)	\$64.0	\$59.1	\$123.1	\$110.9	\$234.0
2004	(P)	\$65.6	\$61.0	\$126.6	\$113.9	\$240.5
2005	(P)	\$67.7	\$62.5	\$130.2	\$117.0	\$247.2
2006	(P)	\$69.4	\$64.0	\$133.4	\$120.2	\$253.6
2007	(P)	\$71.0	\$66.0	\$137.0	\$123.3	\$260.3
2008	(P)	\$73.2	\$67.6	\$140.8	\$126.5	\$267.3
2009	(P)	\$74.9	\$69.2	\$144.1	\$129.8	\$273.9
2010	(P)	\$76.7	\$71.3	\$148.0	\$133.3	\$281.3
2011	(P)	\$79.2	\$73.1	\$152.3	\$136.9	\$289.2
2012	(P)	\$81.2	\$74.9	\$156.1	\$140.6	\$296.7
2013	(P)	\$83.1	\$77.3	\$160.4	\$144.4	\$304.8
2014	(P)	\$85.8	\$79.2	\$165.0	\$148.3	\$313.3
2015	(P)	\$78.4	\$81.1	\$159.5	\$152.3	\$311.8
2016	(P)	N/A	\$83.7	\$83.7	\$156.4	\$240.1

(A) - actual

(P) - projected

(a) - source: RDI

O and M 2

Exhibit RED-2

Duquesne Light Company
Nuclear Non-Fuel O&M Costs
(millions of constant dollars)

Year		Beaver Valley Unit 1	Beaver Valley Unit 2	Total Beaver Valley	Perry Nuclear Power Plant	Total All Units
1992	(A)	\$85.6	\$94.5	\$180.1	\$124.4	\$304.5
1993	(A)	\$95.5	\$88.8	\$184.3	\$182.2	\$366.5
1994	(A)	\$82.5	\$67.8	\$150.2	\$178.3	\$328.5
1995	(A)	\$83.0	\$69.8	\$152.8	\$171.7	\$324.5
1996	(A)	\$75.7	\$72.5	\$148.2	\$134.2	\$282.4
3 year avg	(A)	\$80.4	\$70.0	\$150.4	\$161.4	\$311.8
3 Year Average - 2 Unit Westinghouse PWR Sites (a)				\$157.4		
1997	(P)	\$72.8	\$73.3	\$146.1	\$113.3	\$259.4
1998	(P)	\$79.6	\$78.1	\$157.7	\$111.3	\$269.0
1999	(P)	\$69.8	\$64.0	\$133.8	\$102.0	\$235.7
2000	(P)	\$56.3	\$49.9	\$106.2	\$91.6	\$197.8
2001	(P)	\$53.6	\$49.8	\$103.4	\$95.7	\$199.1
2002	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2003	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2004	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2005	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2006	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2007	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2008	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2009	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2010	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2011	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2012	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2013	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2014	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2015	(P)	\$51.1	\$51.0	\$102.1	\$95.5	\$197.6
2016	(P)	N/A	\$51.0	\$51.0	\$95.5	\$146.5

(A) - actual

(P) - projected

Index: 1996 = 100.0

(a) - source: RDI

Capital 1

Exhibit RED-3

Duquesne Light Company
Nuclear Capital Costs
(millions of dollars)

Year		Beaver Valley Unit 1	Beaver Valley Unit 2	Total Beaver Valley	Perry Nuclear Power Plant	Total All Units
1992	(A)	\$18.9	\$18.9	\$37.8	\$35.9	\$73.7
1993	(A)	\$19.5	\$6.0	\$25.5	\$41.0	\$66.5
1994	(A)	\$8.6	\$1.9	\$10.5	\$41.2	\$51.7
1995	(A)	\$11.1	\$4.2	\$15.3	\$24.4	\$39.7
1996	(A)	\$9.4	\$6.9	\$16.3	\$30.1	\$46.4
3 year avg	(A)	\$9.7	\$4.3	\$14.0	\$31.9	\$45.9
1996 Average - 2 Unit Westinghouse PWR Sites (a)				\$30.7		
1996 Average - 1 Unit BWR Sites (a)					\$21.4	
1997	(P)	\$14.4	\$10.7	\$25.1	\$35.3	\$60.4
1998	(P)	\$13.4	\$14.2	\$27.6	\$17.5	\$45.1
1999	(P)	\$10.9	\$13.6	\$24.5	\$25.5	\$50.0
2000	(P)	\$10.0	\$10.0	\$20.0	\$8.2	\$28.2
2001	(P)	\$10.3	\$10.3	\$20.6	\$12.6	\$33.2
2002	(P)	\$10.5	\$10.5	\$21.0	\$11.6	\$32.6
2003	(P)	\$10.8	\$10.8	\$21.6	\$13.3	\$34.9
2004	(P)	\$11.1	\$11.1	\$22.2	\$12.2	\$34.4
2005	(P)	\$11.4	\$11.4	\$22.8	\$14.0	\$36.8
2006	(P)	\$11.7	\$11.7	\$23.4	\$12.8	\$36.2
2007	(P)	\$12.0	\$12.0	\$24.0	\$14.8	\$38.8
2008	(P)	\$12.3	\$12.3	\$24.6	\$13.5	\$38.1
2009	(P)	\$12.6	\$12.6	\$25.2	\$15.5	\$40.7
2010	(P)	\$13.0	\$13.0	\$26.0	\$14.3	\$40.3
2011	(P)	\$13.3	\$13.3	\$26.6	\$16.4	\$43.0
2012	(P)	\$13.7	\$13.7	\$27.4	\$15.0	\$42.4
2013	(P)	\$14.1	\$14.1	\$28.2	\$17.3	\$45.5
2014	(P)	\$14.4	\$14.4	\$28.8	\$15.9	\$44.7
2015	(P)	\$14.8	\$14.8	\$29.6	\$18.2	\$47.8
2016	(P)	N/A	\$15.2	\$15.2	\$16.7	\$31.9

(A) - actual

(P) - projected

(a) - Source: Electric Utility Cost Comparison Group

Capital 2

Exhibit RED-4

Duquesne Light Company
Nuclear Capital Costs
(millions of constant dollars)

Year		Beaver Valley Unit 1	Beaver Valley Unit 2	Total Beaver Valley	Perry Nuclear Power Plant	Total All Units
1992	(A)	\$20.8	\$20.8	\$41.5	\$39.5	\$81.0
1993	(A)	\$20.9	\$6.4	\$27.3	\$43.9	\$71.2
1994	(A)	\$9.0	\$2.0	\$11.0	\$43.2	\$54.2
1995	(A)	\$11.3	\$4.3	\$15.6	\$24.9	\$40.5
1996	(A)	\$9.4	\$6.9	\$16.3	\$30.1	\$46.4
3 year avg	(A)	\$9.9	\$4.4	\$14.3	\$32.7	\$47.0
1996 Average - 2 Unit Westinghouse PWR Sites (a)				\$30.7		
1996 Average - 1 Unit BWR Sites (a)					\$21.4	
1997	(P)	\$14.1	\$10.4	\$24.5	\$34.5	\$59.0
1998	(P)	\$12.8	\$13.5	\$26.3	\$16.7	\$43.0
1999	(P)	\$10.1	\$12.6	\$22.8	\$23.7	\$46.5
2000	(P)	\$9.1	\$9.1	\$18.1	\$7.4	\$25.6
2001	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2002	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2003	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2004	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2005	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2006	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2007	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2008	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2009	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2010	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2011	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2012	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2013	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2014	(P)	\$9.1	\$9.1	\$18.2	\$10.3	\$28.5
2015	(P)	\$9.1	\$9.1	\$18.2	\$11.1	\$29.3
2016	(P)	N/A	\$9.1	\$9.1	\$10.3	\$19.4

(A) - actual

(P) - projected

(a) - Source: Electric Utility Cost Comparison Group

Index: 1996 = 100.0

Capacity Factors

Exhibit RED-5

Duquesne Light Company
Nuclear Capacity Factors

<u>Year</u>		<u>Beaver Valley Unit 1</u>	<u>Beaver Valley Unit 2</u>	<u>Perry Nuclear Power Plant</u>
1992	(A)	88.5%	78.4%	69.0%
1993	(A)	61.4%	72.4%	38.7%
1994	(A)	77.6%	97.8%	44.4%
1995	(A)	76.7%	84.1%	87.8%
1996	(A)	80.0%	66.2%	72.0%
3 year avg	(A)	78.1%	82.7%	68.1%
1997	(P)	84.7%	97.0%	81.5%
1998	(P)	95.4%	86.4%	95.2%
1999	(P)	78.1%	86.4%	84.5%
2000	(P)	82.4%	97.0%	95.3%
2001	(P)	97.0%	86.4%	84.4%
2002	(P)	82.4%	86.4%	95.6%
2003	(P)	82.4%	97.0%	84.4%
2004	(P)	97.0%	86.4%	95.3%
2005	(P)	82.4%	86.4%	84.4%
2006	(P)	82.4%	97.0%	95.6%
2007	(P)	97.0%	86.4%	84.4%
2008	(P)	82.4%	86.4%	95.3%
2009	(P)	82.4%	97.0%	84.4%
2010	(P)	97.0%	86.4%	95.6%
2011	(P)	82.4%	86.4%	84.4%
2012	(P)	82.4%	97.0%	95.3%
2013	(P)	97.0%	86.4%	84.4%
2014	(P)	82.4%	86.4%	95.6%
2015	(P)	81.1%	97.0%	84.4%
2016	(P)	N/A	86.4%	95.3%

(A) - actual

(P) - projected

Revisions to Schnitzer

Revision to Schnitzer Delayed Entry Calculation to Reflect Revised Exhibit DJC-3

Mr. Schnitzer's testimony (pp. 25-30) addresses the effective "ceiling" on market prices for electricity following the transition period. The range of ceiling market prices is based on the cost of entry for new construction in 2006 and beyond. Mr. Schnitzer estimates a "high" ceiling price of \$44/MWh and a "low" ceiling price of \$34/MWh in 2006, based on 2006 as the year of entry for new construction assuming such new construction is then economic. The assumptions and data underlying the estimates are set out in Exhibits MMS-2, MMS-3 and MMS-4.

At pp. 30-35 of his testimony, Mr. Schnitzer discusses the market evidence from the 1997 Duquesne solicitation and other reasons why new capacity might not be economic in 2006. He concludes at p. 35 "Therefore, it is highly unlikely that new combined cycle capacity would be economic to build in 2006 based on the results of the 1997 Solicitation, particularly if required new entry prices are at the high end of the range."

To account for the likelihood of new entry being delayed beyond 2006, Mr. Schnitzer prepared two additional "delayed entry" ceiling market price cases summarized at pp. 35-36 and in Exhibit MMS-5 of his testimony. The two cases assume that the year of entry is delayed to 2010 and assumed a significant real escalation in market prices over five years to permit new construction to be economic in 2010 under the "high" and "low" cost cases for competitive capital structures. Exhibit MMS-5 assumes that market prices trend upward from the 2005 spot price (as calculated from the 1997 Duquesne solicitation in Exhibit MMS-4) at escalation rates of 12.8% and 9.0% respectively. The two new cases produce levelized prices in 2006 of \$41/MWh and \$35/MWh respectively. Using the delayed entry price trajectory that ramps from the 2005 spot price to the high price in 2010 would yield a 2005 market value of only \$278 million as compared to the \$527 million projected by Mr. Clayton under the high ceiling price (see Schnitzer, p. 36, lines 11-14).

Mr. Clayton's revised Exhibit DJC-3 updates the net book value and market values for Duquesne's generation at December 31, 2005. The revised estimate for the market value under the high case of \$44/MWh in 2006 is \$766 million. Using Mr. Schnitzer's delayed entry price trajectory that ramps from the 2005 spot price to the high price in 2010 would yield a 2005 market value of only \$496 million. This value is still below the projected \$533 million net book value in the Revised Exhibit DJC-3. The changes are summarized in the table below and shown on the attached workpapers.¹

\$ Million at 12/31/2005	Original Estimates (8/1/97)	Revised Estimates (10/15/97)
Book Value	\$535	\$533
Market Value – High Case	\$527	\$766
Stranded Cost – High Case	\$8	(\$233)
Market Value -- Delayed Entry Case	\$278	\$496
Stranded Cost – Delayed Entry Case	\$257	\$37

¹ For the Delayed Entry Cases, Mr. Clayton's margin analysis was recalculated using a 2005 spot price of \$27/MWh escalated at 12.8% annually for 5 years, followed by the High Case price trajectory used by Mr. Clayton in the years 2011 and beyond. The year-by-year price trajectory for the Delayed Entry Cases is shown on the attached workpapers. Please note that the workpapers for the Original Estimate of the Delayed Entry Case show a value of \$276.4 million that was rounded up to \$278 million in Mr. Schnitzer's pre-filed testimony.

Adjustments to Ohio Edison Data

Items from Ohio Edison that were not used

<u>Item</u>	<u>Reason</u>
1) Perry fuel costs	Ohio Edison / Penn Power used an average fuel cost based on nuclear plants in the region. Duquesne did not find to be appropriate since the company has fuel arrangements that are unique. Hence, Duquesne used its internal forecast of nuclear fuel cost.
2) Perry outage costs	Ohio Edison / Penn power did not provide a break-out of their their outage related O&M costs. Hence, Duquesne used a prior estimate of those costs, and deducted this amount from the total provided by Ohio Edison / Penn Power. Ohio Edison / Penn Power has since provided an estimate of outage costs which is not substantially different from Duqense's estimates and does not affect stranded costs.
3) Fossil Clean Air O&M	Ohio Edison / Penn Power has made different assumptions regarding how Clean Air Act costs are characterized and the levels to which emissions are restricted. Duquesne's assumptions for Sammis and Mansfield are consistent with the environmental assumptions used for the other plants in its system.
4) Fossil capital	The OE/PP estimates for capital related to Clean Air compliance were not used for reasons similar to 3), above.
5) Energy Output	Ohio Edison used different assumptions for the market price of power which implied that it was economic to run a plant for a differing number of hours per year. Duquesne dispatched all of its plants against estimated market prices based on its recent solicitation through 2005. Duquesne's plants were dispatched up to their equivalent availabilities after 2005.

Item No.: HSS-1-043
Witness: O'Brien
Page 1 of 1

DUQUESNE LIGHT COMPANY

First Set of Interrogatories of Hospital Shared Services and Administrative Resources, Inc.

43. For each item claimed as a regulatory asset, please provide the Commission order that authorized, or you rely upon, for such treatment.

Response:

They are as follows:

	<u>PUC Order</u>
Regulatory Tax Receivable	R-860378
Unamortized Premium on Reacquired Debt	R-870651
Unamortized Debt Expense	R-870651
Beaver Valley No. 2 Premium on Reacquired Debt	R-870651
Deferred Rate Synchronization Costs	R-870222
Injuries and Damages	R-870651
Compensated Absences	R-87-0651
Def'd Nuclear Maintenance Outage Costs	R-870651
DOE Decontamination and Decommissioning	RM93-18-000
Deferred Coal Costs	P-890386-387
Deferred Caretaker Expenses	P-900485
BV2 Training Costs	R-870651
Cold Reserved Units	R-860378
Warwick Mine Investment	R-870651
Low Level Radiation Waste	R-870651

*FERC Order

Item No.: HSS-1-043 (Supp.)
Witness: O'Brien
Page 1 of 1

DUQUESNE LIGHT COMPANY

First Set of Interrogatories of Hospital Shared Services and Administrative Resources, Inc.

43. For each item claimed as a regulatory asset, please provide the Commission order that authorized, or you rely upon, for such treatment.

Response:

They are as follows:

	<u>PUC Order</u>
Regulatory Tax Receivable	R-860378
Unamortized Premium on Reacquired Debt	R-870651
Unamortized Debt Expense	R-870651
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Deferred Rate Synchronization Costs	R-870222
Injuries and Damages	R-870651
Compensated Absences	R-87-0651
Def'd Nuclear Maintenance Outage Costs	R-870651
DOE Decontamination and Decommissioning	RM93-18-000
Deferred Coal Costs	P-890386-387
Deferred Caretaker Expenses	P-900485
BV2 Training Costs	R-870651
Cold Reserved Units	R-860378
Warwick Mine Investment	R-870651
Low Level Radiation Waste	R-870651

*FERC Order

Item No.: HSS-1-092

Witness: O'Brien

Page 1 of 1

DUQUESNE LIGHT COMPANY

First Set of Interrogatories of Hospital Shared Services and Administrative Resources, Inc.

92. For each generation-related capital expenditure following the date of the Case No. R-870651 test period, please identify and provide each order of the PUC authorizing the expenditure and determining that it should be included in rate base. Please provide an index identifying the expenditure with the relevant order.

Response:

The question incorrectly assumes that in Pennsylvania an electric utility is required to obtain "authorization" from the PUC to make any capital expenditure. I note, however, that the PaPUC Bureau of Audits performed a review of Duquesne's plant assets in conjunction with its review of potential stranded costs (Report issued August 1997). As part of that review, testing of the continuing property records of Duquesne was performed to ensure that costs were accurately and properly recorded on the company's books. The testing process concentrated on generation assets and was supplemented by visits to selected plant sites to physically inspect facilities.

Item No.: HSS-2-023

Witness: O'Brien

Page 1 of 1

DUQUESNE LIGHT COMPANY

Second Set of Interrogatories of Hospital Shared Services and Administrative Resources, Inc.

23. Please provide a copy of the Pa PUC Bureau of Audits Report referenced in Duquesne's response to Interrogatory No. HSS-1-092.

Response:

The requested document is attached.

Item No.: ENV-3-148Witness: Clayton

Page 1 of 1

DUQUESNE LIGHT COMPANYEnvironmentalists' Interrogatories Set III

148. Mr. Clayton's Exhibit DJC-3 appears to show a net rate base as of 1999 of \$1,227.7 million for generation and \$295.7 million for generation related regulatory assets, for a total of \$1,525.4 million. Please explain how, after taking off \$1,700 million for depreciation and amortization (Clayton, page 29), Duquesne still has a net book value of \$535 million. Provide the supporting documents in the Company's possession or control.

Response:

The comparison made neglects the tax effect on the committed level of amortization and its effect on rate base. the calculations below reconcile the rate base at December 31, 1999 with the book value at December 31, 2005 and the committed level of amortization.

Beginning Rate Base 12/31/99	\$1,523.4 Million
Committed Depreciation and Amortization	1,747.3 Million
Tax Effect (41.4935%)	<u>725.0</u> Million
Net Rate Base Reduction	1,022.3 Million
Net Additions ('00 to '05)	<u>35.9</u> Million
Rate Base at 12/31/05	\$ 537.0 Million
Less: Working Capital	48.5 Million
Accumulated ITC	23.3 Million
Plus: Present Value of BV-2 Lease	<u>70.2</u> Million
Book Value at 12/31/05	\$535.4 Million

Duquesne Light Company

Item	ECR Roll-in (Mills/kWh)		Forecast		
	1995 Data	1996 Data	1997 Data	1998 Data	Average 1999 to 2005
Fuel Cost in Base Rates	16.450	16.450	16.450	16.450	16.450
Correction for Overcollections	(0.890)	(0.448)	-	-	
Adjustment to Fuel Costs	(2.738)	(1.921)	(1.800)	(1.349)	(1.534)
Total ECR Adjustment	(3.628)	(2.369)			
Total Fuel Cost (w/ Correction Factor)	12.822	14.081			
ECR Roll-in Amount (w/o Correction Factor)	13.712	14.529	14.650	15.101	14.916

THE PENNSYLVANIA UTILITY COMMISSION

-----X
PENNSYLVANIA PUBLIC UTILITY :
COMMISSION, :
: :
v. : Docket No.
: R-00974104
DUQUESNE LIGHT COMPANY :
Application to approve :
restructuring plan pursuant :
to 66 Pa. C.S. Section 2806(d) :
-----X

Washington, D.C.

Wednesday, November 19, 1997

Deposition of

ROBERT B. WEISENMILLER, PH.D.

a witness, called for examination by counsel
for Duquesne, pursuant to notice and
agreement of counsel, beginning at
approximately 11:25 a.m., at the Law Firm of
Skadden, Arps, Slate, Meagher & Flom, L.L.P.,
1440 New York Avenue, Northwest, Washington,
D.C., before Shari R. Broussard, notary
public in and for the District of Columbia,
when were present on behalf of the respective
parties:



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Q Would an auction of one fossil asset provide an accurate valuation of the remaining fossil assets?

A Depending upon how representative that one asset was, it might at least give you a data point, but it would not be as indicative as an auction of all of those assets.

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Q Have you undertaken any analysis of whether, under Mr. Schnitzer's high line, whether the company not only has no stranded cost in 2005 but has no stranded cost in 1999?

A No, I did not look at that.

DUQUESNE LIGHT COMPANY

First Set of Interrogatories of Hospital Shared Services and Administrative Resources, Inc.

36. Please provide documents which describe or identify why Duquesne decided not to securitize its stranded costs at this time, as discussed by Mr. Clayton at page 48 of his testimony.

Response:

Duquesne is not seeking securitization at this time (see pages 47 and 48 of Duquesne Statement No. 2) and has not made a request to securitize any of its stranded costs at this time. As such, there are no detailed analyses related to the securitization of Duquesne's stranded costs. It is believed that the company would incur a small cost above its current cost of like duration debt if it were to issue securitized debt. An analysis which compares securitized debt with Duquesne's cost of like duration long term debt is shown on page 2 of this item. Exhibit DJC-7 and the Company's response to Item H-1 shows that Duquesne is more highly levered than any other Pennsylvania electric utility. This also makes securitization less attractive to the Company at this time.

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Duquesne Exhibit DJC-26
Pittsburgh 12-15-97
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ASSET SECURITIZATION

Estimated cost of asset-backed securities with a 5-year average life is:

5-year Treasury (9/22/97)	5.98%
plus typical AAA spread	0.35%
plus estimated issue & administration cost / 5 years	<u>0.24%</u>
Estimated annual rate	6.57%

Estimated cost of a new Duquesne 5-year first mortgage bond is:

5-year Treasury (9/22/97)	5.98%
plus BBB+ FMB spread	0.45%
plus estimated issue cost / 5 years	<u>0.12%</u>
Estimated annual rate	6.55%

Duquesne's average coupon for debt maturing over next 10 years is 6.2%.

September 22, 1997

END