

**Duquesne Light Company  
Distribution Rate Case  
Docket No. R-2013-2372129**

**Filing Index**

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**STATEMENT OF REASONS**  
**52 Pa. Code § 53.52(a)(1)**

**INTRODUCTION**

Duquesne Light Company (“Duquesne Light” or the “Company”) is responsible for providing adequate, efficient, safe and reliable electric service to its customers and must have the ability to raise capital to meet such requirements. The Company is allowed to charge just and reasonable rates as established by the Pennsylvania Public Utility Commission (“Commission”) that provide the Company with a fair opportunity to recover its operating costs and earn a fair return on its investment. This is accomplished through a rate case process.

In this filing, Duquesne Light is requesting that the Commission approve an overall annual increase in distribution revenue of approximately \$76.3 million. If granted by the Commission as filed, this request would produce a system average increase in distribution rates of approximately 17.6% and an increase in total rates (distribution, transmission and generation charges) of approximately 10.6% for a typical residential default service customer. The percentage increase in rates differs for each individual rate class.

**DUQUESNE LIGHT COMPANY’S COSTS**

Duquesne Light has controlled its operation and maintenance expenses by implementing process improvements and deploying cost saving measures. Nevertheless, the cost of providing electric distribution service has increased since the last distribution rate increase in April 2011. Significant cost increases have occurred in many areas, including increased investment in facilities to maintain high levels of service and reliability, increased investment in information technology, increased operation and maintenance expenses to maintain safe and reliable service, including increased vegetation management expenses, and increased costs for Company’s cyber security initiatives to maintain the integrity of the Company’s and customers’ information. In addition, the Company’s net plant will have increased by approximately \$266 million as of the end of the future test year in the 2010 base rate case through April 30, 2015.

**DUQUESNE LIGHT’S FINANCIAL CONDITION**

Absent increases in rates, Duquesne Light’s financial condition would continue to decline in the fully projected future test year due to continued capital expenditures and increased operating expenses. On a pro forma basis for the fully projected future test year, Duquesne Light anticipates an overall return on rate base of only 5.67% absent rate relief. These financial results do not provide a return that will permit the Company to attract

new capital on reasonable terms. Revenues at present rates do not provide the Company the opportunity to earn a fair return and simply do not provide sufficient funds for Duquesne Light to adequately operate its business, abide by federal and state requirements, and provide reliable electric service to its customers.

### **RELIABLE ELECTRIC SERVICE**

Duquesne Light has consistently provided its customers with service at reliability levels as measured by SAIDI and SAIFI that are at or near the top of the levels provided by all of the major Pennsylvania electric distribution companies. Duquesne Light has increased efficiency and reliability through the use of technology, such as automated meter reading systems and automated control systems that continuously monitor remote switches that can be operated to re-route power during storms and other outages to quickly restore service to large blocks of customers. The Company also has adopted or is adopting additional measures to maintain and improve its reliability, including enhancements to its vegetation management program, establishing a service restoration team to identify ways to improve service restoration times, and developing programs for improving low performing electric circuits.

### **CUSTOMER SERVICE**

Duquesne Light has consistently provided high levels of customer service. The Company is currently subject to customer service metrics as a result of the transfer of certain interests in DQE Holdings LLC to Epsom Investment Pte Ltd. The Company has exceeded these customer service metrics.

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**

**Witness:**      **Bordo**  
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C-2 <a href="#">Pro Forma Electric Plant in Service</a>	Ankrum/O'Brien	1 page	C_1_to_C_2 (A61..L120)
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**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**

**Witness:**      **Bordo**  
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D-2	<a href="#">Adjusted Net Operating Income At Present Rates</a>	Ankrum/O'Brien	1 page	D_2 (A151..L210)
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D-5C	<a href="#">Revenue Annualization</a>	O'Brien	1 page	D_5C (A181..V240)
D-6	Operating Revenue Detail	Pfrommer	10 pages	Separate File to be Added
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**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**      **B-1**  
**Witness:**      **Ankrum**  
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**Balance Sheet**

[ 1 ]

Line No	Description/(Account No)	Forecast FTY
<b>UTILITY PLANT</b>		
1	Utility Plant (101-106, 108)	\$ 3,330,332
2	Other Utility Plant	-
3	Total Plant In Service	3,330,332
4	Construction Work In Progress (107)	221,843
5	Total Utility Plant	3,552,175
6	Accumulated Provision for Depreciation	(1,055,508)
7	Net Utility Plant	2,496,667
<b>OTHER PROPERTY INVESTMENTS</b>		
8	Non-utility Property (121)	2,507
9	Accumulated Depreciation on NUP (122)	(295)
10	Invest in Subsidiary Company (123.1)	-
11	Other Investments (124)	268
12	Other Special Funds (128)	1,534
13	Special Funds - Non Major Only (129)	-
14	Long Term Portion of Derivative Assets (175.1)	-
15	Total Other Property and Investments	4,014
<b>CURRENT AND ACCRUED ASSETS</b>		
16	Cash & Other Temporary Investments(131-136)	5,541
17	Customer Accounts Receivable (142)	116,967
18	Other Accounts Receivable (143)	5,148
19	Accum Provision for Uncollectible (144)	(16,629)
20	Accounts Receivable Assoc. Comp. (146)	899
21	Plant Materials & Supplies (154)	20,184
22	Stores Expense - Undistributed (163)	-
23	Prepayments (165)	29,905
24	Interest & Dividends Receivable (171)	2
25	Miscellaneous Current & Accrued Assets (174)	(140)
26	Derivative Instrument Assets (175)	-
27	(Less) Long Term Portion of Derivative Assets (175.1)	-
28	Total Current and Accrued Assets	161,877
<b>DEFERRED DEBITS</b>		
28	Unamortized Debt Expense (181)	4,917
29	Other Regulatory Assets (182.3)	671,668
30	Clearing Accounts (184)	-
31	Temporary Facilities(185)	-
32	Miscellaneous Deferred Debits (186)	2,451
33	Unamortized Loss on Reacquired Debt (189)	30,932
34	Accumulated Deferred Income Taxes (190)	141,427
35	Total Deferred Debits	851,395
36	<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 3,513,953</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**      **B-1**  
**Witness:**      **Ankrum**  
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**Balance Sheet**

[ 1 ]

Line No	Description/(Account No)	Forecast FTY
<b>PROPRIETARY CAPITAL</b>		
1	Common Stock Issued (201)	\$ -
2	Preferred Stock Issued (204)	107,936
3	Premium on Capital Stock (207)	137
4	Other Paid-in-Capital (208-211)	988,427
5	Capital Stock Expense (214)	(2,162)
6	Retained Earnings (215, 215.2, 216, 261.1)	131,395
7	Accum Other Comprehensive Income (219)	(8,739)
8	Total Propriety Capital & Margins	<u>1,216,994</u>
<b>LONG TERM DEBT</b>		
9	Bonds (221)	475,000
10	Advances from Associated Companies (223)	300,000
11	Other Long-Term Debt (224)	109,905
12	Unamortized Premium on LTD (225)	-
13	Unamortized Discount on LTD (226)	-
14	Total Long-term Debt	<u>884,905</u>
<b>OTHER NON-CURRENT LIABILITIES</b>		
15	Obligations under Capital Leases (227)	-
16	Accum. Prov for Injuries & Damages (228.2)	3,862
17	Accum. Prov for Pensions & Benefits (228.3)	45,589
18	Accum. Miscellaneous Operating Prov (228.4)	1,959
19	Long-Term Portion of Derivative Instrument Liabilities	-
20	Total Long-term Debt	<u>51,410</u>
<b>CURRENT &amp; ACCRUED LIABILITIES</b>		
21	Notes Payable (231)	10,000
22	Accounts Payable (232)	80,417
23	Notes Payable to Assoc. Companies (233)	-
24	Accounts Payable to Assoc. Cos (234)	13,998
25	Customer Deposits (235)	8,109
26	Taxes Accrued (236)	13,085
27	Interest Accrued (237)	12,396
28	Dividends Declared (238)	-
29	Tax Collections Payable (241)	562
30	Misc Current & Accrued Liabilities (242)	24,806
31	Derivative Instrument Liabilities (244)	-
32	Less: Long Term Portion of Derivative Inst. Liab. Hedge	-
33	Total Current & Accrued Liabilities	<u>163,373</u>
<b>OTHER DEFERRED CREDITS</b>		
34	Customer Advances for Construction (252)	-
35	Other Deferred Credits (253)	337,865
36	Other Regulatory Liabilities (254)	10,846
37	Deferred Investment Tax Credit (255)	-
38	Unamortized Gain on Reacquired Debt (257)	-
39	Accumulated Deferred Income Taxes (282)	438,423
40	Accumulated Deferred Income Taxes (283)	410,137
41	Total Other Deferred Credits	<u>1,197,271</u>
42	<b>TOTAL LIABILITIES &amp; OTHER CREDITS</b>	<u><u>\$ 3,513,953</u></u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**      **B-2**  
**Witness:**      **Ankrum**  
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**Statement of Net Utility Operating Income**

Line No	Description	[ 1 ] Acct No	[ 2 ] Forecast FTY	Reference
<b>Total Operating Revenues</b>				
1	Total Sales Revenues		\$ 644,321	B-3
2	Sales for Resale		660	B-3
3	Other Operating Revenues		91,958	B-3
4	Total Revenues	400	736,939	
<b>Total Operating Expenses</b>				
5	Operation & Maintenance Expenses	401,402	351,139	B-4
6	Depreciation Expense	404	114,840	
7	Other Amortization	405	4,800	
8	Amortization of Regulatory Assets	405	61	
9	Taxes Other Than Income Taxes	408.1	47,165	B-5
10	Total Operating Expenses		518,005	
11	Operating Income Before Income Taxes (OIBIT)		218,934	
Income Taxes:				
12	State	409.1	9,566	B-5
13	Federal	409.1	46,401	B-5
14	Total Income Taxes		55,967	
15	<b>Net Utility Operating Income</b>		<b>\$ 162,967</b>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule B-3**  
**Witness: Ankrum**  
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**Statement of Operating Revenues**

[ 1 ]

Line No	Description	Forecast FTY
<b>Electric Operating Revenues</b>		
Sales of Electricity:		
1	Total Distribution	\$ 478,675
2		
3	Total Generation	139,769
4		
5	Transmission Revenue	41,395
6		
7	CAP Revenue Credit	(15,518)
8	Total Sales to Ultimate Customers	644,321
9	Sales for Resale/Account 447	660
10	Total Sales Revenue	644,981
<b>Other Operating Revenues</b>		
Forfeited Discounts/Account 450:		
11	Late Payment Charges	3,377
12	Reconnect Fees	46
13	Total Account 450	3,423
14	Miscellaneous Service	1,115
15	DL Transmission Dispatch	379
Rent from Electric Property/Account 454:		
16	Rent - Electric Property	8,016
17	Customer Work - Reimburse & O&M Fixedd	500
18	Pole Attachment	250
	Total Account 454	8,766
19	Other Electric Revenues/Account 456:	
20	Other Electric Revenues (456.01)	74,657
21	I.T.Service Charge (456.06)	-
22	AES BV Partners - Demand (456.10)	1,565
23	AES BV Partners - Transmission (456.11)	-
23	Dominion Marketing Revenue (456.12)	209
23	PJM DLCO Frim (456.32)	1,620
23	PJM DLC Pwr NFPP (456.53)	224
24	Total Other Revenue	78,275
25	<b>Total Other Operating Revenues</b>	91,958
26	<b>Total Operating Revenues</b>	\$ 736,939

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**  
Page 1 of 2  
**B-4**  
**Ankrum**

**Operation and Maintenance Expenses**

[ 1 ]

Line No	Description	Account No	Forecast FTY
<b>Purchased Power Expenses:</b>			
1	Purchased power	555	\$ 131,315
2	Other Power Supply Expense	556	-
3	Total Purchased Power Expenses		<u>131,315</u>
<b>Transmission Expense:</b>			
4	Operation Supervision & Engineering	560	1,282
5	Load Dispatching	561	185
6	Station Expenses	562	197
7	Overhead Line Expenses	563	1,260
8	Underground Line Expenses	564	178
9	Transmission of Electricity by Others	565	-
10	Miscellaneous Transmission Expenses	566	1,964
11	Rents	567	-
12	Maintenance Supervision & Engineering	568	343
13	Maintenance of Structures	569	159
14	Maintenance of Station Equipment	570	1,696
15	Overhead Lines	571	2,133
16	Underground Lines	572	-
17	Miscellaneous Maintenance & Repair	573	101
18	Total Transmission Expenses		<u>9,498</u>
<b>Distribution Expense:</b>			
19	Operation Supervision & Engineering	580	3,362
20	Load Dispatching	581	826
21	Station Expenses	582	318
22	Overhead Line Expense	583	1,097
23	Underground Line Expense	584	586
24	Street Lighting & Signal Systems	585	1
25	Meter Expenses	586	387
26	Customer Installations Expense	587	2
27	Miscellaneous Expenses	588	8,048
28	Rents	589	-
29	Total Distribution Operation Expenses		<u>14,627</u>
30	Maintenance Supervision & Engineering	590	243
31	Maintenance of Structures	591	205
32	Maintenance of Station Equipment	592	3,037
33	Maintenance of OH lines	593	19,472
34	Maintenance of Underground lines	594	1,549
35	Maintenance of Line Transformers	595	17
36	Maintenance of Street Lighting & Signals	596	453
37	Maintenance of Meters	597	1,009
38	Maintenance of Miscellaneous Plant	598	190
39	Total Distribution Maintenance Expenses		<u>26,175</u>
40	Total Distribution Expenses		<u>40,802</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**      **B-4**  
Page              2      of 2  
**Ankrum**

**Operation and Maintenance Expenses**

[ 1 ]

Line No	Description	Account No	Forecast FTY
<b>Customer Accounting Expense:</b>			
41	Supervision	901	2,362
42	Customer Assistance	902	4,032
43	Records & Collections	903	8,545
44	Uncollectible Accounts	904	9,800
45	Miscellaneous Expenses	905	-
46	Total Customer Accounts Expense		24,739
<b>Customer Services Expense:</b>			
47	Customer Service-Supervision	907	-
48	Customer Service-Customer Assistance	908	30,232
49	Customer Service-Information and Instruction	909	-
50	Customer Service-Miscellaneous Service & Info	910	-
51	Total Customer Service & Informational Expenses		30,232
<b>Sales Expense:</b>			
52	Supervision	911	-
53	Demonstration and Selling Expenses	912	-
54	Advertising Expenses	913	-
55	Miscellaneous Sales Expenses	916	-
56	Total Sales Expense		-
<b>Administrative &amp; General Expenses:</b>			
57	Administrative and General Salaries	920	18,830
58	Office Supplies and Expenses	921	4,743
59	Administrative Expenses Transferred - Credit	922	-
60	Outside Services Employed	923	14,696
61	Property Insurance	924	5,874
62	Injuries and Damages	925	1,338
63	Employee Pensions and Benefits	926	44,252
64	Regulatory Commission Expenses	928	1,091
65	General Advertising Expenses	930.1	633
66	Miscellaneous General Expenses	930.2	7,864
67	Rents	931	2,850
68	Total Operation		102,171
69	Maintenance of General Plant	935	12,382
70	Total Administrative and General Expenses		114,553
71	<b>Total Operation &amp; Maintenance Expenses-</b>		<b>\$ 351,139</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**  
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**B-5**  
**Simpson**

**Detail of Taxes**

[ 1 ]

Line No	Description	Reference	Forecast FTY
<b>Taxes Other Than Income Taxes</b>			
<b>Non-revenue related:</b>			
1	PA Real Estate Tax		\$ 854
2	Pennsylvania - PURTA		1,073
3	Capital Stock		778
4	Insurance Premiums		-
5	Miscellaneous Taxes		315
6	Subtotal	Sum L 1 to L 5	<u>3,020</u>
Payroll Taxes			
7	FICA		4,313
8	SUTA		357
9	FUTA		38
10	City of Pittsburgh		308
11	Subtotal	Sum L 7 to L 10	<u>5,016</u>
<b>Revenue Related:</b>			
12	State Gross Receipts: Pennsylvania		39,129
13	Total Taxes Other Than Income Taxes	L 6 + L 11 + L 12	<u>\$ 47,165</u>
<b>Income Taxes</b>			
14	State		\$ 9,566
15	Federal		46,401
16	Total Income Taxes	L 14 + L 15	<u>\$ 55,967</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule B-6**  
**Witness: Moul**  
Page 1 of 1

**Rate of Return**

		[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
<b>Line No</b>	<b>Description</b>	<b>Capitalization</b>	<b>Capitalization Ratio</b>	<b>Embedded Cost</b>	<b>Statement Reference</b>	<b>Return - Percent</b>
1	Long-Term Debt	\$ 906,301	42.95%	5.18%	B-8	2.23%
2	Preferred Stock	107,936	5.11%	5.89%	B-9	0.30%
3	Common Equity	<u>1,096,012</u>	<u>51.94%</u>	11.25%		<u>5.83%</u>
4	Total	<u><u>\$ 2,110,249</u></u>	<u><u>100.00%</u></u>			<u><u>8.36%</u></u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule B-7**  
**Witness: Milligan/Moul**  
Page 1 of 1

**Capital Structure - Year End 3-31-14 and 4-30-15**

Line No	Description	[ 1 ] March 31, 2014	[ 2 ] April 30, 2015
<b>Capitalization</b>			
1	Long-Term Debt	\$ 853,973	\$ 906,301
2	Preferred Stock	107,936	107,936
3	Common Equity	1,117,660	1,096,012
4	Total	<u>\$ 2,079,569</u>	<u>\$ 2,110,249</u>
<b>Capitalization Ratios</b>			
5	Long-Term Debt	41.06%	42.95%
6	Preferred Stock	5.19%	5.11%
7	Common Equity	53.75%	51.94%
8	Total	<u>100.00%</u>	<u>100.00%</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule B-8**  
**Witness: Milligan/Moul**  
Page 1 of 1

**Composite Cost of Long-Term Debt at 4-30-15**

Line No	Description	[ 1 ] Amount Outstanding [a]	[ 2 ] Percent to Total	[ 3 ] Effective Interest Rate	[ 4 ] Average Weighted Cost Rate
<b><u>First Collateral Trust Bonds</u></b>					
1	4.76% Series S - Due 2-3-42	\$ 200,000	21.39%	4.81%	1.03%
2	4.156% Series T - Due 11-1-43	275,000	29.41%	5.20%	1.53%
<b><u>Pollution Control Revenue Bonds</u></b>					
3	Ohio Water Devel Auth 1999 Ser C Due 3-1-31	33,955	3.63%	4.79%	17.00%
4	Beaver County 1999 Series B Due 3-1-31	13,700	1.47%	4.81%	0.07%
5	Beaver County 1999 Series C Due 8-1-33	18,000	1.93%	4.80%	0.09%
6	Beaver County 1999 Series D Due 4-1-31	44,250	4.73%	4.55%	22.00%
<b><u>Intercompany Loans</u></b>					
7	Loan A	100,000	10.70%	4.71%	0.50%
8	Loan B	50,000	5.35%	4.25%	0.23%
9	Loan C	150,000	16.04%	4.53%	0.73%
10	Loan D	50,000	5.35%	4.15%	0.22%
11	Total Long Term Debt	934,905	100.00%		43.40%
12	Unamortized Call Premium	(28,604)			
13	Long-Term Debt	<u>\$ 906,301</u>			
14	Annualized Cost	\$ 44,788			
15	Amortization of Loss on Reacquired Debt	2,149			
16	Total Cost	<u>\$ 46,937</u>			<u>5.18%</u>

[a] Current Portion of Long-Term Debt

Exhibit 3 FTY 7-30-13

B-8 (A81..Q120)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule B-9**  
**Witness: Milligan/Moul**  
Page 1 of 1

**Composite Cost of Preferred Stock at 4-30-15**

<b>Line No</b>	<b>Description</b>	<b>[ 1 ] Amount Outstanding</b>	<b>[ 2 ] Percent to Total</b>	<b>[ 3 ] Effective Cost Rate</b>	<b>[ 4 ] Weighted Cost Rate</b>
1	3.75% Series	\$ 7,400	6.86%	3.77%	0.26%
2	4.10% Series	5,993	5.55%	4.12%	0.23%
3	4.15% Series	6,623	6.14%	4.17%	0.26%
4	4.20% Series	5,000	4.63%	4.23%	0.20%
5	6.50% Series	74,950	69.44%	6.67%	4.63%
6	\$2.10 Series	7,970	7.38%	4.19%	0.31%
7	Total Preferred Stock	<u>\$ 107,936</u>	<u>100.00%</u>		<u>5.89%</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule C-1**  
**Witness: O'Brien/Gorman**  
 Page 1 of 1

**Measures of Value and Rate of Return**

<u>Line No</u>	<u>Description</u>	[ 1 ]	[ 2 ]	[ 3 ]
		<u>FTY Ended 3-31-14</u>		<u>Reference</u>
		<u>Total Electric Utility</u>	<u>Total PA Jurisdiction</u>	
1	<b>Total Measure of Value/Rate Base - Net</b>	<u>\$ 1,931,768</u>	<u>\$ 1,412,434</u>	D-1, page 3
	<b>Pro Forma Return at Present rates</b>			
2	Amount	<u>\$ 147,051</u>	<u>\$ 101,605</u>	D-1, Page 2
3	Percent	<u>7.612%</u>	<u>7.194%</u>	
	<b>Pro Forma Return at Proposed Rates</b>			
4	Amount		<u>\$ 118,079</u>	D-1, Page 1
5	Percent		<u>8.36%</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**  
Page

**C-2**  
**Ankrum/O'Brien**  
1 of 6

**Pro Forma Electric Plant in Service**

Line No	Description	[ 1 ] Account No	[ 2 ] Pro Forma FTY Ended 3/31/14
<b>Electric Plant in Service</b>			
Intangible Plant			
1	Organizations	301	100
2	Franchises & Consents	302	7
3	Software	303	21,540
4	Total Intangible Plant		<u>21,647</u>
Transmission Plant:			
5	Land and Land Rights	350	14,151
6	Structures and Improvements	352	21,294
7	Station Equipment	353	353,184
8	Towers and Fixtures	354	78,114
9	Poles and Fixtures	355	36,721
10	Overhead Conductors & Devices	356	78,212
11	Underground Conduit	357	69,748
12	Underground Conduit & Devices	358	96,033
13	Roads and Trails	359	2,092
14	Subtotal Transmission Plant		<u>749,549</u>
Distribution Plant:			
15	Land and Land Rights	360	13,039
16	Structures and Improvements	361	61,256
17	Station Equipment	362	419,773
18	Poles, Towers and Fixtures	364	393,555
19	Overhead Conductors and Devices	365	402,169
20	Underground Conduit	366	120,074
21	Underground Conductors and Devices	367	294,971
22	Line Transformers	368	334,542
23	OH & UND Services	369	89,716
24	Meters & Appurtenancies	370	97,443
25	Meter Communication Equipment	370.1	280
26	Street Lighting	373	39,898
27	Total Distribution Plant		<u>2,266,716</u>
General Plant:			
28	Land and Land Rights	389	5,859
29	Structures and Improvements (1)	390	125,487
30	Office Equipment & Equipment	391	8,299
31	Transportation Equipment	392	66,003
32	Stores Equipment	393	2,436
33	Tools, Shop and Garage Equipment	394	14,960
34	Laboratory Equipment	395	3,486
35	Power Operated Equipment	396	2,854
36	Communication Equipment	397	62,672
37	Miscellaneous Equipment	398	364
38	Total General Plant		<u>292,420</u>
39	<b>Total Electric Plant in Service - Accounts 101 &amp; 106</b>		<u><u>\$ 3,330,332</u></u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:** **C-2**  
Page 2 of 6 **Ankrum/O'Brien**

**Pro Forma Plant Adjustment Summary**

Line #	Description	[ 1 ] Schedule	[ 2 ] FTY Ended 3/31/14 Forecast	[ 3 ] Adjustments	[ 4 ] Pro Forma FTY Ended 3/31/14
1	INTANGIBLE PLANT	Sch. C-2, Page 3	\$ 21,647	\$ -	\$ 21,647
2	PRODUCTION PLANT	Sch. C-2, Page 3	-	-	-
3	STORAGE PLANT	Sch. C-2, Page 3	-	-	-
4	TRANSMISSION PLANT	Sch. C-2, Page 3	749,549	-	749,549
5	DISTRIBUTION PLANT	Sch. C-2, Page 3	2,266,716	-	2,266,716
6	GENERAL PLANT	Sch. C-2, Page 3	292,420	-	292,420
7	SUB-TOTAL PLANT-IN-SERVIC	Sum (L 1 to L 6)	3,330,332	-	3,330,332
8			-	-	-
9	COMPLETED CONSTRUCTION	G/L a/c # 106	-	-	-
10	PLANT-IN-SERVICE	Sum (L 7 to L 9)	\$ 3,330,332	\$ -	\$ 3,330,332

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

SCHEDULE C-2  
 Witness: Ankrum/O'Brien  
 Page 3 of 6

**SUMMARY PLANT IN SERVICE**  
**4/1/13 to 3/31/14**

Line #	Description	Account Number	Future Test Year - 12 Months Ended March 31, 2014												
			[2] Balance 3/31/13	[3] Balance 4/30/13	[4] Balance 5/31/13	[5] Balance 6/30/13	[6] Balance 7/31/13	[7] Balance 8/31/13	[8] Balance 9/30/13	[9] Balance 10/31/13	[10] Balance 11/30/13	[11] Balance 12/31/13	[12] Balance 1/31/14	[13] Balance 2/28/14	[14] Balance 3/31/14
<b>INTANGIBLE PLANT</b>															
1	Organization	301	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
2	Franchise & Consent	302	7	7	7	7	7	7	7	7	7	7	7	7	7
3	Miscellaneous Intangible Plant	303	22,819	22,819	19,629	19,787	19,946	20,104	20,263	20,421	20,580	20,820	21,060	21,300	21,540
4	TOTAL INTANGIBLE	Sum L 1 to L 3	22,926	22,926	19,736	19,894	20,053	20,211	20,370	20,528	20,687	20,927	21,167	21,407	21,647
<b>PRODUCTION PLANT</b>															
5	Land and land rights	310	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Structures, Improvements	311	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Misc. Power Plan equipment	316	-	-	-	-	-	-	-	-	-	-	-	-	-
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>STORAGE PLANT</b>															
9	Land and land rights	340	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Structures, Improvements	341	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Misc Power Plant Equipment	346	-	-	-	-	-	-	-	-	-	-	-	-	-
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL PRODUCTION PLANT	( L 8 + L 12)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TRANSMISSION PLANT</b>															
14	Land and land rights	350	14,151	14,151	14,151	14,151	14,151	14,151	14,151	14,151	14,151	14,151	14,151	14,151	14,151
15	Structures, Improvements	352	21,295	21,294	21,294	21,294	21,294	21,294	21,294	21,294	21,294	21,294	21,294	21,294	21,294
16	Station Equipment	353	333,408	335,243	337,078	338,913	340,748	342,583	344,418	346,253	348,088	349,923	351,010	352,097	353,184
17	Towers and Fixtures	354	67,050	68,183	69,316	70,448	71,580	72,712	73,844	74,976	76,108	77,240	77,532	77,823	78,114
18	Poles and Fixtures	355	31,033	31,033	32,286	32,913	33,540	34,167	34,794	35,421	36,048	36,675	36,970	37,261	37,552
19	Overhead Conductors & Devices	356	71,285	71,955	72,625	73,296	73,966	74,636	75,306	75,976	76,646	77,317	77,615	77,913	78,211
20	Underground Conduit	357	67,259	67,259	67,259	67,259	67,259	67,259	67,259	67,259	67,259	67,259	67,259	67,259	67,259
21	Underground Conductors & Devices	358	91,825	92,433	93,041	93,649	94,257	94,865	95,473	96,081	96,689	97,297	97,905	98,513	99,121
22	Road and Trails	359	2,092	2,092	2,092	2,092	2,092	2,092	2,092	2,092	2,092	2,092	2,092	2,092	2,092
23	Asset Retirement Costs	359.1	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Transmission Plant	359.2	-	-	-	-	-	-	-	-	-	-	-	-	-
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	699,398	704,406	709,415	714,424	719,432	724,440	729,448	734,456	739,465	744,473	746,165	747,857	749,549
<b>DISTRIBUTION PLANT</b>															
26	Land and land rights	360	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
27	Structures, Improvements	361	61,210	61,256	61,256	61,256	61,256	61,256	61,256	61,256	61,256	61,256	61,256	61,256	61,256
28	Station Equipment	362	412,232	412,524	413,304	413,739	414,088	414,215	414,342	414,469	414,595	416,321	416,469	416,617	419,773
29	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Poles, Towers and Fixtures	364	372,296	373,920	375,782	377,415	379,662	381,225	382,658	383,991	385,324	387,824	389,485	391,147	393,555
31	Overhead Conductors and Devices	365	385,206	384,657	386,315	387,798	389,626	390,882	392,036	393,076	394,117	399,001	399,850	400,699	402,169
32	Underground Conduit	366	112,533	112,626	113,082	114,058	114,781	115,444	116,239	116,912	117,585	118,141	119,284	119,679	120,074
33	Underground Conductors and Devices	367	286,079	286,869	287,294	288,156	288,806	289,405	290,115	291,857	292,464	293,233	294,623	294,602	294,971
34	Line Transformers	368	312,652	315,226	317,121	319,162	321,505	323,387	325,066	326,632	328,198	329,856	331,247	332,637	334,542
35	Services	369	87,454	87,601	87,884	88,060	88,236	88,489	88,689	88,857	89,025	89,212	89,380	89,548	89,716
36	Meters	370	96,826	96,860	96,913	96,966	97,019	97,072	97,125	97,178	97,231	97,284	97,337	97,390	97,443
37	Meter Communications Equipment	370.1	280	280	280	280	280	280	280	280	280	280	280	280	280
38	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Street Lighting and Signaling Systems	373	39,866	39,898	39,898	39,898	39,898	39,898	39,898	39,898	39,898	39,898	39,898	39,898	39,898
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	2,179,673	2,184,756	2,192,168	2,199,883	2,208,196	2,214,592	2,220,743	2,227,445	2,233,012	2,245,345	2,251,758	2,256,792	2,266,716
<b>GENERAL PLANT</b>															
41	Land and land rights	389	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859
42	Structures, Improvements	390	101,497	94,111	96,110	98,109	100,108	102,107	104,106	106,105	108,104	110,103	112,102	114,101	116,100
43	Leasehold Improvements	442	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387	9,387
44	Office furniture	391.1	7,612	8,054	8,054	8,054	8,054	8,054	8,054	8,054	8,054	7,741	7,741	7,741	7,741
45	Office furniture - Combined for FTY	391.1	-	-	-	-	-	-	-	-	-	-	-	-	-
46	Office equipment	391.2	-	74	108	194	228	262	296	329	363	492	514	536	558
47	Office equipment - Combined for FTY	391.2	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Transportation equipment	392	61,032	61,153	61,153	61,153	57,753	57,753	59,666	61,579	63,492	65,405	65,570	65,735	66,003
49	Store equipment	393	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,551	2,436	2,436	2,436	2,436
50	Store equipment - Combined for FTY	393	-	-	-	-	-	-	-	-	-	-	-	-	-
51	Tools, shop and garage equipment	394	15,310	15,470	15,470	15,470	15,470	15,470	15,470	15,470	15,470	14,960	14,960	14,960	14,960
52	Tools, shop and garage equipment - Combined f	394	-	-	-	-	-	-	-	-	-	-	-	-	-
53	Laboratory equipment	395	4,253	4,098	4,098	4,098	4,098	4,098	4,098	4,098	4,098	3,486	3,486	3,486	3,486
54	Laboratory equipment - Combined for FTY	395	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Power operated equipment	396	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854	2,854
56	Electric communications equipment	397	58,533	58,593	58,680	59,167	59,454	59,741	60,028	60,315	60,602	61,661	61,995	62,328	62,672
57	Electric communications equipment - Combined	397	-	-	-	-	-	-	-	-	-	-	-	-	-
58	Miscellaneous equipment	398	390	390	390	390	390	390	390	390	390	364	364	364	364
59	Miscellaneous equipment - Combined for FTY	398	-	-	-	-	-	-	-	-	-	-	-	-	-
60	TOTAL GENERAL	Sum L 41 to L 59	260,333	262,594	264,914	267,286	266,206	268,526	272,759	276,991	281,224	284,748	287,268	289,787	292,420
61	SUB-TOTAL	( L 4 + L 13 + L 25 L 40 + L 60 )	3,162,330	3,174,682	3,186,233	3,201,487	3,213,887	3,227,769	3,243,320	3,259,420	3,274,388	3,295,493	3,306,358	3,315,843	3,330,332
62	Closed Plant Not Classified	106	-	-	-	-	-	-	-	-	-	-	-	-	-
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ 3,162,330	\$ 3,174,682	\$ 3,186,233	\$ 3,201,487	\$ 3,213,887	\$ 3,227,769	\$ 3,243,320	\$ 3,259,420	\$ 3,274,388	\$ 3,295,493	\$ 3,306,358	\$ 3,315,843	\$ 3,330,332

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**ADDITIONS TO PLANT**  
**4/1/13 to 3/31/14**

Line #	Description	Account Number	Future Test Year - 12 Months Ended March 31, 2014						Future Test Year - 12 Months Ended March 31, 2014						
			[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]	[ 7 ]	[ 8 ]	[ 9 ]	[ 10 ]	[ 11 ]	[ 12 ]	[ 13 ]
			3/31/13	4/30/13	5/31/13	6/30/13	7/31/13	8/31/13	9/30/13	10/31/13	11/30/13	12/31/13	1/31/14	2/28/14	3/31/14
<b>INTANGIBLE PLANT</b>															
1	Organization	301	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
2	Franchise & Consent	302	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Miscellaneous Intangible Plant	303	1	159	158	159	158	159	158	159	240	240	240	240	2,071
4	TOTAL INTANGIBLE	Sum L 1 to L 3	1	159	158	159	158	159	158	159	240	240	240	240	2,071
<b>PRODUCTION PLANT</b>															
5	Land and land rights	310	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Structures, Improvements	311	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Misc. Power Plan equipment	316	-	-	-	-	-	-	-	-	-	-	-	-	-
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>STORAGE PLANT</b>															
9	Land and land rights	340	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Structures, Improvements	341	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Misc Power Plant Equipment	346	-	-	-	-	-	-	-	-	-	-	-	-	-
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL PRODUCTION PLANT	( L 8 + L 12 )	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TRANSMISSION PLANT</b>															
14	Land and land rights	350	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Structures, Improvements	352	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Station Equipment	353	2,208	2,208	2,208	2,208	2,208	2,208	2,208	2,208	2,208	1,308	1,308	1,308	23,796
17	Towers and Fixtures	354	1,389	1,389	1,389	1,388	1,389	1,388	1,389	1,388	1,389	357	357	357	13,569
18	Poles and Fixtures	355	650	650	650	650	650	650	650	650	650	16	16	16	5,898
19	Overhead Conductors & Devices	356	713	713	713	713	713	713	713	713	713	317	317	318	7,369
20	Underground Conduit	357	294	294	294	294	294	294	294	294	294	294	294	294	2,646
21	Underground Conductors & Devices	358	450	450	450	450	450	450	450	450	450	-	-	-	4,050
22	Road and Trails	359	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Asset Retirement Costs	359.1	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	5,704	5,704	5,704	5,703	5,704	5,703	5,704	5,703	5,704	1,998	1,998	1,999	57,328
<b>DISTRIBUTION PLANT</b>															
26	Land and land rights	360	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Structures, Improvements	361	53	-	-	-	-	-	-	-	-	-	-	-	53
28	Station Equipment	362	375	1,002	559	446	163	163	163	162	2,217	190	190	4,054	9,684
29	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Poles, Towers and Fixtures	364	1,715	1,967	1,763	2,336	1,651	1,514	1,408	1,408	2,641	1,755	1,755	2,544	22,457
31	Overhead Conductors and Devices	365	(549)	2,096	1,874	2,311	1,587	1,459	1,315	1,315	6,173	1,073	1,073	1,858	21,585
32	Underground Conduit	366	94	466	998	740	678	813	688	688	569	1,169	404	404	7,711
33	Underground Conductors and Devices	367	940	505	1,026	773	713	845	2,072	722	915	1,190	439	439	10,579
34	Line Transformers	368	3,186	2,343	2,548	2,872	2,327	2,076	1,936	1,936	2,050	1,720	1,719	2,355	27,068
35	Services	369	276	538	335	335	480	381	319	319	356	319	319	319	4,296
36	Meters	370	112	174	174	174	174	174	174	174	174	174	174	174	2,026
37	Meter Communications Equipment	370.1	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Street Lighting and Signaling Systems	373	41	-	-	-	-	-	-	-	-	-	-	-	41
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	6,243	9,091	9,277	9,987	7,773	7,425	8,075	6,724	15,095	7,590	6,073	12,147	105,500
<b>GENERAL PLANT</b>															
41	Land and land rights	389	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Structures, Improvements	390	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	2,072	24,864
43	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	Office furniture	391.1	-	-	-	-	-	-	-	-	-	-	-	-	-
45	Office furniture - Combined for FTY	391.1	-	-	-	-	-	-	-	-	-	-	-	-	-
46	Office equipment	391.2	74	34	86	34	34	34	33	34	129	22	22	22	558
47	Office equipment - Combined for FTY	391.2	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Transportation equipment	392	121	-	-	-	-	1,913	1,913	1,913	1,913	165	165	268	8,371
49	Store equipment	393	-	-	-	-	-	-	-	-	-	-	-	-	-
50	Store equipment - Combined for FTY	393	-	-	-	-	-	-	-	-	-	-	-	-	-
51	Tools, shop and garage equipment	394	159	-	-	-	-	-	-	-	-	-	-	-	159
52	Tools, shop and garage equipment - Combined I	394	-	-	-	-	-	-	-	-	-	-	-	-	-
53	Laboratory equipment	395	(155)	-	-	-	-	-	-	-	-	-	-	-	(155)
54	Laboratory equipment - Combined for FTY	395	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Power operated equipment	396	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Electric communications equipment	397	19	287	287	287	287	287	287	287	1,724	334	333	344	4,763
57	Electric communications equipment - Combined	397	-	-	-	-	-	-	-	-	-	-	-	-	-
58	Miscellaneous equipment	398	-	-	-	-	-	-	-	-	-	-	-	-	-
59	Miscellaneous equipment - Combined for FTY	398	-	-	-	-	-	-	-	-	-	-	-	-	-
60	TOTAL GENERAL	Sum L 41 to L 59	2,290	2,393	2,445	2,393	2,393	4,306	4,305	4,306	5,838	2,593	2,592	2,706	38,560
61	SUB-TOTAL	( L 4 + L 13 + L 25 L 40 + L 60 )	14,238	17,347	17,584	18,242	16,028	17,593	18,242	16,892	26,877	12,421	10,903	17,092	203,459
62	Closed Plant Not Classified	106	-	-	-	-	-	-	-	-	-	-	-	-	-
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ 14,238	\$ 17,347	\$ 17,584	\$ 18,242	\$ 16,028	\$ 17,593	\$ 18,242	\$ 16,892	\$ 26,877	\$ 12,421	\$ 10,903	\$ 17,092	\$ 203,459

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**RETIREMENTS FROM PLANT**  
**4/1/13 to 3/31/14**

Line #	Description	Account Number	Future Test Year - 12 Months Ended March 31, 2014						Future Test Year - 12 Months Ended March 31, 2014						
			[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]	[ 7 ]	[ 8 ]	[ 9 ]	[ 10 ]	[ 11 ]	[ 12 ]	[ 13 ]
			3/31/13	4/30/13	5/31/13	6/30/13	7/31/13	8/31/13	9/30/13	10/31/13	11/30/13	12/31/13	1/31/14	2/28/14	3/31/14
<b>INTANGIBLE PLANT</b>															
1	Organization	301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Miscellaneous Intangible Plant	303	-	3,349	-	-	-	-	-	-	-	-	-	-	3,349
4	TOTAL INTANGIBLE	Sum L 1 to L 3	-	3,349	-	-	-	-	-	-	-	-	-	-	3,349
<b>PRODUCTION PLANT</b>															
5	Land and land rights	310	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Structures, Improvements	311	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Misc. Power Plant equipment	316	-	-	-	-	-	-	-	-	-	-	-	-	-
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>STORAGE PLANT</b>															
9	Land and land rights	340	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Structures, Improvements	341	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Misc Power Plant Equipment	346	-	-	-	-	-	-	-	-	-	-	-	-	-
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL PRODUCTION PLANT	( L 8 + L 12 )	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TRANSMISSION PLANT</b>															
14	Land and land rights	350	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Structures, Improvements	352	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Station Equipment	353	373	373	373	373	373	373	373	373	373	221	221	221	4,020
17	Towers and Fixtures	354	256	256	257	256	257	256	257	256	257	65	66	66	2,505
18	Poles and Fixtures	355	23	23	23	23	23	23	23	23	23	1	-	1	209
19	Overhead Conductors & Devices	356	43	43	42	43	43	43	43	42	43	19	19	19	442
20	Underground Conduit	357	-	-	-	-	-	-	-	-	-	-	-	-	-
21	Underground Conductors & Devices	358	-	-	-	-	-	-	-	-	-	-	-	-	-
22	Road and Trails	359	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Asset Retirement Costs	359.1	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	695	695	695	695	696	695	696	694	696	306	306	307	7,176
<b>DISTRIBUTION PLANT</b>															
26	Land and land rights	360	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Structures, Improvements	361	5	-	-	-	-	-	-	-	-	-	-	-	5
28	Station Equipment	362	83	222	124	97	36	36	36	36	491	42	42	898	2,143
29	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Poles, Towers and Fixtures	364	91	105	94	125	88	81	75	75	141	94	93	136	1,198
31	Overhead Conductors and Devices	365	-	438	391	483	331	305	275	274	1,289	224	224	388	4,622
32	Underground Conduit	366	2	10	22	17	15	18	15	15	13	26	9	9	171
33	Underground Conductors and Devices	367	150	80	164	123	114	135	330	115	146	190	70	70	1,687
34	Line Transformers	368	609	448	487	549	445	397	370	370	392	329	450	450	5,175
35	Services	369	131	255	159	159	227	181	151	151	169	151	151	151	2,036
36	Meters	370	78	121	121	121	121	121	121	121	121	121	121	121	1,409
37	Meter Communications Equipment	370.1	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Street Lighting and Signaling Systems	373	9	-	-	-	-	-	-	-	-	-	-	-	9
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	1,158	1,679	1,562	1,674	1,377	1,274	1,373	1,157	2,762	1,177	1,039	2,223	18,455
<b>GENERAL PLANT</b>															
41	Land and land rights	389	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Structures, Improvements	390	73	73	73	73	73	73	73	73	73	73	73	73	876
43	Leasehold Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-
44	Office furniture	391.1	-	-	-	-	-	-	-	-	313	-	-	-	313
45	Office furniture - Combined for FTY	391.1	-	-	-	-	-	-	-	-	-	-	-	-	-
46	Office equipment	391.2	-	-	-	-	-	-	-	-	-	-	-	-	-
47	Office equipment - Combined for FTY	391.2	-	-	-	-	-	-	-	-	-	-	-	-	-
48	Transportation equipment	392	-	-	-	3,400	-	-	-	-	-	-	-	-	3,400
49	Store equipment	393	-	-	-	-	-	-	-	-	115	-	-	-	115
50	Store equipment - Combined for FTY	393	-	-	-	-	-	-	-	-	-	-	-	-	-
51	Tools, shop and garage equipment	394	-	-	-	-	-	-	-	-	510	-	-	-	510
52	Tools, shop and garage equipment - Combined f	394	-	-	-	-	-	-	-	-	-	-	-	-	-
53	Laboratory equipment	395	-	-	-	-	-	-	-	-	612	-	-	-	612
54	Laboratory equipment - Combined for FTY	395	-	-	-	-	-	-	-	-	-	-	-	-	-
55	Power operated equipment	396	-	-	-	-	-	-	-	-	-	-	-	-	-
56	Electric communications equipment	397	-	-	-	-	-	-	-	-	665	-	-	-	665
57	Electric communications equipment - Combined	397	-	-	-	-	-	-	-	-	-	-	-	-	-
58	Miscellaneous equipment	398	-	-	-	-	-	-	-	-	26	-	-	-	26
59	Miscellaneous equipment - Combined for FTY	398	-	-	-	-	-	-	-	-	-	-	-	-	-
60	TOTAL GENERAL	Sum L 41 to L 59	73	73	73	3,473	73	73	73	73	2,314	73	73	73	6,517
61	SUB-TOTAL	( L 4 + L 13 + L 25 L 40 + L 60 )	1,926	5,796	2,330	5,842	2,146	2,042	2,142	1,924	5,772	1,556	1,418	2,603	35,497
62	Closed Plant Not Classified	106	-	-	-	-	-	-	-	-	-	-	-	-	-
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ 1,926	\$ 5,796	\$ 2,330	\$ 5,842	\$ 2,146	\$ 2,042	\$ 2,142	\$ 1,924	\$ 5,772	\$ 1,556	\$ 1,418	\$ 2,603	\$ 35,497

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
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**(\$ in Thousands)**

SCHEDULE C-2  
**Witness: O'Brien**  
Page 6 of 6

**Pro Forma Adjustments to Plant**  
**4/1/13 to 3/31/14**

Line #	Description	Account Number	Pro Forma Adjustments to Plant			
			[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]
A	Total Amount of Adjustment		\$ -	\$ -	\$ -	
<b>INTANGIBLE PLANT</b>						
1	Organization	301	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-	-
4	TOTAL INTANGIBLE	Sum L 1 to L 3	-	-	-	-
<b>PRODUCTION PLANT</b>						
5	Land and land rights	310	-	-	-	-
6	Structures, Improvements	311	-	-	-	-
7	Misc. Power Plan equipment	316	-	-	-	-
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-
<b>STORAGE PLANT</b>						
9	Land and land rights	340	-	-	-	-
10	Structures, Improvements	341	-	-	-	-
11	Misc Power Plant Equipment	346	-	-	-	-
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-
13	TOTAL PRODUCTION PLANT	( L 8 + L 12 )	-	-	-	-
<b>TRANSMISSION PLANT</b>						
14	Land and land rights	350	-	-	-	-
15	Structures, Improvements	352	-	-	-	-
16	Station Equipment	353	-	-	-	-
17	Towers and Fixtures	354	-	-	-	-
18	Poles and Fixtures	355	-	-	-	-
19	Overhead Conductors & Devices	356	-	-	-	-
20	Underground Conduit	357	-	-	-	-
21	Underground Conductors & Devices	358	-	-	-	-
22	Road and Trails	359	-	-	-	-
23	Asset Retirement Costs	359.1	-	-	-	-
24	Other Transmission Plant		-	-	-	-
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	-	-	-	-
<b>DISTRIBUTION PLANT</b>						
26	Land and land rights	360	-	-	-	-
27	Structures, Improvements	361	-	-	-	-
28	Station Equipment	362	-	-	-	-
29	Storage Battery Equipment	363	-	-	-	-
30	Poles, Towers and Fixtures	364	-	-	-	-
31	Overhead Conductors and Devices	365	-	-	-	-
32	Underground Conduit	366	-	-	-	-
33	Underground Conductors and Devices	367	-	-	-	-
34	Line Transformers	368	-	-	-	-
35	Services	369	-	-	-	-
36	Meters	370	-	-	-	-
37	Meter Communications Equipment	370.1	-	-	-	-
38	Leased Property On Customers Premises	372	-	-	-	-
39	Street Lighting and Signaling Systems	373	-	-	-	-
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	-	-	-	-
<b>GENERAL PLANT</b>						
41	Land and land rights	389	-	-	-	-
42	Structures, Improvements	390	-	-	-	-
43	Leasehold Improvements		-	-	-	-
44	Office furniture	391.1	-	-	-	-
45	Office furniture - Combined for FTY	391.1	-	-	-	-
46	Office equipment	391.2	-	-	-	-
47	Office equipment - Combined for FTY	391.2	-	-	-	-
48	Transportation equipment	392	-	-	-	-
49	Store equipment	393	-	-	-	-
50	Store equipment - Combined for FTY	393	-	-	-	-
51	Tools, shop and garage equipment	394	-	-	-	-
52	Tools, shop and garage equipment - Combined	394	-	-	-	-
53	Laboratory equipment	395	-	-	-	-
54	Laboratory equipment - Combined for FTY	395	-	-	-	-
55	Power operated equipment	396	-	-	-	-
56	Electric communications equipment	397	-	-	-	-
57	Electric communications equipment - Combined	397	-	-	-	-
58	Miscellaneous equipment	398	-	-	-	-
59	Miscellaneous equipment - Combined for FTY	398	-	-	-	-
60	TOTAL GENERAL	Sum L 41 to L 59	-	-	-	-
61	SUB-TOTAL		-	-	-	-
	( L 4 + L 13 + L 25 L 40 + L 60 )					
62	Closed Plant Not Classified	106	-	-	-	-
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ -	\$ -	\$ -	\$ -

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule C-3**  
**Witness: Ankrum/O'Brien**  
Page 1 of 5

**Accumulated Provision for Depreciation**

<b>Line No</b>	<b>Description</b>	<b>[ 1 ] Account No</b>	<b>[ 2 ] Forecast 3/31/14</b>
<b>Electric Plant in Service</b>			
	Intangible Plant		
1	Organizations	301	\$ -
2	Franchises & Consents	302	-
3	Software	303	15,495
4	Total Intangible Plant		<u>15,495</u>
	Transmission Plant:		
5	Land and Land Rights	350	-
6	Structures and Improvements	352	6,117
7	Station Equipment	353	78,914
8	Towers and Fixtures	354	25,167
9	Poles and Fixtures	355	6,170
10	Overhead Conductors & Devices	356	24,465
11	Underground Conduit	357	23,342
12	Underground Conduit & Devices	358	16,369
13	Roads and Trails	359	174
14	Subtotal Transmission Plant		<u>180,717</u>
	Distribution Plant:		
15	Land and Land Rights	360	-
16	Structures and Improvements	361	31,413
17	Station Equipment	362	114,642
18	Poles, Towers and Fixtures	364	150,907
19	Overhead Conductors and Devices	365	122,700
20	Underground Conduit	366	40,992
21	Underground Conductors and Devices	367	90,863
22	Line Transformers	368	88,150
23	OH & UND Services	369	26,812
24	Meters & Appurtenancies	370	57,381
25	Meter Communication Equipment	370.1	(51)
26	Street Lighting	373	26,334
27	Total Distribution Plant		<u>750,143</u>
	General Plant:		
28	Land and Land Rights	389	-
29	Structures and Improvements (1)	390	29,230
30	Office Equipment & Equipment	391	2,941
31	Transportation Equipment	392	39,676
32	Stores Equipment	393	1,287
33	Tools, Shop and Garage Equipment	394	4,777
34	Laboratory Equipment	395	1,762
35	Power Operated Equipment	396	1,093
36	Communication Equipment	397	28,222
37	Miscellaneous Equipment	398	178
38	Total General Plant		<u>109,166</u>
39	<b>Total Accumulated Depreciation - Accounts 101 &amp; 106</b>		<u><u>\$ 1,055,522</u></u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**      **C-3**  
**Witness:**      **Ankrum/O'Brier**  
Page      2      of 5

**Summary of Accumulated Depreciation**

Line #	Description	Account Number	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]
			FTY Ended March 31, 2014			
			Forecast 03/31/14	Pro Forma Adjustments	Pro Forma 03/31/14	
1	INTANGIBLE PLANT		\$ 15,495	\$ -	\$ 15,495	
2	PRODUCTION PLANT		-	-	-	
3	STORAGE PLANT		-	-	-	
4	TRANSMISSION PLANT		180,717	-	180,717	
5	DISTRIBUTION PLANT		750,143	-	750,143	
6	GENERAL PLANT		109,166	-	109,166	
7					-	
8	ACCUMULATED DEPRECIATION	Sum L 1 to L 7	1,055,522	-	1,055,522	
9						
10	OTHER UTILITY PLANT				-	
11	TRANSPORTATION		-	-	-	
12	TOTAL ACCUMULATED DEPRECIATIONS	Sum L 9 to L 11	1,055,522	-	1,055,522	
13	ACCUMULATED AMORTIZATION		-	-	-	
14	TOTAL ACC DEPR & AMORTIZATION	L 12 + L 13	<u>\$ 1,055,522</u>	<u>\$ -</u>	<u>\$ 1,055,522</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**DETAIL ACCUMULATED DEPRECIATION**  
**4/1/13 to 3/31/14**

Line #	Description	Account Number	Future Test Year - 12 Months Ended March 31, 2014					Future Test Year - 12 Months Ended March 31, 2014					Balance 2/28/14	Balance 3/31/14	
			Balance 3/31/13	Balance 4/30/13	Balance 5/31/13	Balance 6/30/13	Balance 7/31/13	Balance 8/31/13	Balance 9/30/13	Balance 10/31/13	Balance 11/30/13	Balance 12/31/13			Balance 1/31/14
<b>INTANGIBLE PLANT</b>															
1	Organization	301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Miscellaneous Intangible Plant	303	14,449	14,767	11,736	12,053	12,371	12,689	13,006	13,324	13,642	13,959	14,471	14,983	15,495
4	TOTAL INTANGIBLE	Sum L 1 to L 3	14,449	14,767	11,736	12,053	12,371	12,689	13,006	13,324	13,642	13,959	14,471	14,983	15,495
<b>PRODUCTION PLANT</b>															
5	Land and land rights	310	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Structures, Improvements	311	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Misc. Power Plan equipment	316	-	-	-	-	-	-	-	-	-	-	-	-	-
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>STORAGE PLANT</b>															
9	Land and land rights	340	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Structures, Improvements	341	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Misc Power Plant Equipment	346	-	-	-	-	-	-	-	-	-	-	-	-	-
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-	-	-	-	-	-	-	-	-	-
13	TOTAL PRODUCTION PLANT	(L 8 + L 12)	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>TRANSMISSION PLANT</b>															
14	Land and land rights	350	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Structures, Improvements	352	5,525	5,575	5,624	5,673	5,722	5,772	5,821	5,871	5,919	5,969	6,018	6,068	6,117
16	Station Equipment	353	70,645	71,266	71,891	72,522	73,159	73,800	74,447	75,098	75,755	76,417	77,255	78,095	78,914
17	Towers and Fixtures	354	27,317	27,085	26,855	26,625	26,398	26,171	25,947	25,723	25,502	25,281	25,250	25,217	25,167
18	Poles and Fixtures	355	5,361	5,418	5,476	5,536	5,596	5,658	5,722	5,786	5,852	5,919	6,009	6,100	6,170
19	Overhead Conductors & Devices	356	22,582	22,743	22,905	23,069	23,233	23,399	23,565	23,733	23,903	24,073	24,208	24,343	24,465
20	Underground Conduit	357	22,121	22,221	22,321	22,422	22,523	22,625	22,727	22,829	22,932	23,036	23,139	23,243	23,347
21	Underground Conductors & Devices	358	14,661	14,800	14,941	15,082	15,223	15,366	15,509	15,652	15,797	15,942	16,088	16,233	16,369
22	Road and Trails	359	135	138	142	145	148	151	155	158	161	164	168	171	174
23	Asset Retirement Costs	359.1	-	-	-	-	-	-	-	-	-	-	-	-	-
24	Other Transmission Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	168,347	169,246	170,154	171,074	172,003	172,942	173,891	174,851	175,822	176,802	178,134	179,470	180,717
<b>DISTRIBUTION PLANT</b>															
26	Land and land rights	360	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Structures, Improvements	361	29,818	29,946	30,080	30,213	30,346	30,480	30,613	30,746	30,880	31,013	31,147	31,280	31,413
28	Station Equipment	362	105,278	106,168	106,888	107,731	108,606	109,558	110,492	111,445	112,397	112,793	113,742	114,691	114,642
29	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-	-	-
30	Poles, Towers and Fixtures	364	144,931	145,579	146,031	146,528	146,910	147,437	147,995	148,577	149,162	149,495	150,015	150,539	150,907
31	Overhead Conductors and Devices	365	116,166	116,818	117,320	117,862	118,334	118,931	119,551	120,198	120,849	121,694	121,396	122,101	122,700
32	Underground Conduit	366	39,273	39,433	39,577	39,703	39,840	39,980	40,116	40,258	40,401	40,549	40,676	40,833	40,992
33	Underground Conductors and Devices	367	85,178	85,603	86,127	86,577	87,065	87,562	88,042	88,349	88,852	89,367	90,314	90,863	91,314
34	Line Transformers	368	82,532	82,713	83,165	83,580	83,933	84,405	84,932	85,493	86,058	86,633	87,221	87,842	88,150
35	Services	369	29,654	29,744	29,225	29,001	28,777	28,344	28,054	27,856	27,658	27,405	27,207	27,009	26,812
36	Meters	370	52,633	53,066	53,458	53,848	54,240	54,631	55,023	55,415	55,808	56,200	56,596	56,986	57,381
37	Meter Communications Equipment	370.1	(391)	(363)	(334)	(306)	(278)	(249)	(221)	(192)	(164)	(136)	(107)	(79)	(51)
38	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-	-	-
39	Street Lighting and Signaling Systems	373	25,186	25,273	25,370	25,466	25,563	25,659	25,756	25,852	25,949	26,045	26,141	26,238	26,334
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	710,258	713,982	716,907	720,204	723,337	726,738	730,354	733,997	737,850	739,990	743,797	747,753	750,143
<b>GENERAL PLANT</b>															
41	Land and land rights	389	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Structures, Improvements	390	19,970	20,214	20,450	20,692	20,940	21,192	21,451	21,715	21,984	22,259	22,539	22,825	23,114
43	Leasehold Improvements	-	5,679	5,715	5,752	5,788	5,825	5,861	5,898	5,934	5,971	6,007	6,043	6,080	6,116
44	Office furniture	391.1	1,033	1,066	1,099	1,133	1,166	1,200	1,233	1,267	1,301	1,020	1,053	1,085	1,162
45	Office furniture - Combined for FTY	391.1	(1,060)	(1,028)	(996)	(964)	(932)	(900)	(868)	(836)	(804)	(772)	(740)	(708)	(675)
46	Office equipment	391.2	2,861	2,862	2,863	2,866	2,869	2,873	2,878	2,883	2,889	2,896	2,904	2,913	3,666
47	Office equipment - Combined for FTY	391.2	(1,904)	(1,847)	(1,789)	(1,731)	(1,673)	(1,615)	(1,557)	(1,499)	(1,441)	(1,383)	(1,325)	(1,267)	(1,211)
48	Transportation equipment	392	39,051	39,371	39,692	40,013	36,917	37,237	37,568	37,908	38,258	38,618	38,978	39,338	39,676
49	Store equipment	393	1,413	1,420	1,427	1,434	1,441	1,448	1,455	1,463	1,470	1,362	1,368	1,375	1,381
50	Store equipment - Combined for FTY	393	(147)	(143)	(139)	(135)	(131)	(127)	(123)	(119)	(115)	(111)	(107)	(103)	(94)
51	Tools, shop and garage equipment	394	5,223	5,274	5,326	5,377	5,429	5,481	5,532	5,584	5,635	5,776	5,226	5,276	5,318
52	Tools, shop and garage equipment - Combined for FTY	394	(850)	(824)	(798)	(772)	(746)	(720)	(694)	(668)	(642)	(616)	(590)	(564)	(541)
53	Laboratory equipment	395	2,534	2,551	2,568	2,586	2,603	2,620	2,637	2,654	2,671	2,075	2,089	2,104	2,115
54	Laboratory equipment - Combined for FTY	395	(555)	(538)	(521)	(504)	(487)	(470)	(453)	(436)	(419)	(402)	(385)	(368)	(353)
55	Power operated equipment	396	981	990	1,000	1,009	1,019	1,029	1,039	1,048	1,058	1,067	1,078	1,088	1,093
56	Electric communications equipment	397	27,630	27,956	28,282	28,610	28,940	29,271	29,604	29,938	30,274	29,949	30,293	30,638	31,009
57	Electric communications equipment - Combined for FTY	397	(4,380)	(4,247)	(4,114)	(3,981)	(3,848)	(3,715)	(3,582)	(3,449)	(3,316)	(3,183)	(3,050)	(2,917)	(2,787)
58	Miscellaneous equipment	398	212	214	215	217	219	221	223	225	227	201	204	205	205
59	Miscellaneous equipment - Combined for FTY	398	(43)	(42)	(41)	(40)	(39)	(38)	(37)	(36)	(35)	(34)	(33)	(32)	(27)
60	TOTAL GENERAL	Sum L 41 to L 59	97,648	98,963	100,277	101,598	99,511	100,847	102,203	103,573	104,963	104,128	105,543	106,966	109,166
61	SUB-TOTAL (L 4 + L 13 + L 25 L 40 + L 60)	106	990,702	996,958	999,075	1,004,929	1,007,223	1,013,216	1,019,454	1,025,745	1,032,277	1,034,879	1,041,945	1,049,172	1,055,522
62	Closed Plant Not Classified	106	-	-	-	-	-	-	-	-	-	-	-	-	-
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ 990,702	\$ 996,958	\$ 999,075	\$ 1,004,929	\$ 1,007,223	\$ 1,013,216	\$ 1,019,454	\$ 1,025,745	\$ 1,032,277	\$ 1,034,879	\$ 1,041,945	\$ 1,049,172	\$ 1,055,522

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

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**Witness: Ankrum/O'Brien**  
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**NET COST OF REMOVAL**  
**4/1/13 to 3/31/14**

Line #	Description	Account Number	Future Test Year - 12 Months Ended March 31, 2014												Total
			[ 2 ] Apr-13	[ 3 ] May-13	[ 4 ] Jun-13	[ 5 ] Jul-13	[ 6 ] Aug-13	[ 7 ] Sep-13	[ 8 ] Oct-13	[ 9 ] Nov-13	[ 10 ] Dec-13	[ 11 ] Jan-14	[ 12 ] Feb-14	[ 13 ] Mar-14	
<b>INTANGIBLE PLANT</b>															
1	Organization	301	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
2	Franchise & Consent	302	-	-	-	-	-	-	-	-	-	-	-	-	
3	Miscellaneous Intangible Plant	303	-	-	-	-	-	-	-	-	-	-	-	-	
4	TOTAL INTANGIBLE	Sum L 1 to L 3	-	-	-	-	-	-	-	-	-	-	-	-	
<b>PRODUCTION PLANT</b>															
5	Land and land rights	310	-	-	-	-	-	-	-	-	-	-	-	-	
6	Structures, Improvements	311	-	-	-	-	-	-	-	-	-	-	-	-	
7	Misc. Power Plan equipment	316	-	-	-	-	-	-	-	-	-	-	-	-	
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-	-	-	-	-	-	-	-	-	
<b>STORAGE PLANT</b>															
9	Land and land rights	340	-	-	-	-	-	-	-	-	-	-	-	-	
10	Structures, Improvements	341	-	-	-	-	-	-	-	-	-	-	-	-	
11	Misc Power Plant Equipment	346	-	-	-	-	-	-	-	-	-	-	-	-	
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-	-	-	-	-	-	-	-	-	
13	TOTAL PRODUCTION PLANT	(L 8 + L 12)	-	-	-	-	-	-	-	-	-	-	-	-	
<b>TRANSMISSION PLANT</b>															
14	Land and land rights	350	-	-	-	-	-	-	-	-	-	-	-	-	
15	Structures, Improvements	352	-	-	-	-	-	-	-	-	-	-	-	-	
16	Station Equipment	353	39	39	39	39	39	39	39	39	20	20	20	411	
17	Towers and Fixtures	354	103	103	103	103	103	103	103	103	107	107	107	1,248	
18	Poles and Fixtures	355	1	1	1	1	1	1	1	1	1	1	1	12	
19	Overhead Conductors & Devices	356	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	50	50	50	60	
20	Underground Conduit	357	-	-	-	-	-	-	-	-	-	-	-	-	
21	Underground Conductors & Devices	358	-	-	-	-	-	-	-	-	-	-	-	-	
22	Road and Trails	359	-	-	-	-	-	-	-	-	-	-	-	-	
23	Asset Retirement Costs	359.1	-	-	-	-	-	-	-	-	-	-	-	-	
24	Other Transmission Plant		-	-	-	-	-	-	-	-	-	-	-	-	
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	133	133	133	133	133	133	133	133	178	178	178	1,731	
<b>DISTRIBUTION PLANT</b>															
26	Land and land rights	360	-	-	-	-	-	-	-	-	-	-	-	-	
27	Structures, Improvements	361	-	-	-	-	-	-	-	-	-	-	-	-	
28	Station Equipment	362	19	51	28	23	8	26	8	8	112	10	10	205	
29	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-	-	
30	Poles, Towers and Fixtures	364	116	301	270	358	253	232	216	216	405	269	269	390	
31	Overhead Conductors and Devices	365	198	(88)	(78)	(97)	(66)	(61)	(55)	(56)	(258)	(45)	(45)	(78)	
32	Underground Conduit	366	-	7	15	11	10	12	10	10	17	6	6	112	
33	Underground Conductors and Devices	367	20	(8)	(16)	(12)	(11)	(13)	(33)	(12)	(15)	(19)	(7)	(7)	
34	Line Transformers	368	135	32	35	40	32	29	27	27	29	24	24	32	
35	Services	369	41	526	328	328	469	373	311	311	348	312	312	3,971	
36	Meters	370	-	-	-	-	1	-	-	-	1	-	-	3	
37	Meter Communications Equipment	370.1	-	-	-	-	-	-	-	-	-	-	-	-	
38	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-	-	
39	Street Lighting and Signaling Systems	373	-	-	-	-	-	-	-	-	-	-	-	-	
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	529	821	582	651	696	598	484	504	630	568	569	861	
<b>GENERAL PLANT</b>															
41	Land and land rights	389	-	-	-	-	-	-	-	-	-	-	-	-	
42	Structures, Improvements	390	-	-	-	-	-	-	-	-	-	-	-	-	
43	Leasehold Improvements		-	-	-	-	-	-	-	-	-	-	-	-	
44	Office furniture	391.1	-	-	-	-	-	-	-	-	-	-	-	-	
45	Office furniture - Combined for FTY	391.1	-	-	-	-	-	-	-	-	-	-	-	-	
46	Office equipment	391.2	-	-	-	-	-	-	-	-	-	-	-	-	
47	Office equipment - Combined for FTY	391.2	1	-	-	-	-	-	-	-	-	-	-	1	
48	Transportation equipment	392	-	-	-	-	-	-	-	-	-	-	-	-	
49	Store equipment	393	-	-	-	-	-	-	-	-	-	-	-	-	
50	Store equipment - Combined for FTY	393	-	-	-	-	-	-	-	-	-	-	-	-	
51	Tools, shop and garage equipment	394	-	-	-	-	-	-	-	-	-	-	-	-	
52	Tools, shop and garage equipment - Combined for FTY	394	-	-	-	-	-	-	-	-	-	-	-	-	
53	Laboratory equipment	395	-	-	-	-	-	-	-	-	-	-	-	-	
54	Laboratory equipment - Combined for FTY	395	-	-	-	-	-	-	-	-	-	-	-	-	
55	Power operated equipment	396	-	-	-	-	-	-	-	-	-	-	-	-	
56	Electric communications equipment	397	-	-	-	-	-	-	-	-	-	-	-	-	
57	Electric communications equipment - Combined for FTY	397	-	-	-	-	-	-	-	-	-	-	-	-	
58	Miscellaneous equipment	398	-	-	-	-	-	-	-	-	-	-	-	-	
59	Miscellaneous equipment - Combined for FTY	398	-	-	-	-	-	-	-	-	-	-	-	-	
60	TOTAL GENERAL	Sum L 41 to L 59	1	-	-	-	-	-	-	-	-	-	-	-	
61	SUB-TOTAL (L 4 + L 13 + L 25 + L 40 + L 60)		663	954	715	784	829	731	617	637	763	746	747	1,039	
62	Closed Plant Not Classified	106	-	-	-	-	-	-	-	-	-	-	-	-	
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ 663	\$ 954	\$ 715	\$ 784	\$ 829	\$ 731	\$ 617	\$ 637	\$ 763	\$ 746	\$ 747	\$ 1,039	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

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**Witness: O'Brien**  
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**Pro Forma Accumulated Depreciation on Plant Adjustments**  
**4/1/13 to 3/31/14**

		[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
Pro Forma Accumulated Depreciation on Plant Adjustments						
Line #	Description	Account Number				
A	Total Amount of Adjustment		\$ -	\$ -	\$ -	\$ -
<b>INTANGIBLE PLANT</b>						
1	Organization	301	\$ -	\$ -	\$ -	\$ -
2	Franchise & Consent	302	-	-	-	-
3	Miscellaneous Intangible Plant	303	-	-	-	-
4	TOTAL INTANGIBLE	Sum L 1 to L 3	-	-	-	-
<b>PRODUCTION PLANT</b>						
5	Land and land rights	310	-	-	-	-
6	Structures, Improvements	311	-	-	-	-
7	Misc. Power Plan equipment	316	-	-	-	-
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-
<b>STORAGE PLANT</b>						
9	Land and land rights	340	-	-	-	-
10	Structures, Improvements	341	-	-	-	-
11	Misc Power Plant Equipment	346	-	-	-	-
12	TOTAL STORAGE PLANT	Sum L 9 to L 11	-	-	-	-
13	TOTAL PRODUCTION PLANT	( L 8 + L 12 )	-	-	-	-
<b>TRANSMISSION PLANT</b>						
14	Land and land rights	350	-	-	-	-
15	Structures, Improvements	352	-	-	-	-
16	Station Equipment	353	-	-	-	-
17	Towers and Fixtures	354	-	-	-	-
18	Poles and Fixtures	355	-	-	-	-
19	Overhead Conductors & Devices	356	-	-	-	-
20	Underground Conduit	357	-	-	-	-
21	Underground Conductors & Devices	358	-	-	-	-
22	Road and Trails	359	-	-	-	-
23	Asset Retirement Costs	359.1	-	-	-	-
24	Other Transmission Plant		-	-	-	-
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	-	-	-	-
<b>DISTRIBUTION PLANT</b>						
26	Land and land rights	360	-	-	-	-
27	Structures, Improvements	361	-	-	-	-
28	Station Equipment	362	-	-	-	-
29	Storage Battery Equipment	363	-	-	-	-
30	Poles, Towers and Fixtures	364	-	-	-	-
31	Overhead Conductors and Devices	365	-	-	-	-
32	Underground Conduit	366	-	-	-	-
33	Underground Conductors and Devices	367	-	-	-	-
34	Line Transformers	368	-	-	-	-
35	Services	369	-	-	-	-
36	Meters	370	-	-	-	-
37	Meter Communications Equipment	370.1	-	-	-	-
38	Leased Property On Customers Premises	372	-	-	-	-
39	Street Lighting and Signaling Systems	373	-	-	-	-
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	-	-	-	-
<b>GENERAL PLANT</b>						
41	Land and land rights	389	-	-	-	-
42	Structures, Improvements	390	-	-	-	-
43	Leasehold Improvements		-	-	-	-
44	Office furniture	391.1	-	-	-	-
45	Office furniture - Combined for FTY	391.1	-	-	-	-
46	Office equipment	391.2	-	-	-	-
47	Office equipment - Combined for FTY	391.2	-	-	-	-
48	Transportation equipment	392	-	-	-	-
49	Store equipment	393	-	-	-	-
50	Store equipment - Combined for FTY	393	-	-	-	-
51	Tools, shop and garage equipment	394	-	-	-	-
52	Tools, shop and garage equipment - Combined for FTY	394	-	-	-	-
53	Laboratory equipment	395	-	-	-	-
54	Laboratory equipment - Combined for FTY	395	-	-	-	-
55	Power operated equipment	396	-	-	-	-
56	Electric communications equipment	397	-	-	-	-
57	Electric communications equipment - Combined for FTY	397	-	-	-	-
58	Miscellaneous equipment	398	-	-	-	-
59	Miscellaneous equipment - Combined for FTY	398	-	-	-	-
60	TOTAL GENERAL	Sum L 41 to L 59	-	-	-	-
61	SUB-TOTAL ( L 4 + L 13 + L 25 L 40 + L 60 )		-	-	-	-
62	Closed Plant Not Classified	106	-	-	-	-
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ -	\$ -	\$ -	\$ -

**Duquesne Light Company**  
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**Working Capital**

<b>Line No</b>	<b>Description</b>	<b>[ 1 ] Reference</b>	<b>[ 2 ] FTY Ended 3/31/14</b>
1	Operation & Maintenance Expenses	C-4, P 2, L 11	\$ 23,114
2	Tax Expense	C-4, P 7, L 12	19,742
3	Interest Payments	C-4, P 8, L 9	(4,301)
4	Preferred Dividend Payments	C-4, P 9, L 9	145
5	Average Prepayments	C-4, P 11, L 24	4,401
6	Total Cash Working Capital Requirements		\$ 43,100

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**Summary of Working Capital**

Line #	Description	Reference	FTY Expenses	Factor	Number of (Lead) / Lag Days	Totals
		[ 1 ]		[ 2 ]	[ 3 ]	[ 4 ]
					[ 2 ] * [ 3 ]	[ 5 ]
<b>WORKING CAPITAL REQUIREMENT</b>						
1	REVENUE LAG DAYS	Sch C-4, P 3				54.72
2	EXPENSE LAG DAYS					
3	Payroll	Sec D, Sch 7	\$ 60,582	12.77	\$ 773,899	
4	Pension Expense	Sec D, Sch 9	18,600	(21.11)	(392,646)	
5	Power Purchased for Resale	Sec D, Sch 2	151,444	33.88	5,130,923	
6	Other Expenses	L 23 - L 3 to L 5	96,988	41.06	3,982,336	
7	Total	Sum (L 3 to L 6)	<u>\$ 327,614</u>		<u>\$ 9,494,511</u>	
8	O & M Expense Lag Days	L 7, [4] / [2]				28.98
9	Net (Lead) Lag Days	L 1 - L 8				25.74
10	Operating Expenses Per Day	L 7, [2] / 365				<u>\$ 898</u>
11	Working Capital for O & M Expense	L 9 * L 10				\$ 23,114
12	Average Prepayments	Sch C-4, Pg 11				4,401
13	Tax Expense	Sch C-4, Pg 7				19,742
14	Interest Payments	Sch C-4, Pg 8				(4,301)
15	Preferred Dividend Payments	Sch C-4, Pg 9				145
16	Total Working Capital Requirement	Sum (L 11 to L 15)				<u>\$ 43,100</u>
17	Pro Forma O & M Expense		\$ 334,039			
18	Less:					
	Power Purchased for Resale		-			
19	Uncollectible Expense - Present Rates		6,191			
20	Uncollectible Expense-on Rev Increase		233			
21	Other					
22	Sub-Total	Sum (L 18 to L 21)	<u>6,424</u>			
23	Pro Forma Cash O&M Expense	L 17 - L 22	<u>\$ 327,614</u>			

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**Revenue Lag**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] Accounts Receivable Balance End of Month	[ 3 ] Total Monthly Sales Sch C-4, Pg 4	[ 4 ] A/R Turnover [ 3 ] / [ 2 ]	[ 5 ] Days Lag 365 / [ 4 ]	
1	Annual Number of Days					<u>365</u>	
2	March, 2012		\$ 78,114				
3	April		73,290	53,578			
4	May		68,391	64,368			
5	June		74,802	71,254			
6	July		87,120	86,536			
7	August		87,940	74,056			
8	September		89,204	60,523			
9	October		73,983	55,184			
10	November		73,900	57,438			
11	December, 2012		75,935	62,668			
12	January, 2013		81,369	63,685			
13	February		82,302	59,539			
14	March, 2013		81,731	60,775			
15	Total	Sum L 2 to L 14	<u>\$1,028,081</u>				
16	Average A/R Balance	<u>13</u>					
17	Factor		<u>\$79,083</u>	<u>\$ 769,604</u>	<u>9.73</u>	<u>37.51</u>	
18	Collection Days Lag (L 17 [ 5 ])					37.51	
19	Billing Calculation and mailing days lag					2.00	
20	Billing Lag (Mid-Point of Service Period)		365	/	12	* 0.5 =	15.21
21	Total Revenue Lag Days	Sum L 18 to L 20				<u>54.72</u>	

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**Revenue By Class of Service**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
		Residential	Commercial	Industrial	Lighting	TOTAL Sum [ 1 ] to [ 4 ]
1	April, 2010	31,043	22,060	4,229	1,238	58,570
2	May	37,829	26,139	4,911	1,245	70,124
3	June	45,930	26,276	4,595	1,166	77,967
4	July	60,093	29,811	4,780	1,162	95,846
5	August	54,589	28,640	4,696	1,110	89,035
6	September	36,630	24,408	4,043	1,192	66,273
7	October	33,476	22,788	4,135	1,189	61,588
8	November	37,729	22,489	4,320	1,443	65,981
9	December, 2010	48,105	23,622	4,163	1,299	77,189
10	January, 2011	47,880	20,964	4,493	1,047	74,384
11	February	39,857	19,352	4,517	974	64,700
12	March, 2011	39,094	21,108	4,731	1,123	66,056
13	TOTAL	<u>\$ 512,255</u>	<u>\$ 287,657</u>	<u>\$ 53,613</u>	<u>\$ 14,188</u>	<u>\$ 867,713</u>
14	April, 2011	33,124	19,728	4,301	1,086	58,239
15	May	38,274	23,165	4,437	1,136	67,012
16	June	49,468	22,697	4,640	1,068	77,873
17	July	65,934	27,405	4,113	1,125	98,577
18	August	53,041	23,809	3,929	1,097	81,876
19	September	40,119	22,059	3,721	1,126	67,025
20	October	35,131	20,113	3,956	1,053	60,253
21	November	37,032	19,253	3,786	1,062	61,133
22	December, 2011	44,072	19,873	3,765	1,221	68,931
23	January, 2012	42,103	19,642	3,727	914	66,386
24	February	37,640	18,914	3,559	979	61,092
25	March, 2012	33,122	19,907	4,000	1,140	58,169
26	TOTAL	<u>\$ 509,060</u>	<u>\$ 256,565</u>	<u>\$ 47,934</u>	<u>\$ 13,007</u>	<u>\$ 826,566</u>
27	April, 2012	30,698	18,196	3,691	993	53,578
28	May	37,810	21,575	3,891	1,092	64,368
29	June	46,166	20,304	3,733	1,051	71,254
30	July	60,181	21,678	3,611	1,066	86,536
31	August	48,424	20,386	4,131	1,115	74,056
32	September	37,280	18,459	3,860	924	60,523
33	October	31,391	18,821	3,903	1,069	55,184
34	November	34,952	17,854	3,581	1,051	57,438
35	December, 2012	39,512	18,141	3,958	1,057	62,668
36	January, 2013	40,805	18,129	3,764	987	63,685
37	February	37,565	17,432	3,573	969	59,539
38	March, 2013	37,513	18,256	3,953	1,053	60,775
39	TOTAL	<u>\$ 482,297</u>	<u>\$ 229,231</u>	<u>\$ 45,649</u>	<u>\$ 12,427</u>	<u>\$ 769,604</u>

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**Summary of Expense Lag Calculations**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] Amount	[ 3 ] (Lead) / Lag Days	[ 4 ] Weighted Dollar Value [ 2 ] * [ 3 ]	[ 5 ] (Lead) / Lag Days [ 4 ] / [ 2 ]
<b><u>PAYROLL</u></b>						
1	Union		\$ 33,348	17.00	\$ 566,920	
2	Paid Bi-Weekly with one week lag (14 days / 2 + 7 days)					
3	Non-Union		27,234	7.60	206,977	
4	Paid Twice Monthly (365 days / 24 / 2)					
5	Payroll Lag	Sum L 1 to L 4	<u>\$ 60,582</u>		<u>\$ 773,897</u>	<u>12.77</u>
<b><u>PENSION EXPENSE</u></b>						
6	Payment # 1	15-Apr	4,850	(169.00)	\$ (819,650)	
7	Payment # 2	15-Jul	4,850	(78.00)	(378,300)	
8	Payment # 3	15-Sep	40,450	(16.00)	(647,200)	
9	Payment # 4	15-Oct	4,850	14.00	67,900	
10	Payment # 5	15-Jan	4,850	106.00	514,100	
11	Mid-point of Service Period	1-Oct				
12	Totals & (Lead) Lag Days	Sum L 6 to L 11	<u>59,850</u>		<u>(1,263,150)</u>	<u>(21.1)</u>
<b><u>PURCHASED ELECTRICITY</u></b>						
13	Contract Payment Lag		<u>\$ 151,444</u>	<u>33.88</u>	<u>\$ 5,130,923</u>	<u>33.88</u>
<b><u>OTHER O &amp; M EXPENSES</u></b>						
14	FEBRUARY, 2012	Sch C-4, Pg 6	\$ 5,432,644		\$ 218,594,490	
15	MAY, 2012	Sch C-4, Pg 6	5,316,723		207,037,385	
16	AUGUST, 2012	Sch C-4, Pg 6	5,583,938		225,546,373	
17	NOVEMBER, 2012	Sch C-4, Pg 6	6,399,542		282,157,463	
18	TOTAL	Sum L 14 to L 17	<u>22,732,848</u>		<u>933,335,710</u>	<u>41.06</u>

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**General Disbursements Lag**

Line #	Description	[ 1 ] Number of CDs	[ 2 ] Cash Disbursements	[ 3 ] Dollar-Days	[ 4 ] Expense Lag-Days [ 3 ] / [ 2 ]
<b><u>FEBRUARY, 2012</u></b>					
1	Total Monthly Disbursements	3525	\$ 517,198,744	\$ 4,377,893,763	8.46
2	Total Excl Non-Expense & Under \$1,000	411	\$ 5,894,565	\$ 235,819,456	40.01
3	Total O & M Only	391	\$ 5,432,644	\$ 218,594,490	40.24
<b><u>MAY, 2012</u></b>					
4	Total Monthly Disbursements	3711	\$ 99,917,463	\$ 1,493,131,864	14.94
5	Total Excl Non-Expense & Under \$1,000	429	\$ 5,705,038	\$ 227,870,801	39.94
6	Total O & M Only	404	\$ 5,316,723	\$ 207,037,385	38.94
<b><u>AUGUST, 2012</u></b>					
7	Total Monthly Disbursements	3887	\$ 119,891,774	\$ 1,712,342,416	14.28
8	Total Excl Non-Expense & Under \$1,000	418	\$ 6,481,033	\$ 254,323,773	39.24
9	Total O & M Only	386	\$ 5,583,938	\$ 225,546,373	40.39
<b><u>NOVEMBER, 2012</u></b>					
10	Total Monthly Disbursements	4328	\$ 83,832,906	\$ 1,579,265,011	18.84
11	Total Excl Non-Expense & Under \$1,000	552	\$ 6,726,648	\$ 295,369,151	43.91
12	Total O & M Only	524	\$ 6,399,542	\$ 282,157,463	44.09
<b><u>TOTAL FOUR TEST MONTHS</u></b>					
13	Total Monthly Disbursements	15451	\$ 820,840,887	\$ 9,162,633,054	11.16
14	Total Excl Non-Expense & Under \$1,000	1810	\$ 24,807,283	\$ 1,013,383,180	40.85
15	Total O & M Only	2243	\$ 22,732,848	\$ 933,335,710	41.06

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**Tax Expense Lag Days**

Line No.	Description	Reference Or Factor	[ 1 ] Pro Forma Proposed Rate Amount	[ 2 ] (Lead) Lag Days C-4, P 10	[ 3 ] Weighted Dollar Days [ 2 ] * [ 3 ]
1	FEDERAL INCOME TAX		\$ 70,809	17.22	\$ 1,219,328
2	STATE INCOME TAX		18,759	24.97	468,404
3	PURTA		1,073	115.72	124,168
4	PA CAPITAL STOCK TAX		778	24.97	19,427
5	PA LOCAL & USE TAX		315	18.72	5,897
6	PA PROPERTY TAX		854	55.22	47,158
7	CITY OF PITTSBURGH		316	131.72	41,624
8	GROSS RECEIPTS TAX		40,266	126.22	5,082,353
9	GRT - REVENUE INCREASE		1,564	126.22	197,408
10	Total	Sum L 1 to L 9			<u>\$ 7,205,766</u>
11	Days in Year				<u>365</u>
12	Average Daily Amount for Working Capital	L 10 / L 11			<u>\$ 19,742</u>

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**Interest Payments**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] # of Days	[ 3 ] # of Days	[ 4 ] Total
1	Measures of Value at March 31, 2014				\$ 1,931,768
2	Long-term Debt Ratio				42.95%
3	Embedded Cost of Long-term Debt				5.18%
4	Pro forma Interest Expense	L 1 * L 2 * L 3			<u>\$ 42,978</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 118
6	Days to mid-point of interest payments			91.25	
7	Less: Revenue Lag Days			54.72	
8	Interest Payment lag days	L 7 - L 6			(36.5)
9	Total Interest for Working Capital	L 5 * L 8			<u>\$ (4,301)</u>

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**Preferred Stock Payments**

Line No.	Description	[ 1 ] Reference Or Factor	[ 2 ] # of Days	[ 3 ] # of Days	[ 4 ] Total
1	Measures of Value at March 31, 2011				\$ 1,931,768
2	Preferred Stock Ratio				5.11%
3	Embedded Cost of Preferred				5.89%
4	Pro forma Dividend Expense	L 1 * L 2 * L 3			<u>\$ 5,814</u>
5	Daily Amount	L 4 / L 5 [2]	365		\$ 16
6	Days to mid-point of Dividend payments			45.63	
7	Less: Revenue Lag Days			54.72	
8	Dividend Payment lag days	L 7 - L 6			<u>9.09</u>
9	Total Dividend for Working Capital	L 5 * L 8			<u>\$ 145</u>

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**TAX EXPENSE LAG DAYS**

Line #	Description	[ 1 ] Payment Dates	[ 2 ] Mid-Point of Service Period	[ 3 ] Lead (Lag) Payment Days [ 1 ] - [ 2 ]	[ 4 ] Payment Amount	[ 5 ] Weighted Lead (Lag) Dollars [ 3 ] * [ 4 ]	[ 6 ] Payment Lead (Lag) Days [ 5 ] / [ 4 ]	[ 7 ] Revenue (Lag) Days C-4, Pg3	[ 8 ] Net Payment Lead (Lag) Days [ 6 ] - [ 7 ]
1	<b>FEDERAL INCOME TAX</b>	<u>25%</u>			\$ 70,809				
2	First Payment	04/15/12	07/01/12	77.00	\$ 17,702	1,363,070			
3	Second Payment	06/15/12	07/01/12	16.00	17,702	283,235			
4	Third Payment	09/15/12	07/01/12	(76.00)	17,702	(1,345,368)			
5	Fourth Payment	12/15/12	07/01/12	(167.00)	17,702	(2,956,270)			
6	Total				\$ 70,809	\$ (2,655,332)	(37.50)	54.72	17.22
7	<b>STATE INCOME TAX</b>	<u>25%</u>			\$ 18,759				
8	First Payment	03/15/12	07/01/12	108.00	\$ 4,690	506,485			
9	Second Payment	06/15/12	07/01/12	16.00	4,690	75,035			
10	Third Payment	09/15/12	07/01/12	(76.00)	4,690	(356,415)			
11	Fourth Payment	12/15/12	07/01/12	(167.00)	4,690	(783,175)			
12	Total				\$ 18,759	(558,071)	(29.75)	54.72	24.97
13	<b>PURTA</b>				\$ 1,073				
14	Payment	05/01/12	07/01/12	61.00	\$ 1,073	65,453	61.00	54.72	115.72
15	<b>PA CAPITAL STOCK TAX</b>	<u>25%</u>			\$ 778				
16	First Payment	03/15/12	07/01/12	108.00	\$ 195	21,006			
17	Second Payment	06/15/12	07/01/12	16.00	195	3,112			
18	Third Payment	09/15/12	07/01/12	(76.00)	195	(14,782)			
19	Fourth Payment	12/15/12	07/01/12	(167.00)	195	(32,482)			
20	Total				\$ 778	(23,146)	0.00	54.72	54.72
21	<b>PA LOCAL &amp; USE TAX</b>				\$ 315				
22	Payment	02/20/12	01/15/12	(36.00)	\$ 315	(11,340)	(36.00)	54.72	18.72
23	<b>PA PROPERTY TAX</b>	<u>50%</u>			\$ 854				
24	First Payment	03/31/12	07/01/12	92.00	\$ 427	39,284			
25	Second Payment	09/30/12	07/01/12	(91.00)	427	(38,857)			
26	Total				\$ 854	427	0.50	54.72	55.22
27	<b>CITY OF PITTSBURGH</b>				\$ 316				
28	Payment	04/15/12	07/01/12	77.00	\$ 316	24,332	77.00	54.72	131.72
29	<b>GROSS RECEIPTS TAX</b>	<u>90%</u>			\$ 40,266				
30	90% of Estimated GRT	03/15/12	07/01/12	108.00	\$ 36,239	3,913,838			
31									
32	Balance Based on Estimate	03/15/13	07/01/12	(257.00)	4,027	(1,034,832)			
33									
34	Total				\$ 40,266	2,879,007	71.50	54.72	126.22

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**PREPAID EXPENSES**

Line #	Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]
		Total For Separation	TOTAL	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13		
1	Property - All Risk Ins	\$ 10,724	10,724	\$ 456	\$ 456	\$ 529	\$ 529	\$ 989	\$ 989	\$ 989	\$ 1,448	\$ 1,448	\$ 1,448	\$ 481	\$ 481	\$ 481		
2	Liability - Misc Ins	2,919	2,919	106	209	209	209	312	312	312	312	319	370	83	83	83		
3	Director & Officer Ins	1,027	1,027	24	70	70	70	116	116	116	116	124	124	27	27	27		
4	Auto Ins	31	31	1	2	2	2	3	3	3	3	3	3	2	2	2		
5	Pollution Ins	569	569	47	47	47	47	47	47	47	47	47	47	33	33	33		
6	Insurance Exp	2,216	2,216	126	126	126	190	190	190	253	253	253	253	64	64	128		
7	Fiduciary	500	500	11	34	34	34	57	57	57	57	60	60	13	13	13		
8	Workers' Compensation	164	164	6	11	11	11	17	17	17	17	18	18	7	7	7		
9	Excess General Liab Ins	25,865	25,865	845	1,690	1,690	1,690	2,535	2,535	2,535	2,535	3,170	3,170	978	978	1,514		
10	Workers' Comp T&D	1,347	1,347	50	87	87	87	87	124	124	124	167	167	69	69	105		
11	Amortization Offset - Ins	(37,145)	(37,145)	(1,456)	(1,944)	(2,332)	(2,649)	(3,258)	(3,695)	(4,057)	(4,569)	(4,965)	(5,310)	(554)	(988)	(1,368)		
12	Federal Highway Use Tax	4	4	2	1	1	-	-	-	-	-	-	-	-	-	-		
13	Penna PUC Assessment	13,654	13,654	465	310	155	2,000	1,833	1,667	1,500	1,388	1,214	1,041	867	694	520		
14	Prepaid Expense	3,147	3,147	417	371	324	278	232	186	140	94	48	303	277	251	226		
15	Penna Gross Receipts Tax	-	0%	169,811	31,734	28,644	24,948	20,788	15,809	11,560	8,136	4,962	1,704	-	-	21,526		
16	System Upgrade Ins	116	116	4	-	19	17	15	14	12	10	8	7	5	3	2		
17	IT Hardware Maintenance	8,017	8,017	660	760	699	652	662	642	638	639	553	460	571	530	551		
18	IT Software Maintenance	13,457	13,457	946	854	1,498	1,359	1,212	1,063	909	896	918	1,018	1,048	949	787		
19	Communication Maint Agree	4,016	4,016	302	257	219	205	334	284	308	261	375	269	314	469	419		
20	Smart Meter Exp	6,590	6,590	85	28	1,095	992	928	811	695	579	463	390	282	175	67		
21	<b>TOTAL</b>	<b>\$ 57,218</b>	<b>\$ 227,029</b>	<b>\$ 34,831</b>	<b>\$ 32,013</b>	<b>\$ 29,431</b>	<b>\$ 26,511</b>	<b>\$ 22,120</b>	<b>\$ 16,922</b>	<b>\$ 12,734</b>	<b>\$ 9,172</b>	<b>\$ 5,927</b>	<b>\$ 3,838</b>	<b>\$ 4,567</b>	<b>\$ 3,840</b>	<b>\$ 25,123</b>		
22	Number of Months	<u>13</u>																
23	Monthly Average	L 22 / L 21	<u>\$ 4,401</u>															
24	Rate Case Amount		<u>\$ 4,401</u>															

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**  
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**Plant Materials and Operating Supplies**

Line No	Description	[ 1 ]		[ 2 ]	
		FTY Ended 3-31-14			
		<u>Materials &amp; Supplies</u>		<u>Stores Expenses</u>	
<b>Plant Materials &amp; Supplies</b>					
1	March, 2012	\$ 19,124	\$ 104	\$ -	
2	April	20,103	135	-	
3	May	19,789	88	-	
4	June	20,327	155	-	
5	July	20,325	182	-	
6	August	20,025	124	-	
7	September	19,339	202	4	
8	October	19,399	245	9	
9	November	19,397	161	9	
10	December, 2012	20,233	115	16	
11	January, 2013	21,981	158	16	
12	February	22,329	258	16	
13	March, 2013	23,453	315	20	
14	Totals	<u>\$ 265,824</u>	<u>\$ 2,242</u>	<u>\$ 90</u>	
15	13-Month Average	<u>\$ 20,448</u>	<u>\$ 172</u>	<u>\$ 7</u>	
16	13-Month Net Average			<u>\$ 20,627</u>	
<b>Amounts Assigned by Function:</b>					
17	Transmission Plant	37.0%		\$ 7,632	
18	Distribution Plant	53.8%		11,097	
19	General Plant	9.2%		1,898	
20	Intangible Plant	0.0%		-	
21	Construction Category	0.0%		-	
22	Total	<u>100.00%</u>		<u>\$ 20,627</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**  
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**Accumulated Deferred Income Taxes**

Line No	Description	[ 1 ] Reference	[ 2 ] FTY Ended 3-31-14
<b><u>ACCUMULATED DEFERRED INCOME TAXES</u></b>			
1	Transmission Plant		\$ 102,093
2	Distribution Plant		356,476
3	General and Other Plant		-
4	CIAC Plant		-
5	Total		<u>\$ 458,569</u>

- 6 **A** ADIT amounts calculated in accordance with IRS Regulation # 1.167
- 7 **B** ADIT on General and Other Plant allocated to Distribution and Transmission and included in amounts on lines 1 and 2
- 8 **C** ADIT on CIAC Plant to be finalized and will be provided when complete

**Duquesne Light Company  
Before The Pennsylvania Public Utility Commission  
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(\$ in Thousands)**

**Schedule  
Witness:  
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**Customer Deposits and Interest**

Line #	Description	Factor Or Reference	[ 1 ] Customer Deposits	[ 2 ] Interest On Customer Deposits
1	March, 2012		\$ (7,904)	
2	April		(7,992)	\$ 40
3	May		(7,996)	40
4	June		(8,037)	40
5	July		(8,099)	40
6	August		(8,158)	41
7	September		(8,109)	41
8	October		(8,270)	41
9	November		(8,305)	41
10	December, 2012		(8,182)	41
11	January, 2013		(8,144)	41
12	February		(8,167)	41
13	March, 2013		(8,128)	41
14	Total		<u>\$ (105,491)</u>	<u>\$ 488</u>
15	Average Monthly Balance		<u>\$ (8,115)</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
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**Schedule**  
**Witness:**  
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**Excess Pension Capitalized**

Line #	Description	Reference Or Factor	[1]	[2]	[3]
			Capitalized Pension Contribution	SFAS - 87 Pension Capitalized	Pension Contribution Capitalized Over (Under) SFAS - 87 Capitalized [1] - [2]
	<u>Year Ended 12-31-08</u>				
1	Total Contribution		\$ 10,000		
2	Percent Capitalized		50.00%		
3	Amount Capitalized		<u>5,000</u>	\$ (737)	\$ 5,737
	<u>Year Ended 12-31-09</u>				
4	Total Contribution		\$ 20,000		
5	Percent Capitalized		50.00%		
6	Amount Capitalized		<u>10,000</u>	\$ 663	\$ 9,337
	<u>Year Ended 12-31-10</u>				
7	Total Contribution		\$ 50,000		
8	Percent Capitalized		50.00%		
9	Amount Capitalized		<u>25,000</u>	\$ 9,646	\$ 15,354
	<u>Year Ended 12-31-11</u>				
10	Total Contribution		\$ 66,500		
11	Percent Capitalized		50.00%		
12	Amount Capitalized		<u>33,250</u>	\$ 16,649	\$ 16,601
	<u>Three Months Ended 3-31-12</u>				
13	Total Contribution		\$ 7,745		
14	Percent Capitalized		50.00%		
15	Amount Capitalized		<u>3,873</u>	\$ 4,162	\$ (290)
	<u>HTY Ended 3-31-13</u>				
16	Total Contribution		\$ 35,755		
17	Percent Capitalized		50.00%		
18	Amount Capitalized		<u>17,878</u>	\$ 14,002	\$ 3,876
	<u>FTY Ended 3-31-14</u>				
19	Total Contribution		\$ 55,000		
20	Percent Capitalized		50.00%		
21	Amount Capitalized		<u>27,500</u>	\$ 18,200	\$ 9,300
22					
23					
24					
25	Total		<u>\$ 122,500</u>	<u>\$ 62,585</u>	<u>\$ 59,915</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**    **D-1**  
**Witness:**    **O'Brien/Gorman**  
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**Jurisdictional Rate Base, Net Operating Income and Revenue Increase**

Table No 1  
Earned Rate of Return with Additional Proposed Revenues - PA Jurisdiction

Line No	Description	Reference	(1) ROR Before Additional Revenues	(2) Proposed Additional Revenues	(3) ROR With Additional Revenues
1	Total Electric Rate Base	D-1, P 3	\$ 1,412,434	\$ -	\$ 1,412,434
Total Operating Revenues:					
2	Total Sales Revenues	D-2, P 2	\$ 420,467	\$ 30,237	\$ 450,704
3	Other Revenues - Off System Sales	D-2, P 2	-	-	-
4	Other Operating Revenues	D-2, P 2	13,330	-	13,330
5	Total Revenues	L 2 to L 4	433,797	30,237	464,034
Total Operating Expenses:					
6	Operation & Maintenance Expenses	D-2, P 2	157,679	310	157,989
7	Depreciation & Amortization Expense	D-2, P 2	87,336	-	87,336
8	Taxes Other Than Income Taxes	D-2, P 2	34,091	1,768	35,859
9	Total Operating Expenses	L 6 to L 8	279,106	2,079	281,185
10	Utility Operating Income Before Taxes	L 5 - L 9	\$ 154,691	\$ 28,158	\$ 182,849
Income Taxes:					
11	Federal	D-18 Dist	42,453	8,871	51,324
12	State	D-18 Dist	10,633	2,813	13,446
13	Total Income Taxes	L 11 + L 12	53,086	11,684	64,769
14	Total Operating Expenses	L 9 + L 13	332,192	13,762	345,954
15	Total Operating Income	L 5 - L 14	\$ 101,605	\$ 16,474	\$ 118,079
16	Earned Rate of Return - %	L 15 / L 1	7.19%		8.36%

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**     **D-1**  
**Witness:**     **O'Brien/Gorman**  
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**Jurisdictional Rate Base, Net Operating Income and Revenue Increase**

Table No 2  
Determination of Jurisdictional Revenue Deficiency

Line No	Description	Reference	(1) Total Company	(2) Total PA Jurisdiction	(3) PA JSS Reference
1	Total Electric Rate Base	Table No 1	<u>\$ 1,931,768</u>	<u>\$ 1,412,434</u>	Table No 1
	Total Operating Revenues:				
2	Total Sales Revenues	D-3	707,588	420,467	Table No 5
3	Other Revenues - Off System Sales	D-3	660	-	Table No 5
4	Other Operating Revenues	D-3	<u>13,330</u>	<u>13,330</u>	Table No 5
5	Total Revenues	L 2 to L 4	721,578	433,797	
	Total Operating Expenses:				
6	Operation & Maintenance Expenses	D-4	334,039	157,679	Table No 6
7	Depreciation & Amortization Expense	D-17	112,729	87,336	Table No 7
8	Taxes Other Than Income Taxes	D-16	<u>48,430</u>	<u>34,091</u>	Table No 8
9	Total Operating Expenses	L 6 to L 9	<u>495,197</u>	<u>279,106</u>	
10	Utility Operating Income Before Taxes	L 5 - L 10	<u>226,381</u>	<u>154,691</u>	
	Income Taxes:				
11	Federal	D-18	63,036	42,453	Table No 9
12	State	D-18	<u>16,294</u>	<u>10,633</u>	Table No 9
13	Total Operating Expenses	L 12 + L 13	<u>574,527</u>	<u>332,192</u>	
14	Total Operating Income	L 5 - L 14	<u>\$ 147,051</u>	<u>\$ 101,605</u>	
	Return Before Adjustments				
15	Earned Rate of Return - %	L 15 / L 1		7.1936%	
16	Required Rate of Return - %	B-9		8.3600%	
17	Return at Required Rate of Return	L 16 * L 17		\$ 118,079	
18	Income Deficiency - \$	L 18 - L 15		16,474	
19	Revenue Deficiency - Tax Multiplier	D-18, Page 3		1.83538	
20	Revenue Deficiency-\$	L 19 * L 20		\$ 30,237	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
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**(\$ in Thousands)**

**Schedule**    **D-1**  
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**Jurisdictional Rate Base, Net Operating Income and Revenue Increase**

Table No 3  
Electric Rate Base - Pennsylvania

Line No	Description	Reference	(1) Total Company	(2) Total PA Jurisdiction	(3) PA JSS Reference
1	Electric Plant in Service	C-2	\$ 3,330,332	\$ 2,534,943	Table No 1
2	Accumulated Provision for Depreciation	C-3	<u>1,055,522</u>	<u>856,473</u>	Table No 1
3	Net Electric Plant in Service	L 1 + L 2	2,274,810	1,678,470	
Other Rate Base Items - Additions:					
4	Cash Working Capital	C-4	43,100	40,634	Table No 12
5	Materials & Supplies	C-5	20,627	12,223	Table No 1
6	Excess Pension Capitalized	C-8	<u>59,915</u>	<u>45,605</u>	
7	Total Additions	L 4 to L 6	<u>123,642</u>	<u>98,462</u>	
8	Total Rate Base Before Deductions	L 3 + L 7	2,398,452	1,776,933	
Other Rate Base Items - Deductions:					
9	Customer Deposits - Account 235	C-7	(8,115)	(8,115)	Table No 1
10	Accumulated Deferred Income Taxes	C-6	<u>(458,569)</u>	<u>(356,384)</u>	Table No 1
11	Total Deductions	L 9 + L 10	(466,684)	(364,499)	
12	Total Electric Rate Base	L 8 + L 11	<u>\$ 1,931,768</u>	<u>\$ 1,412,434</u>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**  
**Witness:**  
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**Ankrum/O'Brien**  
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**Adjusted Net Operating Income At Present Rates**

Line #	Description	Reference	[ 1 ]	[ 2 ]	[ 3 ]
			FTY Ended 3/31/14 Budget	Adjustments D-3, Pgs 1 & 2 Increase (Decrease)	Pro Forma Adjusted FTY Ended 3/31/14 [ 1 ] + [ 2 ]
<b><u>OPERATING REVENUES</u></b>					
1	Distribution Tariff Charges		\$ 463,113	\$ (42,646)	420,467
2	Generation Charges		139,769	21,393	161,162
3	Transmission Charges		116,046	5,891	121,937
4	SP Distribution Revenue		-	-	-
5	Sales for Resale (Off System)		660	-	660
6			-	-	-
7	Late Payment fees		3,377	(7)	3,370
8	Reconnect Fees		548	213	761
9	Miscellaneous Service		613	(613)	-
10	DL Transmission Dispatch		379	407	786
11	Rent From Electric Property		7,200	-	7,200
12	Customer Work		750	-	750
13	Pole Attachments		816	-	816
14	Other Electric Revenue		3,668	1	3,669
15	Rate Increase		-	-	-
16	Total operating revenues	Sum L 1 to L 15	<u>736,939</u>	<u>(15,361)</u>	<u>721,578</u>
<b><u>OPERATING EXPENSES</u></b>					
17	Power Production Expense		-	-	-
18	Cost of Purchased Power		131,314	20,130	151,444
19	Other Production Expenses		114	-	114
20	Transmission		8,077	112	8,189
21	Distribution		36,446	451	36,897
22	Customer accounts	0.8800%	41,548	1,489	43,037
23	Customer service and info		3,046	3	3,049
24	Sales		-	-	-
25	Administrative and general	0.1461%	97,461	(6,151)	91,310
26	Depreciation		114,840	(12,212)	102,628
27	Amortization Other		4,800	5,240	10,040
28	Amort of Regulatory Exp		61	-	61
29	Taxes other than income	5.9000%	47,165	1,265	48,430
30	Other		-	-	-
31	Total operating expenses	Sum L 17 to L 30	<u>484,871</u>	<u>10,326</u>	<u>495,197</u>
32	Net Operating Income - BIT	L 16 - L 31	<u>\$ 252,068</u>	<u>\$ (25,687)</u>	<u>226,381</u>
<b><u>INCOME TAX EXPENSE</u></b>					
33	State Income Taxes				16,294
34	Federal Income Taxes				63,036
35	Total Income Taxes	L 33 + L 34			<u>79,329</u>
36	Net Operating Income	L32 - L 35			<u>\$ 147,051</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-3**  
**Witness: O'Brien**  
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**Adjustments to Net Operating Income**

Line #	Description	[1]	[2]	[3]	[4]	[5] Adjustments		[6]	[7]	[8] Adjustments		[9]	[10]	[11]	[12]
		As Forecast And Allocated	Revenues	Update of Power Cost	Salaries & Wages	Other	Rate Case Normalization	Benefits & Pensions	Uncollectible Expense	Amort IT Cost Program	Other	Other	Sub-Total Proforma		
<b>OPERATING REVENUE</b>															
1	Distribution Tariff Charges	\$ 463,113	\$ (42,646)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 420,467
2	Generation Charges	139,769	21,393	-	-	-	-	-	-	-	-	-	-	-	161,162
3	Transmission Charges	116,046	5,891	-	-	-	-	-	-	-	-	-	-	-	121,937
4	SP Distribution Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Sales for Resale (Off System)	660	-	-	-	-	-	-	-	-	-	-	-	-	660
6	Late Payment fees	3,377	(7)	-	-	-	-	-	-	-	-	-	-	-	3,370
7	Reconnect Fees	548	213	-	-	-	-	-	-	-	-	-	-	-	761
8	Miscellaneous Service	613	(613)	-	-	-	-	-	-	-	-	-	-	-	-
9	DL Transmission Dispatch	379	407	-	-	-	-	-	-	-	-	-	-	-	786
10	Rent From Electric Property	7,200	-	-	-	-	-	-	-	-	-	-	-	-	7,200
11	Customer Work	750	-	-	-	-	-	-	-	-	-	-	-	-	750
12	Pole Attachments	816	-	-	-	-	-	-	-	-	-	-	-	-	816
13	Other Electric Revenue	3,668	1	-	-	-	-	-	-	-	-	-	-	-	3,669
14	Total operating revenues	Sum L 1 to L 14	736,939	(15,361)	-	-	-	-	-	-	-	-	-	-	721,578
<b>OPERATING EXPENSE</b>															
15	Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Cost of Purchased Power	131,314	-	20,130	-	-	-	-	-	-	-	-	-	-	151,444
17	Other Production Expenses	114	-	-	-	-	-	-	-	-	-	-	-	-	114
18	Transmission	8,077	-	-	112	-	-	-	-	-	-	-	-	-	8,189
19	Distribution	36,446	-	-	451	-	-	-	-	-	-	-	-	-	36,897
20	Customer accounts	41,548	-	-	219	-	-	-	(547)	1,329	-	-	-	-	42,549
21	Customer service and info	3,046	-	-	3	-	-	-	-	-	-	-	-	-	3,049
22	Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Administrative and general	97,461	-	-	501	-	1,759	(8,411)	-	-	-	-	-	-	91,310
24	Depreciation	114,840	-	-	-	-	-	-	-	-	-	-	-	-	114,840
25	Amortization Other	4,800	-	-	-	-	-	-	-	-	-	-	-	-	4,800
26	Amort of Regulatory Exp	61	-	-	-	-	-	-	-	-	-	-	-	-	61
27	Taxes other than income	47,165	-	-	-	-	-	-	-	-	-	-	-	-	47,165
28	Total operating expenses	Sum L 16 to L 28	484,871	-	20,130	1,286	-	1,759	(8,411)	(547)	1,329	-	-	-	500,417
29	Net operating margins Before Income Tax	L 15 - L 29	\$ 252,068	\$ (15,361)	\$ (20,130)	\$ (1,286)	\$ -	\$ (1,759)	\$ 8,411	\$ 547	\$ (1,329)	\$ -	\$ -	\$ -	\$ 221,161

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-3**  
**Witness: O'Brien**  
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**Adjustments to Net Operating Income**

Line #	Description	[ 13 ]	[ 14 ]	[ 15 ]	[ 16 ]	[ 17 ]	[ 18 ]	[ 19 ]	[ 20 ]	[ 21 ]	[ 22 ]	[ 23 ]	[ 24 ]
		From Page 1 Sub-total		Gross Receipts Tax Exp	FICA, FUI SUI Exp	Pro Forma Depre Adj		Interest on Cust. Dep	Adjustments				Total Proforma
<b>OPERATING REVENUE</b>													\$ -
30	Distribution Tariff Charges	420,467	-	-	-	-	-	-	-	-	-	-	420,467
31	Generation Charges	161,162	-	-	-	-	-	-	-	-	-	-	161,162
32	Transmission Charges	121,937	-	-	-	-	-	-	-	-	-	-	121,937
33	SP Distribution Revenue	-	-	-	-	-	-	-	-	-	-	-	-
34	Sales for Resale (Off System)	660	-	-	-	-	-	-	-	-	-	-	660
35	Late Payment fees	3,370	-	-	-	-	-	-	-	-	-	-	3,370
36	Reconnect Fees	761	-	-	-	-	-	-	-	-	-	-	761
37	Miscellaneous Service	-	-	-	-	-	-	-	-	-	-	-	-
38	DL Transmission Dispatch	786	-	-	-	-	-	-	-	-	-	-	786
39	Rent From Electric Property	7,200	-	-	-	-	-	-	-	-	-	-	7,200
40	Customer Work	750	-	-	-	-	-	-	-	-	-	-	750
41	Pole Attachments	816	-	-	-	-	-	-	-	-	-	-	816
42	Other Electric Revenue	3,669	-	-	-	-	-	-	-	-	-	-	3,669
43	Total operating revenues	Sum L 31 to L 44	721,578	-	-	-	-	-	-	-	-	-	721,578
<b>OPERATING EXPENSE</b>													
44	Power Production Expense	-	-	-	-	-	-	-	-	-	-	-	-
45	Cost of Purchased Power	151,444	-	-	-	-	-	-	-	-	-	-	151,444
46	Other Production Expenses	114	-	-	-	-	-	-	-	-	-	-	114
47	Transmission	8,189	-	-	-	-	-	-	-	-	-	-	8,189
48	Distribution	36,897	-	-	-	-	-	-	-	-	-	-	36,897
49	Customer accounts	42,549	-	-	-	-	-	488	-	-	-	-	43,037
50	Customer service and info	3,049	-	-	-	-	-	-	-	-	-	-	3,049
51	Sales	-	-	-	-	-	-	-	-	-	-	-	-
52	Administrative and general	91,310	-	-	-	-	-	-	-	-	-	-	91,310
53	Depreciation	114,840	-	-	-	(12,212)	-	-	-	-	-	-	102,628
54	Amortization Other	4,800	-	-	-	5,240	-	-	-	-	-	-	10,040
55	Amort of Regulatory Exp	61	-	-	-	-	-	-	-	-	-	-	61
56	Taxes other than income	47,165	-	1,137	128	-	-	-	-	-	-	-	48,430
57	Total operating expenses	Sum L 46 to L 58	500,417	-	1,137	128	(6,972)	-	488	-	-	-	495,197
58	Net operating margins Before Income Tax	L 45 - L 59	\$ 221,161	\$ -	\$ (1,137)	\$ (128)	\$ 6,972	\$ -	\$ (488)	\$ -	\$ -	\$ -	\$ 226,381

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
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**(\$ in Thousands)**

**Schedule D-5**  
**Witness: O'Brien**  
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**Summary of Revenue Adjustments**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]	[ 7 ]	[ 8 ]	[ 9 ]
		Reference Or Account Number	FTY End 3-31-14 Pro Forma	D-5A Remove Surcharges	D-5B Revenue Update	D-5C Revenue Annualization	D-5D	D-5E	Total Proforma Adjustments [ 3 to 7 ]	Proforma Adjusted At Present Rates [ 2 ] + [ 8 ]
<b>PRO FORMA ADJUSTMENTS</b>										
1	Distribution Tariff Charges		\$ 463,113	\$ (43,571)	\$ 421	\$ 504	\$ -	\$ -	\$ (42,646)	\$ 420,467
2	Generation Charges		139,769	-	21,393	-	-	-	21,393	161,162
3	Transmission Charges		116,046	-	5,891	-	-	-	5,891	121,937
4	Sum Sales to Customers	Sum L 1 to L 3	718,928	(43,571)	27,705	504	-	-	(15,362)	703,566
5	SP Distribution Revenue		-	-	-	-	-	-	-	-
6	Sub-Total	L 4 + L 5	718,928	(43,571)	27,705	504	-	-	(15,362)	703,566
7	Sales for Resale (Off System)		660	-	-	-	-	-	-	660
8	Total Sales of Electricity	L 6 + L 7	719,588	(43,571)	27,705	504	-	-	(15,362)	704,226
9	Late Payment fees		3,377	-	(7)	-	-	-	(7)	3,370
10	Returned Check Charges		53	-	-	-	-	-	-	53
11	Reconnect Fees		495	-	213	-	-	-	213	708
12	Miscellaneous Service		613	-	(613)	-	-	-	(613)	-
13	DL Transmission Dispatch		379	-	407	-	-	-	407	786
14	Rent From Electric Property		7,200	-	-	-	-	-	-	7,200
15	Customer Work		750	-	-	-	-	-	-	750
16	Pole Attachments		816	-	-	-	-	-	-	816
	<b>Other Electric Revenue</b>		-	-	-	-	-	-	-	-
17	Other Electric Revenues (456.01)		142	-	-	-	-	-	-	142
18	I.T. Service Charge (456.06)		82	-	-	-	-	-	-	82
19	AES BV Partners - Demand (456.10)		-	-	-	-	-	-	-	-
20	AES BV Partners - Transmission (456.11)		1,565	-	-	-	-	-	-	1,565
21	Dominion Marketing Revenue (456.12)		209	-	-	-	-	-	-	209
22	PJM DLCO Firm (456.32)		1,620	-	51	-	-	-	51	1,671
23	PJM DLC Pwr NFPP (456.53)		50	-	(50)	-	-	-	(50)	-
24	Total Present Rate Revenues	Sum L 8 to L 23	736,939	(43,571)	27,706	504	-	-	(15,361)	721,578
25	Other Revenue		-	-	-	-	-	-	-	-
26	<b>TOTAL REVENUES</b>	L 25 + L 26	<b>\$ 736,939</b>	<b>\$ (43,571)</b>	<b>\$ 27,706</b>	<b>\$ 504</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (15,361)</b>	<b>\$ 721,578</b>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-5A**  
**Witness: O'Brien**  
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**Remove Surcharge Revenue**

Line #	Description	[ 1 ] Reference	[ 2 ] Revenue	[ 3 ] Sub-Total	[ 4 ] GRT	[ 4 ] Net
					0.059	
1	RESIDENTIAL CONSUMER ED SURCHARGE		\$ 1,595		\$ (94)	
2	COMMERCIAL CONSUMER ED SURCHARGE		57		(3)	
3	INDUSTRIAL CONSUMER ED SURCHARGE		6		(0)	
4	Sub-Total			\$ 1,658	(98)	1,560
5	RESIDENTIAL UNIVERSAL SERVICE CHARGE		22,329		(1,317)	
6	CUSTOMER ASSISTANCE-RETAIL REVENUE REDUCTION		(15,518)		-	
7	(RIDER 5 SURCHARGE - UNIVERSAL SERVICES		(45)		-	
8	Sub-Total			6,766	(1,317)	5,449
9	RESIDENTIAL SMART METER SURCHARGE		9,311		(549)	
10	COMMERCIAL SMART METER SURCHARGE		965		(57)	
11	INDUSTRIAL SMART METER SURCHARGE		20		(1)	
12	Sub-Total			10,296	(607)	9,689
13	RESIDENTIAL EECDR SURCHARGE		8,602		(508)	
14	COMMERCIAL EECDR SURCHARGE		11,330		(668)	
15	INDUSTRIAL EECDR SURCHARGE		4,919		(290)	
16	Sub-Total			24,851	(1,466)	23,385
17	Total Revenue - Adjustment to Revenue			<u>\$ 43,571</u>		
18	Gross Receipts Tax				<u>\$ (3,489)</u>	
19	Net Revenue after GRT offset (Reflected on Taxes - Other Than Income Sch. D-3, S-1)					\$ 40,082
20	Equivilant from Expense Summary	D, S-6				40,158
21	Difference					<u>\$ (76)</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-5B**  
**Witness: O'Brien**  
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**Update of Forecast Revenue**

Line #	Description	[ 1 ] Factor Or Reference	[ 2 ] Forecast	[ 3 ] Remove Surcharge Adj. 5A	[ 4 ] Updated Revenue Forecast	[ 5 ] Adjustment [ 2 ] - [ 3 ] - [ 4 ]
<b>DISTRIBUTION</b>						
1	Residential		\$ 226,005		\$ 222,794	\$ 3,211
2	Commercial		149,536		152,568	(3,032)
3	Industrial		31,742		31,929	(187)
4	Street Lighting		12,258		12,672	(414)
5	Sub-Total		<u>419,541</u>	<u>-</u>	<u>419,963</u>	<u>(422)</u>
6	Surcharges		<u>43,572</u>	<u>43,571</u>		<u>1</u>
7	Distribution Revenue		463,113	43,571	419,963	(421)
8	Generation Revenue		139,769		161,162	(21,393)
9	Transmission Revenue		<u>116,046</u>		<u>121,937</u>	<u>(5,891)</u>
10	Sub Total		718,928	43,571	703,062	(27,705)
11	SP Distribution		-	-	-	-
12	Sales for Resale		<u>660</u>	<u>-</u>	<u>660</u>	<u>-</u>
13	TOTAL Energy Sales		719,588	43,571	703,722	(27,705)
14	Late Payment, Returned Check		3,430		3,423	7
15	Reconnect Fee		495		708	(213)
16	Miscellaneous		613		-	613
17	PJM Office / DL Transmission Dispatch		379		786	(407)
18	Rent / Customer Work / Pole Attachment		8,766		8,766	-
19	Transmission Wholesale		3,185		3,236	(51)
20	Other Revenue		483		433	50
21	Total Other Revenue		<u>17,351</u>	<u>-</u>	<u>17,352</u>	<u>(1)</u>
22	TOTAL REVENUE		<u>\$ 736,939</u>	<u>\$ 43,571</u>	<u>\$ 721,074</u>	<u>\$ (27,706)</u>

**Spread of Adjustment to Commercial & Industrial**

**Spread of Adjustment to Commercial & Industrial**

	Commercial		Industrial		TOTAL
	Business Plan	Update	Business Plan	Update	
23 Forecast By Category	<u>\$ 149,536</u>		<u>\$ 31,742</u>		<u>\$ 181,278</u>
24 Update by Tariff - Direct to Category		\$ 6,741		\$ 974	\$ 7,715
25 Update by Tariff - Allocated		145,827		30,955	176,782
26 Total		<u>\$ 152,568</u>		<u>\$ 31,929</u>	<u>\$ 184,497</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-5C**  
**Witness: O'Brien**  
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**Revenue Annualization**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
#	Description	Residential	Commercial	Industrial	Street Lighting	Total
1	Test Year Distribution Revenue	\$ 323,193	\$ 187,997	\$ 35,208	\$ 12,912	\$ 559,310
2	Commodity Billings in Revenues	97,188	38,461	3,466	654	139,769
3	Revenues net of Commodity - Margin ( L 1 - L 2 )	<u>\$ 226,005</u>	<u>\$ 149,536</u>	<u>\$ 31,742</u>	<u>\$ 12,258</u>	<u>\$ 419,541</u>
4	Average Monthly Customers in TY	<u>526,247</u>	<u>54,526</u>	<u>1,124</u>	<u>7,767</u>	<u>589,663</u>
5	Average Annual Margin Per Customer ( L 3 / L 4 )	<u>\$ 0.429</u>	<u>\$ 2.742</u>	<u>\$ 28.242</u>	<u>\$ 1.578</u>	<u>\$ 0.711</u>
6	Number of Customers at End of Year	<u>527,777</u>	<u>54,601</u>	<u>1,110</u>	<u>7,788</u>	<u>591,275</u>
7	Increase in Customers during TY ( L 6 - L 4 )	<u>1,530</u>	<u>75</u>	<u>(14)</u>	<u>21</u>	<u>1,612</u>
8	Annualization of Revenue ( L 5 * L 7 )	<u>\$ 656</u>	<u>\$ 207</u>	<u>\$ (392)</u>	<u>\$ 33</u>	<u>\$ 504</u>

**Duquesne Light Company**  
**Future Test Year Revenue at Present Rates**  
**12 Month Period Ended March 31, 2014 at Customer Shopping Levels**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	
Line	Rate Class	Average No. Customers	Distribution Sales (kWh)	POLR Sales (kWh)	Base Distribution Present Rate Revenue	CAP Revenue Credit	Act 129 Energy Efficiency (EECDR) Surcharge	Act 129 Smart Meter Surcharge	Consumer Education Surcharge	Universal Service Charge	State Tax Adj. Surcharge (STAS)	Distribution (Sum Col. F - L)	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Total Present Rate Revenue	
1	RS	492,107	3,759,358,683	1,722,902,490	\$205,458,866	(\$13,196,374)	\$8,646,525	\$944,826	(\$462,523)	\$13,486,673	(\$270,268)	\$214,607,726	\$26,556,948	\$95,305,259	\$336,469,933	
2	RH	30,788	380,836,486	200,539,249	\$16,244,027	(\$1,081,199)	\$875,924	\$59,075	(\$29,205)	\$1,290,394	(\$21,852)	\$17,337,163	\$1,496,071	\$10,967,964	\$29,801,198	
3	RA	3,789	50,399,383	19,092,622	\$1,634,621	(\$185,053)	\$115,919	\$7,272	(\$3,591)	\$189,554	(\$2,303)	\$1,756,418	\$291,735	\$1,061,456	\$3,109,608	
4	GS	22,735	90,558,434	60,052,300	\$6,709,119	\$0	\$90,558	\$43,647	(\$1,815)	\$0	(\$7,950)	\$6,833,559	\$533,212	\$3,076,980	\$10,443,751	
5	GM<25	19,120	587,380,062	277,760,952	\$23,262,015	\$0	\$592,870	\$36,710	(\$1,530)	\$0	(\$28,310)	\$23,861,756	\$3,100,562	\$14,231,370	\$41,193,688	
6	GM>25	9,527	2,196,744,235	510,179,002	\$57,363,391	\$0	\$2,451,256	\$18,291	(\$9,904)	\$0	(\$67,976)	\$59,755,059	\$6,300,158	\$24,306,707	\$90,361,924	
7	GMH<25	2,332	47,327,541	25,377,415	\$2,181,736	\$0	\$47,553	\$4,479	(\$187)	\$0	(\$2,585)	\$2,230,995	\$244,397	\$1,300,470	\$3,775,862	
8	GMH>25	1,011	244,694,906	68,179,314	\$6,325,671	\$0	\$255,435	\$1,941	(\$1,050)	\$0	(\$7,496)	\$6,574,502	\$723,913	\$3,253,431	\$10,551,846	
9	GL	767	3,121,094,674	156,898,434	\$58,141,868	\$0	\$9,656,238	\$1,472	(\$2,100)	\$0	(\$80,340)	\$67,717,137	\$754,604	\$6,395,554	\$74,867,296	
10	GLH	113	502,633,063	15,809,111	\$8,791,557	\$0	\$1,378,019	\$217	(\$310)	\$0	(\$12,051)	\$10,157,432	\$137,966	\$635,466	\$10,930,864	
11	L	28	1,343,119,306	0	\$20,810,798	\$0	\$1,705,466	\$54	(\$77)	\$0	(\$26,682)	\$22,489,559	\$0	\$0	\$22,489,559	
12	HVPS	5	1,591,320,296	0	\$911,100	\$0	\$611,874	\$9	(\$13)	\$0	(\$1,805)	\$1,521,166	\$0	\$0	\$1,521,166	
13	AL	3	95,860	95,720	\$931	\$0	\$0	\$6	\$0	\$0	(\$1)	\$935	\$323	\$4,049	\$5,307	
14	SE	1	27,336,762	0	\$1,524,202	\$0	\$0	\$0	\$0	\$0	(\$1,806)	\$1,522,396	\$0	\$0	\$1,522,396	
15	SM	1,463	28,614,877	8,163,023	\$9,414,946	\$0	\$0	\$0	\$0	\$0	(\$11,157)	\$9,403,790	\$26,511	\$346,549	\$9,776,850	
16	SH	27	855,744	855,744	\$112,849	\$0	\$0	\$0	\$0	\$0	(\$134)	\$112,715	\$1,862	\$36,328	\$150,904	
17	UMS	5,506	21,418,734	2,704,757	\$1,206,641	\$0	\$0	\$0	\$0	\$0	(\$1,430)	\$1,205,211	\$24,994	\$150,033	\$1,380,238	
18	PAL	1,084	2,550,500	2,129,835	\$412,627	\$0	\$0	\$0	\$0	\$0	(\$489)	\$412,138	\$4,773	\$90,400	\$507,312	
19	<b>Total</b>	<b>590,406</b>	<b>13,996,339,545</b>	<b>3,070,739,966</b>	<b>\$420,506,965</b>	<b>(\$14,462,626)</b>	<b>\$26,427,637</b>	<b>\$1,117,999</b>	<b>(\$512,305)</b>	<b>\$14,966,621</b>	<b>(\$544,634)</b>	<b>\$447,499,657</b>	<b>\$40,198,030</b>	<b>\$161,162,016</b>	<b>\$648,859,703</b>	
20	<b>Other Electric Revenue:</b>															
21	Sales for Resale (Acct. 447)					\$0						\$0		\$660,000	\$660,000	
22	Late Payment/Returned Check Charges (Acct. 450)					\$3,423,117						\$3,423,117			\$3,423,117	
23	Reconnect Fees/PJM Office (Acct. 451)					\$708,497						\$708,497	\$786,000		\$1,494,497	
24	Rent Electric Property (Acct. 454)					\$8,765,502						\$8,765,502			\$8,765,502	
25	Other Revenue (Acct. 456)					\$432,567						\$432,567			\$432,567	
26	Transmission - EGS (Acct. 456)					\$0						\$0	\$81,723,619		\$81,723,619	
27	Transmission - Wholesale (Acct. 456)					\$0						\$0	\$3,235,620		\$3,235,620	
28	<b>Subtotal Other Revenue</b>					<b>\$13,329,682</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,329,682</b>	<b>\$85,745,239</b>	<b>\$660,000</b>	<b>\$99,734,922</b>	
29	<b>Total Operating Revenue</b>					<b>\$433,836,647</b>	<b>(\$14,462,626)</b>	<b>\$26,427,637</b>	<b>\$1,117,999</b>	<b>(\$512,305)</b>	<b>\$14,966,621</b>	<b>(\$544,634)</b>	<b>\$460,829,339</b>	<b>\$125,943,270</b>	<b>\$161,822,016</b>	<b>\$748,594,625</b>

**Duquesne Light Company**  
**Adjusted Future Test Year Revenue at Present Rates**  
**12 Month Period Ended March 31, 2014 at Customer Shopping Levels**

A	B	C	D	E	F	G	H
Line	Rate Class	Distribution Present Rate Revenue	State Tax Adj. Surcharge (STAS)	Distribution (Sum Col. C - D)	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Adjusted Present Rate Revenue
1	RS	\$205,458,866	(\$270,268)	\$205,188,598	\$26,556,948	\$95,305,259	\$327,050,806
2	RH	\$16,244,027	(\$21,852)	\$16,222,175	\$1,496,071	\$10,967,964	\$28,686,210
3	RA	\$1,634,621	(\$2,303)	\$1,632,317	\$291,735	\$1,061,456	\$2,985,507
4	GS	\$6,709,119	(\$7,950)	\$6,701,169	\$533,212	\$3,076,980	\$10,311,361
5	GM<25	\$23,262,015	(\$28,310)	\$23,233,705	\$3,100,562	\$14,231,370	\$40,565,638
6	GM>25	\$57,363,391	(\$67,976)	\$57,295,416	\$6,300,158	\$24,306,707	\$87,902,281
7	GMH<25	\$2,181,736	(\$2,585)	\$2,179,150	\$244,397	\$1,300,470	\$3,724,017
8	GMH>25	\$6,325,671	(\$7,496)	\$6,318,175	\$723,913	\$3,253,431	\$10,295,519
9	GL	\$58,141,868	(\$80,340)	\$58,061,528	\$754,604	\$6,395,554	\$65,211,686
10	GLH	\$8,791,557	(\$12,051)	\$8,779,506	\$137,966	\$635,466	\$9,552,938
11	L	\$20,810,798	(\$26,682)	\$20,784,117	\$0	\$0	\$20,784,117
12	HVPS	\$911,100	(\$1,805)	\$909,295	\$0	\$0	\$909,295
13	AL	\$931	(\$1)	\$929	\$323	\$4,049	\$5,301
14	SE	\$1,524,202	(\$1,806)	\$1,522,396	\$0	\$0	\$1,522,396
15	SM	\$9,414,946	(\$11,157)	\$9,403,790	\$26,511	\$346,549	\$9,776,850
16	SH	\$112,849	(\$134)	\$112,715	\$1,862	\$36,328	\$150,904
17	UMS	\$1,206,641	(\$1,430)	\$1,205,211	\$24,994	\$150,033	\$1,380,238
18	PAL	\$412,627	(\$489)	\$412,138	\$4,773	\$90,400	\$507,312
19	<b>Total</b>	<b>\$420,506,965</b>	<b>(\$544,634)</b>	<b>\$419,962,331</b>	<b>\$40,198,030</b>	<b>\$161,162,016</b>	<b>\$621,322,377</b>
20	<u>Other Electric Revenue:</u>						
21	Sales for Resale (Acct. 447)	\$0		\$0		\$660,000	\$660,000
22	Late Payment/Returned Check Charges (Acct. 450)	\$3,423,117		\$3,423,117			\$3,423,117
23	Reconnect Fees/PJM Office (Acct. 451)	\$708,497		\$708,497	\$786,000		\$1,494,497
24	Rent Electric Property (Acct. 454)	\$8,765,502		\$8,765,502			\$8,765,502
25	Other Revenue (Acct. 456)	\$432,567		\$432,567			\$432,567
26	Revenue Annualization	\$504,026		\$504,026			\$504,026
27	Transmission - EGS (Acct. 456)	\$0		\$0	\$81,723,619		\$81,723,619
28	Transmission - Wholesale (Acct. 456)	\$0		\$0	\$3,235,620		\$3,235,620
29	<b>Subtotal Other Revenue</b>	<b>\$13,833,708</b>	<b>\$0</b>	<b>\$13,833,708</b>	<b>\$85,745,239</b>	<b>\$660,000</b>	<b>\$100,238,948</b>
30	<b>Total Operating Revenue</b>	<b>\$434,340,674</b>	<b>(\$544,634)</b>	<b>\$433,796,040</b>	<b>\$125,943,270</b>	<b>\$161,822,016</b>	<b>\$721,561,325</b>

**Duquesne Light Company**  
**Future Test Year at Proposed Distribution Rates**  
**12 Month Period Ended March 31, 2014 at Customer Shopping Levels**

A	B	C	D	E	F	G	H	I	J	
Line	Rate Class	Base Distribution Revenue at Proposed Rates	Transmission Present Rate Revenue (w/shopping)	Generation Present Rate Revenue (w/shopping)	Total Proposed Rate Revenue (Sum Col. C - E)	Total Revenue Change	Total Percent Change	Distribution Revenue Change	Distribution Percent Change	
1	RS	\$253,843,872	\$26,556,948	\$95,305,259	\$375,706,080	\$48,655,274	14.9%	\$48,655,274	23.7%	
2	RH	\$20,177,477	\$1,496,071	\$10,967,964	\$32,641,512	\$3,955,302	13.8%	\$3,955,302	24.4%	
3	RA	\$2,086,628	\$291,735	\$1,061,456	\$3,439,818	\$454,310	15.2%	\$454,310	27.8%	
4	GS	\$8,529,234	\$533,212	\$3,076,980	\$12,139,426	\$1,828,065	17.7%	\$1,828,065	27.3%	
5	GM<25	\$26,290,667	\$3,100,562	\$14,231,370	\$43,622,600	\$3,056,962	7.5%	\$3,056,962	13.2%	
6	GM>25	\$65,181,264	\$6,300,158	\$24,306,707	\$95,788,129	\$7,885,848	9.0%	\$7,885,848	13.8%	
7	GMH<25	\$2,979,988	\$244,397	\$1,300,470	\$4,524,855	\$800,838	21.5%	\$800,838	36.8%	
8	GMH>25	\$6,702,850	\$723,913	\$3,253,431	\$10,680,194	\$384,675	3.7%	\$384,675	6.1%	
9	GL	\$65,322,406	\$754,604	\$6,395,554	\$72,472,565	\$7,260,879	11.1%	\$7,260,879	12.5%	
10	GLH	\$10,675,085	\$137,966	\$635,466	\$11,448,517	\$1,895,579	19.8%	\$1,895,579	21.6%	
11	L	\$23,174,893	\$0	\$0	\$23,174,893	\$2,390,776	11.5%	\$2,390,776	11.5%	
12	HVPS	\$667,541	\$0	\$0	\$667,541	(\$241,754)	-26.6%	(\$241,754)	-26.6%	
13	AL	\$812	\$323	\$4,049	\$5,184	(\$117)	-2.2%	(\$117)	-12.6%	
14	SE	\$1,239,118	\$0	\$0	\$1,239,118	(\$283,278)	-18.6%	(\$283,278)	-18.6%	
15	SM	\$8,204,646	\$26,511	\$346,549	\$8,577,706	(\$1,199,143)	-12.3%	(\$1,199,143)	-12.8%	
16	SH	\$98,610	\$1,862	\$36,328	\$136,799	(\$14,105)	-9.3%	(\$14,105)	-12.5%	
17	UMS	\$878,987	\$24,994	\$150,033	\$1,054,014	(\$326,224)	-23.6%	(\$326,224)	-27.1%	
18	PAL	\$372,359	\$4,773	\$90,400	\$467,532	(\$39,780)	-7.8%	(\$39,780)	-9.7%	
19	<b>Total</b>	<b>\$496,426,438</b>	<b>\$40,198,030</b>	<b>\$161,162,016</b>	<b>\$697,786,484</b>	<b>\$76,464,106</b>	<b>12.3%</b>	<b>\$76,464,106</b>	<b>18.2%</b>	
20	<b>Other Electric Revenue:</b>									
21	Sales for Resale (Acct. 447)	\$0		\$660,000	\$660,000	\$0		\$0		
22	Late Payment/Returned Check Charges (Acct. 450)	\$3,423,117			\$3,423,117	\$0		\$0		
23	Reconnect Fees/PJM Office (Acct. 451)	\$708,497	\$786,000		\$1,494,497	\$0		\$0		
24	Rent Electric Property (Acct. 454)	\$8,765,502			\$8,765,502	\$0		\$0		
25	Other Revenue (Acct. 456)	\$432,567			\$432,567	\$0		\$0		
26	Revenue Annualization	\$0			\$0	(\$504,026)		(\$504,026)		
27	Transmission - EGS (Acct. 456)	\$0	\$81,723,619		\$81,723,619	\$0		\$0		
28	Transmission - Wholesale (Acct. 456)	\$0	\$3,235,620		\$3,235,620	\$0		\$0		
29	<b>Subtotal Other Revenue</b>	<b>\$13,329,682</b>	<b>\$85,745,239</b>	<b>\$660,000</b>	<b>\$99,734,922</b>	<b>(\$504,026)</b>		<b>(\$504,026)</b>		
30	<b>Total Operating Revenue</b>	<b>\$509,756,120</b>	<b>\$125,943,270</b>	<b>\$161,822,016</b>	<b>\$797,521,405</b>	<b>\$75,960,080</b>	<b>10.5%</b>	<b>\$75,960,080</b>	<b>17.5%</b>	

**Duquesne Light Company**  
**Future Test Year Revenue at Present Rates**  
**12 Month Period Ended March 31, 2014 Assuming No Customer Shopping (i.e. 100% Default Service Load)**

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Line	Rate Class	Average No. Customers	Distribution Sales (kWh)	100% POLR Sales (kWh)	Base Distribution Present Rate Revenue	CAP Revenue Credit	Act 129 Energy Efficiency (EECDR) Surcharge	Act 129 Smart Meter Surcharge	Consumer Education Surcharge	Universal Service Charge	State Tax Adj. Surcharge (STAS)	Distribution (Sum Col. F - K)	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Total Present Rate Revenue
1	RS	492,107	3,759,358,683	3,759,358,683	\$205,458,866	(\$13,196,374)	\$8,646,525	\$944,826	(\$462,523)	\$13,486,673	(\$270,268)	\$214,607,726	\$54,836,871	\$193,227,277	\$462,671,873
2	RH	30,788	380,836,486	380,836,486	\$16,244,027	(\$1,081,199)	\$875,924	\$59,075	(\$29,205)	\$1,290,394	(\$21,852)	\$17,337,163	\$2,504,671	\$19,574,615	\$39,416,449
3	RA	3,789	50,399,383	50,399,383	\$1,634,621	(\$185,053)	\$115,919	\$7,272	(\$3,591)	\$189,554	(\$2,303)	\$1,756,418	\$733,299	\$2,590,478	\$5,080,195
4	GS	22,735	90,558,434	90,558,434	\$6,709,119	\$0	\$90,558	\$43,647	(\$1,815)	\$0	(\$7,950)	\$6,833,559	\$755,049	\$4,726,697	\$12,315,305
5	GM<25	19,120	587,380,062	587,380,062	\$23,262,015	\$0	\$592,870	\$36,710	(\$1,530)	\$0	(\$28,310)	\$23,861,756	\$6,419,117	\$30,658,302	\$60,939,176
6	GM>25	9,527	2,196,744,235	2,196,744,235	\$57,363,391	\$0	\$2,451,256	\$18,291	(\$9,904)	\$0	(\$67,976)	\$59,755,059	\$25,640,894	\$107,097,872	\$192,493,824
7	GMH<25	2,332	47,327,541	47,327,541	\$2,181,736	\$0	\$47,553	\$4,479	(\$187)	\$0	(\$2,585)	\$2,230,995	\$377,770	\$2,470,261	\$5,079,026
8	GMH>25	1,011	244,694,906	244,694,906	\$6,325,671	\$0	\$255,435	\$1,941	(\$1,050)	\$0	(\$7,496)	\$6,574,502	\$1,705,448	\$11,929,611	\$20,209,560
9	GL	767	3,121,094,674	3,121,094,674	\$58,141,868	\$0	\$9,656,238	\$1,472	(\$2,100)	\$0	(\$80,340)	\$67,717,137	\$20,786,134	\$127,223,260	\$215,726,531
10	GLH	113	502,633,063	502,633,063	\$8,791,557	\$0	\$1,378,019	\$217	(\$310)	\$0	(\$12,051)	\$10,157,432	\$3,526,248	\$20,203,940	\$33,887,619
11	L	28	1,343,119,306	1,343,119,306	\$20,810,798	\$0	\$1,705,466	\$54	(\$77)	\$0	(\$26,682)	\$22,489,559	\$8,039,637	\$53,832,159	\$84,361,355
12	HVPS	5	1,591,320,296	1,591,320,296	\$911,100	\$0	\$611,874	\$9	(\$13)	\$0	(\$1,805)	\$1,521,166	\$3,897,921	\$64,203,694	\$69,622,781
13	AL	3	95,860	95,860	\$931	\$0	\$0	\$6	\$0	\$0	(\$1)	\$935	\$331	\$3,763	\$5,030
14	SE	1	27,336,762	27,336,762	\$1,524,202	\$0	\$0	\$0	\$0	\$0	(\$1,806)	\$1,522,396	\$31,142	\$1,073,187	\$2,626,725
15	SM	1,463	28,614,877	28,614,877	\$9,414,946	\$0	\$0	\$0	\$0	\$0	(\$11,157)	\$9,403,790	\$77,724	\$1,123,363	\$10,604,876
16	SH	27	855,744	855,744	\$112,849	\$0	\$0	\$0	\$0	\$0	(\$134)	\$112,715	\$1,232	\$33,595	\$147,542
17	UMS	5,506	21,418,734	21,418,734	\$1,206,641	\$0	\$0	\$0	\$0	\$0	(\$1,430)	\$1,205,211	\$173,045	\$1,117,951	\$2,496,207
18	PAL	1,084	2,550,500	2,550,500	\$412,627	\$0	\$0	\$0	\$0	\$0	(\$489)	\$412,138	\$3,543	\$100,055	\$515,736
19	<b>Total</b>	<b>590,406</b>	<b>13,996,339,545</b>	<b>13,996,339,545</b>	<b>\$420,506,965</b>	<b>(\$14,462,626)</b>	<b>\$26,427,637</b>	<b>\$1,117,999</b>	<b>(\$512,305)</b>	<b>\$14,966,621</b>	<b>(\$544,634)</b>	<b>\$447,499,657</b>	<b>\$129,510,074</b>	<b>\$641,190,078</b>	<b>\$1,218,199,809</b>
20	<u>Other Electric Revenue:</u>														
21	Sales for Resale (Acct. 447)				\$0							\$0		\$660,000	\$660,000
22	Late Payment/Returned Check Charges (Acct. 450)				\$3,423,117							\$3,423,117			\$3,423,117
23	Reconnect Fees/PJM Office (Acct. 451)				\$708,497							\$708,497	\$786,000		\$1,494,497
24	Rent Electric Property (Acct. 454)				\$8,765,502							\$8,765,502			\$8,765,502
25	Other Revenue (Acct. 456)				\$432,567							\$432,567			\$432,567
26	Transmission - EGS (Acct. 456)				\$0							\$0	\$0	\$0	\$0
27	Transmission - Wholesale (Acct. 456)				\$0							\$0	\$3,235,620		\$3,235,620
28	<b>Subtotal Other Revenue</b>				<b>\$13,329,682</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$13,329,682</b>	<b>\$4,021,620</b>	<b>\$660,000</b>	<b>\$18,011,302</b>
29	<b>Total Operating Revenue</b>				<b>\$433,836,647</b>	<b>(\$14,462,626)</b>	<b>\$26,427,637</b>	<b>\$1,117,999</b>	<b>(\$512,305)</b>		<b>(\$544,634)</b>	<b>\$460,829,339</b>	<b>\$133,531,694</b>	<b>\$641,850,078</b>	<b>\$1,236,211,112</b>

**Duquesne Light Company**  
**Adjusted Future Test Year Revenue at Present Rates**  
**12 Month Period Ended March 31, 2014 Assuming No Customer Shopping (i.e. 100% Default Service Load)**

A	B	C	D	E	F	G	H
Line	Rate Class	Base Distribution Present Rate Revenue	State Tax Adj. Surcharge (STAS)	Distribution (Sum Col. C - D)	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Adjusted Present Rate Revenue
1	RS	\$205,458,866	(\$270,268)	\$205,188,598	\$54,836,871	\$193,227,277	\$453,252,746
2	RH	\$16,244,027	(\$21,852)	\$16,222,175	\$2,504,671	\$19,574,615	\$38,301,461
3	RA	\$1,634,621	(\$2,303)	\$1,632,317	\$733,299	\$2,590,478	\$4,956,094
4	GS	\$6,709,119	(\$7,950)	\$6,701,169	\$755,049	\$4,726,697	\$12,182,915
5	GM<25	\$23,262,015	(\$28,310)	\$23,233,705	\$6,419,117	\$30,658,302	\$60,311,125
6	GM>25	\$57,363,391	(\$67,976)	\$57,295,416	\$25,640,894	\$107,097,872	\$190,034,181
7	GMH<25	\$2,181,736	(\$2,585)	\$2,179,150	\$377,770	\$2,470,261	\$5,027,182
8	GMH>25	\$6,325,671	(\$7,496)	\$6,318,175	\$1,705,448	\$11,929,611	\$19,953,234
9	GL	\$58,141,868	(\$80,340)	\$58,061,528	\$20,786,134	\$127,223,260	\$206,070,921
10	GLH	\$8,791,557	(\$12,051)	\$8,779,506	\$3,526,248	\$20,203,940	\$32,509,694
11	L	\$20,810,798	(\$26,682)	\$20,784,117	\$8,039,637	\$53,832,159	\$82,655,912
12	HVPS	\$911,100	(\$1,805)	\$909,295	\$3,897,921	\$64,203,694	\$69,010,910
13	AL	\$931	(\$1)	\$929	\$331	\$3,763	\$5,024
14	SE	\$1,524,202	(\$1,806)	\$1,522,396	\$31,142	\$1,073,187	\$2,626,725
15	SM	\$9,414,946	(\$11,157)	\$9,403,790	\$77,724	\$1,123,363	\$10,604,876
16	SH	\$112,849	(\$134)	\$112,715	\$1,232	\$33,595	\$147,542
17	UMS	\$1,206,641	(\$1,430)	\$1,205,211	\$173,045	\$1,117,951	\$2,496,207
18	PAL	\$412,627	(\$489)	\$412,138	\$3,543	\$100,055	\$515,736
19	<b>Total</b>	<b>\$420,506,965</b>	<b>(\$544,634)</b>	<b>\$419,962,331</b>	<b>\$129,510,074</b>	<b>\$641,190,078</b>	<b>\$1,190,662,484</b>
20	<u>Other Electric Revenue:</u>						
21	Sales for Resale (Acct. 447)	\$0		\$0		\$660,000	\$660,000
22	Late Payment/Returned Check Charges (Acct. 450)	\$3,423,117		\$3,423,117			\$3,423,117
23	Reconnect Fees/PJM Office (Acct. 451)	\$708,497		\$708,497	\$786,000		\$1,494,497
24	Rent Electric Property (Acct. 454)	\$8,765,502		\$8,765,502			\$8,765,502
25	Other Revenue (Acct. 456)	\$432,567		\$432,567			\$432,567
26	Revenue Annualization	\$504,026		\$504,026			\$504,026
27	Transmission - EGS (Acct. 456)	\$0		\$0	\$0		\$0
28	Transmission - Wholesale (Acct. 456)	\$0		\$0	\$3,235,620		\$3,235,620
29	<b>Subtotal Other Revenue</b>	<b>\$13,833,708</b>	<b>\$0</b>	<b>\$13,833,708</b>	<b>\$4,021,620</b>	<b>\$660,000</b>	<b>\$18,515,328</b>
30	<b>Total Operating Revenue</b>	<b>\$434,340,674</b>	<b>(\$544,634)</b>	<b>\$433,796,040</b>	<b>\$133,531,694</b>	<b>\$641,850,078</b>	<b>\$1,209,177,812</b>

**Duquesne Light Company**  
**Future Test Year at Proposed Distribution Rates**  
**12 Month Period Ended March 31, 2014 Assuming No Customer Shopping (i.e. 100% Default Service Load)**

A	B	C	D	E	F	G	H	I	J	
Line	Rate Class	Base Distribution Revenue at Proposed Rates	Transmission Present Rate Revenue (w/o shopping)	Generation Present Rate Revenue (w/o shopping)	Total Proposed Rate Revenue (Sum Col. C - E)	Total Revenue Change	Total Percent Change	Distribution Revenue Change	Distribution Percent Change	
1	RS	\$253,843,872	\$54,836,871	\$193,227,277	\$501,908,020	\$48,655,274	10.7%	\$48,655,274	23.7%	
2	RH	\$20,177,477	\$2,504,671	\$19,574,615	\$42,256,763	\$3,955,302	10.3%	\$3,955,302	24.4%	
3	RA	\$2,086,628	\$733,299	\$2,590,478	\$5,410,404	\$454,310	9.2%	\$454,310	27.8%	
4	GS	\$8,529,234	\$755,049	\$4,726,697	\$14,010,980	\$1,828,065	15.0%	\$1,828,065	27.3%	
5	GM<25	\$26,290,667	\$6,419,117	\$30,658,302	\$63,368,087	\$3,056,962	5.1%	\$3,056,962	13.2%	
6	GM>25	\$65,181,264	\$25,640,894	\$107,097,872	\$197,920,029	\$7,885,848	4.1%	\$7,885,848	13.8%	
7	GMH<25	\$2,979,988	\$377,770	\$2,470,261	\$5,828,020	\$800,838	15.9%	\$800,838	36.8%	
8	GMH>25	\$6,702,850	\$1,705,448	\$11,929,611	\$20,337,909	\$384,675	1.9%	\$384,675	6.1%	
9	GL	\$65,322,406	\$20,786,134	\$127,223,260	\$213,331,800	\$7,260,879	3.5%	\$7,260,879	12.5%	
10	GLH	\$10,675,085	\$3,526,248	\$20,203,940	\$34,405,272	\$1,895,579	5.8%	\$1,895,579	21.6%	
11	L	\$23,174,893	\$8,039,637	\$53,832,159	\$85,046,688	\$2,390,776	2.9%	\$2,390,776	11.5%	
12	HVPS	\$667,541	\$3,897,921	\$64,203,694	\$68,769,156	(\$241,754)	-0.4%	(\$241,754)	-26.6%	
13	AL	\$812	\$331	\$3,763	\$4,907	(\$117)	-2.3%	(\$117)	-12.6%	
14	SE	\$1,239,118	\$31,142	\$1,073,187	\$2,343,447	(\$283,278)	-10.8%	(\$283,278)	-18.6%	
15	SM	\$8,204,646	\$77,724	\$1,123,363	\$9,405,733	(\$1,199,143)	-11.3%	(\$1,199,143)	-12.8%	
16	SH	\$98,610	\$1,232	\$33,595	\$133,437	(\$14,105)	-9.6%	(\$14,105)	-12.5%	
17	UMS	\$878,987	\$173,045	\$1,117,951	\$2,169,983	(\$326,224)	-13.1%	(\$326,224)	-27.1%	
18	PAL	\$372,359	\$3,543	\$100,055	\$475,956	(\$39,780)	-7.7%	(\$39,780)	-9.7%	
19	<b>Total</b>	<b>\$496,426,438</b>	<b>\$129,510,074</b>	<b>\$641,190,078</b>	<b>\$1,267,126,590</b>	<b>\$76,464,106</b>	<b>6.4%</b>	<b>\$76,464,106</b>	<b>18.2%</b>	
20	<b>Other Electric Revenue:</b>									
21	Sales for Resale (Acct. 447)	\$0		\$660,000	\$660,000	\$0		\$0		
22	Late Payment/Returned Check Charges (Acct. 450)	\$3,423,117			\$3,423,117	\$0		\$0		
23	Reconnect Fees/PJM Office (Acct. 451)	\$708,497	\$786,000		\$1,494,497	\$0		\$0		
24	Rent Electric Property (Acct. 454)	\$8,765,502			\$8,765,502	\$0		\$0		
25	Other Revenue (Acct. 456)	\$432,567			\$432,567	\$0		\$0		
26	Revenue Annualization	\$0			\$0	(\$504,026)		(\$504,026)		
27	Transmission - EGS (Acct. 456)	\$0			\$0	\$0		\$0		
28	Transmission - Wholesale (Acct. 456)	\$0	\$3,235,620		\$3,235,620	\$0		\$0		
29	<b>Subtotal Other Revenue</b>	<b>\$13,329,682</b>	<b>\$4,021,620</b>	<b>\$660,000</b>	<b>\$18,011,302</b>	<b>(\$504,026)</b>		<b>(\$504,026)</b>		
30	<b>Total Operating Revenue</b>	<b>\$509,756,120</b>	<b>\$133,531,694</b>	<b>\$641,850,078</b>	<b>\$1,285,137,892</b>	<b>\$75,960,080</b>	<b>6.3%</b>	<b>\$75,960,080</b>	<b>17.5%</b>	

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-6**  
**Witness: O'Brien**  
Page 1 of 2

**Remove Surcharge Revenue Related Expenses**

Line #	Description	[ 1 ] Reference Or Account Number	[ 2 ] Consumer Education	[ 3 ] Universal Service	[ 4 ] Smart Meter	[ 5 ] EECDR Surcharge	[ 6 ]	[ 7 ]	[ 8 ] Total Cost Element Update Adjustment Sum [ 2 ] to [ 7 ]
<b><u>COST ELEMENT</u></b>									
1	Straight-Time Labor	10	\$ -	\$ -	\$ 79	\$ 446			\$ 525
2	Building Rents	14	-	-	108	-			108
3	Incentive Compensation	15	-	-	-	14			14
4	Materials Purchased	23	-	1	1	32			34
5	Employee Expenses	51	-	1	-	7			8
6	Surcharge Revenue Offset	53	1,560	5,522	2,696	23,387			33,165
7	Hardware/Software Maintenance	58	-	-	1,677	-			1,677
8	Professional Services	59	1,552	2,795	896	21,400			26,643
9	Uncollectible Accounts	65	-	2,740	-	-			2,740
10	Business Meals	76	-	2	-	2			4
11	TOTAL	Sum L 1 to L 10	3,112	11,061	5,457	45,288	-	-	64,918
12	Deferred Costs	66	(1,552)	(5,539)	(2,761)	(21,901)			(31,753)
13	Surcharge Expense Total	L 11 + L 12	<u>\$ 1,560</u>	<u>\$ 5,522</u>	<u>\$ 2,696</u>	<u>\$ 23,387</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,165</u>
14	Surcharge Revenue Offset (Excludes Gross Receipts Taxes)	53	1,560	5,522	2,696	23,387			\$ 33,165
15	Revenue Charged to Capital Accounts		-	-	6,993	-			6,993
16	<b>Total Revenue Related net of GRT</b>	To D, S-5, pg 3	<u>\$ 1,560</u>	<u>\$ 5,522</u>	<u>\$ 9,689</u>	<u>\$ 23,387</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 40,158</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-6**  
**Witness: O'Brien**  
Page 2 of 2

**Update Purchased Energy Expenses**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
#	Description		Forecast		Revenue Update	Adjustment
1	Generation Revenue		\$ 139,769		\$ 161,162	
2	Gross Receipts Tax	5.90%	8,246		9,509	
3	Revenue To Generation Expense		131,523		151,653	
4	Sales For Resale		-		-	
5	Generation Expense		<u>\$ 131,523</u>		<u>\$ 151,653</u>	
6	Adjustment for Generation Revenue					<u>\$ (20,130)</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**SCHEDULE**      **D-7**  
**Witness:**      **O'Brien**  
PAGE 1 of 2

**ADJUSTMENT---SALARY & WAGES**  
**Adjustment # 7**

Line #	Description	[ 1 ] Account Number	[ 2 ] Budgeted Year 3/31/14	[ 3 ] Redistribute General Categories	[ 4 ] Payroll As Distributed	[ 5 ] Total Pro Forma Payroll	[ 6 ] Adjustment
<u>OPERATIONS</u>							
1	Production	500-509	\$ -	\$ -	\$ -	\$ -	\$ -
2	Generation	546-550	-	-	-	-	-
3	Transmission	560-567	3,203	-	3,203	69	3,272
4	Distribution	580-589	9,552	-	9,552	207	9,759
5	Customer Accounts	901-905	10,110	-	10,110	219	10,329
6	Customer service and information	907-910	134	-	134	3	137
7	Sales	911-916	-	-	-	-	-
8	Administration and general	920-931	16,962	-	16,962	368	17,330
9	Total Operations	Sum L 1 to L 8	<u>39,960</u>	<u>-</u>	<u>39,960</u>	<u>867</u>	<u>40,827</u>
<u>MAINTENANCE</u>							
10	Production	510-514	-	-	-	-	-
11	Generation	551-557	-	-	-	-	-
12	Transmission	568-573	1,950	-	1,950	42	1,992
13	Distribution	590-598	11,251	-	11,251	244	11,495
14	Administration and general	935	6,136	-	6,136	133	6,269
15	Total Maintenance	Sum L 10 to L 14	<u>19,336</u>	<u>-</u>	<u>19,336</u>	<u>419</u>	<u>19,755</u>
16	Total Direct Payroll	L 9 + L 15	59,296	-	59,296	<u>\$ 1,286</u>	<u>\$ 60,582</u>
17	Percent Increase	L 16, C 5 / C 4					<u>2.169%</u>
<u>OTHER</u>							
18	Construction	107	-	-	-	-	-
19	Plant removal	108	-	-	-	-	-
20	Stores Accounts	163	-	-	-	-	-
21	Accrued Utility Revenue	173	-	-	-	-	-
22	Misc. Current & Accrued Assets	174	-	-	-	-	-
23	Deferred Debits	186	-	-	-	-	-
24	Misc Current & Accrued Liabilities	242	-	-	-	-	-
25	Donations	426	-	-	-	-	-
26	Total To "Clearing"		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
27	TOTAL PAYROLL	Sum L 16 to L 26	<u>\$ 59,296</u>	<u>\$ -</u>	<u>\$ 59,296</u>	<u>2.169%</u>	<u>\$ 60,582</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**SCHEDULE**      **D-7**  
**Witness:**      **O'Brien**  
PAGE 2 of 2

**ADJUSTMENT---SALARY & WAGES**

**Adjustment # 7**

Line #	Description	[ 1 ] Reference Or Function	[ 2 ] Union	[ 3 ] Non-Union	[ 4 ] Annualized Amounts	[ 5 ] Amount	[ 6 ] Amount	[ 7 ] Pro Forma Total Payroll
1	Budget O&M Base PR Expense for FTY	52 / 48	\$ 27,080	\$ 24,997	\$ 52,077			
2	Budget O&M Overtime PR Expense for FTY	80 / 20	5,775	1,444	7,219			
3	Total O&M Budget PR Expense	L 1 + L 2	<u>32,855</u>	<u>26,441</u>	<u>59,296</u>			
4	Pro Forma Rate Increase 10/1/13		3.00%					
5	Pro Forma Rate Increase 1/1/14			4.00%				
6	Number of Months for Annualization		<u>6</u>	<u>9</u>				
7	Pro Forma During FTY	L3*(L4 or 5)*L6/12	\$ 493	\$ 793	1,286			
8	Pro Forma Rate Increase 10/1/14		0.00%					
9	Number of Months		<u>0</u>					
10	Annualization Adjustment	(L3+L7)*L8*L12/12	<u>\$ -</u>		-			
11	Total Pro Forma - Existing Employees	[ 4 ] L 3 + L 8					\$ 60,582	
<b><u>Pro Forma For New Employees</u></b>								
12	Changes to Employee Numbers		-					
13	Changes to Employee Numbers			-				
14	Total New Employees - On Company List	L 10 + L 11				\$ -		
15	Increase for Overtime	L 2 / L 1 * L 10	<u>-</u>	<u>-</u>		<u>-</u>		
16	Sub-Total -- Total Pay at Present Rates	Sum L 10 to L 13	-	-		-		
17	Increase for Pay Rates	L 4 or L 5 * L 14	<u>-</u>	<u>-</u>		-		
18	Pro Forma Increase for Change in Employees	L 14 + L 15	-	-			-	
19	Total Pro Forma Payroll	L 7 + L 16	<u>\$ 493</u>	<u>\$ 793</u>			\$ 60,582	
20	Total O&M Budget PR Expense	[ 3 ] L 3					59,296	
21	Payroll Increase	[ 6 ] L 17 - L 18						<u>\$ 1,286</u>
22	Percent Increase	L 19 / L 18						<u>2.169%</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**SCHEDULE D-8**  
**Witness: O'Brien**  
PAGE 1 of 1

**ADJUSTMENT---RATE CASE EXPENSE**  
**Adjustment # 8**

Line #	Description	[ 1 ] Reference	[ 2 ] Amount	[ 3 ] Amount	[ 4 ] Sub-Total	[ 5 ] Total
<b><u>RATE CASE FOR NORMALIZATION</u></b>						
<b><u>EXPENDITURES TO 3-31-13</u></b>						
1	Expended in 2012		\$ 50			
2	Expended in 2013 to Mar 31		100			
3	Total Recorded at 3-31-13	L 1 + L 2		150		
<b><u>EXPENDITURES DURING FTY Ended 3-31-14</u></b>						
4	Estimated Expenditures for FPFTY		2,050			
5	Sub-Total	Line 4		2,050		
<b><u>TOTAL EXPENDITURES FOR RATE FILING</u></b>						
6	Total Rate Case	L 3 + L 5			<u>\$ 2,200</u>	
7	Normalization Period [ A ]	Years	<u>3</u>			
8	Normalization Expense per Year	L 6 / L 7				\$ 733
<b><u>NORMALIZATION OF POLR VI COSTS</u></b>						
9	Costs incurred through May 2013			1,937		
10	Costs to Complete			200		
11	Total POLR CCOSTS	L 9 + L 10			<u>\$ 2,137</u>	
12	Normalization Period [ B ]	Years	<u>2</u>			
13	Normalization Expense per Year	L 11 / L 12				1,069
14	Normalization Expense per Year	L 8 + L 13				1,802
15	Expense included in FTY Expense					43
16	Normalization Adjustment	L 14 + L 15				<u>\$ 1,759</u>
[ A ]	Time between rate cases - Next Case planned for July 2016 with rates effective 5-1-17					
[ B ]	Time between between POLR Rate Setting Proceedings is two years					

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**SCHEDULE D-9**  
**Witness: O'Brien**  
PAGE 1 of 2

**ADJUSTMENT---EMPLOYEE BENEFITS AND PENSION**  
**Adjustment # 9**

Line #	Description	[ 1 ] Reference	[ 2 ] Pension Contribution Payments To Capital	[ 3 ] Pension Contribution Payments To Expense	[ 4 ] Amount	[ 5 ] Total
<b><u>PENSION COSTS</u></b>						
1	Contribution - Year Ended 12/31/14		\$ 32,600			
2						
3	Contribution - Year Ended 12/31/15		38,000			
4						
5	Contribution - Year Ended 12/31/16		41,000			
6	Total	L 1 to L 5	<u>\$ 111,600</u>			
7	Number of Years for FTY Average	<u>3</u>				
8	Average for FTY		<u>\$ 37,200</u>			
9	Pension Capitalization / Expense Factor			50.0%	<u>50.0%</u>	
10	Pension Payment To Be Capitalized	L 6 * L 9		\$ 18,600		
11	Pension Payment To Be Expensed	L 8 * L 9			\$ 18,600	
12	FAS 87 Pension in HTY Capital Additions			18,200		
13	FAS 87 Pension Expense in HTY				<u>27,011</u>	
14	Pension Adjustment to Rate Base	L 10 - L 12		<u>\$ 400</u>		
15	Pro Forma Pension Adjustment	L 11 - L 13				<u>\$ (8,411)</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**SCHEDULE D-10**  
**Witness: O'Brien**  
PAGE 1 of 1

**ADJUSTMENT---UNCOLLECTIBLE ACCOUNTS**

**Adjustment # 10**

Line #	Description	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
#	Description	Reference	Non-CAP Net Write-Offs	Tariff Revenue	Percent [ 2 ] / [ 3 ]	Total [ 2 ] / [ 3 ]
1	2008		\$ 8,521	\$ 884,697	0.96%	
2	2009		\$ 9,425	\$ 825,227	1.14%	
3	2010		\$ 6,534	\$ 877,355	0.74%	
4	2011		\$ 6,621	\$ 846,057	0.78%	
5	2012		\$ 5,869	\$ 771,250	0.76%	
6	Five Year Average Sum (L 1 to L 5) / 5	5	\$ 7,394	\$ 840,917		0.880%

**Increase in Uncollectibles resulting from Increase in Delinquent Accounts**

7	Annual Normalization Amount		\$ 1,500
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#	Description	Reference	Pro Forma Revenue	Percent Net Write-Offs	Total
8	Pro Forma Revenue		\$ 703,566		
9	Pro Forma Rate			0.880%	
10	Pro Forma Net Write-Off Expense	L 8 * L 9			6,191
11	Total Pro Forma Write Off	L 7 + L 10			7,691
12	Budget Uncollectible Expense For FTY				8,239
13	Pro Forma Adjustment	L 11 - L 12			(547)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
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**(\$ in Thousands)**

**SCHEDULE D-11**  
**Witness: O'Brien**  
PAGE 1 of 1

**ADJUSTMENT---AMORTIZATION OF IT EXPENSE**

**Adjustment # 11**

Line #	Description	[ 1 ] Reference	[ 2 ] Amount	[ 3 ] Sub-Total	[ 4 ] Total
1	Costs Incurred in HTY		\$ 1,186		
2	Costs Incurred and Projected for FTY		3,333		
3	Costs incurred in April 2014		311		
4	Costs Projected for the FPFTY - Excluding Internal Resources		9,155		
5	TOTAL	Sum L 1 to L 4		<u>\$ 13,985</u>	
6	Amortization Period	in years		<u>3</u>	
7	Pro Forma FTY Expense	L 5 / L 6			\$ 4,662
8	Expense in FTY Budget Expense				<u>3,333</u>
9	Adjustment To FTY Budget Expense	L 7 + L 8			<u>\$ 1,329</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-16**  
**Witness: Simpson/O'Brien**  
Page 1 of 2

**Taxes Other Than Income Taxes**

Line #	Description	[ 1 ] Account Number	[ 2 ] Recorded 2012	[ 3 ] Forecast Amounts FTY	[ 4 ] Pro Forma Adjustments	[ 5 ] Pro Forma Tax Expense FTY
1	PURTA Taxes	408.1	\$ 1,165	\$ 1,073	\$ -	\$ 1,073
2	Capital Stock		1,513	778		778
3	Miscellaneous		(1,600)	315		315
4	Social Security	408.3	7,899	4,313	110	4,423
5	FUTA	408.2	56	38	1	39
6	SUTA	408.4	463	357	9	366
7	Gross Receipts		49,634	39,129	1,137	40,266
8	Real Estate Taxes		423	854		854
9	City of Pittsburgh Payroll Tax		636	308	8	316
10			<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
11	Total	L 1 ro L 9	<u>\$ 60,189</u>	<u>\$ 47,165</u>	<u>\$ 1,265</u>	<u>\$ 48,430</u>

**GROSS RECEIPT TAX PRO FORMA AT PRESENT RATES**

12	Revenue From Sales to Customers		\$ 704,226
13	Uncollectibles		(6,191)
14	Customer Assistance Revenue Reduction		(15,518)
15	Rider 5 Surcharge		<u>(45)</u>
16	Net Taxable	L 11 to L 14	682,472
17	Tax Rate		5.90%
18	Gross Receipts Taxes at Present Rates	L 15 * L 16	40,266
19	Budget Amount		<u>39,129</u>
20	Adjustment	L 17 - L 18	<u>\$ 1,137</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-16**  
**Witness: O'Brien**  
Page 2 of 2

**Taxes Other Than Income Taxes**

Line #	Description	[ 1 ] Account Number	[ 2 ]	[ 3 ] FTY	[ 4 ] S&W Adjustment	[ 5 ] Increase in Payroll Taxes
1	Total Payroll Charged to Expense			<u>\$ 50,200</u>	<u>\$ 1,286</u>	
2	FICA Expense			<u>\$ 4,313</u>		
3	FICA Expense - Percent	L 2 / L 1		<u>8.59%</u>	<u>8.59%</u>	
4	Pro Forma FICA Expense on Pro Forma	[ 4 ] L 1 * L 3				\$ 110
5	FUTA Expense			<u>\$ 38</u>		
6	FUTA Expense - Percent	L 5 / L 1		<u>0.08%</u>	<u>0.08%</u>	
7	Pro Forma FUTA Expense on Pro Forma	[ 4 ] L 1 * L 6				1
8	SUTA Expense			<u>\$ 357</u>		
9	SUTA Expense - Percent	L 8 / L 1		<u>0.71%</u>	<u>0.71%</u>	
10	Pro Forma SUTA Expense on Pro Forma	[ 4 ] L 1 * L 9				9
11	City of Pittsburgh Payroll Tax Expense			<u>\$ 308</u>		
12	SUI Expense - Percent	L 11 / L 1		<u>0.61%</u>	<u>0.61%</u>	
13	Pro Forma SUI Expense on Pro Forma	[ 4 ] L 1 * L 12				8
14	Pro Forma Adjustment	L 4 to L 13				<u>\$ 128</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Depreciation and Annualization Expense Adjustment**

Line #	Description	Account Number	Current Depreciation Rate	Depreciation Expense for Month of						Depreciation Expense for Month of						Total Sum [3] to [14]	Annualized [B]				
				[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]			[13]	[14]	[15]	[16]
				Apr-13 [A]	May-13 [A]	Jun-13 [A]	Jul-13 [A]	Aug-13 [A]	Sep-13 [A]	Oct-13 [A]	Nov-13 [A]	Dec-13 [A]	Jan-14 [A]	Feb-14 [A]	Mar-14 [A]						
<b>INTANGIBLE PLANT</b>																					
1	Organization	301	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
2	Franchise & Consent	302	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
3	Miscellaneous Intangible Plant	303	318	318	317	318	318	317	318	318	317	512	512	512	512	4,395	6,144				
4	TOTAL INTANGIBLE	Sum L 1 to L 3	318	318	317	318	318	317	318	318	317	512	512	512	512	4,395	6,144				
<b>PRODUCTION PLANT</b>																					
5	Land and land rights	310	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
6	Structures, Improvements	311	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
7	Misc. Power Plan equipment	316	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
<b>STORAGE PLANT</b>																					
9	Land and land rights	340	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
10	Structures, Improvements	341	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
11	Misc Power Plant Equipment	346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
12	STORAGE EQUIPMENT	Sum L 9 to L 11	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
13	TOTAL PRODUCTION PLANT	(L 8 + L 12)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
<b>TRANSMISSION PLANT</b>																					
14	Land and land rights	350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
15	Structures, Improvements	352	49	49	49	49	49	49	49	49	49	49	49	49	49	586	582				
16	Station Equipment	353	944	950	955	960	965	970	976	981	986	990	993	996	11,666	11,781					
17	Towers and Fixtures	354	90	91	93	94	96	97	99	100	102	103	103	103	1,169	1,289					
18	Poles and Fixtures	355	64	65	67	68	69	70	72	73	74	75	75	75	847	893					
19	Overhead Conductors & Devices	356	124	125	126	127	128	129	130	132	133	134	134	135	1,556	1,578					
20	Underground Conduit	357	101	101	102	102	103	103	104	104	104	105	105	105	1,238	1,252					
21	Underground Conductors & Devices	358	144	145	146	147	147	148	149	149	150	150	150	150	1,777	1,801					
22	Road and Trails	359	3	3	3	3	3	3	3	3	3	3	3	3	39	39					
23	Asset Retirement Costs	359.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
24	Other Transmission Plant		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24	1,519	1,529	1,540	1,550	1,560	1,570	1,581	1,591	1,601	1,608	1,612	1,616	18,877	19,215					
<b>DISTRIBUTION PLANT</b>																					
26	Land and land rights	360	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
27	Structures, Improvements	361	123	123	123	123	123	123	123	123	123	123	123	123	1,476	1,447					
28	Station Equipment	362	890	891	893	893	894	894	894	895	897	899	899	903	10,741	10,506					
29	Storage Battery Equipment	363	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
30	Poles, Towers and Fixtures	364	665	668	672	675	678	681	684	686	689	693	696	700	8,188	8,495					
31	Overhead Conductors and Devices	365	831	832	835	839	842	845	847	850	856	862	864	866	10,170	10,369					
32	Underground Conduit	366	159	159	160	161	162	163	164	165	166	167	168	169	1,963	1,995					
33	Underground Conductors and Devices	367	561	562	563	565	566	567	570	572	573	575	577	577	6,830	6,825					
34	Line Transformers	368	855	862	867	873	879	884	888	892	897	901	905	909	10,610	10,706					
35	Services	369	125	125	125	126	126	126	127	127	127	127	128	128	1,516	1,627					
36	Meters	370	509	509	510	510	510	511	511	511	511	512	512	512	6,129	6,300					
37	Meter Communications Equipment	370.1	28	28	28	28	28	28	28	28	28	28	28	28	340	197					
38	Leased Property On Customers Premises	372	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
39	Street Lighting and Signaling Systems	373	87	87	87	87	87	87	87	87	87	87	87	87	1,049	956					
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39	4,834	4,848	4,864	4,881	4,897	4,910	4,923	4,936	4,955	4,975	4,987	5,003	59,012	59,423					
<b>GENERAL PLANT</b>																					
41	Land and land rights	389	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
42	Structures, Improvements	390	268	261	266	272	277	283	288	294	299	305	310	316	3,438	3,748					
43	Leasehold Improvements	36	37	37	36	37	36	37	36	37	36	36	37	36	437	432					
44	Office furniture	391	33	34	34	34	34	34	34	34	33	32	32	32	397	125					
45	Office furniture - Combined for FTY	391.1	32	32	32	32	32	32	32	32	32	32	32	33	385	385					
46	Office equipment	391.2	1	2	3	4	4	5	5	6	7	8	9	9	61	859					
47	Office equipment - Combined for FTY	391.2	58	58	58	58	58	58	58	58	58	58	58	55	693	693					
48	Transportation equipment	392	318	318	319	301	318	328	338	347	357	357	358	360	4,019	4,320					
49	Store equipment	393	7	7	7	7	7	7	7	7	7	7	7	7	84	82					
50	Store equipment - Combined for FTY	393	4	4	4	4	4	4	4	4	4	4	4	9	53	53					
51	Tools, shop and garage equipment	394	51	52	52	52	52	52	52	52	51	50	50	50	613	605					
52	Tools, shop and garage equipment - Combined	394	26	26	26	26	26	26	26	26	26	26	26	23	309	309					
53	Laboratory equipment	395	17	17	17	17	17	17	17	17	17	16	15	15	196	169					
54	Laboratory equipment - Combined for FTY	395	17	17	17	17	17	17	17	17	17	17	17	15	202	202					
55	Power operated equipment	396	9	9	9	9	9	9	9	9	9	9	10	9	110	108					
56	Electric communications equipment	397	326	326	328	330	331	333	334	336	340	344	346	347	4,021	4,128					
57	Electric communications equipment - Combined	397	133	133	133	133	133	133	133	133	133	133	133	130	1,593	1,593					
58	Miscellaneous equipment	398	2	2	2	2	2	2	2	2	2	2	2	2	19	19					
59	Miscellaneous equipment - Combined for FTY	398	1	1	1	1	1	1	1	1	1	1	1	5	16	16					
60	TOTAL GENERAL	Sum L 41 to L 59	1,338	1,335	1,343	1,334	1,358	1,376	1,393	1,410	1,427	1,436	1,444	1,452	16,646	17,846					
61	SUB-TOTAL	(L 4 + L 13 + L 25 L 40 + L 60)	8,009	8,030	8,063	8,083	8,133	8,173	8,215	8,256	8,300	8,531	8,555	8,583	98,931	102,628					
62	Closed Plant Not Classified	106	-	-	-	-	-	-	-	-	-	-	-	-	-	-					
63	TOTAL PLANT IN SERVICE	L 61 + L 62	\$ 8,009	\$ 8,030	\$ 8,063	\$ 8,083	\$ 8,133	\$ 8,173	\$ 8,215	\$ 8,256	\$ 8,300	\$ 8,531	\$ 8,555	\$ 8,583	\$ 98,931	\$ 102,628					

[A] Average Monthly Plant Balance From Section 2, Schedule 2 Times Depreciation Rate in Column [2]

[B] Plant Balance at 4-30-15 Times Depreciation Rate in Column [2]

Exhibit 3 FTY 7-30-13  
 D\_17\_p1 (A1..AJ100)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Depreciation and Annualization Expense Adjustment**

Line #	Description	Account Number	Current Depreciation Rate	Amortization Expense for Month of								Amortization Expense for Month of						Total	Annualized
				[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]	[ 6 ]	[ 7 ]	[ 8 ]	[ 9 ]	[ 10 ]	[ 11 ]	[ 12 ]	[ 13 ]	[ 14 ]		
				Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14				
<b>INTANGIBLE PLANT</b>																			
1	Organization	301		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
2	Franchise & Consent	302		-	-	-	-	-	-	-	-	-	-	-	-	-			
3	Miscellaneous Intangible Plant	303	0.1206	-	-	-	-	-	-	-	-	-	-	-	-	-			
4	TOTAL INTANGIBLE	Sum L 1 to L 3		-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>PRODUCTION PLANT</b>																			
5	Land and land rights	310		-	-	-	-	-	-	-	-	-	-	-	-	-			
6	Structures, Improvements	311		-	-	-	-	-	-	-	-	-	-	-	-	-			
7	Misc. Power Plan equipment	316		-	-	-	-	-	-	-	-	-	-	-	-	-			
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7		-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>STORAGE PLANT</b>																			
9	Land and land rights	340		-	-	-	-	-	-	-	-	-	-	-	-	-			
10	Structures, Improvements	341		-	-	-	-	-	-	-	-	-	-	-	-	-			
11	Misc Power Plant Equipment	346		-	-	-	-	-	-	-	-	-	-	-	-	-			
12	STORAGE EQUIPMENT	Sum L 9 to L 11		-	-	-	-	-	-	-	-	-	-	-	-	-			
13	TOTAL PRODUCTION PLANT	(L 8 + L 12)		-	-	-	-	-	-	-	-	-	-	-	-	-			
<b>TRANSMISSION PLANT</b>																			
14	Land and land rights	350		-	-	-	-	-	-	-	-	-	-	-	-	-			
15	Structures, Improvements	352	0.0327	1	-	1	-	1	-	1	-	1	-	1	-	6			
16	Station Equipment	353	0.0306	88	88	88	88	88	88	88	88	88	88	88	88	1,058			
17	Towers and Fixtures	354	0.0222	38	38	38	38	38	38	38	38	38	38	38	38	452			
18	Poles and Fixtures	355	0.0213	17	17	17	17	17	17	17	17	17	17	17	17	203			
19	Overhead Conductors & Devices	356	0.0187	70	70	70	70	70	70	70	70	70	70	70	70	843			
20	Underground Conduit	357	0.0187	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(12)			
21	Underground Conductors & Devices	358	0.0169	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(59)			
22	Road and Trails	359	0.0312	-	-	-	-	-	-	-	-	-	-	-	-	-			
23	Asset Retirement Costs	359.1		-	-	-	-	-	-	-	-	-	-	-	-	-			
24	Other Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-			
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24		208	207	208	207	208	207	208	207	208	207	208	207	2,491			
<b>DISTRIBUTION PLANT</b>																			
26	Land and land rights	360	0.00000	-	-	-	-	-	-	-	-	-	-	-	-	-			
27	Structures, Improvements	361	0.02470	10	10	10	10	10	10	10	10	10	10	10	10	124			
28	Station Equipment	362	0.02440	102	102	102	102	102	102	102	102	102	102	102	102	1,224			
29	Storage Battery Equipment	363		-	-	-	-	-	-	-	-	-	-	-	-	-			
30	Poles, Towers and Fixtures	364	0.02150	190	190	190	190	190	190	190	190	190	190	190	190	2,276			
31	Overhead Conductors and Devices	365	0.02300	20	20	20	20	20	20	20	20	20	20	20	20	234			
32	Underground Conduit	366	0.01870	3	3	3	3	3	3	3	3	3	3	3	3	36			
33	Underground Conductors and Devices	367	0.02220	34	34	34	34	34	34	34	34	34	34	34	34	409			
34	Line Transformers	368	0.03074	70	70	70	70	70	70	70	70	70	70	70	70	838			
35	Services	369	0.01690	137	137	137	137	137	137	137	137	137	137	137	137	1,648			
36	Meters	370	0.03090	2	3	2	3	2	3	2	3	2	3	2	3	30			
37	Meter Communications Equipment	370.1	0.00220	-	-	-	-	-	-	-	-	-	-	-	-	-			
38	Leased Property On Customers Premises	372		-	-	-	-	-	-	-	-	-	-	-	-	-			
39	Street Lighting and Signaling Systems	373	0.02970	9	9	9	9	9	9	9	9	9	9	9	9	108			
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39		577	578	577	578	577	578	577	578	577	578	577	578	6,927			
<b>GENERAL PLANT</b>																			
41	Land and land rights	389		-	-	-	-	-	-	-	-	-	-	-	-	-			
42	Structures, Improvements	390	0.03540	49	49	49	49	49	49	49	49	49	49	49	49	584			
43	Leasehold Improvements		0.19680	-	-	-	-	-	-	-	-	-	-	-	-	-			
44	Office furniture	391.1	0.05000	-	-	-	-	-	-	-	-	-	-	-	-	-			
45	Office furniture - Combined for FTY	391.1	0.17140	-	-	-	-	-	-	-	-	-	-	-	-	-			
46	Office equipment	391.2	0.20000	-	-	-	-	-	-	-	-	-	-	-	-	-			
47	Office equipment - Combined for FTY	391.2	0.07293	-	-	-	-	-	-	-	-	-	-	-	-	-			
48	Transportation equipment	392	0.04400	2	3	2	3	2	3	2	3	2	3	2	3	31			
49	Store equipment	393	0.03330	-	-	-	-	-	-	-	-	-	-	-	-	-			
50	Store equipment - Combined for FTY	393	0.05360	-	-	-	-	-	-	-	-	-	-	-	-	-			
51	Tools, shop and garage equipment	394	0.04000	-	-	-	-	-	-	-	-	-	-	-	-	-			
52	Tools, shop and garage equipment - Combined	394	0.07380	-	-	-	-	-	-	-	-	-	-	-	-	-			
53	Laboratory equipment	395	0.05000	-	-	-	-	-	-	-	-	-	-	-	-	-			
54	Laboratory equipment - Combined for FTY	395	0.03417	-	-	-	-	-	-	-	-	-	-	-	-	-			
55	Power operated equipment	396	0.08200	-	1	-	1	-	1	-	1	-	1	-	1	7			
56	Electric communications equipment	397	0.06670	-	-	-	-	-	-	-	-	-	-	-	-	-			
57	Electric communications equipment - Combined	397	0.04840	-	-	-	-	-	-	-	-	-	-	-	-	-			
58	Miscellaneous equipment	398	0.05000	-	-	-	-	-	-	-	-	-	-	-	-	-			
59	Miscellaneous equipment - Combined for FTY	398		-	-	-	-	-	-	-	-	-	-	-	-	-			
60	TOTAL GENERAL	Sum L 41 to L 59		51	53	51	53	51	53	51	53	52	53	52	53	622			
61	SUB-TOTAL (L 4 + L 13 + L 25 L 40 + L 60)			836	838	836	838	836	838	836	838	837	838	837	838	10,040			
62	Closed Plant Not Classified	106		-	-	-	-	-	-	-	-	-	-	-	-	-			
63	TOTAL PLANT IN SERVICE	L 61 + L 62		\$ 836	\$ 838	\$ 836	\$ 838	\$ 836	\$ 838	\$ 836	\$ 838	\$ 837	\$ 838	\$ 837	\$ 838	\$ 10,040			

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Depreciation and Annualization Expense Adjustment**

Line #	Description	Account Number	Current Depreciation Rate	Depreciation and Amortization Expense for Month of								Depreciation and Amortization Expense for Month of						Total	Annualized
				[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]		
				Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14				
<b>INTANGIBLE PLANT</b>																			
1	Organization	301		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
2	Franchise & Consent	302		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
3	Miscellaneous Intangible Plant	303		318	318	317	318	318	317	318	318	317	512	512	512	4,395	6,144		
4	TOTAL INTANGIBLE	Sum L 1 to L 3		318	318	317	318	318	317	318	318	317	512	512	512	4,395	6,144		
<b>PRODUCTION PLANT</b>																			
5	Land and land rights	310		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
6	Structures, Improvements	311		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
7	Misc. Power Plan equipment	316		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
8	TOTAL PRODUCTION PLANT	Sum L 5 to L 7		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>STORAGE PLANT</b>																			
9	Land and land rights	340		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
10	Structures, Improvements	341		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
11	Misc Power Plant Equipment	346		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
12	STORAGE EQUIPMENT	Sum L 9 to L 11		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
13	TOTAL PRODUCTION PLANT	(L 8 + L 12)		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>TRANSMISSION PLANT</b>																			
14	Land and land rights	350		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
15	Structures, Improvements	352		50	49	50	49	50	49	50	49	50	49	50	49	592	588		
16	Station Equipment	353		1,033	1,038	1,043	1,048	1,053	1,059	1,064	1,069	1,074	1,078	1,081	1,084	12,724	12,839		
17	Towers and Fixtures	354		127	129	130	132	133	135	136	138	139	140	141	141	1,621	1,741		
18	Poles and Fixtures	355		81	82	83	85	86	87	89	90	91	92	92	92	1,050	1,096		
19	Overhead Conductors & Devices	356		194	195	196	197	198	200	201	202	203	204	204	205	2,399	2,421		
20	Underground Conduit	357		100	100	101	101	102	102	103	103	103	104	104	104	1,226	1,240		
21	Underground Conductors & Devices	358		139	140	141	142	142	143	144	144	145	146	146	146	1,718	1,742		
22	Road and Trails	359		3	3	3	3	3	3	3	3	3	3	3	3	39	39		
23	Asset Retirement Costs	359.1		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
24	Other Transmission Plant			-	-	-	-	-	-	-	-	-	-	-	-	-	-		
25	TOTAL TRANSMISSION PLANT	Sum L 14 to L 24		1,727	1,736	1,748	1,757	1,768	1,777	1,789	1,798	1,809	1,815	1,820	1,823	21,368	21,706		
<b>DISTRIBUTION PLANT</b>																			
26	Land and land rights	360		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
27	Structures, Improvements	361		133	133	133	133	133	133	133	133	133	133	133	133	1,600	1,571		
28	Station Equipment	362		992	993	995	995	996	996	996	997	999	1,001	1,001	1,005	11,965	11,730		
29	Storage Battery Equipment	363		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Poles, Towers and Fixtures	364		855	858	861	865	868	871	873	876	879	883	886	889	10,464	10,771		
31	Overhead Conductors and Devices	365		850	852	855	858	862	864	867	869	875	882	883	886	10,404	10,603		
32	Underground Conduit	366		162	162	163	164	165	166	167	168	169	170	171	172	1,999	2,031		
33	Underground Conductors and Devices	367		595	596	598	599	600	602	604	606	608	609	611	611	7,239	7,234		
34	Line Transformers	368		925	931	937	943	948	953	958	962	966	971	974	979	11,448	11,544		
35	Services	369		262	262	263	263	263	264	264	264	264	265	265	265	3,164	3,275		
36	Meters	370		511	512	512	513	513	514	513	514	513	514	514	515	6,159	6,330		
37	Meter Communications Equipment	370.1		28	28	28	28	28	28	28	28	28	28	28	28	340	197		
38	Leased Property On Customers Premises	372		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
39	Street Lighting and Signaling Systems	373		96	96	96	96	96	96	96	96	96	96	96	96	1,157	1,064		
40	TOTAL DISTRIBUTION PLANT	Sum L 26 to L 39		5,411	5,425	5,441	5,459	5,473	5,488	5,500	5,514	5,532	5,553	5,563	5,580	65,939	66,350		
<b>GENERAL PLANT</b>																			
41	Land and land rights	389		-	-	-	-	-	-	-	-	-	-	-	-	-	-		
42	Structures, Improvements	390		317	309	315	320	326	331	337	342	348	353	359	364	4,022	4,332		
43	Leasehold Improvements	391		36	37	36	37	36	37	36	37	36	36	37	36	437	432		
44	Office furniture	391.1		33	34	34	34	34	34	34	34	33	32	32	32	397	125		
45	Office furniture - Combined for FTY	391.1		32	32	32	32	32	32	32	32	32	32	32	33	385	385		
46	Office equipment	391.2		1	2	3	4	4	5	5	6	7	8	9	9	61	859		
47	Office equipment - Combined for FTY	391.2		58	58	58	58	58	58	58	58	58	58	58	55	693	693		
48	Transportation equipment	392		320	321	321	304	320	331	340	350	360	360	360	363	4,050	4,351		
49	Store equipment	393		7	7	7	7	7	7	7	7	7	7	7	7	84	82		
50	Store equipment - Combined for FTY	393		4	4	4	4	4	4	4	4	4	4	4	9	53	53		
51	Tools, shop and garage equipment	394		51	52	52	52	52	52	52	52	51	50	50	51	613	605		
52	Tools, shop and garage equipment - Combined	394		26	26	26	26	26	26	26	26	26	26	26	23	209	209		
53	Laboratory equipment	395		17	17	17	17	17	17	17	17	16	15	15	15	196	169		
54	Laboratory equipment - Combined for FTY	395		17	17	17	17	17	17	17	17	17	17	17	15	202	202		
55	Power operated equipment	396		9	10	9	10	10	10	9	10	9	11	10	10	117	115		
56	Electric communications equipment	397		326	326	328	330	331	333	334	336	340	344	346	347	4,021	4,128		
57	Electric communications equipment - Combined	397		133	133	133	133	133	133	133	133	133	133	133	130	1,593	1,593		
58	Miscellaneous equipment	398		2	2	2	2	2	2	2	2	2	2	2	1	19	19		
59	Miscellaneous equipment - Combined for FTY	398		1	1	1	1	1	1	1	1	1	1	1	5	16	16		
60	TOTAL GENERAL	Sum L 41 to L 59		1,389	1,387	1,393	1,386	1,409	1,429	1,443	1,463	1,479	1,488	1,496	1,504	17,268	18,468		
61	SUB-TOTAL	(L 4 + L 13 + L 25 L 40 + L 60)		8,845	8,867	8,899	8,920	8,969	9,011	9,050	9,093	9,137	9,368	9,392	9,420	108,971	112,668		
62	Closed Plant Not Classified																		
63	TOTAL PLANT IN SERVICE	L 61 + L 62		\$ 8,845	\$ 8,867	\$ 8,899	\$ 8,920	\$ 8,969	\$ 9,011	\$ 9,050	\$ 9,093	\$ 9,137	\$ 9,368	\$ 9,392	\$ 9,420	\$ 108,971	\$ 112,668		

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule**      **D-18**  
**Witness:**      **Simpson/O'Brien**  
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**Income Tax Expense at Present Rates - Total Company**

Line #	Description	[ 1 ] Factor Or Reference	[ 2 ] Element Or Amount	[ 3 ] Pro Forma FTY At Present Rates	[ 4 ] Total Company Incr (Decr)	[ 5 ] Pro Forma FTY At Rev Req [ 3 ] + [ 4 ]
1	Revenue			\$ 721,578	\$ 26,511	\$ 748,089
2	Operating Expenses			(495,197)	(1,836)	(497,033)
3	OIBIT	L 1 + L 2		226,381	24,675	251,056
<b>Interest Expense</b>						
4	Rate Base		\$ 1,931,768			
5	Weighted Cost of Debt		0.02230			
6	Synchronized Interest Expense	L 4 * L 5		(43,078)	-	(43,078)
7	Base Taxable Income	L 3 + L 6		183,303	24,675	207,978
7a	Tax Basis Repairs Net of Losses			(31,553)		(31,553)
7b	Sec. 263A Deductions			-		-
7c	COR Reduction			(7,636)		(7,636)
8	Total State Tax Depreciation		\$ 93,683			
9	Pro Forma Book Depreciation		112,668			
10	State Tax Deducts (Over) Under Book	L 9 - L 8		18,985	-	18,985
11	State Taxable Income	L 7 + L 10		\$ 163,099	\$ 24,675	\$ 187,775
12	State Income Tax	0 -L 11 * Rate [ 2 ]	9.99%	\$ (16,294)	\$ (2,465)	\$ (18,759)
12a	Tax Basis Repairs Net of Losses			(31,553)		(31,553)
12b	Sec. 263A Deductions			-		-
12c	COR Reduction			(7,636)		(7,636)
13	Total Federal Tax Depreciation		\$ 141,087			
14	Pro Forma Book Depreciation		112,668			
15	Federal Tax Deducts (Over) Under Book	L 14 - L 13		(28,419)	-	(28,419)
16	Federal Taxable Income	L 7 + L 12 + L 15		99,402	22,210	121,612
17	Federal Income Tax Expense	0 -L 16 * Rate [ 2 ]	35.00%	(34,791)	(7,774)	(42,564)
18	Total Tax Expense before Deferred Income Tax	L 12 + L 17		(51,085)	(10,239)	(61,323)
<b>Deferred Federal Income Taxes</b>						
19	Normalized Book/Tax Basis Adjustments			34,116		34,116
20	Normalized S/L Book on Tax Depreciation		\$ 92,448			
21	Total Tax Depreciation		139,482			
22	Net Deferred Tax Expense	L 20 - L 21		47,035	-	47,035
23	Deferred Federal Taxable Income	L 19 to L 22		\$ 81,151	\$ -	\$ 81,151
24	Federal Income Tax Expense	[2]=[3]-L23 / L22	34.81%	(28,245)	-	(28,245)
25	Net Income Tax Expense	L 18 + L 24		(79,329)	(10,239)	(89,568)
<b>Other Tax Adjustments</b>						
26	Amortization of Investment Tax Credit	Fully Amortized		-		-
27	Consolidated Income Tax Offset	Negative		-		-
28	Combined Income Tax Expense	L 25 to L 27		\$ (79,329)	\$ (10,239)	\$ (89,568)
29	State Income Tax Expense	L 12		\$ 16,294	\$ 2,465	\$ 18,759
30	Federal Income Tax Expense	L 17 + L 24		63,036	7,774	70,809
31	Total Income Tax Expense	L 29 + L 30		\$ 79,329	\$ 10,239	\$ 89,568

Exhibit 3 FTY 7-30-13

D\_18\_p1 (A1..N61)

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Future Test Year - 12 Months Ended March 31, 2014**  
**(\$ in Thousands)**

**Schedule D-18**  
**Witness: Simpson/O'Brien**  
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**TAX DEPRECIATION**

Line #	Description # of months in FPFTY	[ 1 ] Factor or Reference	[ 2 ] 9 Months in 2013 <u>9</u>	[ 3 ] 3 Months in 2014 <u>3</u>	[ 4 ] Total FTY 3/31/13	[ 5 ] Amount To Tax Calc
<b><u>FEDERAL &amp; STATE - Tax Basis Repairs Net of Losses</u></b>						
1	---Transmission Plant		\$ 1,107	\$ 132	\$ 1,239	
2	---Distribution Plant		21,930	8,384	30,314	
3	Total					<u>\$ 31,553</u>
<b><u>FEDERAL &amp; STATE - Sec 263A Deduction</u></b>						
4	---Transmission Plant		\$ -	\$ -	\$ -	
5	---Distribution Plant		-	-	-	
6	Total					<u>\$ -</u>
<b><u>FEDERAL &amp; STATE - Cost of Removal</u></b>						
7	---Transmission Plant		\$ 912	\$ 542	\$ 1,454	
8	---Distribution Plant		4,157	2,026	6,182	
9	Total					<u>\$ 7,636</u>
<b><u>STATE - Total Tax Depreciation</u></b>						
10	---Transmission Plant		\$ 19,223	\$ 7,252	\$ 26,475	
11	---Distribution Plant		46,034	21,174	67,208	
12	Total					<u>\$ 93,683</u>
<b><u>FEDERAL - Total Tax Depreciation</u></b>						
13	---Transmission Plant		\$ 38,768	\$ 6,023	\$ 44,790	
14	---Distribution Plant		77,826	18,471	96,297	
15	Total					<u>\$ 141,087</u>
<b><u>FEDERAL for Deferral - S/L Book on Tax Normalized</u></b>						
16	---Transmission Plant		\$ 16,526	\$ 5,745	\$ 22,270	
17	---Distribution Plant		51,411	18,767	70,178	
18	Total					<u>\$ 92,448</u>
<b><u>FEDERAL for Deferral - Normalized Basis Adjustment</u></b>						
19	---Transmission Plant		\$ 3,250	\$ 553	\$ 3,802	
20	---Distribution Plant		21,930	8,384	30,314	
21	Total					<u>\$ 34,116</u>
<b><u>FEDERAL for Deferral - Accelerated Tax Depreciation</u></b>						
22	---Transmission Plant		\$ 38,200	\$ 5,931	\$ 44,131	
23	---Distribution Plant		77,188	18,164	95,352	
24	Total					<u>\$ 139,482</u>
<b><u>FEDERAL - Deferred Tax Expense</u></b>						
25	---Transmission Plant		\$ 8,584	\$ 558	\$ 9,142	
26	---Distribution Plant		16,454	2,649	19,103	
27	Total					<u>\$ 28,245</u>
<b><u>Deferred Income Taxes -- Account # 282</u></b>						
28	---Transmission Plant		\$ -	\$ -	\$ 104,024	
29	---Distribution Plant		-	-	365,005	
30	Total				ADIT	<u>\$ 469,029</u>

**Duquesne Light Company**  
**Before The Pennsylvania Public Utility Commission**  
**Fully Projected Future Test Year - 12 Months Ended April 30, 2015**  
**(\$ in Thousands)**

**Schedule D-18**  
**Witness: Simpson/O'Brien**  
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**GROSS REVENUE CONVERSION FACTOR**

[ 1 ] [ 2 ]

[ 3 ]

Line #	Description	Reference Or Factor	Tax Rate	Factor
<b><u>GROSS REVENUE CONVERSION FACTOR</u></b>				
1	GROSS REVENUE FACTOR			1.000000
2	UNCOLLECTIBLE EXPENSES			<u>(0.008800)</u>
3	NET AFTER UNCOLLECTIBLE COMPONENT	L 1 + L 2		0.991200
4	GROSS RECEIPTS TAXES	[ 3 ] L 3 * Rate [ 2 ]	-5.900%	(0.058481)
5	PUC / OCA & SBA Assessment as a % of Revenue			<u>(0.001461)</u>
6	NET REVENUES	Sum L 3 to L 5		0.931258
7	STATE INCOME TAXES	[ 3 ] L 6 * Rate [ 2 ]	9.990%	<u>(0.093033)</u>
8	FACTOR AFTER STATE TAXES	L 6 + L 7		0.838225
9	FEDERAL INCOME TAXES	[ 3 ] L 8 * Rate [ 2 ]	35.000%	<u>(0.293379)</u>
10	NET OPERATING INCOME FACTOR	L 8 + L 9		<u>0.544846</u>
11	GROSS REVENUE CONVERSION FACTOR	1 / L 10		<u>1.835381</u>
12	INCOME TAX FACTOR -- GROSS REVENUE	- L 7 - L 9		<u>38.641%</u>
<b><u>GROSS REVENUE CONVERSION FACTOR</u></b>				
13	GROSS REVENUE FACTOR			1.000000
14	STATE INCOME TAXES	[ 3 ] L 13 * Rate [ 2 ]	9.990%	<u>(0.099900)</u>
15	FACTOR AFTER STATE TAXES	L 13 + L 14		0.900100
16	FEDERAL INCOME TAXES	[ 3 ] L 15 * Rate [ 2 ]	35.000%	<u>(0.315035)</u>
17	NET OPERATING INCOME FACTOR	L 15 + L 16		0.585065
18	GROSS REVENUE CONVERSION FACTOR	1 / L 17		<u>1.709212</u>
19	Combined Income Tax Factor On Taxable Inco	- L 14 - L 16		<u>41.494%</u>