



17 North Second Street  
12th Floor  
Harrisburg, PA 17101-1601  
717-731-1970 Main  
717-731-1985 Main Fax  
www.postschell.com

Anthony D. Kanagy

akanagy@postschell.com  
717-612-6034 Direct  
717-731-1985 Direct Fax  
File #: 152193

September 13, 2013

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

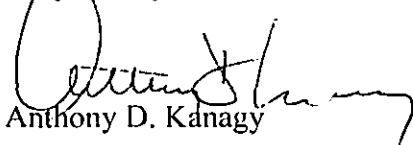
**Re: Pennsylvania Public Utility Commission v. Duquesne Light Company**  
**Docket No. R-2013-2372129**

Dear Secretary Chiavetta:

Enclosed for filing, please find Attachments A – C to Duquesne Light Statement No. 5 and Exhibit MLS-2 to Duquesne Light Statement No. 7. These documents were inadvertently omitted from the Company’s filing.

Please direct any questions regarding this matter to the undersigned.

Respectfully submitted,

  
Anthony D. Kanagy

ADK/skr  
Enclosure

cc: Certificate of Service

RECEIVED  
2013 SEP 13 PM 3:12  
PA PUC  
SECRETARY'S BUREAU

Duquesne Light Company  
Operating Expense  
By Cost Element

TESTIMONY OF ROBERT O'BRIEN  
ATTACHMENT A  
Page 1 of 1

		Actual 2010 to 2012									
		Actual HTY (3-31-13), Budget FTY (3-31-14) & FPFTY (4-15-30)									
Line #	Acct #	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]
		2010	2011	2012	HTY 3-31-13	FTY 3-31-14	Spur Month	FPFTY	Removal of	Remove	FPFTY
	Account Description	Actual	Actual	Actual	Actual	Budget	April, 2014	4/30/15	Surcharge	Below-the-Line	4/30/15
							Projected	Pro Forma	Expenses	Expenses	Forecast
		[10] - [9] + [8]									
1	10	36,166	37,593	41,962	41,827	52,565	4,390	58,482	(544)	(56)	59,082
2	11	6,063	5,469	5,213	5,613	7,219	492	6,794			6,794
3	12	5,453	5,445	4,215	6,557	91	8	96			96
4	-	47,682	48,507	51,390	53,997	59,875	4,890	65,372	(544)	(56)	65,972
5	15	2,567	3,042	2,230	2,986	4,276	395	4,564	(14)	(9)	4,587
6	50	9,132	9,532	10,193	10,375	10,825	830	11,729			11,729
7	60	10,790	23,059	28,937	29,570	27,011	2,017	24,200			24,200
8		70,171	84,140	92,750	96,928	101,987	8,131	105,865	(558)	(65)	106,488
9	14	2,553	2,372	2,419	2,631	2,714	211	2,973			2,973
10	20	2,390	2,300	1,651	2,239	73	6	75			75
11	23	2,851	3,008	3,426	2,585	4,960	409	4,946	(33)	(29)	5,008
12		5,241	5,308	5,079	4,824	5,033	415	5,021	(33)	(29)	5,083
13	24	2,414	2,132	1,797	1,617	2,217	190	2,313			2,313
14	30	2,362	2,487	3,039	3,217	3,455	290	3,542			3,542
15	40	2,875	3,001	1,838	1,865	1,900	154	1,977			1,977
16	42	-	-	-	-	-	-	-			-
17	43	667	592	557	599	669	48	687			687
18	44	5,321	5,392	5,258	5,166	5,505	464	5,673			5,673
19	45	809	870	1,988	2,062	1,998	165	2,034			2,034
20	49	2,985	1,796	2,046	2,133	2,122	181	2,191			2,191
21	51	871	841	1,113	931	1,398	100	1,282	(12)	(48)	1,342
22	-	-	-	-	-	-	-	-			-
23	52	2,237	2,953	2,463	2,958	2,689	206	9		(2,680)	2,689
24	53	686	1,230	964	27,365	34,349	2,634	1,799	(32,801)		34,600
25	54	1,767	1,767	1,750	1,748	1,839	154	1,859			1,859
26	55	2,512	2,972	2,634	2,620	2,708	229	2,767			2,767
27	56	1,888	1,888	1,917	1,917	1,917	150	1,917			1,917
28	57	146	307	475	429	440	37	447			447
29	58	2,557	3,548	3,778	4,819	5,822	552	4,176	(3,090)		7,266
30	59	35,069	32,139	29,661	56,965	67,253	5,380	53,967	(28,481)	(574)	81,002
31	-	-	-	-	-	-	-	-			-
32	61	13,394	14,892	17,164	19,782	2,338	-	-			-
33	65	12,369	9,365	7,911	9,341	11,670	497	8,931	(2,924)		11,855
34	66	638	62	(646)	(29,389)	(31,753)	(3,203)	1	33,082		(33,081)
35	67	(2,121)	(2,348)	(1,561)	(1,206)	(585)	(94)	(595)			(595)
36	70	-	(3)	(3)	(3)	-	-	-			-
37	71	-	-	-	-	-	-	-			-
38	72	7	6	4	6	1,026	0	1,004			1,004
39	75	264	486	523	625	651	46	570		(86)	656
40	76	267	280	330	316	368	27	358	(4)	(31)	393
41	79	-	-	-	-	-	-	-			-
42	80	-	-	-	-	-	-	-			-
43	88	(3,638)	(3,382)	(3,990)	(3,698)	(3,917)	(283)	(3,498)			(3,498)
44	90	1	-	-	-	-	-	-			-
45	91	5	-	-	-	-	-	-			-
46	98	-	-	-	-	-	-	-			-
47	99	(26)	582	(1,187)	6,059	(44)	(13)	(150)			(150)
48		164,091	175,677	180,071	222,627	225,748	16,670	207,120	(32,801)	(3,493)	243,414

Attachment A-B\_C for Cost Element  
FPFTY - Cost Center Expense (A1..270)

SECRETARY'S BUREAU  
REC'D BY W/ERO  
2013 SEP 13 PM 3:12

Duquesne Light Company  
 Operating Expense  
 By Cost Element  
 Actual 2010 to March 31, 2013  
 Projected and Pro Forma FTY Ended 3-31-14

TESTIMONY OF ROBERT O'BRIEN  
 ATTACHMENT B  
 Page 1 of 1

Line #	Acct #	Account Description	[1] 2010 Actual	[2] 2011 Actual	[3] 2012 Actual	[4] HTY 3-31-13 Actual	[5] FTY 3-31-14 Forecast	[6] FTY 3-31-14 Forecast	[7] FTY 3-31-14 Pro Forma	[8] Removal of Surcharge Expenses	[9] Reclass to Purchase Power Transmission	[10] Remove Below-the-Line Expenses	[11] FTY 3-31-14 Budget
										[11] - ([9] + [8] - [10])			
1	10	STRAIGHT-TIME LABOR	36,166	37,593	41,962	41,827	52,565	52,565	51,986	(575)		(54)	52,565
2	11	OVERTIME LABOR	6,063	5,469	5,213	5,513	7,219	7,219	7,219				7,219
3	12	PAID FOR TIME NOT WORKED	5,453	5,445	4,215	6,557	91	91	91				91
4	-	Total S&W to Expense	47,682	48,507	51,390	53,997	59,875	59,875	59,296	(575)		(54)	59,875
5	15	INCENTIVE COMPENSATION -	2,567	3,042	2,230	2,966	4,276	4,276	4,253	(14)		(9)	4,276
6	50	MISC EMPLOYEE BENEFITS	9,132	9,532	10,193	10,375	10,825	10,825	10,825				10,825
7	60	PENSION COSTS	10,790	23,059	28,937	29,570	27,011	27,011	27,011				27,011
8		Subtotal Labor and Fringes	70,171	84,140	92,750	96,928	101,987	101,987	101,385	(599)		(63)	101,987
9	14	BUILDING RENTS	2,553	2,372	2,419	2,631	2,714	2,714	2,606	(108)			2,714
10	20	STORES ISSUES AND RETURNS	2,390	2,300	1,851	2,239	73	73	73				73
11	23	MATERIALS PURCHASED	2,851	3,006	3,428	2,585	4,960	4,960	4,898	(62)		(28)	4,960
12		Subtotal Materials	5,241	5,306	5,079	4,824	5,033	5,033	4,971	(62)		(28)	5,033
13	24	UTILITIES	2,414	2,132	1,797	1,617	2,217	2,217	2,217				2,217
14	30	TRANSPORTATION/WORK EQUIPMENT	2,362	2,487	3,039	3,217	3,455	3,455	3,455				3,455
15	40	PHONE SRVCS (LOCAL LD, TOLLFREE	2,875	3,001	1,838	1,865	1,900	1,900	1,900				1,900
16	42	OTHER LEASES	-	-	-	-	-	-	-				-
17	43	SOFTWARE LEASES	687	592	557	599	669	669	669				669
18	44	INSURANCE	5,321	5,392	5,258	5,166	5,505	5,505	5,505				5,505
19	45	MOBILE PHONE / PAGER COSTS	809	870	1,988	2,062	1,998	1,998	1,998				1,998
20	49	REGULATORY ASSESSMENTS & FEES	2,985	1,798	2,046	2,133	2,122	2,122	2,122				2,122
21	51	EMPLOYEE EXPENSES	671	841	1,113	931	1,398	1,398	1,344	(54)		(46)	1,398
22	-		-	-	-	-	-	-	-				-
23	52	COMMUNITY RELATIONS	2,237	2,953	2,463	2,958	2,669	2,669	84			(2,585)	2,669
24	53	SURCHARGE REVENUE OFFSETS	686	1,230	964	27,365	34,349	34,349	1,184	(33,165)			34,349
25	54	POLE ATTACHMENT FEES	1,767	1,767	1,750	1,748	1,839	1,839	1,839				1,839
26	55	FIBER LEASE & SONET NETWORK	2,512	2,872	2,634	2,620	2,708	2,708	2,708				2,708
27	56	DATA/COM SERVICE FEE	1,888	1,888	1,917	1,917	1,917	1,917	1,917				1,917
28	57	OUTSIDE ENGINEERING SERVICES	146	307	475	429	440	440	440				440
29	58	HARDWARE/SOFTWARE MAINTENANCE	2,557	3,548	3,778	4,819	5,822	5,822	4,145	(1,677)			5,822
30	59	PROFESSIONAL SERVICES	35,069	32,139	29,661	56,965	67,253	67,253	39,968	(26,643)		(642)	67,253
31	-		-	-	-	-	-	-	-				-
32	61	TRANSMISSION LINE/MICROWAVE RENT	13,394	14,692	17,164	19,762	2,338	2,338	-		(2,338)		2,338
33	65	UNCOLLECTIBLE ACCOUNTS	12,369	9,365	7,911	9,341	11,670	11,670	8,930	(2,740)			11,670
34	66	DEFERRED COSTS	638	62	(646)	(29,389)	(31,753)	(31,753)	-	31,753			(31,753)
35	67	CUSTOMER REIMBURSEMENTS	(2,121)	(2,348)	(1,561)	(1,206)	(585)	(585)	(585)				(585)
36	70	SS & UNEMPLOYMENT	-	(3)	(3)	(3)	-	-	-				-
37	71		-	-	-	-	-	-	-				-
38	72	MAILING COSTS	7	6	4	6	1,026	1,026	1,026				1,026
39	75	MEMBERSHIP DUES	264	486	523	625	651	651	566			(85)	651
40	76	BUSINESS MEALS	267	280	330	316	368	368	334	(34)		(30)	368
41	79		-	-	-	-	-	-	-				-
42	80	ALLOCATION CONSTRUCT INDIRECT	-	-	-	-	-	-	-				-
43	88	SUBSIDIARY REIMBURSEMENTS	(3,638)	(3,382)	(3,990)	(3,698)	(3,917)	(3,917)	(3,917)				(3,917)
44	90	AFUDC	1	-	-	-	-	-	-				-
45	91	AFUDC	5	-	-	-	-	-	-				-
46	98	BALANCES TRANSFERRED FORWARD	-	-	-	-	-	-	-				-
47	99	MISCELLANEOUS	(26)	582	(1,187)	6,059	(44)	(44)	(150)			(106)	(44)
48		Subtotal Expenses	164,091	175,677	180,071	222,627	225,749	225,749	188,661	(33,165)	(2,338)	(3,585)	225,749

Duquesne Light Company  
 Operating Expense  
 By Cost Element  
 Actual 2010 to 2012  
 Budget HTY Ended March 31, 2013

TESTIMONY OF ROBERT O'BRIEN  
 ATTACHMENT C  
 Page 1 of 1

Line #	Acct #	Account Description	[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
			2010 Actual	2011 Actual	2012 Actual	HTY Ended 3/31/2013	HTY Ended 3/31/2013	HTY Ended 3/31/2013	Ended 3/31/2013	PRO FORMA HTY Removal of Surcharge Expenses	Reclass Transmission Energy Cost	Remove Below-the-Line Expenses	HTY 3-31-13 Budget
1	10	STRAIGHT-TIME LABOR	36,166	37,593	41,062	41,827	41,827	41,827	41,465	(359)		(3)	41,827
2	11	OVERTIME LABOR	6,063	5,469	5,213	5,613	5,613	5,613	5,586	(27)			5,613
3	12	PAID FOR TIME NOT WORKED	5,453	5,445	4,215	6,557	6,557	6,557	6,246	(61)		(250)	6,557
4		Total S&W to Expense	47,682	48,507	51,390	53,997	53,997	53,997	53,297	(447)		(253)	53,997
5	15	INCENTIVE COMPENSATION -	2,567	3,042	2,230	2,986	2,986	2,986	2,973	(13)			2,986
6	50	MISC EMPLOYEE BENEFITS	9,132	9,532	10,193	10,375	10,375	10,375	10,375				10,375
7	60	PENSION COSTS	10,790	23,059	28,937	29,570	29,570	29,570	29,569			(1)	29,570
8		Subtotal Labor and Fringes	70,171	84,140	92,750	96,928	96,928	96,928	96,214	(450)		(254)	96,928
9	14	BUILDING RENTS	2,553	2,372	2,419	2,631	2,631	2,631	2,528	(103)			2,631
10	20	STORES ISSUES AND RETURNS	2,390	2,300	1,651	2,239	2,239	2,239	2,239				2,239
11	23	MATERIALS PURCHASED	2,851	3,008	3,428	2,585	2,585	2,585	2,558	(27)			2,585
12		Subtotal Materials	5,241	5,308	5,079	4,824	4,824	4,824	4,797	(27)			4,824
13	24	UTILITIES	2,414	2,132	1,797	1,617	1,617	1,617	1,617				1,617
14	30	TRANSPORTATION WORK EQUIPMENT	2,362	2,487	3,039	3,217	3,217	3,217	3,217				3,217
15	40	PHONE SVCS (LOCAL, LD, TOLLFREE	2,875	3,001	1,838	1,865	1,865	1,865	1,865				1,865
16	42	OTHER LEASES	-	-	-	-	-	-	-				-
17	43	SOFTWARE LEASES	667	592	557	599	599	599	599				599
18	44	INSURANCE	5,321	5,392	5,258	5,166	5,166	5,166	5,166				5,166
19	45	MOBILE PHONE / PAGER COSTS	809	870	1,988	2,062	2,062	2,062	2,062				2,062
20	49	REGULATORY ASSESSMENTS & FEES	2,985	1,758	2,046	2,133	2,133	2,133	2,026		(107)		2,133
21	51	EMPLOYEE EXPENSES	671	641	1,113	931	931	931	894	(37)			931
22			-	-	-	-	-	-	-				-
23	52	COMMUNITY RELATIONS	2,237	2,553	2,463	2,958	2,958	2,958	-			(2,958)	2,958
24	53	SURCHARGE REVENUE OFFSETS	686	1,230	964	27,365	27,365	27,365	959	(26,406)			27,365
25	54	POLE ATTACHMENT FEES	1,767	1,767	1,750	1,748	1,748	1,748	1,748				1,748
26	55	FIBER LEASE & SONET NETWORK	2,512	2,572	2,634	2,620	2,620	2,620	2,620				2,620
27	56	DATA COM SERVICE FEE	1,888	1,888	1,917	1,917	1,917	1,917	1,917				1,917
28	57	OUTSIDE ENGINEERING SERVICES	146	307	475	429	429	429	429				429
29	58	HARDWARE/SOFTWARE MAINTENANCE	2,557	3,548	3,778	4,819	4,819	4,819	4,042	(777)			4,819
30	59	PROFESSIONAL SERVICES	35,069	32,139	29,661	56,965	56,965	56,965	28,679	(28,039)		(247)	56,965
31			-	-	-	-	-	-	-				-
32	61	TRANSMISSION LINE/MICROWAVE RENT	13,394	14,892	17,164	19,782	19,782	19,782	-		(19,782)		19,782
33	65	UNCOLLECTIBLE ACCOUNTS	12,365	9,365	7,911	9,341	9,341	9,341	8,618	(723)			9,341
34	66	DEFERRED COSTS	638	62	(646)	(29,389)	(29,389)	(29,389)	797	30,186			(29,389)
35	67	CUSTOMER REIMBURSEMENTS	(2,121)	(2,346)	(1,561)	(1,206)	(1,206)	(1,206)	(1,206)				(1,206)
36	70	SS & UNEMPLOYMENT	-	(3)	(3)	(3)	(3)	(3)	(3)				(3)
37	71		-	-	-	-	-	-	-				-
38	72	MAILING COSTS	7	6	4	6	6	6	6				6
39	75	MEMBERSHIP DUES	264	486	523	625	625	625	596			(29)	625
40	76	BUSINESS MEALS	267	280	330	316	316	316	307	(9)			316
41	79		-	-	-	-	-	-	-				-
42	80	ALLOCATION CONSTRUCT INDIRECT	-	-	-	-	-	-	-				-
43	88	SUBSIDIARY REIMBURSEMENTS	(3,638)	(3,382)	(3,990)	(3,698)	(3,698)	(3,698)	(3,698)				(3,698)
44	90	AFUDC	1	-	-	-	-	-	-				-
45	91	AFUDC	5	-	-	-	-	-	-				-
46	98	BALANCES TRANSFERRED FORWARD	-	-	-	-	-	-	-				-
47	99	MISCELLANEOUS	(26)	582	(1,187)	6,059	6,059	6,059	43	(3)		(6,013)	6,059
48		Subtotal Expenses	164,091	175,677	180,071	222,627	222,627	222,627	166,839	(26,398)		(19,669)	222,627

**DQE Holdings LLC and Subsidiaries**  
**Calculation of Consolidated Tax Savings for Duquesne Light Company**  
**Modified Effective Tax Rate Method Based on Three Year Average**

Company	2009 Taxable Income(Loss) a/	2010 Taxable Income(Loss) a/	2011 Taxable Income/(Loss)	2009-2011 Taxable Income/(Loss)
<b><u>Positive Companies</u></b>				
DQE Enterprises, Inc.	76,941	76,181	37,594	190,716
Duquesne Fiber Company	1,554,594	1,177,328	1,149,885	3,881,807
DQE Systems, Inc.	7,160,159	6,587,722	6,030,611	19,778,492
Monongahela Light and Power	797,912	815,273	727,182	2,340,367
Subtotal Positive Companies	<u>9,589,606</u>	<u>8,656,504</u>	<u>7,945,272</u>	<u>26,191,382</u>
<b><u>Loss Companies</u></b>				
DQE Holdings, LLC	(874,789)	(1,332,343)	(974,635)	(3,181,767) [1]
Duquesne Light Holdings, Inc.	2,220,593	(9,901,255)	(77,163,672)	(84,844,334) [2], [5]
DES Corporate Services	(214,475)	(114,850)	(8,661)	(337,986)
DQE Capital Corp.	(4,253)	(57,677)	(36,997)	(98,927)
Duquesne Light Company	49,948,690	(29,820,087)	(66,819,443)	(46,690,840) [3], [4]
Subtotal Loss Companies	<u>51,075,766</u>	<u>(41,226,212)</u>	<u>(145,003,408)</u>	<u>(135,153,854)</u>
Total Consolidated Taxable Income / (Loss)	<u>60,665,372</u>	<u>(32,569,708)</u>	<u>(137,058,136)</u>	<u>(108,962,472)</u>

**NOTE: Because Duquesne Light Company is not a positive company, no allocation of Loss Companies tax benefits is made**

a/ Adjusted to reflect IRS audit adjustments.

[1] Adjusted 2009 interest expense on debt that was not deductible in 2010 or 2011.

[2] Adjusted to reflect interest income on intercompany borrowings from DLC

[3] Adjusted to reflect interest expense on intercompany borrowings from DLH

[4] Adjusted to normalize the results of POLR

[5] Adjusted to normalize hedge breakage fees

## CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

### VIA FIRST CLASS MAIL

Charles Daniel Shields, Esquire  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
PO Box 3265  
Harrisburg, PA 17105-3265

Candis A. Tunilo, Esquire  
David T. Evrard, Esquire  
Amy E. Hirkakis, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1923

Sharon E. Webb, Esquire  
Small Business Advocate  
Office of Small Business Advocate  
300 North Second Street, Suite 1102  
Harrisburg, PA 17101

Scott J. Rubin, Esquire  
Public Utility Consulting  
333 Oak Lane  
Bloomsburg, PA 17815  
*Counsel for International Brotherhood  
Of Electrical Workers, Local 29*

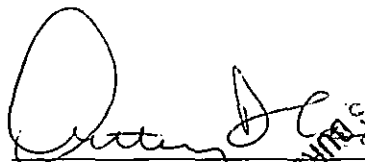
Derrick P. Williamson, Esquire  
Barry A. Naum, Esquire  
Spilman Thomas & Battle  
1100 Bent Creek Boulevard, Suite 101  
Mechanicsburg, PA 17050  
*Counsel for United States Steel Corporation*

Charlie King  
Edward D. Christian  
Snavey King Majoros & Assoc., Inc.  
4351 Garden City Drive, Suite 350  
Landover, MD 20785  
*Consultants on behalf of the  
Office of Consumer Advocate*

Theodore S. Robinson  
Citizen Power Inc.  
2121 Murray Avenue  
Pittsburgh, PA 15217  
*Counsel for Citizen Power*

Christopher O'Hara  
Acting General Counsel - Regulatory  
NRG Energy Inc.  
211 Carnegie Center  
Princeton, NJ 08540

Date: September 13, 2013

  
Anthony D. Kanagy

SECRETARY'S OFFICE  
2013 SEP 13 PM 3:12  
PRESIDENT V. 2013