



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

Andrew S. Tubbs

atubbs@postschell.com
717-612-6057 Direct
717-731-1985 Direct Fax
File #: 126931

December 20, 2013

VIA ELECTRONIC FILING

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: Duquesne Light Company - Supplement No. 87 to Tariff Electric - PA PUC No. 24
(State Tax Adjustment Surcharge)**

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company, please find Supplement No. 87 to Tariff Electric – PA PUC No. 24. Supplement No. 87 is being filed to update the State Tax Adjustment Surcharge and contains supporting schedules. Copies of this document have been served as indicated on the Certificate of Service.

If you have any questions regarding this filing, please do not hesitate to contact me.

Respectfully submitted,



Andrew S. Tubbs

AST/skr
Enclosure

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing upon the parties, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

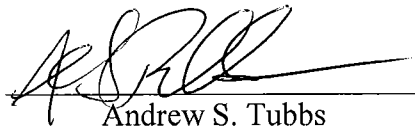
VIA FIRST CLASS MAIL:

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101-1303

Bureau of Investigation & Enforcement
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street – 2 West
PO Box 3265
Harrisburg, PA 17105-3265

DATED: December 20, 2013



Andrew S. Tubbs



SCHEDULE OF RATES

For Electric Service in Allegheny and Beaver Counties

(For List of Communities Served, see Pages No. 4 and 5)

Issued By

DUQUESNE LIGHT COMPANY

411 Seventh Avenue
Pittsburgh, PA 15219

Richard Riazzi

President and Chief Executive Officer

ISSUED: December 20, 2013

EFFECTIVE: January 1, 2014

Issued in compliance with Section B-1 of the Pennsylvania Public Utility Commission
Order of March 10, 1970.

NOTICE

THIS TARIFF SUPPLEMENT DECREASES A RATE WITHIN AN EXISTING RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

DECREASE

Rider No. 10 – State Tax Adjustment

Ninth Revised Page No. 94
Cancelling Eighth Revised Page No. 94

In compliance with Section B-1 of the Pennsylvania Public Utility Commission Order of March 10, 1970, the State Tax Adjustment (STAS) has been recalculated as follows:

Part 1 of the surcharge has decreased from (0.1185%) to (0.1210%). Part 2 of the Surcharge remains at 0.0000%.

STANDARD CONTRACT RIDERS - (Continued)**RIDER NO. 10 - STATE TAX ADJUSTMENT****(Applicable to All Rates)**

In addition to the charges provided in this Tariff, a two-part surcharge will apply to all bills rendered by the Company, pursuant to the Pennsylvania Public Utility Commission authorization of March 10, 1970, to compensate the Company for new and increased taxes imposed by the General Assembly.

Part 1 of the surcharge, at a rate of (0.1210%) will include Capital Stock Tax, Corporate Net Income Tax, and Public Utility Realty Tax, which will be applied to the distribution charges of customer bills. (D)

Part 2 of the surcharge, at a rate of 0.0000% will include Gross Receipts Tax and will be applied to all portions of customer bills.

The Company will recompute the surcharge using the elements prescribed by the Commission's March 10, 1970, authorization:

1. Whenever any of the tax rates used in computing the surcharge is changed, in which case the recomputation shall take into account the changed tax rate.
2. Whenever the Company makes effective increased or decreased rates (other than net energy clause), in which case the recomputation shall take into account the adjustments prescribed by the Commission's March 10, 1970, authorization.
3. On December 22, and each year thereafter.

Every recomputation made pursuant to the above paragraph shall be submitted to the Commission within ten (10) days after the occurrence of the event or date which occasions such recomputation; and if the recomputed surcharge is less than the one then in effect the Company will, and if the recomputed surcharge is more than the one then in effect the Company may, accompany such recomputation with a Tariff or supplement to reflect such recomputed surcharge, the effective date of which, shall be ten (10) days after filing.

DUQUESNE LIGHT COMPANY**State Tax Adjustment Surcharge Computation**

Page 1 of 3

Application Period: January 1, 2014 - December 31, 2014

(Summary of Revenue Requirements Submitted in Compliance with Pennsylvania Public Utility Commission Order Dated March 10, 1970 Re: State Tax Adjustment Procedure and Order dated December 16, 1999 at R-00994930)

Part I - Applicable to Distribution Charges on Customer Bills**1 Capital Stock and Franchise Tax**

Duquesne Light PA Corporate Tax Report	2012	\$1,008,241,603	
	Current Tax Millage Rate	0.67	
	Millage Recovery in Base Rates (1)	<u>1.36</u>	
			(0.69)

(1) Weighted millage rate for 2014 based on Company's July 23, 2010 rate case filing (Docket No. R-2010-2179522) and August 2, 2013 rate case filing (Docket No. R-2013-2372129).

Decrease in Capital Stock and Franchise Tax Liability (\$699,048)

2 Public Utility Realty Tax

Taxable Value of T&D Property	2012	34,426,022	
	Current Tax Millage Rate	32.0219	
	Millage Recovery in Base Rates	<u>30.0000</u>	
			2.0219
Increase in PURTA Liability			69,606

3 Reconciliation of Prior Period STAS

Over-refund of Prior Period STAS (See page 3) 59,837

4 Total of Above Items (569,605)**5 Gross-up for GRT Line 4 / 0.9410 (605,319)****6 Projected Distribution Revenues for Application Period \$500,291,263****7 Part I STAS Rate (Line 5 / 6) -0.1210%**

DUQUESNE LIGHT COMPANY
State Tax Adjustment Surcharge Computation
Application Period: January 1, 2014 - December 31, 2014

Page 2 of 3

(Summary of Revenue Requirements Submitted in Compliance with Pennsylvania Public Utility Commission Order Dated March 10, 1970 Re: State Tax Adjustment Procedure and Order dated December 16, 1999 at R-00994930)

Part II - Applicable to All Charges on Customer Bills

1 Gross Receipts Tax Adjustment for PURTA Surcharge

2014 Surcharge Millage Rate 0.00

Projected total revenues \$723,670,626

Increase in Gross Receipts Tax Liability \$0

4 Total of Above Items 0

5 Gross-up for GRT Line 4 / 0.9410 0

6 Projected Total Revenues for Application Period \$723,670,626

7 Part II STAS Rate (Line 5 / 6) 0.0000%

DUQUESNE LIGHT COMPANY
State Tax Adjustment Surcharge Computation
Application Period: January 1, 2014 - December 31, 2014

(Summary of Revenue Requirements Submitted in Compliance with Pennsylvania Public Utility Commission Order Dated March 10, 1970 Re: State Tax Adjustment Procedure and Order dated December 16, 1999 at R-00994930)

Reconciliation of STA Rider 01/01/13 through 12/31/13

1 Capital Stock and Franchise Tax

2012	\$1,008,241,603		
	2013 Tax Expense @	0.089% =	\$897,335
	Millage Recovery in Base Rates (1)	0.289% =	<u>2,913,818</u>

(1) Millage rate for 2013 based on Company's July 23, 2010 rate case filing (Docket No. R-2010-2179522).

Amount to be Refunded through STAS	(2,016,483)	
Amount Refunded through STAS	<u>(2,078,581)</u>	
Over/(Under) Refund		\$62,098

2 PURTA Tax

PURTA Assessment to be refunded through STAS	19,631	
Amount Refunded through STAS	<u>21,893</u>	
Over/(Under) Refund		(2,262)

4 Total Over/(Under) Refund of STAS 1/01/14 through 12/31/14 **\$59,837**