

PENNSYLVANIA PUBLIC UTILITY COMMISSION  
HARRISBURG, PENNSYLVANIA 17105

Duquesne Light Company Rider  
No. 15 Energy Efficiency  
Conservation and Demand  
Response Phase I Surcharge  
Supplement No. 88 to Tariff  
Electric – Pa. P.U.C. No. 24.

Public Meeting: May 22, 2014  
2409759-TUS  
Docket R-2014-2409759

STATEMENT OF COMMISSIONER JAMES H. CAWLEY

Before us is the March 3, 2014 Supplement No. 88 to Tariff Electric – Pa. P.U.C. No. 24 filed by Duquesne Light Company to modify Rider No. 15 – Energy Efficiency Conservation and Demand Response Phase I Surcharge (EECDR Surcharge). Duquesne filed this rate change in order to facilitate the expedited reconciliation of its revenues and costs related to its Act 129 energy efficiency program.

More specifically, Duquesne asserted that it is no longer incurring new expenses associated with its EE&C Phase I Plan and is seeking to reconcile Rider No. 15 to fully collect and/or refund costs related to its EE&C Phase I Plan. As of January 31, 2014, Rider No. 15 has an under-collected balance. The under-collected balance will continue to increase if left unchanged until September 1, 2014. Duquesne asserts that adjusting Rider No. 15 will mitigate ratepayer impact and should fully reconcile the surcharge in 2014 in accordance with the provisions of the proposed tariff modification.

I commend Duquesne for using its interim rate authority to ensure that its current rates do not result in undue imbalances related to over-collections or under-collections. *Use of interim rate authority ensures that current charges reflect current costs as closely as practicable, and insulates utilities and customers from unwarranted interest charges and rate volatility.* This is achieved through earlier rate changes than prescribed by the normal quarterly or annual rate change cycle. Most Section 1307 reconciliation tariffs include the flexibility to submit interim filings, yet this option is seldom exercised, even when over-collections or under-collections are occurring. I encourage more of these types of interim rate filings, particularly when default service costs or transmission costs are not in balance, so that the objectives of this Commission can be achieved.

DATE: May 22, 2014

  
James H. Cawley, Commissioner