



Duquesne Light

Pur Energy...Your Power

411 Seventh Avenue
16th Floor
Pittsburgh, PA 15219

Tel 412-393-1541
Fax 412-393-5757
twilliams@duqlight.com

Tishekia Williams
Senior Counsel, Regulatory

November 12, 2014

VIA ELECTRONIC MAIL

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, Pennsylvania 17120

RE: Duquesne Light Company Rider No. 20 – Smart Meter Charge Compliance Filing
Docket No. M-2009-2123948

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of Supplement No. 103 to Duquesne Light Company's ("Duquesne Light" or "Company") Tariff Electric, P.A.P.U.C. No. 24 issued on November 12, 2014. Supplement No. 103 modifies language in the Calculation of Charge Section of Rider No. 20 – Smart Meter Charge ("SMC") Page No. 109A, to state that interest on over or under collections shall be computed monthly at the legal rate of interest. This filing is made in compliance with Duquesne Light Company's Smart Meter Procurement and Implementation Plan ("SMP") as approved by the Pennsylvania Public Utility Commission ("Commission") Order entered on May 11, 2010 at docket number M-2009-2123948.

The SMC was instituted as a cost recovery mechanism to recover costs associated with the implementation of the Company's SMP. The SMC is a non-bypassable charge which is applied to the monthly bill of all metered customers based on the number of meters installed at each premise. The SMC is applicable to customers on the following Rate Schedules: RS – Residential Service, RH – Residential Service Heating, RA – Residential Service Add-on Heat Pump, GS/GM – General Service Small and Medium, GMH – General Service Medium Heating, GL – General Service Large, GLH – General Service Large Heating, L – Large Power Service, HVPS – High Voltage Power Service and AL - Architectural Lighting Service.

The SMC became effective on August 1, 2010. Since that time, Duquesne Light Company has correctly calculated interest on over or under collections based upon the legal rate of interest as required by the Commission's May 11, 2010 Order. However, the Company was notified by the Commission's Bureau of Audits- Western Division of a discrepancy in the tariff language which incorrectly references 66 Pa.S.C. §1308 (d). Revising the current language will align the tariff language with the Commission's Order, Duquesne Light Company's practice and eliminate further confusion. Accordingly, the Company respectfully requests a waiver of the requirements of 52 Pa. Code §53.31 so that Supplement No. 103 may become effective on 1 day of notice.

Duquesne Light Company Rider No. 20 – Smart Meter Charge Compliance Filing
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Page 2

Finally, also included with this filing is the supporting data required by 52 PA. Code § 53.52 and red-line changes to the existing Rider No. 20.

Should you have any questions, please do not hesitate to contact me.

Respectfully submitted,



Tishekia E. Williams
Senior Counsel, Regulatory

Cc: Certificate of Service

Enclosures

CERTIFICATE OF SERVICE

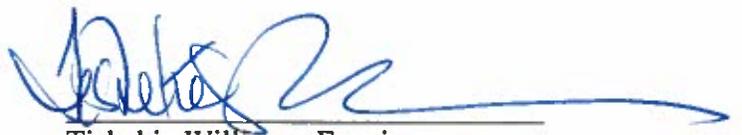
I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. § 1.54 (relating to service by a participant).

FIRST CLASS MAIL

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

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

Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101



Tishekia Williams, Esquire
Senior Counsel, Regulatory
Duquesne Light Company
411 Seventh Avenue, 16-1
Pittsburgh, PA 15222
412-393-1541
twilliams@duqlight.com

Date: November 12, 2014

DUQUESNE LIGHT COMPANY
Responses to 52 Pa. Code § 53.52 (a)
Supplement No. 103 to Tariff Electric No. 24

§ 53.52 **Applicability; public utilities other than canal, turnpike, tunnel, bridge and wharf companies.**

(a) **Whenever a public utility other than a canal, turnpike, tunnel, bridge or wharf company files a tariff, revision or supplement effecting changes in the terms and conditions of service rendered or to be rendered, it shall submit to the Commission, with the tariff, revision, or supplement, statements showing all of the following:**

(1) **The specific reasons for each change.**

Response: Duquesne Light Company is submitting the proposed tariff revision to correct an administrative error. Presently, Rider no. 20 – Smart Meter Charge states that “[i]nterest shall be computed monthly at the appropriate rate, as provided for in Section 1308(d) of the Pennsylvania Public Utility Code, from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped.” This language is being modified to reflect the Company’s actual practice, which is to apply the legal rate of interest as required by the Commission Order entered on May 11, 2010 at Docket No. M-2009-2123948.

(2) **The total number of customers served by the utility.**

Response: 590,521 as of September 30, 2014.

(3) **A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.**

Response: The proposed change is an administrative change and will have no effect on customers’ bills.

(4) **The effect of the change on the utility’s customers.**

Response: The proposed change is an administrative change and will have no effect on customers.

(5) **The effect, whether direct or indirect, of the proposed change on the utility’s revenues and expenses.**

Response: The proposed change is an administrative change and will have no effect on the utility’s customers. The proposed change is being made to the Company’s Rider No. 20 - Smart Meter Charge (“SMC”) in order to correct a reference in the Calculation of Charge formula as to how interest on over or under collections will be computed. The Company correctly computes interest on over or under

DUQUESNE LIGHT COMPANY
Responses to 52 Pa. Code § 53.52 (a)
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collections at the legal rate of interest as per its Smart Meter Order (Docket No. M-2009-2123948). The current reference in Rider No. 20 states that interest will be computed as provided for in Section 1308(d) of the Pennsylvania Public Utility Code which is incorrect.

(6) The effect of the change on the service rendered by the utility.

Response: The proposed change is an administrative change and will have no impact on the service rendered by the utility.

(7) A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement as to why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308 (relating to voluntary changes in rates).

Response: The Company did not consider a list of factor in making this administrative change. The Commission's Bureau of Audits – Western Division alerted the Company that the originally filed language in Rider No. 20 incorrectly states that “[i]nterest shall be computed monthly at the appropriate rate, as provided for in Section 1308(d) of the Pennsylvania Public Utility Code...” The language should state “Interest shall be computed monthly at the legal rate of interest...” as approved in the Commission's Order at Docket No. M-2009-2123948. Note that since Rider No. 20 was placed into the retail tariff, the Company's procedure for computing interest on over and under collections has been to compute it monthly at the legal rate of interest as stated and approved in the Commission's Order. Correcting the current language will comply with the Order as well as with the Company's procedures and eliminate any confusion going forward.

(8) Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C.S. § 1308.

Response: No studies were conducted by the Company to draft the proposed change.

(9) Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.

Response: No customer polls were taken in regard to the proposed change.

DUQUESNE LIGHT COMPANY
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- (10) Plans the utility has for introducing or implementing the changes with respect to its ratepayers.**

Response: The proposed tariff supplement will be posted on the Company's website on the Pending Supplements page. The proposed change is an administrative change. Since the Company's procedure for computing interest on over and under collections has been to compute it monthly at the legal rate of interest as stated and approved in the Commission's Order, the administrative change will have no impact with respect to the Company's ratepayers.

- (11) F.C.C., F.E.R.C., or Commission orders or rulings applicable to this filing.**

Response: Rider No. 20 – Smart Meter Charge (“SMC”) was added to the Company's retail tariff per Commission Order entered May 11, 2010, at Docket No. M-2009-2123948 and became effective on August 1, 2010.



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: XXXXXXXX X, XXXX

EFFECTIVE: XXXXXXXX X, XXXX

NOTICE

THIS SUPPLEMENT IS ADMINISTRATIVE IN NATURE AND IS BEING FILED TO MAKE A CORRECTION TO LANGUAGE IN AN EXISTING RIDER TO COMPLY WITH THE COMMISSION'S ORDER ENTERED ON MAY 11, 2010, AT DOCKET NO. M-2009-2123948.

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGE

Rider No. 20 – Smart Meter Charge

First Revised Page No. 109A
Cancelling Original Page No. 109A

To comply with the Commission's Order entered May 11, 2011, at Docket No. M-2009-2123948, language in the Calculation of Charge section in Rider No. 20 – Smart Meter Charge has been corrected to state that interest on over or under collections shall be computed monthly at the legal rate of interest.

The change is an administrative change and will have no impact with respect to the Company's customers, customer bills or service rendered by the utility since the Company correctly computes interest on over or under collections at the legal rate of interest as approved in the above-referenced Commission Order.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 20 – SMART METER CHARGE - (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH, L, HVPS and AL)

CALCULATION OF CHARGE – (Continued)

- e = Experienced net over or under collection of revenue included in the SMC as of the end of the 12-month period ending June 30 each year including applicable interest. Interest shall be computed monthly at the ~~appropriate legal rate of interest, as provided for in Section 1308(d) of the Pennsylvania Public Utility Code,~~ from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped. The e-factor shall be updated and included in the bills effective January 1 of each year. (C)

$$SMC = SMRR / M * (1 / (1 - T))$$

- Where: **SMC** = The Smart Meter Charge per meter per month.
- M** = Forecast meter count for each meter type for the upcoming quarter applicable to customer bills.
- T** = The total Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

ANNUAL RECONCILIATION

On or about August 1 of the filing year, the Company will submit a reconciliation filing to the Commission Pursuant to 66 Pa.C.S. § 1307(e) for the twelve (12) months ending June 30, the reconciliation period. The revenue billed under the SMC for each quarter of the reconciliation period will be compared to the actual revenue requirement for each quarter. The over or under collection of revenue during the reconciliation period will be recouped or refunded, as appropriate, with interest, over a one-year period commencing on January 1 of the following year. The over or under collection will be included in the quarterly calculation of the SMRR.

MISCELLANEOUS

Minimum bills shall not be reduced by reason of the SMC, nor shall charges hereunder be part of the monthly rate schedule minimum.

Rider No. 10 – State Tax Adjustment Surcharge (STAS) shall be applicable to the Charge defined in this Rider.

The SMC will be added to the monthly Customer Distribution Charge of each applicable rate schedule. For those rate classes that do not have a Customer Distribution Charge, the SMC will be added to the First Block of Demand Charge as stated in the applicable Tariff rate schedule.

(C) – Indicates Change

ISSUED: XXXXXXXX X, XXXX

EFFECTIVE: XXXXXXXX X, XXXX



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For Electric Service in Allegheny and Beaver Counties

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411 Seventh Avenue
Pittsburgh, PA 15219

Richard Riazzi

President and Chief Executive Officer

ISSUED: XXXXXXXX X, XXXX

EFFECTIVE: XXXXXXXX X, XXXX

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STANDARD CONTRACT RIDERS - (Continued)**RIDER NO. 20 – SMART METER CHARGE - (Continued)****(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH, L, HVPS and AL)****CALCULATION OF CHARGE – (Continued)**

- e = Experienced net over or under collection of revenue included in the SMC as of the end of the 12-month period ending June 30 each year including applicable interest. Interest shall be computed monthly at the legal rate of interest from the month the over or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped. The e-factor shall be updated and included in the bills effective January 1 of each year. (C)

$$\text{SMC} = \text{SMRR} / \text{M} * (1 / (1 - \text{T}))$$

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