



Duquesne Light

Our Energy...Your Power

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Tishekia E. Williams
Senior Counsel

May 19, 2015

VIA OVERNIGHT MAIL

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

RECEIVED

MAY 19 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

RE: Duquesne Light Company Default Service Supply- Rider No. 8
Bi-Annual Rate Adjustment – October 1, 2013 through March 31, 2014
Supplement No. 92 to Tariff Electric – PA.P.U.C. No. 24

Dear Secretary Chiavetta:

Re: **Petition of Duquesne Light Company for Approval of Default Service Plan for the Period June 1, 2015 through May 31, 2017 - Docket No. P-2014-2418242**

Dear Secretary Chiavetta:

On May 19, 2015, Duquesne Light Company (“Duquesne Light” or the “Company”) filed Supplement No. 117 to Tariff Electric – Pa. P.U.C. No. 24, the Company’s Retail Tariff (“Supplement No. 117”) and Supplement No. 16 to Tariff Electric – Pa. P.U.C. No. 3S, the Company’s Electric Generation Supplier Coordination Tariff (“Supplement No.16”) in the above referenced docket. Supplement Nos. 117 and 16 constitute the Company’s compliance tariff filings in the above-referenced proceeding and have an issued date of May 19, 2015 and an effective date of June 1, 2015.

Supplement No. 117 proposes to modify default service rates contained in Rider No. 8 for residential, lighting, small and medium commercial and industrial customers. Herein, the Company is providing the supporting statements for the proposed default service rates. Included with this filing is a public and **CONFIDENTIAL** version of the supporting statements. The **CONFIDENTIAL** version includes the competitive RFP results. The Company respectfully requests that the **CONFIDENTIAL** version be excluded from the public file.

Rosemary Chiavetta, Secretary
May 19, 2015
Page Two

Should you have any questions, please do not hesitate to contact me or Bill Pfrommer at 412-393-3623.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'T. Williams', with a long horizontal line extending to the right.

Tishekia E. Williams
Senior Counsel, Regulatory

Enclosures

cc: William V. Pfrommer, Duquesne
Certificate of Service, Non-confidential version

EXHIBIT 1

Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply
Proposed Supply Rates Effective June 1, 2015

Quarterly Rate Adjustment - October 1, 2014 through March 31, 2015

1	Surcharge Revenue, Incl. GRT	\$23,426,582	Exh. 1, Page 2
2	Surcharge Revenue, Excl. GRT	\$22,044,413	Line 1 * 0.941
3	E-Factor Revenue, Incl. GRT	(\$190,525)	Exh. 1, Page 2
4	E-Factor Revenue, Excl. GRT	(\$179,284)	Line 3 * 0.941
5	Net Medium C&I Related Revenue, Excl. GRT	\$22,223,697	Line 2 - Line 4
6	Medium C&I Related Expense	\$22,295,552	Exh. 1, Page 2
7	Reconciliation Period (Over)/Under Collection	\$71,854	Line 6 - Line 5
8	Interest	\$3,411	Exh. 1, Page 3
9	Total Reconciliation Period (Over)/Under Collection	\$75,266	Line 7 + Line 8
10	Prior Period Apr 2014 to Sep 2014 (Over)/Under Recovery, Excl. GRT	(\$159,581)	Exh. 1, Page 4
11	E-Factor Revenue - October 2014 - March 2015, Excl. GRT	(\$179,284)	Line 4
12	(Over)/Under E-Factor Recovery at March 31, 2015	\$19,703	Line 10 - Line 11
13	Reconciliation Period (Over)/Under Collection - Oct 2014 - Mar 2015	\$75,266	Line 9
14	E-Factor Balance at March 31, 2015	\$94,969	Line 12 + Line 13

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MAY 19 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

EXHIBIT 1

**Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

Quarterly Rate Adjustment - Reconciliation of Revenue and Expense - Current Period

	<u>Oct 2014</u>	<u>Nov 2014</u>	<u>Dec 2014</u>	<u>Jan 2015</u>	<u>Feb 2015</u>	<u>Mar 2015</u>	<u>Total</u>
<u>Revenue</u>							
1 Calendar Month Retail Revenue (1)	\$3,495,751	\$3,667,678	\$3,867,777	\$4,462,435	\$4,028,510	\$3,904,430	\$23,426,582
2 Less E Factor Rate Revenue	(\$32,365)	(\$33,500)	(\$29,799)	(\$33,931)	(\$30,940)	(\$29,990)	(\$190,525)
3 Net Calendar Month Revenue	\$3,528,116	\$3,701,178	\$3,897,576	\$4,496,366	\$4,059,450	\$3,934,420	\$23,617,107
4 Less PA Gross Receipts Tax (GRT) at 5.9%	\$208,159	\$218,370	\$229,957	\$265,286	\$239,508	\$232,131	\$1,393,409
5 Net Calendar Month Revenue less GRT	\$3,319,957	\$3,482,809	\$3,667,619	\$4,231,080	\$3,819,943	\$3,702,289	\$22,223,697
<u>Expense</u>							
6 Supply Invoice Amount (1)	\$3,288,115	\$3,519,198	\$3,711,633	\$4,233,064	\$3,900,071	\$3,624,484	\$22,276,565
7 Administrative Expense (2)	\$8,756	\$693	\$0	\$0	\$2,068	\$7,470	\$18,987
8 Total Expense	\$3,296,871	\$3,519,891	\$3,711,633	\$4,233,064	\$3,902,139	\$3,631,954	\$22,295,552
9 (Over)/Under Collection	(\$23,086)	\$37,082	\$44,015	\$1,984	\$82,196	(\$70,335)	\$71,854

(1) Retail revenue excludes Company use facilities. Supply invoice amount excludes expense associated with Company use facilities.

(2) Administrative fees to conduct the request for proposal for rates effective December 1, 2014 and June 1, 2015.

EXHIBIT 1

**Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

Quarterly Rate Adjustment - Interest Calculation on (Over)/Under Collection

	<u>Oct 2014</u>	<u>Nov 2014</u>	<u>Dec 2014</u>	<u>Jan 2015</u>	<u>Feb 2015</u>	<u>Mar 2015</u>	<u>Total</u>
1 (Over)/Under Collection	(\$23,086)	\$37,082	\$44,015	\$1,984	\$82,196	(\$70,335)	\$71,854
2 Interest Rate (1)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
3 Interest Weight	11/12	10/12	9/12	8/12	7/12	6/12	
4 Interest	(\$1,270)	\$1,854	\$1,981	\$79	\$2,877	(\$2,110)	\$3,411

(1) Interest rate per Section 52 Pa. Code 54.187(g).

EXHIBIT 1

Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

Quarterly Rate Adjustment - Reconciliation of E-Factor Revenue

File May 2012

Effective June 2012 to November 2012

1	May 2011 to October 2011	Prior Period Total (Over)/Under E-Factor Recovery	(\$106,665)	
2	Nov 2011 to Apr 2012	Current Period E Factor Revenue (excl. GRT)	<u>(\$88,380)</u>	
3		(Over)/Under E-Factor Recovery		<u>(\$18,285)</u> Line 1 - Line 2
4	Nov 2011 to Apr 2012	Current Period (Over)/Under Recovery	(\$220,176)	
5		Interest	<u>(\$9,649)</u>	
6		Total		<u>(\$229,815)</u> Line 4 + Line 5
7		Net (Over)/Under Collection		<u>(\$248,100)</u> Line 3 + Line 6

File November 2012

Effective December 2012 to May 2013

8	Nov 2011 to Apr 2012	Prior Period Total (Over)/Under E-Factor Recovery	(\$248,100)	Line 7
9	May 2012 to Oct 2012	Current Period E Factor Revenue (excl. GRT)	<u>(\$169,962)</u>	
10		(Over)/Under E-Factor Recovery		<u>(\$78,139)</u> Line 8 - Line 9
11	May 2012 to Oct 2012	Current Period (Over)/Under Recovery	(\$117,099)	
12		Interest	<u>(\$5,107)</u>	
13		Total		<u>(\$122,206)</u> Line 11 + Line 12
14		Net (Over)/Under Collection		<u>(\$200,345)</u> Line 10 + Line 13

File May 2013

Effective June 2013 to November 2013

15	May 2012 to Oct 2012	Prior Period Total (Over)/Under E-Factor Recovery	(\$200,345)	Line 14
16	Nov 2012 to Apr 2013	Current Period E Factor Revenue (excl. GRT)	<u>(\$208,023)</u>	
17		(Over)/Under E-Factor Recovery		<u>\$7,679</u> Line 15 - Line 16
18	Nov 2012 to Apr 2013	Current Period (Over)/Under Recovery	(\$213,699)	
19		Interest	<u>(\$10,932)</u>	
20		Total		<u>(\$224,631)</u> Line 18 + Line 19
21		Net (Over)/Under Collection		<u>(\$216,952)</u> Line 17 + Line 20

File November 2013

Effective December 2013 to May 2014

22	Nov 2012 to Apr 2013	Prior Period Total (Over)/Under E-Factor Recovery	(\$216,952)	Line 21
23	May 2013 to Sept 2013	Current Period E Factor Revenue (excl. GRT)	<u>(\$236,762)</u>	
24		(Over)/Under E-Factor Recovery		<u>\$19,810</u> Line 22 - Line 23
25	May 2013 to Sept 2013	Current Period (Over)/Under Recovery	(\$166,832)	
26		Interest	<u>(\$7,297)</u>	
27		Total		<u>(\$174,129)</u> Line 25 + Line 26
28		Net (Over)/Under Collection		<u>(\$154,319)</u> Line 24 + Line 27

File April 2014

Effective June 2014 to November 2014

29	May 2013 to Sept 2013	Prior Period Total (Over)/Under E-Factor Recovery	(\$154,319)	Line 28
30	October 2013 to March 2014	Current Period E Factor Revenue (excl. GRT)	<u>(\$194,830)</u>	
31		(Over)/Under E-Factor Recovery		<u>\$40,511</u> Line 29 - Line 30
32	October 2013 to March 2014	Current Period (Over)/Under Recovery	(\$246,192)	
33		Interest	<u>(\$12,575)</u>	
34		Total		<u>(\$258,767)</u> Line 32 + Line 33
35	Audit Finding No. 1 - Recovery of Overstatement of E-factor Overcollection		\$70,327	Note 1
36	Audit Finding No. 2 - Refund with Interest of Overstatement of Administrative Charges		<u>(\$39,582)</u>	
37		Net (Over)/Under Collection		<u>(\$187,511)</u> Line 31 + Line 34 + Line 35 + Line 36

File October 2014

Effective December 2014 to May 2015

38	October 2013 to March 2014	Prior Period Total (Over)/Under E-Factor Recovery	(\$187,511)	Line 37
39	Apr 2014 to Sep 2014	Current Period E Factor Revenue (excl. GRT)	<u>(\$200,429)</u>	
40		(Over)/Under E-Factor Recovery		<u>\$12,918</u> Line 38 - Line 39
41	Apr 2014 to Sep 2014	Current Period (Over)/Under Recovery	(\$166,865)	
42		Interest	<u>(\$5,634)</u>	
43		Total		<u>(\$172,499)</u> Line 41 + Line 42
44		Net (Over)/Under Collection		<u>(\$159,581)</u> Line 40 + Line 43

File April 2015

Effective June 2015 to August 2015

45	Apr 2014 to Sep 2014	Prior Period Total (Over)/Under E-Factor Recovery	(\$159,581)	Line 44
46	Oct 2014 to Mar 2015	Current Period E Factor Revenue (excl. GRT)	<u>(\$179,284)</u>	
47		(Over)/Under E-Factor Recovery		<u>\$19,703</u> Line 45 - Line 46
48	Oct 2014 to Mar 2015	Current Period (Over)/Under Recovery	\$71,854	
49		Interest	<u>\$3,411</u>	
50		Total		<u>\$75,266</u> Line 48 + Line 49
51		Net (Over)/Under Collection		<u>\$94,969</u> Line 47 + Line 50

1/ Audit findings per Commission audit order entered January 23, 2014 at Docket No. D-2013-2343087. Interest on refund of administrative charges calculated at 29 months from April 2012 at 8.88%⁴

ATTACHMENT A

Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

Rate Design for Medium C&I Tariff Rate

1	Wholesale Price		\$54.22 /MWh	Weighted bid price - Att. A, Page 1
2	Line Losses	6.1%		Transmission (0.8%); distribution (5.3%)
3	Price Adjustment for Losses		\$3.31 /MWh	Line 1 * Line 2
4	Price Adjusted for Losses		\$57.53 /MWh	Line 1 + Line 3
5	Outside Services	\$0		Outside services to conduct RFPs
6	Forecast POLR Sales (MWh)	195,458		Forecast POLR sales (MWh) June 1, 2015 through August 31, 2015
7	Administrative Adder (per MWh)		\$0.00 /MWh	Line 5 / Line 6
8	E-factor (Over)/Under Collection	\$19,703		Exh. 1, Page 4
	<u>Reconciliation (October 2014 to March 2015)</u>			
9	(Over)/Under Collection	\$71,854		Exh. 1, Page 2
10	Interest on (Over)/Under Collection	\$3,411		Exh. 1, Page 3
11	Total (Over)/Under Collection	\$75,266		Line 9 + Line 10
12	Total E Factor (Over)/Under Reconciliation	\$94,969		Line 8 + Line 11
13	Forecast POLR Sales (MWh)	363,398		Forecast POLR sales (MWh) June 1, 2015 through November 30, 2015
14	E Factor Rate (per MWh)		\$0.26 /MWh	Line 12 / Line 13
15	Adjusted Wholesale Price		\$57.79 /MWh	Line 4 + Line 7 + Line 14
16	PA GRT @ 5.9%		\$3.62 /MWh	Line 15 * (.059/(1-.059))
17	Total Rate (per MWh)		\$61.41 /MWh	Line 15 + Line 16
18	<u>RFP Medium C&I Retail Supply Rate (¢/kWh)</u>		<u>6.1413</u> /kWh	Line 17 / 10
19	Forecast POLR Sales (kWh)	195,457,709		Forecast POLR sales (kWh) June 1, 2015 through August 31, 2015
20	Projected RFP Revenue	\$12,003,547		Line 19 * (Line 18 / 100)

CONFIDENTIAL

ATTACHMENT A

Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

REDACTED
CONFIDENTIAL INFORMATION

ATTACHMENT A

Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	Current Tariff Effective <u>12/1/2014</u>	Proposed Tariff Effective <u>6/1/2015</u>
GM => 25 kW GMH => 25 kW				
All kWh	kWh	¢/kWh	6.5317	6.1413

Exhibit 1

Duquesne Light Company
Rider No. 8 - Residential & Lighting Default Service Supply
Proposed Supply Rates Effective June 1, 2015

Bi-Annual Rate Adjustment - October 1, 2014 through March 31, 2015

1	Surcharge Revenue, Incl. GRT	\$85,567,711		Exh. 1, Page 2
2	Surcharge Revenue, Excl. GRT		\$80,519,216	Line 1 * 0.941
3	E-Factor Revenue, Incl. GRT	\$204,656		Exh. 1, Page 2
4	E-Factor Revenue, Excl. GRT		\$192,581	Line 3 * 0.941
5	Net Residential Related Revenue, Excl. GRT		\$80,326,635	Line 2 - Line 4
6	<u>Residential Related Expense</u>		\$80,231,915	Exh. 1, Page 2
7	<u>Reconciliation Period (Over)/Under Collection</u>		(\$94,720)	Line 6 - Line 5
8	<u>Interest</u>		\$2,580	Exh. 1, Page 3
9	<u>Total Reconciliation Period (Over)/Under Collection</u>		(\$92,141)	Line 7 + Line 8
10	Prior Period Apr 2014 to Sep 2014 (Over)/Under Recovery, Excl. GRT		\$183,187	Exh. 1, Page 4
11	<u>E-Factor Revenue - October 2014 - March 2015, Excl. GRT</u>		\$192,581	Line 4
12	<u>(Over)/Under E-Factor Recovery at March 31, 2015</u>		(\$9,395)	Line 10 - Line 11
13	<u>Reconciliation Period (Over)/Under Collection - Oct 2014 - Mar 2015</u>		(\$92,141)	Line 9
14	<u>E-Factor Balance at March 31, 2015</u>		(\$101,535)	Line 12 + Line 13

Exhibit 1

Duquesne Light Company
Rider No. 8 - Residential & Lighting Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

BI-Annual Reconciliation of Revenue and Expense - Current Period

	<u>Oct 2014</u>	<u>Nov 2014</u>	<u>Dec 2014</u>	<u>Jan 2015</u>	<u>Feb 2015</u>	<u>Mar 2015</u>	<u>Total</u>
<u>Revenue</u>							
1 Actual Surcharge Revenue	\$9,920,269	\$11,996,227	\$14,874,810	\$17,251,225	\$16,589,154	\$14,936,027	\$85,567,711
2 E-Factor Revenue	\$16,917	\$20,441	\$39,162	\$45,568	\$43,341	\$39,227	\$204,656
3 Net Surcharge Revenue	\$9,903,352	\$11,975,786	\$14,835,648	\$17,205,657	\$16,545,813	\$14,896,800	\$85,363,055
4 Less PA Gross Receipts Tax (GRT) at 5.9%	\$584,298	\$706,571	\$875,303	\$1,015,134	\$976,203	\$878,911	\$5,036,420
5 Net Calendar Month Revenue	\$9,319,054	\$11,269,215	\$13,960,345	\$16,190,523	\$15,569,610	\$14,017,888	\$80,326,635
<u>Expense</u>							
6 Supply Invoice Amount	\$9,578,806	\$11,295,552	\$13,663,530	\$16,412,949	\$15,517,750	\$13,744,341	\$80,212,928
7 Administrative Expense (1)	\$8,756	\$693	\$0	\$0	\$2,068	\$7,470	\$18,987
8 Total Expense	\$9,587,562	\$11,296,245	\$13,663,530	\$16,412,949	\$15,519,818	\$13,751,811	\$80,231,915
9 (Over)/Under Collection	\$268,508	\$27,031	(\$296,815)	\$222,426	(\$49,793)	(\$266,077)	(\$94,720)

(1) Administrative fees to conduct the request for proposal for rates effective December 1, 2014 and June 1, 2015.

Exhibit 1

**Duquesne Light Company
Rider No. 8 - Residential & Lighting Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

BI-Annual Rate Adjustment - Interest Calculation on (Over)/Under Collection

	<u>Oct 2014</u>	<u>Nov 2014</u>	<u>Dec 2014</u>	<u>Jan 2015</u>	<u>Feb 2015</u>	<u>Mar 2015</u>	<u>Total</u>
1 (Over)/Under Collection	\$268,508	\$27,031	(\$296,815)	\$222,426	(\$49,793)	(\$266,077)	(\$94,720)
2 Interest Rate (1)	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	
3 Interest Weight	11/12	10/12	9/12	8/12	7/12	6/12	
4 Interest	\$19,691	\$1,802	(\$17,809)	\$11,863	(\$2,324)	(\$10,643)	\$2,580

1/ Interest rate per Section 52 Pa. Code 54.187(g).

Exhibit 1

Duquesne Light Company
Rider No. B - Residential & Lighting Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

BI-Annual Rate Adjustment - Reconciliation of E-Factor Revenue

Filed November 2013
Effective December 2013 to May 2014

1	June 2013 to September 2013	Current Period (Over)/Under Recovery	(\$38,773)	
2		Interest	<u>(\$13,991)</u>	
3		Total		<u>(\$52,763) Line 1 + Line 2</u>
4		Net (Over)/Under Collection		<u>(\$52,763) Line 3</u>

Filed April 2014
Effective June 2014 to November 2014

5	Jun 2013 to Sep 2013	Prior Period Total (Over)/Under E-Factor Recovery	(\$52,763)	Line 4
6	Oct 2013 to Mar 2014	Current Period E Factor Revenue (excl. GRT)	<u>(\$37,892)</u>	
7		(Over)/Under E-Factor Recovery		<u>(\$14,871) Line 5 - Line 6</u>
8	October 2013 to March 2014	Current Period (Over)/Under Recovery	\$129,371	
9		Interest	<u>\$5,119</u>	
10		Total		<u>\$134,490 Line 8 + Line 9</u>
11		Net (Over)/Under Collection		<u>\$119,619 Line 7 + Line 10</u>

Filed November 2014
Effective December 2014 to May 2015

12	Oct 2013 to Mar 2014	Prior Period Total (Over)/Under E-Factor Recovery	\$119,619	Line 11
13	Apr 2014 to Sep 2014	Current Period E Factor Revenue (excl. GRT)	<u>\$74,818</u>	
14		(Over)/Under E-Factor Recovery		<u>\$44,801 Line 12 - Line 13</u>
15	Apr 2014 to Sep 2014	Current Period (Over)/Under Recovery	\$133,758	
16		Interest	<u>\$4,628</u>	
17		Total		<u>\$138,386 Line 15 + Line 16</u>
18		Net (Over)/Under Collection		<u>\$183,187 Line 14 + Line 17</u>

Filed April 2015
Effective June 2015 to November 2015

19	Apr 2014 to Sep 2014	Prior Period Total (Over)/Under E-Factor Recovery	\$183,187	Line 18
20	Oct 2014 to Mar 2015	Current Period E Factor Revenue (excl. GRT)	<u>\$192,581</u>	
21		(Over)/Under E-Factor Recovery		<u>(\$9,395) Line 19 - Line 20</u>
22	Oct 2014 to Mar 2015	Current Period (Over)/Under Recovery	(\$94,710)	
23		Interest	<u>\$2,580</u>	
24		Total		<u>(\$92,141) Line 22 + Line 23</u>
25		Net (Over)/Under Collection		<u>(\$101,535) Line 21 + Line 24</u>

Attachment A

**Duquesne Light Company
Rider No. 8 - Residential/Lighting Default Service Supply Rates
Proposed Supply Rates Effective June 1, 2015**

Rate Design for Residential Tariff Rates (RS, RH & RA)

1	RFP Average Wholesale Price (\$/MWh)		539.50 /MWh	Weighted bid price - Attachment A, page 1
2	Line Losses - T & D	6.1%		Transmission (0.8%), distribution (5.3%)
3	Price Adjustment for Losses (\$/MWh)		53.63 /MWh	Line 1 * Line 2
4	Adjusted Wholesale Price for Losses (\$/MWh)		563.13 /MWh	Line 1 + Line 3
5	Forecast POLR Sales (MWh)	1,252,557		Residential/Lighting Forecast POLR sales (MWh) June 1, 2015 through November 30, 2015
6	Outside Services Fees	50		Outside services to conduct RFPs
7	Administrative Adder (per MWh)		0.00 /MWh	Line 6 / Line 5
8	E-Factor (Over)/Under Reconciliation	(\$9,395)		Prior Period
	<u>Reconciliation</u>			
9	(Over)/Under Collection	(\$94,720)		Exh 1, Page 2
10	Interest on (Over)/Under Collection	52,580		Exh 1, Page 3
11	Total (Over)/Under Collection	(\$92,141)		Line 9 + Line 10
12	Total E Factor (Over)/Under Reconciliation	(\$101,535)		Line 8 + Line 11
13	Forecast POLR Sales (MWh)	1,252,557		Residential/Lighting Forecast POLR sales (MWh) June 1, 2015 through November 30, 2015
14	E Factor Rate (per MWh)		(\$0.08) /MWh	Line 12 / Line 13
15	Adjusted Wholesale Price (\$/MWh)		563.05 /MWh	Line 4 + Line 7 + Line 14
16	Rate Factor		1.0075	Per the Company's Retail Tariff Rider 8
17	Adjusted Wholesale Price for Rate Factor (\$/MWh)		563.52 /MWh	Line 15 * Line 16
18	PA GRT @ 5.9%		53.98 /MWh	Line 21 * (0.59/(1 - 0.59))
19	Total Retail Rate (\$/MWh)		567.50 /MWh	Line 17 + Line 18
20	<u>RFP Residential Retail Supply Rate (¢/kWh)</u>		<u>6.7502</u> ¢/kWh	Line 19 / 10
21	Forecast POLR Sales (kWh)	1,746,497,725		Residential Forecast POLR sales (kWh) June 1, 2015 through November 30, 2015
22	Projected RFP Revenue	\$84,141,657		Line 20 / 100 * Line 21

Attachment A

**Duquesne Light Company
Rider No. 8 - Residential/Lighting Default Service Supply Rates
Proposed Supply Rates Effective June 1, 2015**

Rate Design for Lighting Tariff Rates (AL, SE, SM, SH & PAL)

1	RFP Average Wholesale Price (\$/MWh)		\$59.50 /MWh	Weighted bid price - Attachment A, Page 1
2	Line Losses - T & D	6.1%		Transmission (0.8%); distribution (5.3%)
3	Price Adjustment for Losses (\$/MWh)		\$3.63 /MWh	Line 1 * Line 2
4	Adjusted Wholesale Price for Losses (\$/MWh)		\$63.13 /MWh	Line 1 + Line 3
5	Forecast POLR Sales (MWh)	1,252,557		Residential/Lighting Forecast POLR sales (MWh) June 1, 2015 through November
6	Outside Services Fees	\$0		Outside services to conduct RFPs
7	Administrative Adder (\$/MWh)		\$0.00 /MWh	Line 6 / Line 5
8	E-Factor (Over)/Under Reconciliation	(\$9,395)		Prior Period
	<u>Reconciliation</u>			
9	(Over)/Under Collection	(\$94,720)		Exh. 1, Page 2
10	Interest on (Over)/Under Collection	\$2,580		Exh. 1, Page 3
11	Total (Over)/Under Collection	(\$92,141)		Line 9 + Line 10
12	Total E Factor (Over)/Under Reconciliation	(\$101,535)		Line 8 + Line 11
13	Forecast POLR Sales (MWh)	1,252,557		Residential/Lighting Forecast POLR sales (MWh) June 1, 2015 through November
14	E Factor Rate (per MWh)		(\$0.08) /MWh	Line 12 / Line 13
15	Adjusted Wholesale Price (\$/MWh)		\$63.05 /MWh	Line 4 + Line 7 + Line 14
16	Rate Factor		0.6136	Per the Company's Retail Tariff Rider B
17	Adjusted Wholesale Price for Rate Factor (\$/MWh)		\$38.69 /MWh	Line 15 * Line 16
18	PA GRT @ 5.9%		\$2.43 /MWh	Line 17 * (.059/(1-.059))
19	Total Retail Rate (\$/MWh)		\$41.12 /MWh	Line 17 + Line 18
20	RFP Lighting Retail Supply Rate (¢/kWh)		4.1117 kWh	Line 19 / 10

Lighting Supply Charges by Lamp Wattage:

21	SM, SH & PAL (¢/kWh)			4.1117 Line 20
		Nominal Lamp Wattage	Nominal kWh Energy per Unit per Month	Fixture Charge \$/Month
22	Mercury Vapor:	100	44	\$1.81
23		175	74	\$3.04
24		250	102	\$4.19
25		400	161	\$6.62
26		1000	386	\$15.87
27	High Pressure Sodium:	70	29	\$1.19
28		100	50	\$2.06
29		150	71	\$2.92
30		200	95	\$3.91
31		250	110	\$4.52
32		400	170	\$6.99
33		1000	387	\$15.91
34	Flood Lighting - Unmetered:	70	29	\$1.19
35		100	46	\$1.89
36		150	67	\$2.75
37		250	100	\$4.11
38		400	155	\$6.37
39	LED	43	15	\$0.62
40		105	37	\$1.52

CONFIDENTIAL

Attachment A

Duquesne Light Company
Rider No. 8 - Residential/Lighting Default Service Supply Rates
Proposed Supply Rates Effective June 1, 2015

REDACTED
CONFIDENTIAL INFORMATION

Attachment A

**Duquesne Light Company
Rider No. 8 - Residential/Lighting Default Service Supply Rates
Proposed Supply Rates Effective June 1, 2015**

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	<u>Current Tariff</u> <u>Effective</u> <u>12/1/2014</u>	<u>Proposed Tariff</u> <u>Effective</u> <u>6/1/2015</u>
RS	kWh	¢/kWh	6.8761	6.7502
RH	kWh	¢/kWh	6.8761	6.7502
RA	kWh	¢/kWh	6.8761	6.7502
AL	kWh	¢/kWh	4.3184	4.1117
SE	kWh	¢/kWh	4.3184	4.1117
	<u>Nominal Lamp Wattage</u>			
SM, SH & PAL				
Mercury Vapor:	100	\$/Mo.	\$1.90	\$1.81
	175	\$/Mo.	\$3.20	\$3.04
	250	\$/Mo.	\$4.40	\$4.19
	400	\$/Mo.	\$6.95	\$6.62
	1000	\$/Mo.	\$16.67	\$15.87
High Pressure Sodium:	70	\$/Mo.	\$1.25	\$1.19
	100	\$/Mo.	\$2.16	\$2.06
	150	\$/Mo.	\$3.07	\$2.92
	200	\$/Mo.	\$4.10	\$3.91
	250	\$/Mo.	\$4.75	\$4.52
	400	\$/Mo.	\$7.34	\$6.99
	1000	\$/Mo.	\$16.71	\$15.91
Flood Lighting - Unmetered:	70	\$/Mo.	\$1.25	\$1.19
	100	\$/Mo.	\$1.99	\$1.89
	150	\$/Mo.	\$2.89	\$2.75
	250	\$/Mo.	\$4.32	\$4.11
	400	\$/Mo.	\$6.69	\$6.37
LED	43	\$/Mo.	\$0.65	\$0.62
	106	\$/Mo.	\$1.60	\$1.52

Exhibit 1

Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply
Proposed Supply Rates Effective June 1, 2015

Bi-Annual Rate Adjustment - October 1, 2014 through March 31, 2015

1	Surcharge Revenue, Incl. GRT	\$12,192,357	Exh. 1, Page 2
2	Surcharge Revenue, Excl. GRT		Line 1 * 0.941
			\$11,473,008
3	E-Factor Revenue, Incl. GRT	\$35,994	Exh. 1, Page 2
4	E-Factor Revenue, Excl. GRT		Line 3 * 0.941
			\$33,871
5	Net Small C&I Related Revenue, Excl. GRT		Line 2 - Line 4
			\$11,439,137
6	Small C&I Related Expense		Exh. 1, Page 2
			\$11,585,928
7	Reconciliation Period (Over)/Under Collection		Line 6 - Line 5
			\$146,790
8	Interest		Exh. 1, Page 3
			\$6,272
9	Total Reconciliation Period (Over)/Under Collection		Line 7 + Line 8
			\$153,063
10	Net (Over)/Under Collection at September 2014		Exh. 1, Page 4
			\$17,777
11	E-Factor Revenue - October 2014 - March 2015, Excl. GRT		Line 4
			\$33,871
12	(Over)/Under E-Factor Recovery at March 31, 2015		Line 10 - Line 11
			(\$16,094)
13	Reconciliation Period (Over)/Under Collection - Oct 2014 - Mar 2015		Line 9
			\$153,063
14	E-Factor Balance at March 31, 2015		Line 12 + Line 13
			\$136,969

Exhibit 1

**Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

Bi-Annual Reconciliation of Revenue and Expense - Current Period

	<u>Oct 2014</u>	<u>Nov 2014</u>	<u>Dec 2014</u>	<u>Jan 2015</u>	<u>Feb 2015</u>	<u>Mar 2015</u>	<u>Total</u>
<u>Revenue</u>							
Actual Surcharge Revenue	\$1,607,492	\$1,705,642	\$1,985,117	\$2,540,144	\$2,179,139	\$2,174,823	\$12,192,357
E-Factor Revenue	\$10,373	\$10,867	\$3,413	\$4,108	\$3,620	\$3,612	\$35,994
Net Surcharge Revenue	\$1,597,119	\$1,694,775	\$1,981,703	\$2,536,036	\$2,175,518	\$2,171,211	\$12,156,363
Less PA Gross Receipts Tax (GRT) at 5.9%	\$94,230	\$99,992	\$116,921	\$149,626	\$128,356	\$128,101	\$717,225
Net Calendar Month Revenue	\$1,502,889	\$1,594,783	\$1,864,783	\$2,386,410	\$2,047,163	\$2,043,110	\$11,439,137
<u>Expense</u>							
Supply Invoice Amount (1)	\$1,496,585	\$1,608,245	\$1,962,452	\$2,315,079	\$2,199,623	\$1,984,957	\$11,566,941
Administrative Expense (2)	\$8,756	\$693	\$0	\$0	\$2,068	\$7,470	\$18,987
Total Expense	\$1,505,340	\$1,608,938	\$1,962,452	\$2,315,079	\$2,201,691	\$1,992,427	\$11,585,928
(Over)/Under Collection	\$2,451	\$14,156	\$97,669	(\$71,331)	\$154,528	(\$50,683)	\$146,790

(1) Retail revenue excludes Company Use facilities. Supply invoice amount excludes expense associated with Company Use facilities.

(2) Administrative fees to conduct the request for proposal for rates effective December 1, 2014 and June 1, 2015.

Exhibit 1

**Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

Bi-Annual Rate Adjustment - Interest Calculation on (Over)/Under Collection

		<u>Oct 2014</u>	<u>Nov 2014</u>	<u>Dec 2014</u>	<u>Jan 2015</u>	<u>Feb 2015</u>	<u>Mar 2015</u>	<u>Total</u>
1	(Over)/Under Collection	\$2,451	\$14,156	\$97,669	(\$71,331)	\$154,528	(\$50,683)	\$146,790
2	Interest Rate (1)	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
3	Interest Weight	11/12	10/12	9/12	8/12	7/12	6/12	
4	Interest	\$135	\$708	\$4,395	(\$2,853)	\$5,408	(\$1,520)	\$6,272

1/ Interest rate per Section 52 Pa. Code 54.187(g).

Exhibit 1

**Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

Bi-Annual Rate Adjustment - Reconciliation of E-Factor Revenue

11		Net (Over)/Under Collection	<u>\$123,838</u>	Line 7 + Line 10
<u>Filed May 2013</u>				
Effective June 2013 to November 2013				
12	May 2011 to Apr 2012	Prior Period Total (Over)/Under E-Factor Recovery	\$123,838	Line 11
13	May 2012 to Apr 2013	Current Period E-Factor Revenue (excl. GRT)	<u>\$108,151</u>	
14		(Over)/Under E-Factor Recovery	<u>\$15,687</u>	Line 12 - Line 13
15	May 2012 to Apr 2013	Current Period (Over)/Under Recovery	\$159,409	
16		Interest	<u>\$7,546</u>	
17		Total	<u>\$166,956</u>	Line 15 + Line 16
18		Net (Over)/Under Collection	<u>\$182,643</u>	Line 14 + Line 17
<u>Filed November 2013</u>				
Effective December 2013 to May 2014				
19	May 2012 to Apr 2013	Prior Period Total (Over)/Under E-Factor Recovery	\$182,643	Line 18
20	May 2013 to Sept 2013	Current Period E-Factor Revenue (excl. GRT)	<u>\$138,211</u>	
21		(Over)/Under E-Factor Recovery	<u>\$44,432</u>	Line 19 - Line 20
22	May 2013 to Sept 2013	Current Period (Over)/Under Recovery	(\$32,618)	
23		Interest	<u>(\$841)</u>	
24		Total	<u>(\$33,459)</u>	Line 22 + Line 23
25		Net (Over)/Under Collection	<u>\$10,973</u>	Line 21 + Line 24
Effective June 2014 to November 2014				
26	May 2013 to Sept 2013	Prior Period Total (Over)/Under E-Factor Recovery	\$10,973	Line 25
27	Oct 2013 to Mar 2014	Current Period E-Factor Revenue (excl. GRT)	<u>\$61,311</u>	
28		(Over)/Under E-Factor Recovery	<u>(\$50,338)</u>	Line 26 - Line 27
29	Oct 2013 to Mar 2014	Current Period (Over)/Under Recovery	\$107,904	
30		Interest	<u>\$4,092</u>	
31		Total	<u>\$111,996</u>	Line 29 + Line 30
32	Audit Finding No. 2 - Recovery of Understated Administrative Charges		\$8,040	Note 1
32		Net (Over)/Under Collection	<u>\$69,698</u>	Line 28 + Line 31 + Line 32
<u>Filed November 2014</u>				
Effective December 2014 to May 2015				
33	Oct 2013 to Mar 2014	Prior Period Total (Over)/Under E-Factor Recovery	\$69,698	Line 32
34	Apr 2014 to Sept 2014	Current Period E-Factor Revenue (excl. GRT)	<u>\$48,378</u>	
35		(Over)/Under E-Factor Recovery	<u>\$21,320</u>	Line 33 - Line 34
36	Apr 2014 to Sept 2014	Current Period (Over)/Under Recovery	(\$5,421)	
37		Interest	<u>\$1,878</u>	
38		Total	<u>(\$3,543)</u>	Line 36 + Line 37
39		Net (Over)/Under Collection	<u>\$17,777</u>	Line 35 + Line 38
<u>Filed April 2015</u>				
Effective June 2015 to November 2015				
40	Apr 2014 to Sept 2014	Prior Period Total (Over)/Under E-Factor Recovery	\$17,777	Line 39
41	Oct 2014 to Mar 2015	Current Period E-Factor Revenue (excl. GRT)	<u>\$33,871</u>	
42		(Over)/Under E-Factor Recovery	<u>(\$16,094)</u>	Line 40 - Line 41
43	Oct 2014 to Mar 2015	Current Period (Over)/Under Recovery	\$146,790	
44		Interest	<u>\$6,272</u>	
45		Total	<u>\$153,063</u>	Line 43 + Line 44
46		Net (Over)/Under Collection	<u>\$136,969</u>	Line 42 + Line 45

[1] Audit finding per Commission audit order entered January 23, 2014 at Docket No. D-2013-2343087.

ATTACHMENT A

**Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

Rate Design for Small C&I Tariff Rate

1	Wholesale Price		\$54.63 /MWh	Weighted bid price - Att. A, Page 1
2	Line Losses	6.1%		Transmission (0.8%); distribution (5.3%)
3	Price Adjustment for Losses		\$3.33 /MWh	Line 1 * Line 2
4	Price Adjusted for Losses		\$57.96 /MWh	Line 1 + Line 3
5	Outside Services	\$0		Outside services to conduct RFPs
6	Forecast POLR Sales (MWh)	191,271		Forecast POLR sales (MWh) June 1, 2015 through November 30, 2015
7	Administrative Adder (per MWh)		\$0.00 /MWh	Line 5 / Line 6
8	E-factor (Over)/Under Collection	(\$16,094)		Exh. 1, Page 4
	<u>Reconciliation</u>			
9	(Over)/Under Collection	\$146,790		Exh. 1, Page 2
10	Interest on (Over)/Under Collection	\$6,272		Exh. 1, Page 3
11	Total (Over)/Under Collection	\$153,063		Line 9 + Line 10
12	Total E Factor (Over)/Under Reconciliation	\$136,969		Line 8 + Line 11
13	Forecast POLR Sales (MWh)	191,271		Forecast POLR sales (MWh) June 1, 2015 through November 30, 2015
14	E-Factor Rate (per MWh)		\$0.72 /MWh	Line 12 / Line 13
15	Adjusted Wholesale Price		\$58.68 /MWh	Line 4 + Line 7 + Line 14
16	PA GRT @ 5.9%		\$3.68 /MWh	Line 15 * (.059/(1-.059))
17	Total Rate (per MWh)		\$62.36 /MWh	Line 15 + Line 16
18	RFP Small C&I Retail Supply Rate (¢/kWh)		6.2355 /kWh	Line 17 / 10
19	Forecast POLR Sales (kWh)	191,271,278		Forecast POLR sales (kWh) June 1, 2015 through November 30, 2015
20	Projected RFP Revenue	\$11,926,721		Line 19 * (Line 18 / 100)

CONFIDENTIAL

ATTACHMENT A

**Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015**

**REDACTED
CONFIDENTIAL INFORMATION**

ATTACHMENT A

Duquesne Light Company
Rider No. 8 - Small C&I Default Service Supply Rate
Proposed Supply Rates Effective June 1, 2015

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	Current Tariff Effective <u>12/1/2014</u>	Proposed Tariff Effective <u>6/1/2015</u>
GS GM < 25 kW GMH <25 kW UMS				
All kWh	kWh	¢/kWh	6.3947	6.2355

CERTIFICATE OF SERVICE

Docket No. P-2014-2418242

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. Code § 1.54 (relating to service by a participant).

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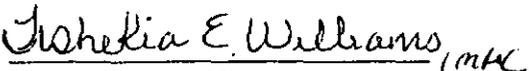
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Office of Small Business Advocate

Date: May 19, 2015


Tishekia E. Williams

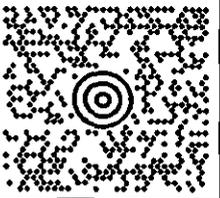
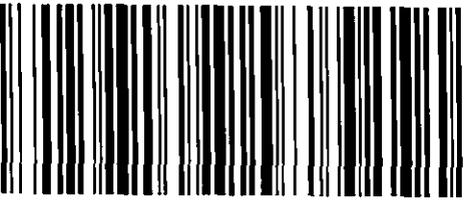
UPS CampusShip: View/Print Label

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2. **Fold the printed label at the solid line below.** Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.
3. **GETTING YOUR SHIPMENT TO UPS**
UPS locations include the UPS Store[®], UPS drop boxes, UPS customer centers, authorized retail outlets and UPS drivers.
Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip packages.
Hand the package to any UPS driver in your area.
Take your package to any location of The UPS Store[®], UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot[®] or Staples[®]) or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations.

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Your driver will pickup your shipment(s) as usual.

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TISHEKIA WILLIAMS 412-393-1541 DUQUESNE LIGHT COMPANY 411 7TH AVENUE, 16-1 PITTSBURGH PA 15219		0.0 LBS LTR	1 OF 1
SHIP TO: ROSEMARY CHIAVETTA, SECRETARY 717-772-7777 PENNSYLVANIA PUBLIC UTILITY COMMISS COMMONWEALTH KEYSTONE BLDG, 2ND FL 400 NORTH STREET HARRISBURG PA 17120-0200			
	PA 171 9-20 		
UPS NEXT DAY AIR		1	
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BILLING: P/P			
Cost Center: 006		 TM	
CS 17.2.07, WNTIE90 63.0A 04/2015			