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October 9, 2007

VIA HAND DELIVERY

James J. McNulty
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
PO Box 3265
Harrisburg, PA 17105-3265

ORIGINAL

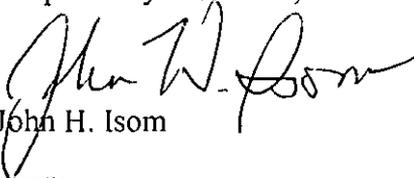
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SECRETARY'S BUREAU

RE: Pennsylvania Public Utility Commission, et al. v. Duquesne Light Company - Docket No. R-00050662

Dear Secretary McNulty:

Enclosed, for filing, are the original and three (3) copies of the Statement of Duquesne Light Company in Support of the Joint Petition for Settlement of All Issues in the above -referenced proceeding. As indicated on the certificate of service, copies are being provided to the parties in the manner indicated.

Respectfully submitted,


John H. Isom

JHI/jl

Enclosures

cc: Certificate of Service

**DOCUMENT
FOLDER**

RJP

ALLENTOWN HARRISBURG LANCASTER PHILADELPHIA PITTSBURGH PRINCETON WASHINGTON, D.C.

A PENNSYLVANIA PROFESSIONAL CORPORATION

CPH 393929v1

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Pennsylvania Public Utility Commission, :
et al. :
: Docket No. R-00050662
v. :
: :
Duquesne Light Company :

STATEMENT OF DUQUESNE LIGHT COMPANY
IN SUPPORT OF THE
"JOINT PETITION FOR SETTLEMENT OF ALL ISSUES"

TO: ADMINISTRATIVE LAW JUDGE FRED R. NENE AND
THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Duquesne Light Company ("Duquesne"), hereby submits the following Statement in Support of the "Joint Petition for Settlement of All Issues" ("Settlement") that was filed with the Pennsylvania Public Utility Commission ("Commission") in the above-captioned proceeding on October 2, 2007.

1. The Settlement is in the public interest because it affirms the Commission's initial determination that Duquesne could not avoid the Seams Elimination Charge Adjustment ("SECA") charges and that such charges were properly recoverable from customers.
2. The Settlement is in the public interest because it reflects the fact that other issues relating to the allocation of SECA charges among load serving entities within the Duquesne zone of the PJM Interconnection, Inc. ("PJM") were addressed by Duquesne and others before the FERC. All SECA allocation issues among Duquesne and other load serving entities (except one, who is not a party to this proceeding before the Commission) have been resolved at the FERC.
3. The Settlement is in the public interest because the recovery from customers by Duquesne of charges imposed upon it by the PJM has been properly allocated among classes of

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customers purchasing electric supplies under Duquesne's Provider of Last Resort ("POLR") because the allocation reflects the manner in which Duquesne incurred such costs under PJM Open Access Transmission Tariff ("OATT").

4. The Settlement is in the public interest because, as indicated above, it provides for a full settlement of all issues regarding Duquesne's SECA charges recovered from customers to date and because Duquesne now has recovered from customers all SECA charges that Duquesne has incurred to date, and pursuant to Duquesne's SECA Rider, Duquesne has ceased recovering SECA charges from its POLR customers.

5. As indicated in the Settlement, there remains the possibility that Duquesne may incur addition SECA charges or receive refunds of SECA charges from PJM as a result of unresolved litigation related to such charges pending before FERC. The Settlement is in the public interest because it provides that any such future charges or refunds will be recovered from or flowed through to POLR customers, as appropriate.

6. The Settlement is in the public interest because it provides a means of resolving any possible future issues regarding future recoveries or refunds of SECA charges from PJM within the framework of existing regulatory procedures for investigations of Duquesne's rates. More specifically, the Settlement provides that any complaints against future recoveries or refunds of SECA charges by Duquesne will be raised before the Commission in proceedings related to the annual reconciliation of Transmission Service Charges. Duquesne believes that having such possible future issues limited to annual proceedings that would occur regardless of SECA-related disputes will minimize any future burden on the Parties and the Commission.

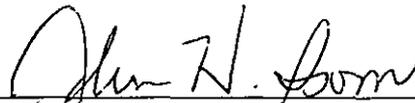
7. The Settlement is in the public interest because, as a result of the Settlement, the Parties and the Commission will avoid incurring expenses for resolving the issues related to the

recovery by Duquesne of SECA charges imposed upon Duquesne by PJM under its FERC-approved OATT which have been passed through to customers to date.

8. The Settlement is in the public interest because uncertainties and expenses associated with full litigation before the Commission and possible appeals from a Final Order of the Commission related to SECA charges incurred to date will be avoided in their entirety as a result of the Settlement.

WHEREFORE, for all the foregoing reasons, Duquesne Light Company respectfully requests that the Administrative Law Judge and the Pennsylvania Public Utility Commission approve the "Joint Petition for Settlement of All Issues."

Respectfully submitted,



Michael W. Gang (ID # 25670)

John H. Isom (ID # 16569)

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Of Counsel:

Post & Schell, P.C.

Date: October 9, 2007

Attorneys for Duquesne Light Company

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Statement of Duquesne Light Company in Support of the Joint Petition for Settlement of All Issues has 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

Honorable Fred R. Nene
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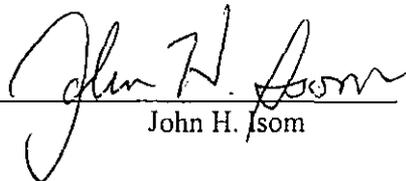
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Date: October 9, 2007


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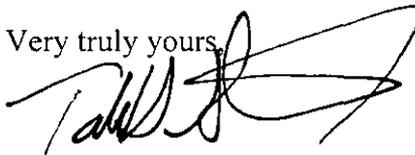
James J. McNulty, Secretary
Pennsylvania Public Utility Commission
Filing Room - Second Floor
Commonwealth Keystone Building
P.O. Box 3265
Harrisburg, PA 17105-3265

RE: Pennsylvania Public Utility Commission, et al. v. Duquesne Light Company;
Docket No. R-00050662; **STATEMENT IN SUPPORT OF JOINT PETITION
FOR SETTLEMENT**

Dear Secretary McNulty:

Enclosed for filing with the Commission are an original and three (3) copies of Dominion Retail's Statement in Support of Joint Petition for Settlement.

Very truly yours,



Todd S. Stewart
Counsel for Dominion Retail, Inc.

TSS/bks
Enclosure
cc: Per Certificate of Service

RJP

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PENNSYLVANIA PUBLIC UTILITY
COMMISSION, et al.,
Petitioner

Docket No. R-00050662

v.

DUQUESNE LIGHT COMPANY,
Respondent

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STATEMENT IN SUPPORT OF
OF JOINT PETITION FOR SETTLEMENT

AND NOW comes Dominion Retail, Inc., (“Dominion Retail”) by and through it counsel, Hawke McKeon & Sniscak, LLP, and hereby makes this Statement in Support of the Joint Petition for Settlement (“Settlement”) in the above-captioned matter, filed with the Pennsylvania Public Utility Commission (“Commission”) on or about October 2, 2007.

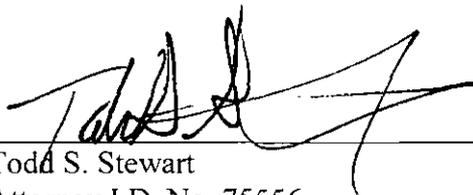
On June 17, 2005, Duquesne Light Company (“Duquesne”) filed with the Commission, Supplement No. 28 to its Tariff Electric – Pa. P.U.C. No. 23, to become effective on August 16, 2005. Tariff Supplement No. 28, contained Duquesne’s proposal to collect charges under proposed “Rider No. 7 – SECA Charge.” Rider No. 7 permitted Duquesne to recover, subject to reconciliation certain transmission charges called the seams elimination charge adjustment (“SECA”) charges, that were billed to Duquesne by PJM.

On or about July 28, 2005, Dominion Retail filed a Petition to Intervene in this proceeding. On August 5, 2006, Strategic Energy filed a Petition for Interim Order, asking the Commission to issue an Interim Order suspending the tariff supplement, and on August 15, 2006, Dominion Retail answered and supported Strategic Energy, LLC’s Petition. At the same time, litigation over the SECA charges was ongoing (and continues) before the Federal Energy Regulatory Commission (“FERC”), and so the matter pending before the Commission has been

largely dormant awaiting the outcome of that litigation. During the intervening time period, however, the parties to the instant action before the Commission have engaged in settlement discussions that have resulted in the Joint Petition for Settlement, of which Dominion Retail is a signatory party.

Dominion Retail supports the settlement because it provides a mechanism for the collection of any additional charges related to the seams elimination process, in the event that Duquesne finds itself liable for additional charges in the future. It should be noted that a separate settlement between Dominion Retail and Duquesne regarding the FERC litigation resolved most of Dominion Retail's financial issues related to liability for the already-billed SECA charges. This settlement resolves the outstanding issues before the Commission in a manner that is acceptable to Dominion Retail. Accordingly, Dominion Retail supports the settlement as being in the public interest in that it provides for an equitable means of collecting past SECA charges and provides a going forward mechanism.

Respectfully submitted,



Todd S. Stewart
Attorney I.D. No. 75556
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(717) 236-1300
tsstewart@hmslegal.com

Counsel for Dominion Retail, Inc.

Dated: October 10, 2007

CERTIFICATE OF SERVICE

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

SERVICE VIA FIRST-CLASS MAIL

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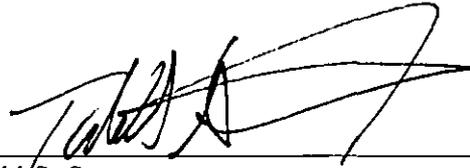
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A handwritten signature in black ink, appearing to read 'Todd S. Stewart', written over a horizontal line.

Todd S. Stewart

Dated this 10th day of October 2007.