



McNees Wallace & Nurick, LLC  
attorneys at law

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SECRETARY'S BUREAU

PAMELA C. POLACEK  
DIRECT DIAL: (717) 237-5368  
E-MAIL ADDRESS: PPOLACEK@MWN.COM

May 16, 2006

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17120

**VIA HAND DELIVERY**

**Re: Duquesne Industrial Intervenors and Industrial Energy Consumers of Pennsylvania v. Duquesne Light Company; Docket No. R-00061346C0001**

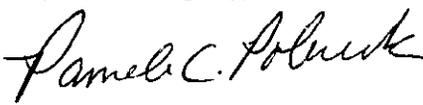
Dear Secretary McNulty:

Pursuant to Administrative Law Judge Gesoff's direction during the Prehearing Conference in the above-referenced matter, enclosed for filing with the Commission are four copies of the Joint Prehearing Memorandum of the Duquesne Industrial Intervenors and Industrial Energy Consumers of Pennsylvania. All parties in attendance at the Prehearing Conference were provided with copies of the enclosed document.

If you have any questions regarding this filing, please feel free to contact us at your convenience. Please date stamp the extra copy of this letter and kindly return it to us for our filing purposes. Thank you.

Very truly yours,

McNEES WALLACE & NURICK LLC

By 

Pamela C. Polacek

Counsel to Duquesne Industrial Intervenors  
and Industrial Energy Consumers of  
Pennsylvania

**DOCUMENT  
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PCP/nk  
Enclosures

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McNees Wallace & Nurick LLC  
attorneys at law

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ADAM L BENSHOFF  
DIRECT DIAL: (717) 237-5298  
E-MAIL ADDRESS: ABENSHOFF@MWN.COM

May 11, 2006

**VIA E-MAIL AND FIRST CLASS MAIL**

The Honorable Michael A. Nemeo  
Administrative Law Judge  
Pennsylvania Public Utility Commission  
1103 Pittsburgh State Office Building  
300 Liberty Avenue  
Pittsburgh, PA 15222

The Honorable Larry Gesoff  
Administrative Law Judge  
Pennsylvania Public Utility Commission  
1103 Pittsburgh State Office Building  
300 Liberty Avenue  
Pittsburgh, PA 15222

**Re: Duquesne Industrial Intervenors and Industrial Energy Consumers  
of Pennsylvania v. Duquesne Light Company; Docket No. R-00061346**

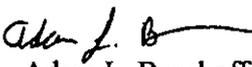
Dear Judges Nemeo and Gesoff:

Enclosed please find the Joint Prehearing Memorandum of the Duquesne Industrial Intervenors ("DII") and Industrial Energy Consumers of Pennsylvania ("IECPA"), concerning the above-referenced docket.

As evidenced by the attached Certificate of Service, all parties in this proceeding are being duly served with a copy of this document. If you have any questions, please contact us.

Very truly yours,

McNEES WALLACE & NURICK LLC

By   
Adam L. Benshoff

Counsel to Duquesne Industrial Intervenors  
and Industrial Energy Consumers of  
Pennsylvania

ALB/lhi  
Enclosures  
c: Certificate of Service

**CERTIFICATE OF SERVICE**

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

**VIA E-MAIL**

Gary Jack, Esq.  
Duquesne Light Company  
411 Seventh Avenue 16-2  
Pittsburgh, PA 15219

Steven Gray, Esq.  
Office of Small Business Advocate  
300 North Second Street  
Harrisburg, PA 17101

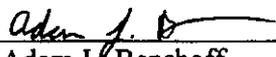
Tanya McCloskey, Esq.  
David T. Evrard, Esq.  
Office of Consumer Advocate  
Forum Place, 5th Floor  
555 Walnut Street  
Harrisburg, PA 17101-19231

Robert V. Eckenrod, Esq.  
Charles Daniel Shields, Esq.  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
Harrisburg, PA 17102

Michael Gang, Esq.  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601

David MacGregor, Esq.  
Post & Schell, P.C.  
Four Penn Centre  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808

Thomas P. Brogan, Esq.  
Brian J. Knipe, Esq.  
Klett Rooney Lieber & Scholoing  
17 North Second Street, 15 Floor  
Harrisburg, PA 17101-1503

  
Adam L. Benshoff

Counsel to Duquesne Industrial Intervenors and  
Industrial Energy Consumers of Pennsylvania

Dated this 11<sup>th</sup> day May, 2006, in Harrisburg, Pennsylvania.

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BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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DUQUESNE INDUSTRIAL INTERVENORS :  
AND INDUSTRIAL ENERGY :  
CONSUMERS OF PENNSYLVANIA :

v. :

DUQUESNE LIGHT COMPANY :

DOCKET NO. R-00061346 0001

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**PREHEARING MEMORANDUM  
OF THE DUQUESNE INDUSTRIAL INTERVENORS AND THE  
INDUSTRIAL ENERGY CONSUMERS OF PENNSYLVANIA**

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The Duquesne Industrial Intervenors ("DII") and the Industrial Energy Consumers of Pennsylvania ("IECPA")(hereinafter, collectively "DII/IECPA") hereby submit this Prehearing Memorandum in the above-captioned proceeding. DII/IECPA intends to participate in this proceeding as an "active" party.

**I. HISTORY OF THE PROCEEDING**

On April 7, 2006, Duquesne Light Company ("Duquesne" or "Company") filed proposed Tariff Electric – PA. P.U.C. NO. 24 which Supersedes Electric – PA. P.U.C. NO. 23, together with supporting testimony, with the Pennsylvania Public Utility Commission ("PUC" or "Commission"). By its filing, Duquesne requests an increase in the Company's distribution base rates under Section 1308 of the Public Utility Code, 66 Pa.C.S.A. § 1308. On April 28, 2006, DII/IECPA filed a Complaint in this proceeding. Descriptions of DII and IECPA are set forth in Paragraphs 6 and 7 of DII/IECPA's Complaint.

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**DOCKETED**  
SEP 01 2006

## **II. ANTICIPATED ISSUES AND SUB-ISSUES**

DII/IECPA's preliminary review of the Company's filing indicates the need for Commission investigation into at least the following issues:

- (a) whether the size of the requested rate increase is appropriate;
- (b) whether the expenses claimed by Duquesne were prudently incurred;
- (c) whether the allocation of the proposed distribution rate increase between and among customer classes is just, reasonable and non-discriminatory;
- (d) whether Duquesne's proposed rate structure and rate design are appropriate;
- (e) whether the 11.75% return on equity proposed by Duquesne and other aspects of the Company's proposal result in a fair rate of return;
- (f) whether Duquesne's claimed cost of service is accurate, legitimate and appropriately allocated;
- (g) whether Duquesne's proposal to eliminate special contracting under Rule 4 is unlawful, inappropriate, and/or contrary to the public interest;
- (h) whether Duquesne's proposed application and design of the proposed Transmission Service Charge is appropriate, just and reasonable; and
- (i) whether Duquesne's proposed implementation of a Distribution System Improvement Charge is appropriate and lawful.

DII/IECPA anticipates pursuing these issues during this proceeding, and reserves the right to raise and address other issues of concern and to respond to issues raised by other parties.

## **III. PROPOSED WITNESSES**

DII/IECPA is still in the process of evaluating the need to present witnesses in this proceeding. Tentatively, DII/IECPA anticipates providing expert testimony as well as customer impact testimony. DII/IECPA will inform the parties and the Administrative Law Judge ("ALJ") as soon as possible of the intended witnesses. DII/IECPA also intends to participate in this

proceeding through the submission of discovery, cross-examination of other parties' witnesses, and the submission of briefs, exceptions and reply exceptions, if necessary.

**IV. PROPOSED SCHEDULE AND DISCOVERY RULES**

DII/IECPA will cooperate with the ALJ and the parties at the Prehearing Conference to develop an appropriate procedural schedule and discovery rules in accordance with the Commission's regulations and any ALJ directives.

**V. POSSIBILITY OF SETTLEMENT**

DII/IECPA is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

**VI. ELECTRONIC SERVICE LIST**

DII/IECPA respectfully requests that Ms. Polacek and Mr. Benshoff be added to the electronic service list:

Pamela C. Polacek: [ppolacek@mwn.com](mailto:ppolacek@mwn.com)

Adam L. Benshoff: [abenshoff@mwn.com](mailto:abenshoff@mwn.com)

Respectfully submitted,

McNEES WALLACE & NURICK LLC

By Adam A. A.

David M. Kleppinger  
Pamela C. Polacek  
Adam L. Benshoff  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
Phone: (717) 232-8000  
Fax: (717) 237-5300

Dated: May 11, 2006

Counsel to the Duquesne Industrial  
Intervenors and the Industrial Energy  
Consumers of Pennsylvania

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility  
Commission

v.

Duquesne Light Company

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Docket No. R-00061346

**DOCKETED**  
JUN 6 - 2006

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PREHEARING MEMORANDUM  
OF THE  
OFFICE OF TRIAL STAFF

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**TO ADMINISTRATIVE LAW JUDGE LARRY GESOFF:**

The Office of Trial Staff ("OTS") of the Pennsylvania Public Utility Commission ("Commission") respectfully submits the following Prehearing Memorandum in the above-captioned proceeding in response to Your Honor's Prehearing Conference Order.

The Office of Trial Staff Prosecutors in this proceeding are Charles Daniel Shields and Robert V. Eckenrod. All correspondence directed to the Office of Trial Staff regarding this instant base rate proceeding should be addressed as follows:

**Charles Daniel Shields  
Robert V. Eckenrod  
Prosecutors  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
Post Office Box 3265  
Harrisburg, Pennsylvania 17105-3265**

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The OTS fax number is (717) 772-2677. Senior Prosecutor Shields can be reached directly during normal business hours by telephone at (717) 783-6151 and by electronic mail at [chshields@state.pa.us](mailto:chshields@state.pa.us) and Prosecutor Eckenrod can be reached at (717) 783-6155 and [roeckenrod@state.pa.us](mailto:roeckenrod@state.pa.us).

Per the Notice of the Office of Administrative Law Judge dated May 5, 2006, the Prehearing Conference is scheduled for 10:00 a.m. on Friday, May 12, 2006, in Hearing Room No. 2 in the Commonwealth Keystone Building.

## **I. INTRODUCTION**

On April 7, 2006, Duquesne Light Company (“Duquesne”) filed Tariff Electric – Pa. P.U.C. No. 24 replacing in its entirety its Tariff Electric – Pa. P.U.C. No. 23 to become effective June 6, 2006, containing proposed changes in distribution rates, rules and regulations calculated to produce approximately \$143.7 million in additional annual revenues, based upon a future test year ending December 31, 2006. In addition, Duquesne informed the Commission that transmission service charges reflected in retail rates are expected to increase by approximately \$19.0 million, effective June 1, 2006.

By Order entered May 4, 2006, the Commission instituted an investigation to determine the lawfulness, justness and reasonableness of the proposed rates, rules and regulations. Pursuant to 66 Pa. C.S. §1308(d), the filing was suspended by operation of law until January 6, 2007, unless permitted by Commission Order to become effective at an earlier date. Said Order provided that the case be assigned to the Office of

Administrative Law Judge for the prompt scheduling of such hearings as may be necessary and culminating in the issuance of a Recommended Decision. As provided by Ordering Paragraph No. 5 of the Order, OTS received service of the Order.

On February 28, 2006, the Duquesne Industrial Intervenors (“DII”), Industrial Energy Consumers of Pennsylvania, and the Office of Consumer Advocate (“OCA”) filed Formal Complaints. On May 8, 2006, OTS filed our Notice of Appearance.

OTS Prosecutors Shields and Eckenrod will fully participate in the Prehearing Conference on Friday and have already sent separate sets of interrogatories directed to Duquesne.

## **II. ISSUES**

The following list represents OTS’s preliminary determination of the potential major issues in this case. The listing is as complete as can be made by the OTS at this time. OTS specifically reserves the right to address other issues, as it deems appropriate when any such relevant issues arise. This present listing of OTS potential issues are as follows:

### **Rate of Return**

- Cost of Common Equity
- Overall Rate of Return
- Capital Structure
- Minimum Pension Liability
- Cost of Debt

## **Revenue and Operating Expenses**

Payroll  
Pensions  
Customer Assistance Programs  
Affiliated Charges  
Storm Damage – Deferred Accounting

## **Rate Base**

AFUDC Accrual on Land  
Capital Additions  
    Timely Completion  
    Receipt of Third Party Recovery  
    Calculation of Retirements Associated with Future Testy Year Additions  
Jurisdictional Separation of Plant Between Generation, Transmission and  
    Distribution  
Service Life Analysis for Annual and Accrued Depreciation

## **Revenues**

Weather Normalization Adjustment  
    Load Forecasting Methodology  
    Development of Demand Allocators  
Miscellaneous Revenue

## **Rate Structure**

Final Allocation of Allowed Increase

## **Miscellaneous**

DSIC Surcharge  
Transmission Service Charge – Reconciliation and Calculation

### III. WITNESSES

It is currently expected that OTS may call any or all of the following three (3) expert witnesses, without being limited thereto:<sup>1</sup>

**Michael Gruber, Fixed Utility Valuation Engineer**  
*mgruber@state.pa.us*

**Antonio Maceo, Fixed Utility Valuation Engineer**  
*amaceo@state.pa.us*

**Charles T. Weakley, Fixed Utility Financial Analyst Supervisor**  
*cweakley@state.pa.us*

**Robert Plonski, Fixed Utility Financial Analyst**  
*rplonksi@state.pa.us*

**Janet Markovich, Fixed Utility Financial Analyst**  
*jmarkovich@state.pa.us*

OTS reserves the right to call additional witnesses or delete the names of witnesses listed above. The above listing is provided without the benefit of complete discovery or analysis of the positions of potential other parties to this proceeding. Prepared direct testimony and brief additional live direct testimony may be submitted by any or all of the OTS witnesses in his or her area(s) of responsibility.

In addition to the direct testimony and exhibits presented by OTS witnesses and the evidence adduced through cross-examination of witnesses for Duquesne and other parties, OTS intends to rely upon the Duquesne filing, answers to data requests and

interrogatories, annual reports and other documents submitted to the Commission, other relevant Commission filings, any other relevant Commonwealth agency letters or reports, general financial market information sources and other public documents and reports.

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<sup>1</sup> OTS would ask each active party to include the e-mail addresses of these OTS Technical Witnesses in their respective e-mail distribution list (in addition to OTS Prosecutors Shields and Eckenrod) for **any and all** e-mail messages distributed regarding this proceeding.

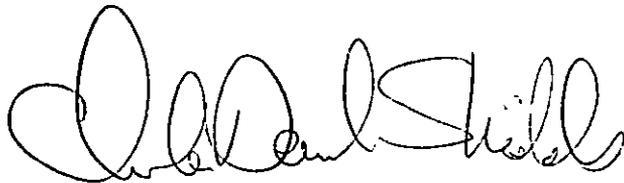
#### IV. CONCLUSION

For purposes of satisfying in-hand requirements for discovery responses, prepared testimony and briefs, OTS will accept electronic delivery of documents with a follow-up hard copy provided by regular first class mail.

OTS represents that we will make all good faith efforts to attempt to successfully resolve this matter through settlement. In the event such discussions and/or any other efforts fail to result in a full and complete resolution of the matter, OTS is prepared to fully litigate this base rate case.

In addition, OTS is willing to cooperate with the parties in establishing a procedural schedule in this matter.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Charles Daniel Shields". The signature is written in black ink and is positioned above a horizontal line.

Charles Daniel Shields  
Robert V. Eckenrod  
Prosecutors  
Office of Trial Staff

Pennsylvania Public Utility Commission  
Post Office 3265  
Harrisburg, Pennsylvania 17105-3265

Dated: May 11, 2006

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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SECURITY'S BUREAU

Pennsylvania Public Utility Commission :  
v. : Docket No. R-00061346  
Duquesne Light Company :

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PREHEARING MEMORANDUM  
OF THE  
OFFICE OF CONSUMER ADVOCATE

---

Pursuant to Section 333 of the Public Utility Code, 66 Pa. C.S. § 333, and in response to the prehearing conference notice issued in the above-captioned matter, the Office of Consumer Advocate (OCA) provides the following information:

**I. INTRODUCTION**

On April 7, 2006, Duquesne Light Company (Duquesne or the Company) filed Tariff Electric – Pa. P.U.C. No. 24 (Tariff No. 24) to replace in its entirety Tariff Electric - Pa. P.U.C. No. 23 and all Supplements thereto, to become effective June 6, 2006, seeking Commission approval of rates that would supersede existing tariff provisions and increase the level of rates that Duquesne charges for providing electric distribution service to its customers. If Tariff No. 24 became effective as proposed, the Company would have the opportunity to recover an estimated annual increase in distribution base rate revenues of \$143.7 million. The Company also seeks an increase in transmission charges of \$19 million. The combined transmission and distribution base rate increase is \$162.7 million, representing an approximate increase of 13% over the Company's present rates. Duquesne serves more than 587,000 residential, commercial and industrial customers in Allegheny and Beaver Counties.

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**DOCKETED**  
AUG 30 2006

## II. ISSUES AND SUB-ISSUES

Based upon a preliminary analysis of Duquesne's base rate increase filing, the OCA has compiled a list of issues which it anticipates will be included in its investigation of this rate request. It is anticipated that other issues may arise and may be pursued once the answers to all of the OCA's interrogatories have been received and analyzed.

To date the OCA has served one set of interrogatories, but anticipates additional sets being served. Upon receipt of the answers to those interrogatories, the OCA may then be able to narrow the scope of additional information requests. Once the discovery process has been completed, the OCA will file direct testimony which will set forth the specific issues to be addressed in this proceeding. At that time, the OCA will also be able to make and to quantify its specific recommendations.

The following list sets forth the issues the OCA anticipates it may raise.

### A. Rate of Return

1. Cost of Common Equity: The OCA will perform a detailed analysis of the cost of common equity claimed by Duquesne. Also, the OCA will carefully examine the Company's methodologies and supporting data used to develop its final cost of common equity claim.

2. Capital Structure: The OCA will examine whether the capital structure claimed by Duquesne is representative of the period in which rates will be in effect and is otherwise appropriate for ratemaking purposes.

3. Embedded Cost of Debt and Preferred Stock: The OCA will examine the embedded cost of debt and preferred stock.

B. Rate Base/Measure of Value

The OCA will examine the reasonableness of the Company's filing as it relates to rate base/measures of values, including the following areas:

- the Company's plant in service claims in order to determine whether the plant claimed is used and useful in providing utility service
- the Company's *pro forma* adjustments to plant in service
- the Company's capital costs
- the Company's claim for cash working capital
- the Company's proposal to record Allowance for Funds Used During Construction (AFUDC) on land held for future use.

C. Revenue and Expenses

The OCA will examine the reasonableness of the Company's filing as it relates to revenues and expenses, including the following areas:

- the budgeted data that make up the Company's future test year cost of service and the conversion of that data to the FERC account basis
- the sales forecast utilized by the Company in order to project future test year sales and revenues
- Duquesne's proposed depreciation expense (including the depreciation study, service life study and application of the straight-line remaining life method)
- the Company's proposal relating to employee pension and postretirement benefits
- the Company's proposed adjustment related to storm damage insurance expense
- the Company's rate case, labor and advertising expenses

- 7
- inter-company charges due to the fact that Duquesne has been allocated a share of its parent company's overhead and shared costs

D. Rate Structure/Cost of Service/Rate Design

1. The OCA will examine the Company's proposed distribution of the revenue increase among customer classes.
2. The OCA will examine the Company's proposed customer charge.
3. The OCA will examine whether the rate design proposed by the Company is reasonable and appropriate.
4. The OCA will examine the cost of service study, including the methodology used and the reasonableness of the allocations.
5. The OCA will examine the reasonableness and appropriateness of the Company's proposed tariff changes.
6. The OCA will examine the proposed Transmission Charges to ensure that they are proper for each customer class.

E. Distribution System Improvement Charge – The OCA will examine whether Duquesne's proposed Distribution System Improvement Charge is legal, reasonable or otherwise consistent with sound ratemaking principles. This mechanism would allow the Company to recover costs associated with distribution system upgrades between base rate proceedings through an adjustment mechanism.

F. Transmission Service Charge - The OCA will examine whether the proposed reconcilable Transmission Service Charge is legal, reasonable and otherwise consistent with sound ratemaking principles. This mechanism will allow Duquesne to pass transmission charges assessed by PJM on to its customers.

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G. Universal Service Programs - The OCA will examine whether the proposed Universal Service programs, such as the Customer Assistance Program (CAP), Smart Comfort, Dollar Energy, CARES and Stay Warm Programs are adequately funded, appropriate, reasonable, and otherwise consistent with sound universal service principles.

### III. WITNESSES

The OCA intends to present the direct, rebuttal, and surrebuttal testimony, as may be necessary, of the following witnesses in this proceeding. The witnesses will present testimony in written form and will also attach various exhibits, documents, and explanatory information which will assist in the presentation of the OCA's case. In order to expedite the resolution of this proceeding, the OCA requests that copies of all interrogatories, testimony, and answers to interrogatories be mailed directly to the expert witnesses responsible for the area of the case, as well as mailing a copy to counsel for the OCA.

A. Rate Base, Revenues, Expenses, and General Accounting

Lafayette Morgan, Jr.  
Thomas Catlin  
Exeter Associates, Inc.  
5565 Sterrett Place  
Suite 310  
Columbia, MD 21044  
Telephone: 410-992-7500  
Fax: 410-992-3445  
E-mail: [lmorgan@exeterassociates.com](mailto:lmorgan@exeterassociates.com)  
[topcat@exeterassociates.com](mailto:topcat@exeterassociates.com)

B. Cost of Service and Rate Design

Richard Galligan  
Exeter Associates, Inc.  
5565 Sterrett Place  
Suite 310  
Columbia, MD 21044  
Telephone: 410-992-7500  
Fax: 410-992-3445  
E-mail: rgalligan@exeterassociates.com

C. Rate of Return

Stephen G. Hill  
Hill Associates  
P.O. Box 587  
Hurricane, WV 25526  
Telephone: 304-562-3645  
Fax: 304-562-3645  
E-mail: sghill@compuserve.com

The OCA specifically reserves the right to call additional witnesses, as necessary. As soon as the OCA has determined whether an additional witness or witnesses will be necessary for any portion of its case, the presiding Administrative Law Judge and all parties of record will be notified.

**IV. SERVICE ON THE OCA**

The OCA will be represented in this case by Assistant Consumer Advocates David T. Evrard and Darryl Lawrence and Senior Assistant Consumer Advocate Tanya J. McCloskey.

Two copies of the documents should be served on the OCA as follows:

David T. Evrard  
Office of Consumer Advocate  
555 Walnut Street  
5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Telephone: (717) 783-5048  
Fax: (717) 783-7152  
E-mail: devrard@paoca.org

## V. DISCOVERY

Because the time period for discovery and preparation of testimony is limited, the OCA supports a shortened discovery response time in this proceeding. The OCA, therefore, requests the following modifications to the discovery regulations:

- A. Answers to written interrogatories propounded prior to the submission of Rebuttal Testimony be served in-hand within ten (10) calendar days of service of the interrogatories. Interrogatories served after 12 o'clock noon on a Friday shall be deemed to have been served the following Monday.
- B. Answers to written interrogatories propounded after the submission of Rebuttal Testimony be served in-hand within seven (7) calendar days of service of the interrogatories. Interrogatories served after 12 o'clock noon on a Friday shall be deemed to have been served the following Monday.
- B. Objections to interrogatories be communicated orally within three (3) days of service; unresolved objections be served to the ALJ in writing within five (5) days of service of interrogatories.
- C. Motions to dismiss objections and/or direct the answering of interrogatories be filed within three (3) days of service of written objections.
- D. Answers to motions to dismiss objections and/or direct the answering of interrogatories be filed within three (3) days of service of such motions.

- E. Rulings over such motions be issued, if possible, within seven (7) days of filing of the motion.
- F. Responses to requests for document production, entry for inspection, or other purposes be served in-hand within ten (10) calendar days.
- G. Requests for admission be deemed admitted unless answered within ten (10) days or objected to within five (5) days of service
- H. Answers to on-the-record data requests be served in-hand within seven (7) calendar days of the request.

Additionally, the OCA proposes that electronic service be made, when possible, followed by a hard copy. The OCA is willing to discuss the precise protocols for electronic service at the scheduled Prehearing Conference.

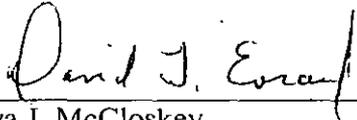
#### **VI. PUBLIC INPUT HEARINGS**

The OCA requests that public input hearings be held in the Company's service territory. The OCA will work with the ALJ, the Company, and other parties to identify suitable dates and locations for such hearings.

**VII. PROPOSED SCHEDULE**

A consensus schedule, subject to the modifications for interrogatory response time, was agreed to by several of the parties, including the OCA. The Company is presenting this schedule.

Respectfully Submitted,



Tanya J. McCloskey  
Senior Assistant Consumer Advocate  
PA Attorney I.D. # 50044  
E-Mail: TMcCloskey@paoca.org  
David T. Evrard  
Assistant Consumer Advocate  
PA Attorney I.D. # 33870  
E-Mail: DEvrard@paoca.org  
Darryl Lawrence  
Assistant Consumer Advocate  
PA Attorney I.D. # 93682  
E-Mail: DLawrence@paoca.org

Counsel for:  
Irwin A. Popowsky  
Consumer Advocate

Office of Consumer Advocate  
555 Walnut Street 5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
Fax: (717) 783-7152

May 12, 2006

88670



**Duquesne Light**

*Our Energy... Your Power*

411 Seventh Avenue  
8<sup>th</sup> Floor  
Pittsburgh, PA 15219

Tel 412-393-1541  
Fax 412-393-1418  
gjack@duqlight.com

**Gary A. Jack**  
Assistant General Counsel

May 18, 2006

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MAY 18 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

DOCUMENT  
FOLDER

Re: Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company  
Docket No. 00061346C0001--

R-00061346

Dear Secretary McNulty:

Enclosed is Duquesne Light Company's Answer to Complaint of the Duquesne Industrial Intervenors and Industrial Energy Consumer of Pennsylvania in the above-referenced case.

Sincerely yours,

Gary A. Jack

Enclosures

c: Certificate of Service

RECEIVED

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAY 18 2006

PA PUBLIC UTILITY COMMISSION  
REGULATORY BUREAU

Pennsylvania Public Utility Commission :

v.

Duquesne Light Company

DOCUMENT  
FOLDER

<sup>R-</sup>  
Docket No. 00061346C0001

ANSWER TO COMPLAINT

DOCKETED  
JUN 07 2006

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Duquesne Light Company hereby answers the above-captioned Complaint of the Duquesne Industrial Intervenors ("DII") and Industrial Energy Consumers of Pennsylvania ("IECPA").

1. Information concerning the membership of DII and IECPA are not reasonably available to Duquesne Light Company, and therefore, their averments concerning their membership are denied. Strict proof thereof is demanded at hearing, if relevant.
2. The averments of Paragraph No. 2 of the Complaint are admitted.
3. The averments of Paragraph No. 3 of the Complaint are admitted.
4. The averments of Paragraph No. 4 of the Complaint purport to be a summary of Duquesne Light Company's proposed increase in base rates, which was submitted to the Commission, together with supporting testimony and exhibits, on April 7, 2006 within. Therein, Duquesne Light Company has made many proposals. Duquesne Light Company's rate filing speaks for itself, and therefore, DII and IECPA's characterizations of it are denied.

5. Paragraph No. 5 of the Complaint is a statement of DII and IECPA's subjective intent in this proceeding. As such, this statement is not an averment of fact, and no response is required.
6. The averments of Paragraph No. 6 of the Complaint describe the members of DII and services received by members of DII from Duquesne Light Company. Until DII's membership is finalized however, Duquesne Light Company cannot confirm the accuracy of DII's averments, and therefore, such averments are denied. By way of further response, however, Duquesne Light Company does not object to DII's participation in the above-captioned proceeding.
7. The averments of Paragraph No. 7 of the Complaint describe the organization of IECPA and that services are received by members of IECPA from Duquesne Light Company. Duquesne Light Company cannot confirm the accuracy of IECPA's averments, and therefore, such averments are denied. By way of further response, however, Duquesne Light Company does not object to IECPA's participation in the above-captioned proceeding.
8. The averments of Paragraph No. 8 of the Complaint are denied. To the contrary, the exhibits and testimony filed by Duquesne Light Company in support of its proposed increase in base rates fully justify the proposed increase. Duquesne Light Company's proposed rates are just, reasonable, nondiscriminatory and fully comply with all applicable provisions of the

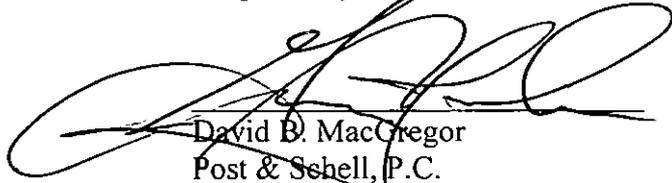
Public Utility Code and opinions of the appellate courts of Pennsylvania interpreting the Public Utility Code.

9. The averments of Paragraph No. 9 of the Complaint are conclusions of law, to which no response is required.
10. The averments of Paragraph No. 10 of the Complaint contain DII and IECPA's opinions with regard to subjects which the Commissions should investigate in this proceeding. It is denied that investigation of the subjects listed by them is necessary or appropriate. To the contrary, testimony and exhibits filed by Duquesne Light Company fully support the proposed increase in base rates.
11. The averments of Paragraph No. 11 of the Complaint are requests for relief to which no response is required. By way of further response, however, Duquesne Light Company does not object to DII's or IECPA's participation in the above-captioned proceeding.

WHEREFORE, for all the foregoing reasons, Duquesne Light Company respectfully requests that the complaint of the DII and IECPA be denied.

Dated this 10<sup>th</sup> of May, 2006.

Respectfully submitted,



David B. MacGregor  
Post & Schell, P.C.  
Four Penn Center  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808  
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Michael W. Gang  
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Gary A. Jack, Esq.  
Assistant General Counsel  
Duquesne Light Company  
411 Seventh Avenue  
Pittsburgh, PA 15219  
412-393-1541  
412-393-1418 (fax)  
gjack@duqlight.com

VERIFICATION

RECEIVED

COMMONWEALTH OF PENNSYLVANIA )  
 )  
COUNTY OF ALLEGHENY )

SS

MAY 18 2006

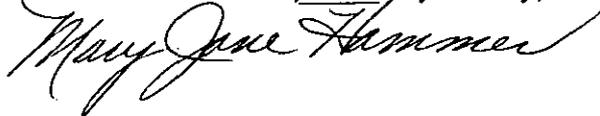
PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

I, John Howells, Manager of Rates for Duquesne Light Company, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Date: May 18, 2006

Sworn and subscribed before me this 18th day of May, 2006.



COMMONWEALTH OF PENNSYLVANIA  
Notarial Seal  
Mary Jane Hammer, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires Oct. 6, 2007  
Member, Pennsylvania Association of Notaries

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing answer 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 & E-MAIL

Charles Daniel Shields, Esquire  
Robert V. Eckenrod, Esquire  
Office of Trial Staff  
P. O. Box 3265  
Harrisburg, PA 17105-3265

Steven C. Gray, Esquire  
Office of Small Business Advocate  
1102 Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Tanya J. McCloskey  
David T. Evrard  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1923

Scott J. Rubin  
Public Utility Consulting  
3 Lost Creek Drive  
Selinsgrove, PA 17870-9357

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Pamela C. Polacek, Esquire  
Adam Benshoff, Esquire  
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Harrisburg, PA 17101-1166

Thomas Brogan, Esquire  
Brian J. Knipe, Esquire  
Klett Rooney Lieber & Schorling  
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Harrisburg, PA 17101-1503

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Daniel Clearfield, Esquire  
Wolf Block Schorr & Solis-Cohen LLP  
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Harrisburg, PA 17108-0865

Bernadine Creighton  
516 East End Avenue  
Pittsburgh, PA 15221

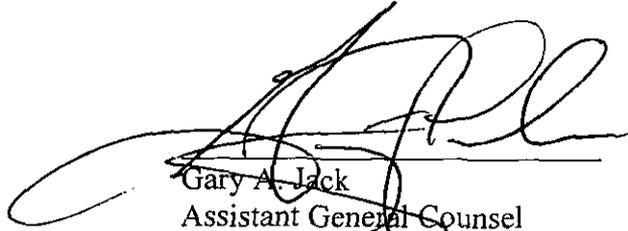
David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216

Kris Moser  
2002 Borland Road  
Pittsburgh, PA 15243-1530

David I. Fein, Sr.  
Martha A. Duggan  
Gregory Urbin  
Constellation NewEnergy, Inc.  
111 Market Place, Suite 700  
Baltimore, MD 21202

Timothy W. Merrill  
NRG Energy, Inc.  
111 S. Commons  
Pittsburgh, PA 15212

Gregory Rhodes  
One Oxford Centre, 40<sup>th</sup> Floor  
Pittsburgh, PA 15219

A handwritten signature in black ink, appearing to read 'G. Jack', written over a horizontal line.

Gary A. Jack  
Assistant General Counsel  
Duquesne Light Company  
411 Seventh Avenue, 8<sup>th</sup> Floor  
Pittsburgh, PA 15219  
(412) 393-1541  
(412) 393-1418 (Fax)  
[gjack@duqlight.com](mailto:gjack@duqlight.com)

Dated: May 18, 2006



**Duquesne Light**

*Our Energy...Your Power*

411 Seventh Avenue  
8<sup>th</sup> Floor  
Pittsburgh, PA 15219

Tel 412-393-1541  
Fax 412-393-1418  
gjack@duqlight.com

**Gary A. Jack**  
Assistant General Counsel

ORIGINAL

May 18, 2006

RECEIVED

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

MAY 18 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

DOCUMENT  
FOLDER

Re: Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company  
Docket No. 00061346C0002-

R-00061346

Dear Secretary McNulty:

Enclosed is Duquesne Light Company's Answer to Complaint of the Office of Consumer Advocate in the above-referenced case.

Sincerely yours,

Gary A. Jack

Enclosures

c: Certificate of Service

gja

RECEIVED

MAY 18 2006

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Pennsylvania Public Utility Commission :  
:  
v. :  
:  
Duquesne Light Company :

R-  
Docket No. 00061346C0002

DOCUMENT  
FOLDER

ANSWER TO COMPLAINT

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

Duquesne Light Company hereby answers the above-captioned Complaint of the Office of Consumer Advocate ("OCA").

1. The averments of paragraph No. 1 are admitted.
2. The averments of paragraph No. 2 of the Complaint are admitted.
3. Duquesne Light Company answers each of the separately designated subparagraphs of paragraph No. 3 as follows:
  - A. The averments of Paragraph No. 3.A. of the Complaint are denied as stated. It is admitted that on April 7, 2006, Duquesne Light Company filed PA PUC Tariff 24, together with supporting exhibits and testimony. Therein, Duquesne Light Company proposed increases in rates designed to product \$162.7 million in additional annual operating revenues, an average increase of approximately 13% over present revenues. The proposed increase in rates includes an increase in \$143.7 million in distribution revenues and a pass through of an additional \$19 million in charges that Duquesne Light Company pays for transmission

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JUN 07 2006

services that it purchases under tariffs regulated by the Federal Energy Regulatory Commission. It is admitted that the tariff was suspended by operation of law, until January 6, 2007, unless permitted by Pennsylvania Public Utility Commission (“Commission” or “PUC”) order to become effective at an earlier date.

- B. The averments of Paragraph No. 3.B. of the Complaint are admitted.
- C. Paragraph 3.C. of the Complaint summarizes, from OCA’s perspective, Duquesne Light Company’s proposals concerning the residential rate class. Duquesne Light Company’s proposals are contained in its proposed tariff and are explained in exhibits and written testimony submitted in support of the proposed increase in rates. These materials speak for themselves, and therefore, OCA’s characterizations of Duquesne Light Company’s proposals are denied as stated
- D. The averments of Paragraph 3.D. of the Complaint are admitted.
- E. The averments of Paragraph 3.E. of the Complaint are admitted.
- F. In response to Paragraph 3.F. of the Complaint, it is admitted that Duquesne Light Company has proposed the Distribution System Improvement Charge (“DSIC”) which generally would permit Duquesne Light Company to recover costs associated with distribution system upgrades, subject to certain limitations,

between base rate proceedings through a surcharge mechanism. By way of further response, testimony and exhibits setting forth and explaining Duquesne Light Company's DSIC proposal are incorporated therein by reference.

- G. The averments of Paragraph 3.G. of the Complaint are conclusions of law to which no response is required.
- H. The averments of Paragraph 3.H. of the Complaint are denied. To the contrary, Duquesne Light Company's proposed increase in rates, and other tariff changes are just, reasonable, and comply fully with all applicable provisions of the Public Utility Code and opinions of the Pennsylvania appellate courts interpreting the Public Utility Code. The proposed increase in rates will merely provide to Duquesne Light Company a reasonable opportunity to achieve a fair rate of return.
- I. The averments of Paragraph 3.I. of the Complaint are denied. To the contrary, Duquesne Light Company's proposed rates are not unreasonably discriminatory and comply fully with all applicable provisions of the Public Utility Code and opinions of the Pennsylvania appellate courts interpreting the Public Utility Code. Further, Duquesne Light Company's proposed rates are consistent with sound public policy and ratemaking principles.
- J. The averments of Paragraph 3.J. of the Complaint are denied. To the contrary, Duquesne Light Company's proposed DSIC is just,

reasonable, and complies fully with all applicable provisions of the *Public Utility Code and opinions of the Pennsylvania appellate courts* interpreting the Public Utility Code. Further, the DSIC is consistent with sound public policy and ratemaking principles.

K. The averments of Paragraph 3.K. of the Complaint are denied. To the contrary, Duquesne Light Company's proposed Transmission Service Charge ("TSC") is fair, equitable, and will not harm customers. In fact, the TSC provides only for recovery by Duquesne Light Company of its actual transmission costs, which are incurred under rates regulated by the Federal Energy Regulatory Commission.

L. Subparagraph 3.L. of the Complaint is a statement of OCA's subjective intent in this proceeding. As such, it is not an averment of fact, and therefore, no response is required.

M. The averments of Paragraph No. 3.M. of the Complaint are denied. To the contrary, Duquesne Light Company's existing and proposed rates, rules and regulations are just, reasonable and comply fully with all applicable provisions of the Public Utility Code and are consistent with sound public policy and ratemaking principles.

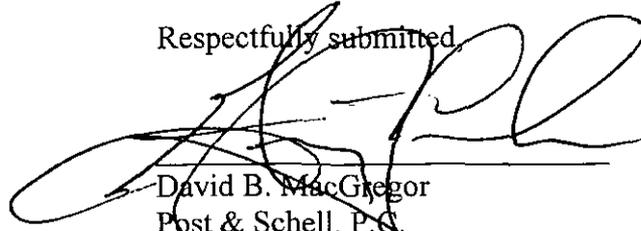
N. The averments of Paragraph 3.N. of the Complaint are statement of OCA's subjective intent in this proceeding. As such, they are not averments of fact, and therefore, no response is required.

4. The averments of Paragraph No. 4 of the Complaint are requests for relief to which no response is required.

WHEREFORE, for all the foregoing reasons, Duquesne Light Company respectfully requests that the complaint of the OCA be denied.

Dated this 16<sup>th</sup> of May, 2006.

Respectfully submitted,



David B. MacGregor  
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Gary A. Jack, Esq.  
Assistant General Counsel  
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gjack@duqlight.com

VERIFICATION

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COMMONWEALTH OF PENNSYLVANIA )  
: )  
COUNTY OF ALLEGHENY )

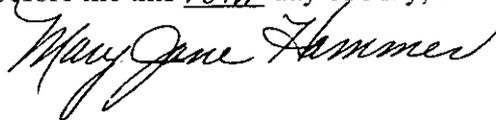
MAY 18 2006  
SS  
PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

I, John Howells, Manager of Rates for Duquesne Light Company, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

  
\_\_\_\_\_

Date: May 18, 2006

Sworn and subscribed before me this 18th day of May, 2006.



COMMONWEALTH OF PENNSYLVANIA

Notarial Seal  
Mary Jane Hammer, Notary Public  
City of Pittsburgh, Allegheny County  
My Commission Expires Oct. 6, 2007

Member, Pennsylvania Association of Notaries

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing answer 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 & E-MAIL

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Harrisburg, PA 17105-3265

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MAY 18 2006

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SECRETARY'S BUREAU

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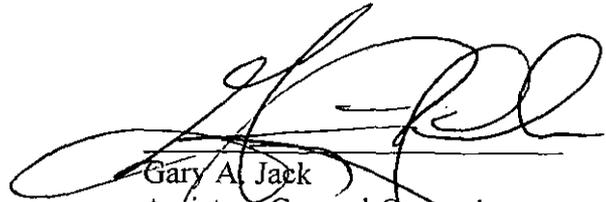
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Pittsburgh, PA 15216

Kris Moser  
2002 Borland Road  
Pittsburgh, PA 15243-1530

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Gregory Urbin  
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Baltimore, MD 21202

Timothy W. Merrill  
NRG Energy, Inc.  
111 S. Commons  
Pittsburgh, PA 15212

Gregory Rhodes  
One Oxford Centre, 40<sup>th</sup> Floor  
Pittsburgh, PA 15219

A handwritten signature in black ink, appearing to read "Gary A. Jack", written over a horizontal line.

Gary A. Jack  
Assistant General Counsel  
Duquesne Light Company  
411 Seventh Avenue, 8<sup>th</sup> Floor  
Pittsburgh, PA 15219  
(412) 393-1541  
(412) 393-1418 (Fax)  
[gjack@duqlight.com](mailto:gjack@duqlight.com)

Dated: May 18, 2006



**Duquesne Light**

*Our Energy...Your Power*

**Gary A. Jack**  
Assistant General Counsel

411 Seventh Avenue  
8<sup>th</sup> Floor  
Pittsburgh, PA 15219

Tel 412-393-1541  
Fax 412-393-1418  
gjack@duqlight.com

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May 18, 2006

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MAY 18 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

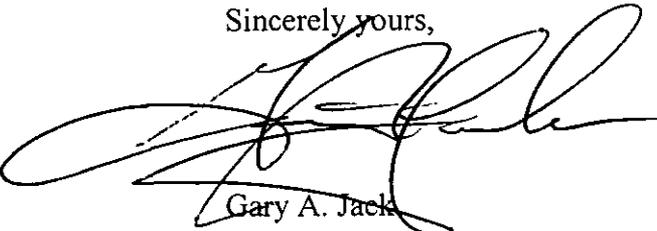
James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company  
Proceeding No. R-00061346

Dear Secretary McNulty:

Enclosed for filing is a Seven Month Suspension Supplement No. 1 filed in triplicate which reflects the suspension of the proposed rates for a period of up to seven months or to January 6, 2007, unless otherwise directed.

Sincerely yours,



Gary A. Jack

Enclosures

c: Parties of Record

64

DOCUMENT  
FOLDER

SUPPLEMENT NO. 1  
TO ELECTRIC - PA. P.U.C. NO. 24

ORIGINAL



# 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

**Morgan K. O'Brien**  
President and Chief Executive Officer

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MAY 18 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

The application of rates proposed in Tariff Electric - PA P.U.C. No. 24 filed to become effective June 6, 2006, is hereby suspended until January 6, 2007, by operation of law at Docket No. R-00061346. Presently effective rates contained in Tariff Electric - PA P.U.C. No. 23 and supplements thereto, will continue in effect until otherwise amended.

ISSUED: May 17, 2006

Issued in compliance with  
Title 66 PA C.S. §1308(d)

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the attached tariff 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 & E-MAIL

Charles Daniel Shields, Esquire  
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Office of Trial Staff  
P. O. Box 3265  
Harrisburg, PA 17105-3265

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

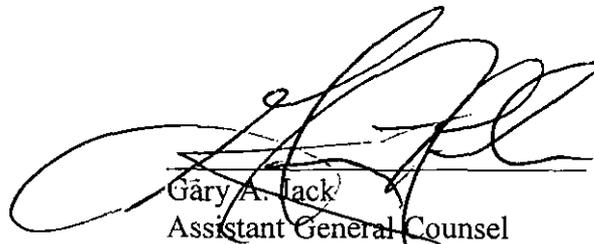
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NRG Energy, Inc.  
111 S. Commons  
Pittsburgh, PA 15212

Gregory Rhodes  
One Oxford Centre, 40<sup>th</sup> Floor  
Pittsburgh, PA 15219

A handwritten signature in black ink, appearing to read "Gary A. Jack", is written over a horizontal line. The signature is stylized and cursive.

Gary A. Jack  
Assistant General Counsel  
Duquesne Light Company  
411 Seventh Avenue, 8<sup>th</sup> Floor  
Pittsburgh, PA 15219  
(412) 393-1541  
(412) 393-1418 (Fax)  
[gjack@duqlight.com](mailto:gjack@duqlight.com)

Dated: May 18, 2006



May 19, 2006

**ORIGINAL**

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, Pennsylvania 17105-3265

Re: Duquesne Light Company Base Rate Case  
Docket No. R-00061346

Dear Secretary McNulty:

Enclosed please find originals and three copies of the Protest and Petition to Intervene and Prehearing Memorandum filed on behalf of Citizens for Pennsylvania's Future, Heather Sage, Andrea Boykowycz, and Timothy J. Sullivan, Jr. in the above-captioned consolidated matter. Copies are being served on the parties as set forth in the Certificate of Service.

If you have any questions, please contact me at (412) 258-6684.

Sincerely,

*George Jugovic Jr.*  
George Jugovic Jr.  
Senior Attorney

**DOCUMENT  
FOLDER**

cc: Hon. Larry Gesoff  
Certificate of Service

2006 MAY 19 PM 3:53  
P.A.P.C.  
SECRETARY'S BUREAU

62

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

Duquesne Light Company

DOCUMENT  
FOLDER

Docket No. R-00061346

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2006 JUL 19 PM 3:53  
SECRETARY'S BUREAU

PROTEST AND PETITION TO INTERVENE

Through counsel, Citizens for Pennsylvania's Future ("PennFuture"), Heather Sage, Andrea Boykowycz, and Timothy J. Sullivan, Jr. (collectively, "Petitioners") hereby protest the Base Rate Filing on April 7, 2006 of Duquesne Light Company ("Duquesne Light," Docket No. R-0061346) and petition the Pennsylvania Public Utility Commission ("Commission") to grant Petitioners, individually and collectively, status as Intervenors in the above-captioned proceedings of the Commission (the "Proceedings") pursuant to 52 Pa. Code §§ 5.51-53, 5.73-75 (as amended, 2006). The Commission will consider these matters for compliance with the Pennsylvania Public Utility Code, Title 66 of the Pennsylvania Consolidated Statutes (the "Code"), and determine, among other things, whether the rates proposed are just and reasonable.

Petitioners provide the following in support of their Petition to Intervene:

- I. Petitioners are:
  - a. Citizens for Pennsylvania's Future (PennFuture), a Pennsylvania nonprofit corporation with offices in Harrisburg, Philadelphia, West Chester, and Pittsburgh, Pennsylvania ([www.pennfuture.org](http://www.pennfuture.org)). PennFuture's principal business location is 610 North Third Street, Harrisburg, PA 17101, tel. (717) 214-7920. PennFuture has members who live in the Duquesne Light service territory, are customers of Duquesne

**DOCKETED**  
SEP 15 2006

Light, and receive service from Duquesne Light. PennFuture engages in policy development, public education, litigation and other strategies to achieve its goals, including promoting clean sources of energy and protecting Pennsylvania's environment.

b. Heather Sage, receives distribution service from Duquesne Light and resides at 454 44<sup>th</sup> Street, Pittsburgh, Pennsylvania, 15201.

c. Andrea Boykowycz receives distribution service from Duquesne Light and resides at 3440 Parkview Avenue, Pittsburgh, Pennsylvania, 15213.

d. Timothy J. Sullivan, Jr. receives distribution service from Duquesne Light and resides at 414 Stratton Lane, Pittsburgh, Pennsylvania, 15206.

2. The name and contact information of counsel for Petitioners is:

George Jugovic, Jr., Senior Attorney  
PennFuture  
425 Sixth Avenue, Suite 2770  
Pittsburgh, Pennsylvania 15219  
Phone: 412-258-6684  
Fax: 412-258-6685  
[Jugovic@pennfuture.org](mailto:Jugovic@pennfuture.org)

3. Each individual Petitioner is directly and personally affected by the Proceedings, which reasonably may be expected to affect the safety, reliability, cleanliness and affordability of their public utility service. Each individual Petitioner depends on electric distribution service from Duquesne Light to meet basic necessities of life and risks health and financial consequences if service is not provided in a safe, reliable, clean, and affordable manner.

4. As ratepayers and members of the public, each Petitioner has a right and interest in assuring that safe, reliable, clean and affordable public utility service, and participation in these Proceedings is an appropriate way to protect these rights and

interests. Petitioners may intervene in this proceeding pursuant to 52 Pa. Code §§ 5.51-53, 5.73-75.

5. To the extent these Proceedings will result in higher rates for customers, Petitioners seek to mitigate the adverse economic impact of these rates by promoting energy efficiency, reducing demand, and reducing pollution.

6. Petitioners have interests in and perspectives on issues in this proceeding that are not adequately represented by other parties of record.

7. Petitioners intend to review, analyze, present testimony, regarding whether the rates proposed are just and reasonable and whether these rates provide for safe, reliable, clean, and/or affordable utility service. There issues include but are not limited to whether the proposals at issue in the Proceedings provide for cleaner and renewable energy, conservation, energy efficiency, and peak demand reduction.

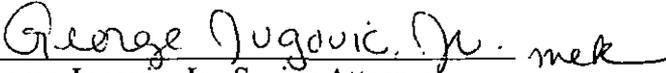
8. Petitioners reserve the right to raise other and more specific issues as necessary and appropriate during the course of the proceeding and to respond to issues raised by other parties.

9. Petitioner understands that the Commission, by practice, seeks to have all intervenors in the case within sixty days after the filing of a Base Rate Case, which in this case would be June 7, 2006.

For the foregoing reasons, Petitioners respectfully request that the Commission grant this Petition and confer status as Intervenors in these Proceedings.

Respectfully submitted,

DATE: 5/19/06

  
George Jugovic, Jr., Senior Attorney  
Pa. Bar Id. No. 39586  
PennFuture  
425 Sixth Avenue, Suite 2770  
Pittsburgh, Pennsylvania 15219  
Phone: 412-258-6684  
Fax: 412-258-6685  
[Jugovic@pennfuture.org](mailto:Jugovic@pennfuture.org)

**VERIFICATION**

I, Edward M. McGovern, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements made herein are subject to the penalties of 18 Pa.C.S. Section 4907 (relating to unsworn falsification to authorities).

5/19/06  
Date



Edward M. McGovern  
Director of Administration  
and Member Services  
Citizens for Pennsylvania's Future  
610 North Third St.  
Harrisburg, PA 17101  
(717) 214-7920

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission

v.

Duquesne Light Company

Docket No. R-00061346

**PREHEARING MEMORANDUM**

Petitioners PennFuture, Heather Sage, Andrea Boykowycz, and Timothy J. Sullivan, Jr. (collectively, "Petitioners") hereby file this Pretrial Memorandum in order to advise the Commission of its expected witnesses, testimony and issues to be contested upon being granted Intervenor status.

**DOCUMENT  
FOLDER**

1. Counsel/Service List

Please add counsel for Petitioner/Intervenors to the service list in this matter:

George Jugovic, Jr., Senior Attorney  
PA. Bar Id. No. 39586  
PennFuture  
425 Sixth Avenue, Suite 2770  
Pittsburgh, Pennsylvania 15219  
Phone: 412-258-6684  
Fax: 412-258-6685  
[Jugovic@pennfuture.org](mailto:Jugovic@pennfuture.org)

2006 SEP 19 PM 3:53  
SECRETARY'S BUREAU

2. Expected Witnesses and Testimony

The Petitioners propose to call the following witnesses to provide testimony as follows:

- a. Thomas J. Tuffey  
Center for Energy, Enterprise and the Environment  
212 West Gay Street  
West Chester, PA 19380  
(610) 696-8061

**DOCKETED**  
SEP 15 2006

Dr. Tuffey' testimony would address the need for funding cleaner, renewable energy development, including wind energy, solar energy, and biomass energy. Among other things, Dr. Tuffey would address existing funding for the Pennsylvania Energy Development Authority and the Pennsylvania Energy Harvest program. Dr. Tuffey would also discuss the Pennsylvania Alternative Energy Portfolio Standard.

- b. Paul Chernick, President  
Resource Insight, Inc.  
5 Water Street  
Arlington, MA 02176  
(781) 646-1505 x207

Mr. Chernick's testimony would address the merits of developing real-time pricing programs in the Duquesne Light service territory, and address what such a program would constitute, including but not limited to rate-design options, education and marketing, price risk management, system design, and data sharing and analysis.

- c. John Plunkett, Partner  
Green Energy Economics Group, Inc.  
1002 Jerusalem Road  
Bristol, VT 05443  
(802) 453-4960

Mr. Plunkett's testimony would address energy efficiency programs in the Duquesne Light service territory and resulting electricity and economic savings. These programs involve investments in cost-effective energy efficiency that will save energy, reduce pollution, and lower both the cost of energy supply and the customer's cost of service. Such programs are now being implemented, and planned for implementation, in neighboring states.

- d. John Hanger, President  
PennFuture  
610 North Third Street  
Harrisburg, PA 17101  
(717) 214-7920

Mr. Hanger's testimony would address policy issues raised by this proceeding, including but not limited to issues involving cleaner and renewable energy, energy efficiency, and real-time pricing.

3. Issues in the Proceeding

Subject to further development of the record in this matter, the Petitioners intend to focus their participation on the issues identified with our expected witnesses and testimony outlined above. Subject to further investigation, we are considering the following positions on these issues: that Duquesne Light should provide adequate funding for cleaner, renewable energy programs; that Duquesne Light should evaluate implementation of real-time pricing for its service territory; and that Duquesne Light should implement and/or expand energy efficiency programs.

4. Evidence

Based on information available to the Petitioners at this stage of the proceeding, we propose to present as evidence at hearing the written testimony of Dr. Tuffey, Mr. Chernick, Mr. Plunkett, and Mr. Hanger on the issues described above, and such additional evidence as we identify during the course of this proceeding.

Respectfully submitted,

DATE: 5/19/06

George Jugovic, Jr.  
George Jugovic, Jr., Senior Attorney *mele*  
Pa. Bar Id. No. 39586  
PennFuture  
425 Sixth Avenue, Suite 2770  
Pittsburgh, Pennsylvania 15219  
Phone: 412-258-6684  
Fax: 412-258-6685  
Jugovic@pennfuture.org

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission

v.

Duquesne Light Company

Docket No. R-00061346

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing documents were served, by first class mail, upon the participants listed in the Service List attached to the Prehearing Order of May 12, 2006, issued by Judge Gesoff in this matter.

*George Jugovic, Jr.*

George Jugovic, Jr., Senior Attorney

Pa. Bar Id. No. 39586

PennFuture

425 Sixth Avenue, Suite 2770

Pittsburgh, Pennsylvania 15219

Phone: 412-258-6684

Fax: 412-258-6685

[Jugovic@pennfuture.org](mailto:Jugovic@pennfuture.org)

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2006 MAY 19 PM 3:53  
SECRETARY'S BUREAU

SERVICE LIST: R-00061346

Served electronically and First Class mail

Michael Gang, Esquire  
Anthony D. Kanagy, Esquire  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601

David MacGregor, Esquire  
Post & Schell, P.C.  
Four Penn Centre  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808

Gary Jack, Esquire  
Duquesne Light Company  
411 Seventh Avenue, 16-2  
Pittsburgh, PA 15219

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David T. Evrard, Esquire  
Darryl Lawrence, Esquire  
Office of Consumer Advocate  
Forum Place, 5th Floor  
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Harrisburg, PA 17101-1923

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

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Adam L. Benschhoff, Esquire  
McNees Wallace & Nurick  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17101-1166

Scott Rubin, Esquire  
3 Lost Creek Drive  
Selinsgrove, PA 17870

Thomas P. Brogan, Esquire  
Brian J. Knipe, Esquire  
Klett Rooney Lieber & Schorling  
17 North Second Street, 15<sup>th</sup> Floor  
Harrisburg, PA 17101-1503.

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Daniel Clearfield, Esquire  
Wolf block Schorr & Solis-Cohen LLP  
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Bernadine Creighton  
516 East End Avenue  
Pittsburgh, PA 15221

David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216



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IRWINA. POPOWSKY  
Consumer Advocate

FAX (717) 783-7152  
consumer@paoca.org

May 19, 2006

DOCUMENT  
FOLDER

Michael W. Gang, Esquire  
Post & Schell, P.C.  
12<sup>th</sup> Floor  
17 North Second Street  
Harrisburg, PA 17101-1601

RE: Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company  
Docket No. R-00061346

Dear Mr. Gang:

Enclosed you will find two copies of the Office of Consumer Advocate's Interrogatories, Set III, in the above-referenced proceeding.

In accordance with the Commission's Rules of Practice and Procedure, we request that the Company provide answers to these inquiries within fifteen (15) days of service. Also, please forward the answers as they are completed, rather than waiting until the responses to the full set are completed. We would appreciate it if you would communicate any objections you may have to these interrogatories as soon as possible.

We also request that you send a copy of the answers directly to our consultant, as listed below:

Stephen G. Hill  
4000 Benedict Rd.  
P.O. Box 587  
Hurricane, WV 25526  
E-Mail: sghill@compuserve.com

SEARCHED  
SERIALIZED  
INDEXED  
MAY 22 2006  
FBI - PHOENIX

Mr. Michael W. Gang, Esquire  
May 19, 2006  
Page 2

If you have any questions, please call us. By copy of this letter, copies of these interrogatories have been served upon all parties.

Sincerely,



David T. Evrard  
Assistant Consumer Advocate  
Attorney ID# 33870

Enclosures

cc: All parties of record

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :  
v. : Docket No. R-00061346  
Duquesne Light Company :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Interrogatories Set III, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 19<sup>th</sup> day of May 2006.

SERVICE BY E-MAIL and INTEROFFICE MAIL

Charles Shields, Esquire  
Robert Eckenrod, Esquire  
Charles T. Weakley  
Michael Gruber  
Janet Markovich  
Antonio Maceo  
Robert Plonski  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265

SERVICE BY E-MAIL and/or FIRST CLASS MAIL

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(e-mail: gjack@duglight.com)

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Counsel For: *Duquesne Light Company*

Michael W. Gang, Esquire  
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Counsel For: *Duquesne Light Company*

Steven C. Gray  
Assistant Small Business Advocate  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North Second Street  
Harrisburg, PA 17101  
Counsel For: *Office of Small Business Advocate*

Pamela Polacek, Esquire  
Adam L. Benschoff, Esquire  
McNees, Wallace, & Nurick, LLC  
100 Pine Street  
P.O. Box 1166  
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Counsel For: *Duquesne Industrial Intervenors*

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Counsel For: *Constellation New Energy/NRG*

W. Gregory Rhodes  
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Counsel For: *Constellation NewEnergy/NRG  
Energy Ctr Pitt*

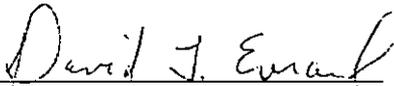
Scott J. Rubin, Esquire  
3 Lost Creek Drive  
Selinsgrove, PA 17870  
Counsel For: *International Brotherhood of Elec.  
Workers 29*

John E. McCaffrey  
Stinson Morrison Hecker, LLP  
1150 18<sup>th</sup> Street N.W., Suite 800  
Washington, D.C. 20036-3816  
Counsel For: *Citizen Power, Inc.*

David I. Fein, Sr. Regulatory Counsel  
Martha A. Duggan, VP  
Gregory Urbin  
111 Market Place, Suite 700  
Baltimore, MD 21202  
Counsel For: *Constellation NewEnergy, Inc.*

Daniel Clearfield, Esquire  
Kevin J. Moody, Esquire  
Wolf Block Schorr & Solis-Cohen, LLP  
213 Market Street, 9<sup>th</sup> Floor  
Harrisburg, PA 17108-0865  
Counsel For: *Strategic Energy and RESA*

Timothy W. Merrill, VP & General Manager  
NRG Energy Center  
111 S. Commons  
Pittsburgh, PA 15212  
Counsel For: *NRG Energy, Inc.*



Tanya J. McCloskey  
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David T. Evrard  
Assistant Consumer Advocate  
PA Attorney I.D. # 33870  
E-Mail: DEvrard@paoca.org  
Darryl Lawrence  
Assistant Consumer Advocate  
PA Attorney I.D. # 93682  
E-Mail: DLawrence@paoca.org

Office of Consumer Advocate  
555 Walnut Street 5th Floor, Forum Place  
Harrisburg, PA 17101-1923  
Phone: (717) 783-5048  
Fax: (717) 783-7152

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**Duquesne Light**

*Our Energy...Your Power*

411 Seventh Avenue  
8<sup>th</sup> Floor  
Pittsburgh, PA 15219

Tel 412-393-1541  
Fax 412-393-1418  
gjack@duqlight.com

**Gary A. Jack**  
Assistant General Counsel

May 19, 2006

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, PA 17120

**ORIGINAL**

SECRETARY  
MAY 24 2006

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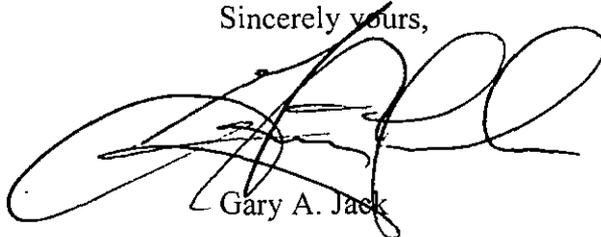
Re: Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company  
General Base Rate Case  
Docket No. R-00061346

DOCUMENT  
FOLDER

Dear Secretary McNulty:

Duquesne Light Company is utilizing a future test year (2006) as part of its above-referenced base rate case filing. Pursuant to Chapter 53.56, a public utility utilizing a future test year should submit for the record the results of the actual experience in the future test year for each quarter. Enclosed are the Duquesne Light Company's results for the first quarter.

Sincerely yours,



Gary A. Jack

Enclosure

c: Parties of Record  
Judge Larry Gesoff  
Judge Michael Nemecc

27

**DUQUESNE LIGHT COMPANY**  
**STATEMENT OF INCOME**  
 First Quarter Update

Account	Budget 1st Qtr	Actual Results 1st Qtr
<b>UTILITY OPERATING INCOME</b>		
Operating Revenues (400)	179,662,221	174,027,533
<b>Operating Expenses</b>		
Purchased Power	88,403,848	86,576,696
Operating Expenses (401,402)	37,973,869	35,482,537
Depreciation Expense (403)	15,820,162	15,310,125
Amort. & Depl. Of Utility Plant (404-405)	824,418	838,196
Regulatory Debits (Credits), net (407.3,407.4)	2,324,040	2,260,667
Taxes Other Than Income Taxes (408.1)	12,681,975	11,970,031
Income Taxes - Federal (409.1)	392,673	(10,609,508)
Income Taxes - Other (409.1)	124,519	1,146,129
Provision for Deferred Income Taxes, net (410.1,411.1)	4,171,290	13,874,848
Investment Tax Credit, net	(363,673)	(363,673)
Total Utility Operating Expenses	162,353,121	156,466,048
Net Utility Operating Income	17,309,100	17,561,485
<b>OTHER INCOME AND DEDUCTIONS</b>		
<b>Other Income</b>		
Equity in Earnings of Subsidiary Companies (418.1)	55,250	28,439
Interest and Dividend Income (419)	380,721	835,728
Allowance for Other Funds Used During Construction (419.1)	291,652	828,954
Miscellaneous Nonoperating Income (421)	358,410	830,030
Gain on Disposition of Property (421.1)	-	-
Total Other Income	1,086,032	2,521,151
<b>Other Income Deductions</b>		
Loss on Disposition of Property (421.2)		
Donations (426.1)	447,000	234,895
Penalties (426.3)	-	-
Exp. for Certain Civic, Political, & Related Activities (426.4)	105,986	108,880
Other Deductions (426.5)	360,216	347,709
Total Other Income Deductions	913,202	691,484
<b>Taxes Applicable to Other Income and Deductions</b>		
Income Taxes - Federal (409.2)	(78,127)	397,267
Income Taxes - Other (409.2)	272,709	506,446
Total Taxes on Other Inc. and Ded.	194,582	903,713
<b>Net Other Income and Deductions</b>	(21,752)	925,954
<b>Interest Charges</b>		
Interest on Long-Term Debt (427)	9,534,895	9,555,129
Amortization of Debt Disc. and Expense (428)	910,170	914,135
Amortization of Premium on Debt - Credit (429)	-	-
Amortization of Gain on Reacquired Debt - Credit (429.1)	(29,917)	(29,917)
Interest on Debt to Assoc. Companies (430)	-	-
Other Interest Expense (431)	99,684	55,456
Allowance for Borrowed Funds Used During Construction-Cr. (432)	(178,999)	(358,285)
Net Interest Charges	10,335,833	10,136,518
<b>Net Income</b>	<b>\$ 6,951,515</b>	<b>\$ 8,350,921</b>

SECRETARY BUREAU

2006 MAY 24 AM 9:24

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing first quarter report 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 & E-MAIL

Charles Daniel Shields, Esquire  
Robert V. Eckenrod, Esquire  
Office of Trial Staff  
P. O. Box 3265  
Harrisburg, PA 17105-3265

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

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David T. Evrard  
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Adam Benshoff, Esquire  
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Brian J. Knipe, Esquire  
Klett Rooney Lieber & Schorling  
17 North Second Street, 15<sup>th</sup> Floor  
Harrisburg, PA 17101-1503

Kevin J. Moody, Esquire  
Daniel Clearfield, Esquire  
Wolf Block Schorr & Solis-Cohen LLP  
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David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216

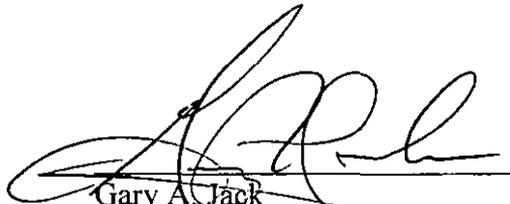
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Pittsburgh, PA 15243-1530

David I. Fein, Sr.  
Martha A. Duggan  
Gregory Urbin  
Constellation NewEnergy, Inc.  
111 Market Place, Suite 700  
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Timothy W. Merrill  
NRG Energy, Inc.  
111 S. Commons  
Pittsburgh, PA 15212

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Assistant General Counsel  
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(412) 393-1541  
(412) 393-1418 (Fax)  
[gjack@duqlight.com](mailto:gjack@duqlight.com)

Dated: May 19, 2006

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2006 MAY 24 AM 9:24

PA P.U.C.  
SECRETARY'S BUREAU

COMMONWEALTH OF PENNSYLVANIA



OFFICE OF CONSUMER ADVOCATE

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IRWINA. POPOWSKY  
Consumer Advocate

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consumer@paoca.org

May 22, 2006

DOCUMENT  
FOLDER

Michael W. Gang, Esquire  
Post & Schell, P.C.  
12<sup>th</sup> Floor  
17 North Second Street  
Harrisburg, PA 17101-1601

RE: Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company  
Docket No. R-00061346

Dear Mr. Gang:

Enclosed you will find two copies of the Office of Consumer Advocate's Interrogatories, Set IV, in the above-referenced proceeding.

In accordance with the Commission's Rules of Practice and Procedure, we request that the Company provide answers to these inquiries within fifteen (15) days of service. Also, please forward the answers as they are completed, rather than waiting until the responses to the full set are completed. We would appreciate it if you would communicate any objections you may have to these interrogatories as soon as possible.

We also request that you send a copy of the answers directly to our consultant, as listed below:

Lafayette Morgan  
Exeter Associates, Inc.  
Suite 310  
5565 Sterrett Place  
Columbia, MD. 21044  
E-mails: lmorgan@exeterassociates.com

SECRETARY'S BUREAU  
2006 MAY 22 PM 3:54

Mr. Michael W. Gang, Esquire  
May 22, 2006  
Page 2

If you have any questions, please call us. By copy of this letter, copies of these interrogatories have been served upon all parties.

Sincerely,



Darryl Lawrence  
Assistant Consumer Advocate  
PA Attorney I.D. # 93682

Enclosures

cc: All parties of record

James J. McNulty, Certificate of Service only

88619.doc

CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :  
v. : Docket No. R-00061346  
Duquesne Light Company :

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Interrogatories Set IV, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 22<sup>nd</sup> day of May 2006.

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Charles Shields, Esquire  
Robert Eckenrod, Esquire  
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Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265  
By e-mail only: Charles T. Weakley at cweakley@state.pa.us; Michael Gruber at mgruber@state.pa.us; Janet Markovich at jmarkovich@state.pa.us ; Antonio Maceo at amaceo@state.pa.us and Robert Plonski at rplonski@state.pa.us.

SERVICE BY E-MAIL and/or FIRST CLASS MAIL

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Mail Drop 8-2  
Pittsburgh, PA 15219  
For: *Duquesne Light Company*  
(e-mail: gjack@duglight.com)

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Four Penn Center  
1600 John F. Kennedy Boulevard  
Philadelphia, PA 19103-2808  
Counsel For: *Duquesne Light Company*

Michael W. Gang, Esquire  
Post & Schell, P.C.  
12<sup>th</sup> Floor  
17 North Second Street  
Harrisburg, PA 17101-1601  
Counsel For: *Duquesne Light Company*

Steven C. Gray  
Assistant Small Business Advocate  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North Second Street  
Harrisburg, PA 17101  
Counsel For: *Office of Small Business Advocate*

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Pittsburgh, PA 15219  
Counsel For: *Constellation NewEnergy/NRG  
Energy Ctr Pitt*

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Workers 29*

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Martha A. Duggan, VP  
Gregory Urbin  
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Baltimore, MD 21202  
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SERVICE BY FIRST CLASS MAIL

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COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
Office of Administrative Law Judge  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

Tel: 412-565-3550  
Fax: 412-565-5692

IN REPLY PLEASE  
REFER TO OUR FILE

May 23, 2006

**DOCUMENT  
FOLDER**

David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216

RECEIVED  
2006 MAY 25 AM 8:51  
PA P.U.C. BUREAU  
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v. Duquesne Light Company  
Docket Number R-00061346 and associated Complaints

Dear Dr. McAdams:

I am the Administrative Law Judge assigned by the Public Utility Commission to preside in the above-referenced case.

By virtue of the formal Complaint you filed in this general rate increase case, you have been added to the service list as a party.

You received a copy of the prehearing order dated May 12 which sets forth the entire schedule for proceedings in the case.

As a party you will be expected to serve written testimony, participate in discovery, attend and present evidence at the hearing in Harrisburg, and file both a Main and Reply Brief. Additionally, you will receive all documents served by the other parties and all notices, orders and letters from the Pennsylvania Public Utility Commission issued in connection with this case.

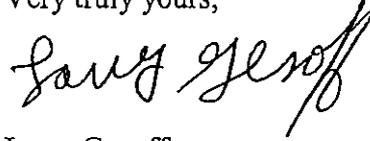
If it was not your intent to participate in this case to the full extent expected of a party, you can:

1. advise me, in writing, that you want to withdraw your formal Complaint and you will be removed from the parties' service list. If you withdraw your formal Complaint, you may appear and testify at one of the scheduled Public Input Hearing sessions;

or,

2. you can contact the company's attorney, Michael W. Gang, Esquire, at (717) 731-1970 and authorize him to file a Certificate of Satisfaction with respect to your formal Complaint.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Larry Gesoff".

Larry Gesoff  
Administrative Law Judge

cc: Service List  
New Filing ✓  
Veronica A. Smith, CALJ

SERVICE LIST: R-00061346

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Brian J. Knipe, Esquire  
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David J. McAdams, MD  
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Pittsburgh, PA 15216

Kris Moser  
2002 Borland Road  
Pittsburgh, PA 15221

RECEIVED  
2006 MAY 25 AM 8:57  
P.A.P.D.U.  
SECRETARY'S BUREAU



McNees Wallace & Nurick LLC  
attorneys at law

DOCUMENT  
FOLDER

PAMELA C. POLACEK  
DIRECT DIAL: (717) 237-5368  
E-MAIL ADDRESS: PPOLACEK@MWN.COM

May 25, 2006

**VIA E-MAIL AND FIRST CLASS MAIL**

Michael Gang, Esq.  
Post & Schell, P.C.  
17 North Second Street, 12th Floor  
Harrisburg, PA 17101-1601

Gary Jack, Esq.  
Duquesne Light Company  
411 Seventh Avenue, 16-2  
Pittsburgh, PA 15219

**RE: Duquesne Industrial Intervenors and Industrial Energy Consumers of  
Pennsylvania v. Duquesne Light Company;  
Docket No. R-00061346C0001**

Dear Messrs. Gang and Jack:

Please find enclosed two (2) copies of The Duquesne Industrial Intervenors' Interrogatories, Set I, to Duquesne Light Company in the above-referenced proceeding.

Please endeavor to forward responses in an organized manner as they are completed; it is not necessary to await completion of all responses prior to forwarding those completed more quickly. Please send one copy of the responses to the undersigned and one copy to DII's consultant at the following address:

Mr. Stephen Baron  
J. Kennedy and Associates, Inc.  
570 Colonial Park Drive  
Suite 305  
Roswell, GA 30075  
Phone: (770) 992-2027  
Fax: (770) 992-0806  
E-mail: [sbaron@jkenn.com](mailto:sbaron@jkenn.com)

SECRETARY'S OFFICE  
2006 MAY 25 PM 5:00  
REC'D

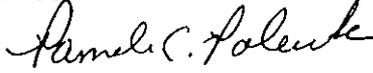
45

Michael Gang, Esq.  
Gary Jack, Esq.  
May 25, 2006  
Page 2

Please communicate any objections or questions that you may have to these interrogatories as quickly as possible. Thank you for your attention to this matter.

Very truly yours,

McNEES WALLACE & NURICK LLC

By   
Pamela C. Polacek

Counsel to the Duquesne Industrial  
Intervenors

PCP/nk

Enclosures

c: James J. McNulty, Secretary (transmittal letter only)  
Certificate of Service  
Mr. Steve Baron

**CERTIFICATE OF SERVICE**

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant).

**VIA FIRST CLASS MAIL**

Gary Jack, Esq.  
Duquesne Light Company  
411 Seventh Avenue 16-2  
Pittsburgh, PA 15219

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300 North Second Street  
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David T. Evrard, Esq.  
Office of Consumer Advocate  
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555 Walnut Street  
Harrisburg, PA 17101-19231

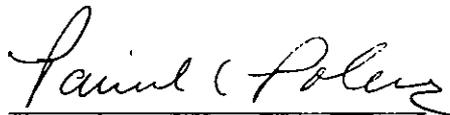
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Pamela C. Polacek

Counsel to Duquesne Industrial Intervenors and  
Industrial Energy Consumers of Pennsylvania

Dated this 25<sup>th</sup> day May, 2006, in Harrisburg, Pennsylvania.

# DOCUMENT FOLDER

## CERTIFICATE OF SERVICE

Pennsylvania Public Utility Commission :

v. :

Duquesne Light Company :

Docket No. R-00061346

SECRETARY'S BUREAU  
2006 MAY 25 PM 3:48  
RECEIVED

I hereby certify that I have this day served a true copy of the foregoing document, the Office of Consumer Advocate's Interrogatories Set V, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below:

Dated this 25<sup>th</sup> day of May 2006.

### SERVICE BY E-MAIL and INTEROFFICE MAIL

Charles Shields, Esquire  
Robert Eckenrod, Esquire  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265

By e-mail only: Charles T. Weakley at [cweakley@state.pa.us](mailto:cweakley@state.pa.us); Michael Gruber at [mgruber@state.pa.us](mailto:mgruber@state.pa.us); Janet Markovich at [jmarkovich@state.pa.us](mailto:jmarkovich@state.pa.us); Antonio Maceo at [arnaceo@state.pa.us](mailto:arnaceo@state.pa.us) and Robert Plonski at [rplonski@state.pa.us](mailto:rplonski@state.pa.us).

### SERVICE BY E-MAIL and FIRST CLASS MAIL

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Mail Drop 8-2  
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Counsel For: *Office of Small Business Advocate*

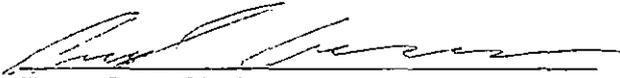
Thomas B. Brogan, Esquire  
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Counsel For: *International Brotherhood of  
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Tel: (717) 237-7160 ■ Fax: (717) 237-7161 ■ www.WolfBlock.com

# ORIGINAL

Kevin J. Moody  
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Direct Fax: (717) 237-2767  
E-mail: kmoody@wolfblock.com

May 26, 2006

## VIA HAND DELIVERY

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg.  
2nd Fl., 400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

# DOCUMENT FOLDER

RECEIVED  
2006 MAY 26 PM 1:39  
SECRETARIAT BUREAU

Re: Pennsylvania Public Utility Commission v. Duquesne  
Light Company; Docket Nos. R-00061346

Dear Secretary McNulty:

Enclosed for filing are the original and three (3) copies of the Strategic Energy, LLC's Petition to Intervene, in the above-referenced matter. As evidenced by the attached Certificate of Service, all parties of record have been served in the manner indicated.

If you have any questions regarding this filing, please contact me at your convenience.

Sincerely,



Kevin J. Moody

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

KJM/jls  
Enclosures

cc: Hon. Larry Gesoff (w/enc)  
Hon. Michael Nemec (w/enc)  
Certificate of Service (w/enc)

HAR:66011.1/STR163-236772

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission : R-00061346  
v. :  
Duquesne Light Company :  
:

RECEIVED  
2006 MAY 26 PM 1:39  
SECRETARY'S BUREAU

**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of Strategic Energy, LLC's Petition to Intervene on the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

**VIA FIRST CLASS MAIL**

Michael Gang, Esquire  
Anthony D. Kanagy, Esquire  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
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David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216

Date: May 26, 2006

  
\_\_\_\_\_  
Kevin J. Moody, Esquire

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company

:  
:  
:  
:  
:

R-00061346

**PETITION TO INTERVENE  
OF STRATEGIC ENERGY, LLC**

**DOCUMENT  
FOLDER**

RECEIVED  
2005 JUN 26 PM 1:39  
SECRETARY'S BUREAU

Pursuant to 52 Pa. Code §§ 5.72-5.74, Strategic Energy, LLC ("Strategic") petitions to intervene in the above-captioned proceeding which may significantly impact the electric energy market in Duquesne Light Company's ("Duquesne") service territory. In support of its request, Strategic states the following:

1. Strategic is a licensed electric generation supplier ("EGS") at A-110025 and serves load in Duquesne's control area. Strategic has participated in Duquesne's POLR I, POLR II and POLR III proceedings, Duquesne's initial attempt to join PJM-West (prior to POLR III), and Duquesne's proceeding which revised certain generation and transmission requirements for EGSs serving in the Duquesne control area (Docket No. R-00038092). Strategic serves commercial, industrial and government customers in Duquesne's service territory. This proceeding will directly affect Strategic's ability to continue to operate successfully in Duquesne's control area.

2. Strategic's counsel in this proceeding are:

Daniel Clearfield, Esquire  
Kevin J. Moody, Esquire  
Wolf, Block, Schorr & Solis-Cohen LLP  
213 Market Street, 9th Floor  
Harrisburg, PA 17101  
(717) 237-7160  
[DClearfield@wolfblock.com](mailto:DClearfield@wolfblock.com)  
[KMoody@wolfblock.com](mailto:KMoody@wolfblock.com)

**DOCKETED**  
JUN 02 2006

3. On April 7, 2006, Duquesne requested its first base rate increase since 1987. Duquesne's base rate filing was suspended by operation of law, and the Commission initiated an investigation into the lawfulness, justness and reasonableness of the distribution and transmission rates, as well as the rules and regulations, proposed in Duquesne's new tariff. The Commission's investigation also includes consideration of the lawfulness, justness and reasonableness of Duquesne's existing rates, rules and regulations.<sup>1</sup>

4. Under the Commission's regulations, a person may be granted intervention where the person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a)(3).

5. As an EGS serving load in Duquesne's control area and an active participant in Duquesne's prior PUC proceedings, Strategic has an obvious and direct interest in the outcome of this proceeding and therefore meets the standards for intervention set forth in 52 Pa. Code § 5.72(a). The level of distribution rates paid by shopping customers in Duquesne's market affects Strategic's customers in Duquesne's service territory, as well as Strategic's ability to retain these customers and to gain new customers. To the extent that Duquesne's existing and proposed distribution rates include costs that are related to generation costs for each customer class that are not included in Duquesne's POLR rates, these rates are unjust, unreasonable and unlawful. As the Commission's action in this proceeding will determine the just, reasonable and lawful level of Duquesne's distribution rates to be paid by Strategic's customers, Strategic's business interests will be affected and Strategic will be bound by the Commission's action in this proceeding.

---

<sup>1</sup> *Pa. P.U.C. v. Duquesne Light Company*, Docket No. R-00061346, Order entered May 4, 2006.

Thus, this proceeding may have a significant effect on the level of competition that will be experienced in Duquesne's market, and therefore a similar and direct effect on Strategic's ability to operate successfully and to offer attractive and valuable services to customers in Duquesne's market.

6. Strategic's intervention is also in the public interest. Strategic has participated in Duquesne's retail market beginning in Duquesne's transition period and continuing through Duquesne's post-transition period to the present. Strategic's experience in Duquesne's market enables Strategic to provide significant information and perspective on what is needed to *facilitate the continued development of Duquesne's competitive retail electricity market.* Strategic, based in Pittsburgh, is in Duquesne's market "for the long haul" provided that Duquesne's market design flaws are addressed and removed, or at least mitigated. Thus, Strategic also meets the standard for intervention in 52 Pa. Code § 5.72(a)(3).

7. Although a trade association to which Strategic belongs, the Retail Energy Supply Association ("RESA"), has sought to intervene in this proceeding in its own right, RESA's positions are determined by the consensus of its members and do not necessarily represent the position of any particular member. Also, Strategic has its own business model, and serves primarily business and government load. Thus, Strategic's interests in this proceeding are not adequately represented by either RESA or other EGSs that may participate in this matter but which have different business models, and focus on different customers, than Strategic. Accordingly, Strategic's interests are not adequately represented by other parties.

8. Strategic's intervention will not delay the adjudication of this proceeding. Strategic comes to this proceeding as it is, accepting the litigation schedule and procedures established by the ALJ.

WHEREFORE, the Strategic Energy, LLC requests that its Petition to Intervene in the above-captioned proceeding be granted.

Respectfully submitted,



---

Daniel Clearfield, Esquire  
Kevin J. Moody, Esquire  
Wolf, Block, Schorr & Solis-Cohen LLP  
213 Market Street, 9th Floor  
Harrisburg, PA 17101  
(717) 237-7160

Attorneys for Strategic Energy, LLC

Date: May 26, 2006

MORRIS, NICHOLS, ARSHT & TUNNELL LLP

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P.O. Box 1347  
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302 658 3989 FAX

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RECEIVED

May 26, 2006

MAY 26 2006

**BY FEDERAL EXPRESS**

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, Pennsylvania 17120

Re: Pennsylvania Public Utility Commission, et al. v. Duquesne Light Company,  
Docket Nos. R-00061346, et al.

Dear Secretary McNulty:

Enclosed for filing in the above referenced proceeding are the original and three copies of: (1) the Petition to Intervene of Comcast of California/Pennsylvania/Utah/Washington, Inc. (hereinafter "Comcast"); (2) Comcast's verification pursuant to 52 Pa. Code §1.36; (3) a Motion for Leave to Appear *Pro Hac Vice*; (4) Entry of Appearance for Jerry C. Harris, Jr., Esquire; and (5) a certificate of service for these submissions. Please date stamp the two extra copies and return them to the undersigned in the enclosed envelope.

If there are any problems with the filing, please contact me at the phone number or E-mail address above. Thank you.

Respectfully Submitted,

DOCUMENT  
FOLDER

MORRIS NICHOLS ARSHT & TUNNELL LLP

  
Geoffrey A. Sawyer III

Enclosures

cc: The Honorable Larry Gesoff (w/ enclosures)  
The Honorable Michael A. Nemeo (w/ enclosures)  
All participants to this proceeding (w/ enclosures per certificate of service)

**COMMONWEALTH OF PENNSYLVANIA  
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	R-00061346
	:	
Duquesne Industrial Intervenors and Industrial Energy Consumers of Pennsylvania	:	R-00061346C0001
	:	
Irwin A. Popowsky, Consumer Advocate	:	R-00061346C0002
	:	
Bernadine Creighton,	:	R-00061346C0003
	:	
David J. McAdams,	:	R-00061346C0004
	:	
Office of Small Business Advocate	:	R-00061346C0005
	:	
v.	:	
	:	
Duquesne Light Company	:	

**PETITION TO INTERVENE OF  
COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.**

Comcast of California/Pennsylvania/  
Utah/Washington, Inc.  
Shawn W. Johnson  
300 Corliss Street  
Pittsburgh, PA 15220  
Telephone: (412) 875-1149  
Facsimile: (412) 771-5302  
Email: [Shawn\\_Johnson2@cable.comcast.com](mailto:Shawn_Johnson2@cable.comcast.com)

MORRIS, NICHOLS, ARSHT & TUNNELL LLP  
Geoffrey A. Sawyer III (PA I.D. No: 95019)  
1201 N. Market Street  
P.O. Box 1347  
Wilmington, DE 19899-1347  
Telephone: (302) 658-9200  
Facsimile: (302) 658-3989  
E-mail: [gsawyer@mnat.com](mailto:gsawyer@mnat.com)

May 26, 2006

**RECEIVED**

MAY 26 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

COMMONWEALTH OF PENNSYLVANIA  
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,	:	R-00061346
Duquesne Industrial Intervenors and	:	R-00061346C0001
Industrial Energy Consumers of Pennsylvania	:	
Irwin A. Popowsky, Consumer Advocate	:	R-00061346C0002
Bernadine Creighton,	:	R-00061346C0003
David J. McAdams,	:	R-00061346C0004
Office of Small Business Advocate	:	R-00061346C0005

**DOCKETED**  
SEP 14 2006

v.

Duquesne Light Company

**DOCUMENT  
FOLDER**

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MAY 26 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PETITION TO INTERVENE OF  
COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.**

Pursuant to 52 Pa. Code §§ 5.71 to 5.74 Comcast of California/Pennsylvania/Utah/Washington, Inc. ("Petitioner" or "Comcast") hereby petitions the Commission for leave to intervene as a Party in this docket. In support thereof, Petitioner states as follows:

1. Petitioner's interest in the outcome of the proceeding is direct and significant. Petitioner is a significant customer of Duquesne Light Company ("Duquesne Light"). Petitioner, like other Duquesne Light business, industrial and residential customers, is dependent on Duquesne Light for reliable, safe and reasonably priced electrical services. Petitioner, unlike other Duquesne Light customers, however, uniquely relies on Duquesne Light to keep its cable and broadband networks up and running by means of thousands of Duquesne Light-served power supplies across their service

territories and at the many network operations centers and cable television headends throughout Duquesne Light's service area. Petitioner will be directly affected by the Commission's determinations in this proceeding.

2. Petitioner's, Comcast's, mail and email addresses, and telephone and fax numbers are as follows:

Comcast of California/Pennsylvania/  
Utah/Washington, Inc.  
Shawn W. Johnson  
300 Corliss Street  
Pittsburgh, PA 15220  
Telephone: (412) 875-1149  
Facsimile: (412) 771-5302

RECEIVED

MAY 26 2006

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

3. None of the other parties who have intervened or who are likely to intervene in these proceedings have interests that are identical to the unique interests of Petitioner. Petitioner's interest will not be adequately represented by any other party to this proceeding and the interests of Petitioner may be prejudiced and the record may not be fully developed if it is not permitted to intervene. Petitioner's participation in the docket will not unduly delay or prejudice the rights of other parties.

4. Petitioner intends to provide direct testimony on rate design issues, including billing determinants; class cost of service, including functionalization and classification of costs and class cost allocations; and revenue requirements, including rate of return.

5. Petitioner respectfully requests that it be granted leave to intervene in this proceeding as a party for all purposes, including presentation of testimony and other evidence, cross-examination, briefing, and oral argument. Petitioner reserves the right to present testimony on matters affecting Comcast as they arise develops in

Duquesne Light's direct case and in the other Intervenors' cases. Petitioner also reserves its right to provide post-hearing comments relating to this matter.

6. Petitioner will be represented by, and requests that all documents in this proceeding be served on, its attorneys at the following address:

Geoffrey A. Sawyer III  
Jerry C. Harris, Jr.\*  
MORRIS, NICHOLS, ARSHT & TUNNELL LLP  
1201 North Market Street  
P.O. Box 1347  
Wilmington, Delaware 19899-1347  
Telephone: (302) 351-9417  
Telefax: (302) 498-6221  
Gsawyer@mnat.com  
JHarris@mnat.com

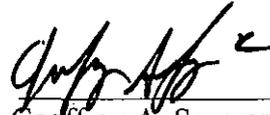
**WHEREFORE**, Petitioner respectfully requests that the Commission enter an order allowing Petitioner to be made a party with all rights and privileges associated therewith.

---

\* Mr. Harris is not admitted to practice law in the Commonwealth of Pennsylvania. Accompanying this petition is a motion by Mr. Sawyer for admission of Mr. Harris *pro hac vice* pursuant to 52 Pa. Code §1.22(b) and Rule 301(b) of the Pennsylvania Bar Admission Rules.

Respectfully submitted,

COMCAST OF  
CALIFORNIA/PENNSYLVANIA/  
UTAH/WASHINGTON, INC.



---

Geoffrey A. Sawyer III (PA BAR #95019)

Jerry C. Harris, Jr. (DE Bar I.D. No. 4262)

MORRIS, NICHOLS, ARSHT &

TUNNELL LLP

1201 North Market Street

P.O. Box 1347

Wilmington, Delaware 19899-1347

Telephone: (302) 351-9417

Telefax: (302) 498-6221

*Attorneys for Comcast of California/  
Pennsylvania/Utah/Washington, Inc.*

May 26, 2006

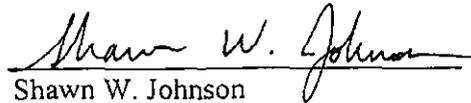
**COMMONWEALTH OF PENNSYLVANIA  
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	R-00061346
	:	
Duquesne Industrial Intervenors and Industrial Energy Consumers of Pennsylvania	:	R-00061346C0001
	:	
Irwin A. Popowsky, Consumer Advocate	:	R-00061346C0002
	:	
Bernadine Creighton,	:	R-00061346C0003
	:	
David J. McAdams,	:	R-00061346C0004
	:	
Office of Small Business Advocate	:	R-00061346C0005
	:	
v.	:	
	:	
Duquesne Light Company	:	

**VERIFICATION STATEMENT FOR  
PETITION FOR LEAVE TO INTERVENE OF  
COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.**

I, Shawn W. Johnson, Director of Business Operations of the Comcast Cable of Pittsburgh System, hereby state that the facts contained in the **PETITION FOR LEAVE TO INTERVENE OF COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.** for Pennsylvania Public Utility Commission Docket No. R-00061346, executed by Geoffrey A. Sawyer III, Esq., dated May 26, 2006, are true and correct (or are true and correct to the best of my knowledge, information and belief). I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

This 26th day of May, 2006.

  
Shawn W. Johnson

**COMMONWEALTH OF PENNSYLVANIA  
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	R-00061346
	:	
Duquesne Industrial Intervenors and Industrial Energy Consumers of Pennsylvania	:	R-00061346C0001
	:	
Irwin A. Popowsky, Consumer Advocate	:	R-00061346C0002
	:	
Bernadine Creighton,	:	R-00061346C0003
	:	
David J. McAdams,	:	R-00061346C0004
	:	
Office of Small Business Advocate	:	R-00061346C0005
	:	

v.

Duquesne Light Company

**DOCUMENT  
FOLDER**

**MOTION FOR LEAVE TO APPEAR *PRO HAC VICE***

Pursuant to 52 Pa. Code § 1.22(b) and Rule 301(b) of the Pennsylvania Bar Admission Rules, Geoffrey A. Sawyer III of the law firm of Morris, Nichols, Arsht & Tunnell LLP, attorneys for Comcast of California/Pennsylvania/Utah/Washington, Inc. in the above captioned proceedings, respectfully moves for leave for Jerry C. Harris, Jr. to appear *pro hac vice*, for all permissible purposes in the above captioned proceedings. In support of this motion, the undersigned hereby states as follows:

1. The undersigned, Geoffrey A. Sawyer III, is an active member in good standing of the Bar of the Commonwealth of Pennsylvania (Attorney registration No. 95019) and an associate with the law firm of Morris, Nichols, Arsht & Tunnell LLP. Mr. Sawyer's principal law office is located at 1201 N. Market Street, P.O. Box 1347, Wilmington, Delaware 19899-1347.

**DOCKETED**  
SEP 14 2006

2. Geoffrey A. Sawyer III moves for the appearance of Jerry C. Harris, Jr. as counsel, *pro hac vice*, for Comcast of California/Pennsylvania/Utah/Washington, Inc. in the above captioned proceedings.

3. Mr. Harris is a member in good standing of the Bar of the State of Delaware (DE I.D. #4262 ). He is an associate with the law firm of Morris, Nichols, Arsht & Tunnell LLP at the same address provided for Mr. Sawyer.

4. Mr. Harris is an experienced practitioner in the field of regulatory law. He has appeared in numerous proceedings before the Delaware Public Service Commission, and federal and state courts. Mr. Harris has previously represented Comcast of Delmarva, Inc., Comcast of Eastern Shore, LLC and Comcast of New Castle County, LLC before the Delaware Public Service Commission.

5. As Mr. Harris has acted as Comcast Cable Corporation's counsel in other utility matters he is familiar with its interests and concerns, and his participation on its behalf would be appropriate and reasonable.

WHEREFORE, for the reasons set forth above, the undersigned hereby respectfully moves for leave for Jerry C. Harris, Jr. to appear as counsel, *pro hac vice*, on behalf of Comcast of California/Pennsylvania/Utah/Washington, Inc. in the above captioned proceedings.

Respectfully submitted,

By:   
Geoffrey A. Sawyer III (PA BAR #95019)  
MORRIS, NICHOLS, ARSHT &  
TUNNELL LLP  
1201 North Market Street  
P.O. Box 1347  
Wilmington, Delaware 19899-1347  
Telephone: (302) 351-9417  
Telefax: (302) 498-6221  
*Attorneys for Comcast of California/  
Pennsylvania/Utah/Washington, Inc.*

Dated: May 26, 2006

COMMONWEALTH OF PENNSYLVANIA  
BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission,	:	R-00061346
	:	
Duquesne Industrial Intervenors and Industrial Energy Consumers of Pennsylvania	:	R-00061346C0001
	:	
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	:	
Bernadine Creighton,	:	R-00061346C0003
	:	
David J. McAdams,	:	R-00061346C0004
	:	
Office of Small Business Advocate	:	R-00061346C0005
	:	
v.	:	
	:	
Duquesne Light Company	:	

NOTICE OF APPEARANCE

DOCUMENT  
FOLDER

In accordance with 52 Pa. Code §1.25, the undersigned hereby submits this notice of appearance in the above captioned proceeding.<sup>†</sup>

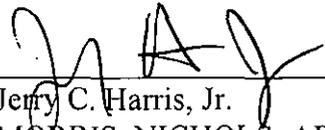
1. Please enter my appearance in the above captioned matter on behalf of Comcast of California/Pennsylvania/Utah/Washington, Inc.
2. I am authorized to accept service on behalf of said party in this matter.

**DOCKETED**  
SEP 14 2006

<sup>†</sup> This notice of appearance is accompanied by a motion for admission *pro hac vice* in the above captioned matter.

3. I am already receiving or have access to a copy of each document issued by the Commission in this matter and do not on the basis of this notice require an additional copy.

Respectfully submitted,



---

Jerry C. Harris, Jr.  
MORRIS, NICHOLS, ARSHT &  
TUNNELL LLP  
1201 North Market Street  
P.O. Box 1347  
Wilmington, Delaware 19899-1347  
Telephone: (302) 351-9289  
Telefax: (302) 498-6204  
[JHarris@mnat.com](mailto:JHarris@mnat.com)  
*Attorneys for Comcast of California/  
Pennsylvania/Utah/Washington, Inc.*  
Admitted in Delaware (DE I.D. # 4262 )

213 Market Street, 9th Floor, P.O. Box 865, Harrisburg, PA 17108-0865  
Tel: (717) 237-7160 ■ Fax: (717) 237-7161 ■ www.WolfBlock.com

Kevin J. Moody  
Direct Dial: (717) 237-7187  
Direct Fax: (717) 237-2767  
E-mail: kmoody@wolfblock.com

**ORIGINAL**

May 26, 2006

**VIA HAND DELIVERY**

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg.  
2nd Fl., 400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**DOCUMENT  
FOLDER**

SECRETARY'S OFFICE

2006 MAY 26 PM 1:43

RECEIVED

Re: Pennsylvania Public Utility Commission v. Duquesne  
Light Company; Docket Nos. R-00061346

Dear Secretary McNulty:

Enclosed for filing are the original and three (3) copies of the Direct Energy, LLC's Petition to Intervene, in the above-referenced matter. As evidenced by the attached Certificate of Service, all parties of record have been served in the manner indicated.

If you have any questions regarding this filing, please contact me at your convenience.

Sincerely,



Kevin J. Moody

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

KJM/jls  
Enclosures

cc: Hon. Larry Gesoff (w/enc)  
Hon. Michael Nemecek (w/enc)  
Certificate of Service (w/enc)

HAR:66012.1/DIR023-236775

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission  
v.  
Duquesne Light Company

R-00061346

**DOCUMENT  
FOLDER**

**PETITION TO INTERVENE  
OF DIRECT ENERGY SERVICES, LLC**

**DOCKETED**

JUN 02 2006

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2005 MAY 26 P11 1:43  
PENNSYLVANIA  
SECRETARY'S BUREAU

Pursuant to 52 Pa. Code §§ 5.72-5.74, Direct Energy Services, LLC ("Direct" or "Direct Energy"), an electric generation supplier ("EGS") authorized to provide electric energy to retail customers in Duquesne Light Company's ("Duquesne") service territory, respectfully submits this petition seeking to intervene and participate in the above-captioned matter because the outcome of this proceeding will significantly impact Direct's ability to do business in the retail electric market in Duquesne's service territory. In support of its intervention, Direct avers that:

1. Direct Energy is licensed by the Commission at No. A-110164 to provide electricity and related services to all classes of retail customers throughout Pennsylvania, including residential customers in Duquesne's service territory. Direct Energy is an indirect wholly owned subsidiary of Centrica plc, a leading provider of energy and other energy-related services to approximately 18 million homes and business worldwide representing over 30 million customer relationships. Centrica has annual revenues of over \$30 billion, \$17 billion in market capitalization, and over 30,000 employees. In North America, Direct Energy has over 3 million gas and electricity customers, and over 5 million customer relationships. Direct Energy has extensive experience in providing energy services to residential customers, small and large commercial and industrial ("C&I") customers, and government entities. Direct offers retail customers fixed-price and price protection programs consistent with their desires to mitigate unpredictable utility service.

2. On April 7, 2006, Duquesne filed a request to increase retail transmission and distribution rates. The Commission, by order entered May 4, 2006, instituted an investigation to determine whether Duquesne's proposed rates, rules and regulations are lawful, just and reasonable. Under the Commission's order, the investigation will also include consideration of the lawfulness, justness and reasonableness of Duquesne's existing rates, rules and regulations.

3. The Commission's regulations permit intervention where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission. Intervention is also permitted where a person's participation may be in the public interest. 52 Pa. Code § 5.72(a)(3).

4. Direct satisfies the Commission's standards for intervention. Although Direct currently serves no customers in Duquesne's service territory, Direct is considering entry into Duquesne's market after Duquesne completes the Electronic Data Interchange ("EDI") migration from Gas Industry Standards Board ("GISB") protocols to North American Energy Standards Board ("NAESB") protocols. This proceeding will determine the level of distribution rates paid by Duquesne retail shopping customers, and thus will effect Duquesne's market design and therefore the ability of Direct to do business in Duquesne's market. Direct believes that Duquesne's existing and proposed distribution rates may include costs that are generation-related and that these generation-related costs must be removed from Duquesne's distribution rates or reflected in Duquesne's generation rates in a manner that permits customers in all customer classes to compare Duquesne's POLR rates and Direct's prices on an "apples to apples" basis. Otherwise, Duquesne's distribution rates will be unjust, unreasonable and unlawful.

5. Direct's intervention is also in the public interest. The Electricity Customer Choice and Competition Act ("Act")<sup>1</sup> declares that permitting retail consumers to obtain direct access to a competitive generation market is in the public interest,<sup>2</sup> and that the purpose of the Act is to create direct access to the competitive electric generation market while maintaining the safety and reliability of the electric system.<sup>3</sup> As a member of the Centrica group of companies providing energy and energy related services to nearly 18 million homes and businesses worldwide, Direct has the experience and resources to aid the Commission in carrying out its duties and responsibilities under the Act in this proceeding to ensure that the goals of the Act are met. Accordingly, Direct's interest satisfies the alternate requirement for intervention in 52 Pa. Code § 5.72(a)(3).

6. Direct has a unique business model. The majority of Direct's customers are residential and mass market (small business) customers. Accordingly, Direct's interests in this proceeding are not adequately represented by other EGS parties with different business models and different customer target markets. Direct's interests are also not adequately represented in this proceeding by a trade association (the Retail Energy Supply Association ("RESA")) to which it belongs and which has requested to intervene, because RESA's positions represent the consensus of its members and not necessarily the position of any particular member. Direct's interests in this proceeding are also not adequately represented by other marketer trade association, with a different membership than RESA, that may be granted intervention.

---

<sup>1</sup> 66 Pa.C.S. §§ 2801-2812.

<sup>2</sup> 66 Pa. C.S. § 2802(3).

<sup>3</sup> 66 Pa. C.S. § 2802(12).

7. Direct accepts the procedural schedule and rules established by the ALJ, so

Direct's intervention will not delay the adjudication of this proceeding.

8. Direct will be represented in this proceeding by the following counsel:

Daniel Clearfield, Esquire  
Kevin Moody, Esquire  
Wolf, Block, Schorr and Solis-Cohen LLP  
212 Locust Street, Suite 300  
Harrisburg, PA 17101  
Phone: (717) 237-7160  
Fax: (717) 237-7161  
[dclearfield@wolfblock.com](mailto:dclearfield@wolfblock.com)  
[kmoody@wolfblock.com](mailto:kmoody@wolfblock.com)

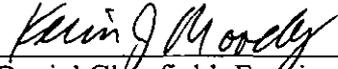
9. Copies of all documents filed in this proceeding should also be served on:

James Steffes  
Vice President Government Affairs  
and Chief Compliance Officer  
Centrica North America  
263 Tresser Blvd  
One Stamford Plaza, 8th Floor  
Stamford, CT 06901

Frank Lacey  
Director, Government and Regulatory Affairs  
Direct Energy  
263 Tresser Blvd., 8th Floor  
Stamford, CT 06901  
Office: 724-941-2149  
Cell: 724-413-0849  
Email: [frank.lacey@directenergy.com](mailto:frank.lacey@directenergy.com)

**WHEREFORE**, Direct Energy Services, LLC respectfully requests that it be granted party status in this proceeding.

Respectfully submitted,



---

Daniel Clearfield, Esquire  
Kevin J. Moody, Esquire  
Wolf, Block, Schorr & Solis-Cohen LLP  
213 Market Street, 9th Floor  
Harrisburg, PA 17101  
(717) 237-7160

Attorneys for Direct Energy Services, LLC

Date: May 26, 2006

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED  
2005 JUN 26 PM 1:43  
SECRETARY'S BUREAU

Pennsylvania Public Utility Commission : R-00061346  
v. :  
Duquesne Light Company :  
:

**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of Strategic Energy, LLC's Petition to Intervene on the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

**VIA FIRST CLASS MAIL**

Michael Gang, Esquire  
Anthony D. Kanagy, Esquire  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601

David MacGregor, Esquire  
Post & Schell, P.C.  
Four Penn Centre  
1600 John F. Kennedy Blvd.  
Philadelphia, PA 19103-2808

Gary Jack, Esquire  
Duquesne Light Company  
411 Seventh Avenue, 16-2  
Pittsburgh, PA 15219

Charles Daniel Shields, Esquire  
Robert V. Eckenrod, Esquire  
Office of Trial Staff  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Tanya McCloskey, Esquire  
David T. Evrard, Esquire  
Darryl Lawrence, Esquire  
Office of Consumer Advocate  
Forum Place, 5th Floor  
555 Walnut Street  
Harrisburg, PA 17101-1923

Steven Gray, Esquire  
Office of Small Business Advocate  
1102 Commerce Building  
300 North Second Street  
Harrisburg, PA 17101

Pamela C. Polacek, Esquire  
Adam L. Benshoff, Esquire  
McNees Wallace & Nurick  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17101-1166

Scott Rubin, Esquire  
3 Lost Creek Drive  
Selinsgrove, PA 17870

Thomas P. Brogan, Esquire  
Brian J. Knipe, Esquire  
Klett Rooney Lieber & Schorling  
17 North Second Street, 15<sup>th</sup> Floor  
Harrisburg, PA 17101-1503

Gregory Rhodes  
One Oxford Center, 40<sup>th</sup> Floor  
Pittsburgh, PA 15219

John E. McCaffrey, Esquire  
Stinson Morrison Hecker LLP  
1150 18th Street, N.W., Suite 800  
Washington, DC 20036

David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216

Date: May 26, 2006

  
\_\_\_\_\_  
Kevin J. Moody, Esquire

**BURKE VULLO REILLY ROBERTS**  
ATTORNEYS AT LAW

**ORIGINAL**

1460 Wyoming Avenue  
Forty Fort, PA 18704  
Phone (570) 288-6441 ♦ Fax (570) 288-4598

Formerly Burke & Burke  
Thomas F. Burke, Sr. (1932-1972)

JOSEPH L. VULLO  
jlvullo@bvrrlaw.com

www.bvrrlaw.com

May 26, 2006

**via Hand Delivery**

Mr. James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, Second Floor  
Harrisburg, PA 17120

**DOCUMENT  
FOLDER**

SECRETARY'S OFFICE  
MAY 26 11:45  
RECEIVED

RE: In Re: Application of Duquesne Light Co. for a Rate Increase  
Docket No: R-00061346

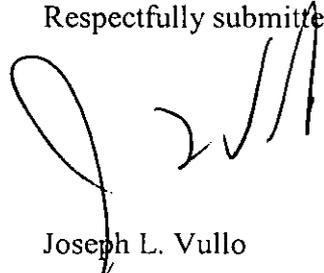
Dear Secretary McNulty:

Enclosed for filing please find an original and four (4) copies of Petition to Intervene on behalf of the ~~Commission on Economic Opportunity~~ in the above-referenced proceeding. I would ask that you provide me with a time-stamped copy of the Petition in the self-addressed, stamped envelope enclosed. *CAAP*

By copy of this correspondence, I am serving all parties of record.

If you need anything further from me, please do not hesitate to contact me.

Respectfully submitted,



Joseph L. Vullo

JLV/jar

cc: All Parties of Record  
ALJ Larry Gesoff  
Mr. Eugene M. Brady

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED  
2006 JUN 26 PM 1:45  
SECRETARY'S OFFICE

IN RE: Application of Duquesne Light : Docket No. R-00061346  
Co. for a Rate Increase :

DOCUMENT  
FOLDER

COMMUNITY ACTION ASSOCIATION OF PENNSYLVANIA'S  
PETITION TO INTERVENE

NOW COMES, the Community Action Association of Pennsylvania (CAAP), by and through counsel, Joseph L. Vullo, Esquire, and petitions to intervene in the above-captioned matter, averring as follows:

1. The Petitioner, Community Action Association of Pennsylvania, is a statewide association representing Pennsylvania's community action agencies that provide anti-poverty planning and community development activities for low income communities and services to individuals and families.

2. For more than 25 years, one of CAAP's primary missions has been to represent the energy interests of low income citizens in proceedings before the Pennsylvania Public Utility Commission and as such, CAAP has a direct and substantial interest in this proceeding that cannot be adequately represented by any other party.

3. CAAP is comprised of 43 member agencies including agencies in the Duquesne Light Co. service areas.

4. CAAP seeks permission to intervene in Duquesne Light Co.'s request for a rate increase filed with the Commission pursuant to the above-captioned docket number.

**DOCKETED**  
JUN 8 - 2006

5. CAAP seeks permission to intervene in Duquesne Light Co.'s request for a rate increases to examine the effect of the proposed rate increase on their customers, particularly low income customers.

6. CAAP is also intervening to investigate whether the Company's universal service programs are appropriately funded and available and if those programs will be appropriately funded and available if the proposed rate increase is granted.

7. CAAP's participation as an active party in this proceeding is required to protect its substantial interests and the substantial interests of the low income citizens it represents in ensuring that utility rates remain affordable to its clients. Accordingly, CAAP's participation in this proceeding will serve the public interest.

8. Because CAAP represents low income citizens in the Company's service areas, the interests of its clients are not protected by any other party to this action.

**POSITIONS**

9. CAAP takes no position at this time regarding the Company's requests for rate increases but CAAP's participation in this proceeding is, in part, to study the effect of the proposed rate increase on the Company's low income customers and whether the Company's universal service programs will be appropriately funded and available.

10. The Pennsylvania Gas Restructuring Act requires that universal service programs be appropriately funded and available. There is a substantial public interest in ensuring that the Companies' universal service programs are appropriately funded and available and the effect, if any, on those programs if the rate increase is granted.

**REQUEST FOR RELIEF**

WHEREFORE, CAAP respectfully requests that the Commission:

1. Receive for filing and docket this Petition to Intervene and order that CAAP be an active party to such proceedings and be placed on all services lists.

2. Order that the following individuals be designated as CAAP's recipients for service:

A. Eugene M. Brady  
Community Action Association of Pennsylvania  
165 Amber Lane  
P.O. Box 1127  
Wilkes-Barre, PA 18703-1127  
Phone: (570) 826-0510  
Fax: (570) 829-1665  
e-mail: [hebegebe@sunlink.net](mailto:hebegebe@sunlink.net)

B. Joseph L. Vullo, Esquire  
1460 Wyoming Avenue  
Forty Fort, PA 18704  
Phone: (570) 288-0700  
Fax: (570) 288-4598  
e-mail: [jlvullo@bvrrlaw.com](mailto:jlvullo@bvrrlaw.com)

3. Order that each party to the proceedings provide CAAP's designated recipient with copies of all papers filed.

4. Order that public hearings be conducted in Duquesne Light Co.'s service territories.

5. Order that the matter be referred to the Office of Administrative Law Judges for an investigation and hearing on the Company's proposed request.

6. Grant such other relief as the Commission may deem necessary and proper.

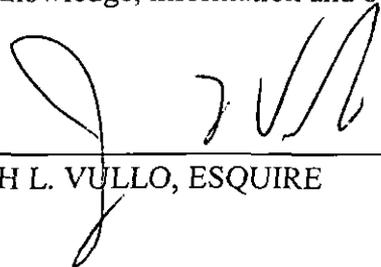
Respectfully submitted,

---

JOSEPH L. VULLO, ESQUIRE  
I.D. No. 41279  
1460 Wyoming Avenue  
Forty Fort, PA 18704  
(570) 288-0700  
e-mail: [jlvullo@bvrrlaw.com](mailto:jlvullo@bvrrlaw.com)  
Attorney for Community Action Association  
of Pennsylvania

VERIFICATION

I, JOSEPH L. VULLO, ESQUIRE, hereby verify that as counsel for the Community Action Association of Pennsylvania, I reviewed the facts set forth in the foregoing Petition with CAAP Board Member, Eugene M. Brady, am authorized to execute this Verification and that the facts set forth in the foregoing are true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
JOSEPH L. VULLO, ESQUIRE

Dated: 5/26/06

RECEIVED  
2006 MAY 26 PM 1:45  
SECRETARY'S BUREAU

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED  
2006 MAY 26 PM 1:45  
SECRETARY'S BUREAU

IN RE: Application of Duquesne Light : Docket No. R-00061346  
Co. for a Rate Increase :

**CERTIFICATE OF SERVICE**

The undersigned certified that he served a copy of the Community Action Association of Pennsylvania's Petition to Intervene upon the following participants this 26 day of May, 2006, via first-class mail:

Charles Shields, Esquire  
Robert Eckenrod, Esquire  
Office of Trial Staff  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
Harrisburg, PA 17105-3265

Gary A. Jack  
Duquesne Light Company  
411 Seventh Avenue  
Mail Drop 8-2  
Pittsburgh, PA 15219

Michael W. Gang, Esquire  
Post and Schell, PC  
12<sup>th</sup> Floor  
17 North Second Street  
Harrisburg, PA 17101-1601

David B. MacGregor, Esquire  
Post & Schell, P.C.  
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1600 John F. Kennedy Boulevard  
Philadelphia, PA 19103-2808

Steven C. Gray  
Assistant Small Business Advocate  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
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Pamela Polacek, Esquire  
Adam L. Benshoff, Esquire  
McNees, Wallace & Nurick, LLC  
100 Pine Street  
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Klett Rooney Liber & Schorling  
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Harrisburg, PA 17101

W. Gregory Rhodes  
One Oxford Centre  
4<sup>th</sup> Floor  
Pittsburgh, PA 15219

Scott J. Rubin, Esquire  
3 Lost Creek Drive  
Selinsgrove, PA 17870

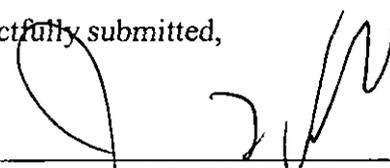
John E. McCaffiey  
Stinson Morrison Hecker, LLP  
1150 18<sup>th</sup> Street N.W., Suite 800  
Washington, D.C. 20036-3816

David I. Fein, Sr.  
Sr. Regulatory Counsel  
Martha A. Duggan  
Vice President  
Gregory Urbin  
111 Market Place, Suite 700  
Baltimore, MD 21202

Timothy W. Merrill, VP & General Manager  
NRG Energy Center  
111 South Commons  
Pittsburgh, PA 15212

Tanya J. McCloskey  
David T. Evrard  
Darryl Lawrence  
Office of Consumer Advocate  
555 Walnut Street  
5<sup>th</sup> Floor, Forum Place  
Harrisburg, PA 17101-1923

Respectfully submitted,



---

JOSEPH L. VULLO, ESQUIRE  
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e-mail: [jlvullo@bvrrlaw.com](mailto:jlvullo@bvrrlaw.com)  
Attorney for Community Action Association  
of Pennsylvania

213 Market Street, 9th Floor, P.O. Box 865, Harrisburg, PA 17108-0865  
Tel: (717) 237-7160 ■ Fax: (717) 237-7161 ■ www.WolfBlock.com

Kevin J. Moody  
Direct Dial: (717) 237-7187  
Direct Fax: (717) 237-2767  
E-mail: kmoody@wolfblock.com

# ORIGINAL

May 26, 2006

## VIA HAND DELIVERY

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg.  
2nd Fl., 400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

# DOCUMENT FOLDER

SECRETARY'S BUREAU

2006 MAY 26 PM 3:13

RECEIVED

Re: Pennsylvania Public Utility Commission v. Duquesne  
Light Company; Docket Nos. R-00061346

Dear Secretary McNulty:

Enclosed for filing are the original and three (3) copies of the Retail Energy Supply Association's Petition to Intervene, in the above-referenced matter. As evidenced by the attached Certificate of Service, all parties of record have been served in the manner indicated.

If you have any questions regarding this filing, please contact me at your convenience.

Sincerely,



Kevin J. Moody

For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

KJM/jls  
Enclosures

cc: Hon. Larry Gesoff (w/enc)  
Hon. Michael Nemecek (w/enc)  
Certificate of Service (w/enc)

HAR:66010.1/MID051-236834

28

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED  
2005 JUL 26 PM 3:14  
SECRETARY'S BUREAU

Pennsylvania Public Utility Commission : R-00061346  
v. :  
Duquesne Light Company :  
:

**PETITION TO INTERVENE  
OF RETAIL ENERGY SUPPLY ASSOCIATION** **DOCUMENT  
FOLDER**

Pursuant to 52 Pa. Code §§ 5.72-5.74, the Retail Energy Supply Association ("RESA") hereby petitions to intervene in the above-captioned proceeding and, in support hereof, states as follows:

1. RESA is a trade association composed of a broad range of retail energy providers that support competitive retail markets and together seek to develop a more competitive power industry. Virtually all RESA members are electric generation suppliers ("EGSs") licensed to sell electric energy in the markets of Pennsylvania's major electric distribution companies ("EDCs"), including the Duquesne Light Company ("Duquesne" or "Company") service territory.<sup>1</sup> RESA's members are actual or potential participants in Duquesne's retail electric market. RESA is a separate legal entity from its membership, does not represent any specific member, and is authorized by its membership to represent members' consensus interests in this matter. However, RESA's positions in any matter or filing may not represent the view of all members of RESA.

**DOCKETED**  
SEP 15 2006

<sup>1</sup> RESA's members are Consolidated Edison Solutions, Inc; Direct Energy Services, LLC; Hess Corporation; Reliant Energy Solutions; Select Energy, Inc.; Sempra Energy Solutions; Strategic Energy, LLC; SUEZ Energy Resources NA, Inc.; and US Energy Savings Corp. Only US Energy Savings Corp. is not licensed in Pennsylvania, but US Energy Savings Corp. is licensed in New York.

2. RESA's attorneys in this matter are:

Daniel Clearfield, Esquire  
Kevin J. Moody, Esquire  
Wolf, Block, Schorr & Solis-Cohen LLP  
213 Market Street, 9th Floor  
Harrisburg, PA 17101  
(717) 237-7160  
[DClearfield@wolfblock.com](mailto:DClearfield@wolfblock.com)  
[KMoody@wolfblock.com](mailto:KMoody@wolfblock.com)

3. On April 7, 2006, Duquesne requested an increase in retail transmission and distribution rates through a proposed new tariff (No. 24) to replace in its entirety Duquesne's existing retail electric tariff (No. 23). By order entered May 4, 2006, the Commission instituted an investigation upon its own motion to determine the lawfulness, justness and reasonableness of the rates, rules and regulations proposed in the new tariff, and directed that the investigation include consideration of the lawfulness, justness and reasonableness of Duquesne's existing rates, rules and regulations. The Commission's order also noted that the effectiveness of Duquesne's proposed tariff is suspended by operation of 66 Pa. C.S. § 1308(d) until January 7, 2007, unless the Commission permits the tariff to become effective earlier.

4. Intervention is permitted where a person has an interest in the proceeding which may be directly affected and which is not adequately represented by existing parties, and as to which the person may be bound by the action of the Commission in the proceeding. Intervention is also permitted where participation of the person may be in the public interest. 52 Pa. Code § 5.72(a). A "person" includes a corporation and an association. 52 Pa. Code § 1.8.

5. RESA meets the standard for intervention set forth in 52 Pa. Code § 5.72(a). As an advocacy organization whose members include EGSs actually conducting or potentially conducting business in Duquesne's service territory, RESA has interests that will be directly affected by this matter. This proceeding will determine the level of distribution rates paid by all

Duquesne retail customers, both non-shopping and shopping customers. Although Duquesne's distribution rates have been unbundled from its generation rates, Duquesne's existing and proposed distribution rates may nonetheless include costs that are related to generation and thus properly included in the Company's provider of last resort ("POLR") generation rates. However, Duquesne has not assigned any costs to generation in this case. Duquesne's existing and proposed distribution rates are unjust, unreasonable and unlawful to the extent that they include costs related to generation. In addition, Duquesne has proposed to reclassify about \$38 million of plant from PA-regulated distribution plant to FERC-regulated transmission plant, and to include this additional transmission plant in new transmission rates to be filed with FERC in September 2006. Duquesne expects these new transmission rates to be approved by FERC to become effective by the end of 2006. The Company has estimated the expense it will incur as a Load Serving Entity ("LSE") to purchase transmission service for its POLR customers on these expected new FERC-approved rates, and this expense is the basis for the Company's approximately \$19 million increased retail transmission rate pass-through. RESA seeks to assure that this reallocation is conducted in a manner which does not harm competitors or the competitive market in the Duquesne control area.

6. The Commission has determined that an advocacy group whose members have a even a *potential* risk of loss in a proceeding have a direct, substantial and immediate interest and risk of harm if denied intervention.<sup>2</sup>

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<sup>2</sup> *Pa. P.U.C., et al. v. Columbia Gas of Pennsylvania, Inc.*, Docket No. R-00049783, Order entered November 4, 2005, at 23024 (ALJ's determination that National Energy Marketers Association ("NEM") lacked requisite standing to participate in the proceeding, where "NEM's members are at potential risk of loss by Columbia's request in this matter," is not reasonable and was rejected.)

7. RESA's intervention is also in the public interest. RESA's members participate or are interested in participating in the retail electric markets of all the major EDCs in Pennsylvania, as well as in the retail electric markets in the surrounding states of Delaware, Maryland, New Jersey and New York, and also in the New England area, including Connecticut, Massachusetts, Maine and Rhode Island. The primary purpose of RESA is to permit its members to utilize economies of scale to participate in the various state public utility commission proceedings that determine the rates, rules and policies that affect the development of the retail electric markets in their respective states and in the service territories of particular electric utilities. RESA's participation permits its membership which may not be able to participate otherwise due to economic constraints to participate to ensure that the interests of RESA's membership are heard and protected.

8. As RESA's positions are determined by the consensus of its members, RESA's interests in this proceeding are not adequately represented by other parties, including other RESA members that may participate individually and non-RESA marketers or other marketer trade associations with different memberships.

9. RESA's intervention will not delay the adjudication of this proceeding because RESA accepts the litigation schedule and rules as set forth in the ALJ's prehearing order.

**WHEREFORE**, the Retail Energy Supply Association respectfully requests that it be permitted to intervene and be granted party status in the above-captioned proceeding.

Respectfully submitted,



---

Daniel Clearfield, Esquire  
Kevin J. Moody, Esquire  
Wolf, Block, Schorr & Solis-Cohen LLP  
213 Market Street, 9th Floor  
Harrisburg, PA 17101  
(717) 237-7160

Attorneys for Retail Energy Supply  
Association

Date: May 26, 2006

BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIVED  
2006 MAY 26 PM 3:13  
SECRETARY'S BUREAU

Pennsylvania Public Utility Commission : R-00061346  
v. :  
Duquesne Light Company :  
:

**CERTIFICATE OF SERVICE**

I hereby certify that this day I served a copy of RESA's Petition to Intervene on the persons listed below in the manner indicated in accordance with the requirements of 52 Pa. Code Section 1.54.

**VIA FIRST CLASS MAIL**

Michael Gang, Esquire  
Anthony D. Kanagy, Esquire  
Post & Schell, P.C.  
17 North Second Street, 12<sup>th</sup> Floor  
Harrisburg, PA 17101-1601

David MacGregor, Esquire  
Post & Schell, P.C.  
Four Penn Centre  
1600 John F. Kennedy Blvd.  
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Gary Jack, Esquire  
Duquesne Light Company  
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Charles Daniel Shields, Esquire  
Robert V. Eckenrod, Esquire  
Office of Trial Staff  
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David T. Evrard, Esquire  
Darryl Lawrence, Esquire  
Office of Consumer Advocate  
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Gregory Rhodes  
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Stinson Morrison Hecker LLP  
1150 18th Street, N.W., Suite 800  
Washington, DC 20036

David J. McAdams, MD  
525 Hillcrest Place  
Pittsburgh, PA 15216

Date: May 26, 2006

  
Kevin J. Moody, Esquire

RECEIVED  
2006 MAY 26 PM 3:13  
SECRETARY'S BUREAU

DOCUMENT  
FOLDER

R-00061346

MNAT ORIGINAL

CERTIFICATE OF SERVICE

I, Geoffrey A. Sawyer III, Esquire, do hereby certify that true and correct copies of the foregoing (1) **PETITION FOR LEAVE TO INTERVENE OF COMCAST OF CALIFORNIA/PENNSYLVANIA/UTAH/WASHINGTON, INC.;** (2) the **MOTION FOR LEAVE TO APPEAR PRO HAC VICE;** and (3) the **ENTRY OF APPEARANCE** for Jerry C. Harris, Jr. were caused to be served on May 26, 2006 upon the following by electronic mail and by First-Class Mail:

Administrative Law Judges (no discovery)

The Honorable Larry Gesoff  
The Honorable Michael A. Nemec  
1103 Pittsburgh State Office Building,  
300 Liberty Avenue  
Pittsburgh, PA 15222  
[lgesoff@state.pa.us](mailto:lgesoff@state.pa.us)  
[mnemec@state.pa.us](mailto:mnemec@state.pa.us)

Michael Gang, Esquire  
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Brian J. Knipe, Esquire  
Klett Rooney Lieber & Schorling  
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[bjknipe@klettrooney.com](mailto:bjknipe@klettrooney.com)

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DOCUMENT  
FOLDER

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[roeckenrod@state.pa.us](mailto:roeckenrod@state.pa.us)

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David T. Evrard, Esquire  
Darryl Lawrence, Esquire  
Office of Consumer Advocate  
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[devrard@paoca.org](mailto:devrard@paoca.org)  
[dlawrence@paoca.org](mailto:dlawrence@paoca.org)

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[jdibble@stinsonmoheck.com](mailto:jdibble@stinsonmoheck.com)



Geoffrey A. Sawyer III

# KLETT ROONEY LIEBER & SCHORLING

A PROFESSIONAL CORPORATION  
ATTORNEYS AT LAW

17 NORTH SECOND STREET, 15<sup>TH</sup> FLOOR  
HARRISBURG, PENNSYLVANIA 17101  
TELEPHONE (717) 231-7700

Thomas P. Brogan  
(717) 231-7707

Facsimile (717) 231-7712  
tpbrogan@klettrooney.com

May 30, 2006

**VIA HAND-DELIVERY**

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**ORIGINAL**

**DOCUMENT  
FOLDER**

Re: Petition of Duquesne Light Company General Base Rate  
Increase, Pa. P.U.C. Tariff No. 24; Docket No. R-00061346

Dear Secretary McNulty:

Enclosed for filing are an original and three (3) copies of a Petition to Intervene of Reliant Energy, Inc. Copies have been served on the parties in the manner indicated on the attached Certificate of Service.

Very truly yours,



Thomas P. Brogan  
For KLETT ROONEY LIEBER & SCHORLING  
A PROFESSIONAL CORPORATION

TPB/eh

Enclosures

RECEIVED  
MAY 30 2006  
11:30 AM  
COMMUNICATIONS SECTION

69

**ORIGINAL**

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of Duquesne Light Company :  
General Base Rate Increase, Pa. P.U.C : Docket No. R-00061346  
Tariff No. 24 :

**PETITION TO INTERVENE OF  
RELIANT ENERGY, INC.**

Pursuant to the provisions of 52 Pa. Code §§ 5.71-5.76, Reliant Energy, Inc. ("Petitioner" or "Reliant") hereby files this Petition to Intervene in the above-referenced docket, and in support thereof avers as follows:

1. The name and address of Petitioners are:

Reliant Energy, Inc.  
Attn: Mark A. Baird  
7642 W. 450 N  
Sharpsville, IN 46068

**DOCUMENT  
FOLDER**

**DOCKETED**  
JUN 02 2006

2. The names and addresses of Petitioner's Attorneys are:

Thomas P. Brogan, Esquire  
Brian J. Knipe, Esquire  
Klett Rooney Lieber & Schorling  
A Professional Corporation  
17 North Second Street, 15<sup>th</sup> Floor  
Harrisburg, PA 17101  
(717) 231-7700 — telephone  
(717) 231-7712 — fax  
[tpbrogan@klettrooney.com](mailto:tpbrogan@klettrooney.com)  
[bjknipe@klettrooney.com](mailto:bjknipe@klettrooney.com)

W. Gregory Rhodes, Esquire  
Klett Rooney Lieber & Schorling  
A Professional Corporation  
40<sup>th</sup> Floor, One Oxford Centre  
Pittsburgh, PA 15219  
[grhodes@klettrooney.com](mailto:grhodes@klettrooney.com)

Reliant's attorneys are authorized to accept service on behalf of Petitioner in this proceeding. Reliant requests that the Pennsylvania Public Utility Commission ("Commission") and all parties of record serve copies of all pleadings, discovery requests and answers, correspondence, Commission Orders and any other documents issued, on Reliant and its attorneys.

3. Reliant provides electricity and energy services to wholesale customers in Pennsylvania as well as in other states. The company has more than 16,000 megawatts of power generation capacity in operation in North America.

4. Reliant provides retail service to approximately 1.9 million customers nation-wide with sales of approximately 68,000 GWhs.

5. Reliant is a licensed Electric Generation Supplier (“EGS”) in the Commonwealth of Pennsylvania and owns generation in Pennsylvania.

6. On April 7, 2006, Duquesne Light Company (“DQE”) filed PA PUC Tariff No. 24, in which DQE proposes to increase rates to produce additional annual operating revenues of \$162.7 million. This rate increase includes a \$143.7 million increase in retail distribution operating revenues and a \$19 million increase in transmission service revenues. To implement the latter increase, DQE is proposing to implement a Transmission Service Charge (“TSC”) that would allow DQE to pass through transmission service charges that DQE pays to the PJM Interconnection, LLC. 66 Pa.C.S. § 1307(a).

7. The proposed rate increase will be effective on June 6, 2006, unless otherwise suspended by the Commission.

8. On April 28, 2006, the Pennsylvania Office of Consumer Advocate (“OCA”) filed a formal complaint in this proceeding averring that the proposed tariff changes and proposed rate design may be unlawfully discriminatory, in violation of the Public Utility Code, 66 Pa.C.S. Sections 1301 and 1304, *et seq.*, and may otherwise be contrary to sound ratemaking principles and public policy.

9. The OCA, in its Formal Complaint, also averred that the TSC proposed by Duquesne needs careful examination. The OCA further averred that, “[s]uch a proposal —

which automatically passes through rates and charges to customers — must be examined to ensure that the mechanism is fair, equitable and does not harm consumers.”

10. Reliant has a substantial interest in participating in any formal or informal proceedings which may result from the Commission’s consideration of the Petition, the OCA complaint, and any further Answers to the Petition, or comments thereto.

11. Reliant’s business interests are affected by any proposed increase in transmission and distribution rates, because even though generation has been “unbundled” from transmission and distribution service, any increase in those rates will have an impact on the decision of customers with respect to energy procurement.<sup>1</sup>

12. Under the provisions of the “Electricity Generation Customer Choice and Competition Act,” the Commission establishes rates for “jurisdictional transmission services,”<sup>2</sup> and thus, this is the proceeding in which Reliant and similarly situated parties must be heard with respect to any potential effects of a proposed transmission rate increase. Further, this proceeding will have an effect on the future development of the retail electricity market in the DQE service territory, and Reliant has made significant investments in the success of energy markets.

13. Reliant believes that no party can or will adequately protect its interests in this proceeding.

---

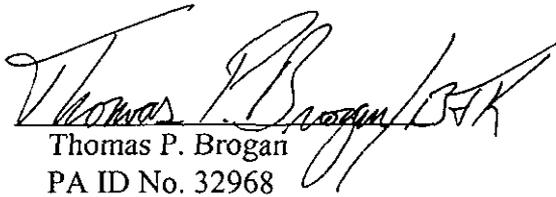
<sup>1</sup> See 66 Pa.C.S. § 2802(3), (6), (16).

<sup>2</sup> 66 Pa.C.S. § 2804(10).

WHEREFORE, for all the foregoing reasons, Reliant Energy, Inc. requests that the Pennsylvania Public Utility Commission grant its Petition to Intervene in any and all proceedings instituted.

Respectfully submitted,

KLETT ROONEY LIEBER & SCHORLING  
A Professional Corporation

By:   
Thomas P. Brogan  
PA ID No. 32968

W. Gregory Rhodes  
PA ID No. 60024

Brian J. Knipe  
PA ID No. 82854

17 North Second Street, 15<sup>th</sup> Floor  
Harrisburg, PA 17101  
(717) 231-7700

Attorneys for Reliant Energy, Inc.

Dated: May 30, 2006

ORIGINAL

CERTIFICATE OF SERVICE

The undersigned hereby certifies that, on this 30<sup>th</sup> day of May, 2006, a true and correct copy of the foregoing document was served upon the persons listed below, in accordance with the requirements of 52 Pa. Code § 1.54.

Via electronic and First Class Mail

Gary A. Jack  
Assistant General Counsel  
Duquesne Light Company  
411 Seventh Avenue, 16-2  
Pittsburgh, PA 15219

Tanya McCloskey, Esquire  
David T. Evrard, Esquire  
Darryl Lawrence, Esquire  
Office of Consumer Advocate  
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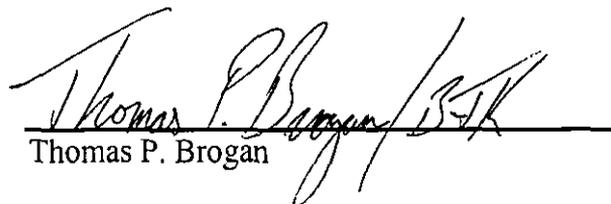
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