

1. REPORT DATE: 00/00/00 :  
2. BUREAU: FUS :  
3. SECTION(S) : 4. PUBLIC MEETING DATE:  
5. APPROVED BY: : 00/00/00  
DIRECTOR: :  
SUPERVISOR: :  
6. PERSON IN CHARGE: : 7. DATE FILED: 04/03/07  
8. DOCKET NO: R-00072301 : 9. EFFECTIVE DATE: 06/01/07

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PARTY/COMPLAINANT: PUC

RESPONDENT/APPLICANT: DUQUESNE LIGHT COMPANY

COMP/APP COUNTY:

UTILITY CODE: 110150

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ALLEGATION OR SUBJECT

DUQUESNE LIGHT COMPANY HAS FILED SUPPLEMENT NO 7 TO TARIFF ELECTRIC PA PUC NO 24, TO BECOME EFFECTIVE JUNE 1, 2007, WHICH PROPOSES TO DECREASE THE PJM SURCHARGE OF 0.0375 CENTS PER KWH TO 0.0280 CENTS PER KWH.

**DOCKETED**  
APR 17 2007

**DOCUMENT  
FOLDER**



ORIGINAL

RECEIVED

Duquesne Light

A DQE Company

Rates & Regulatory Affairs Unit  
411 Seventh Avenue 8-6  
Pittsburgh, Pennsylvania 15219

DOCUMENT  
FOLDER

APR - 3 2007

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

April 3, 2007

VIA OVERNIGHT MAIL DELIVERY:

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

R-00072301

Supplement No. 7 to Tariff Electric – PA. P.U.C. No. 24

Dear Mr. McNulty:

Enclosed for filing please find an original and eight (8) copies of Supplement No. 7 to Duquesne Light Company's Tariff Electric No. 24, issued April 3, 2007, to become effective June 1, 2007. Supplement No. 7 revises Rider No. 1 - PJM Surcharge, as it applies to large commercial and industrial customers purchasing their electric supply from Duquesne, from its current rate of 0.0375 cents per kWh to 0.0280 cents per kWh. Also enclosed are an original and eight (8) copies of supporting data.

Rider No. 1 was instituted as part of Duquesne's Petition for Approval of Plan for Post-Transition Period POLR Service (POLR III) proceeding and contains a provision for the annual adjustment and reconciliation of the surcharge applied to customers on Rate Schedules GL, GLH, L and HVPS. The rate of 0.0280 cents per kWh contained in Supplement No. 7 reflects projected costs for the period of June 1, 2007, through May 31, 2008, based upon published PJM rates as well as the reconciliation of costs and surcharge recovery for the period of June 1, 2006, through January 31, 2007 (the most recent available data). Reconciliation of the remainder of the current period costs and recoveries will be included in the next recalculation of the Rider No. 1 - PJM Surcharge.

Please return a date-stamped copy of this letter in the enclosed self-addressed, stamped envelope.

If you have any questions regarding this filing or the information contained therein, please contact me at (412) 393-6334 or nkrajovic@duqlight.com.

Sincerely,

Nancy J. D. Krajovic  
Manager, Regulatory Affairs

Enclosures

- c: Mr. R. A. Rosenthal, Bureau of Fixed Utility Services w/ enclosure
- Mr. J. E. Simms, Office of Trial Staff "
- Mr. I. A. Popowsky, Consumer Advocate "
- Mr. W. R. Lloyd, Jr., Small Business Advocate "

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R-0002301

SUPPLEMENT NO. 7  
TO ELECTRIC - PA. P.U.C. NO. 24

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# 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

DOCKETED  
APR 17 2007

Morgan K. O'Brien  
President and Chief Executive Officer

ISSUED: April 3, 2007

EFFECTIVE: June 1, 2007

Issued in compliance with Commission Order dated August 23, 2004, at P-00032071.

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# NOTICE

THIS TARIFF SUPPLEMENT DECREASES AN EXISTING RIDER

See Page Two

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LIST OF MODIFICATIONS MADE BY THIS TARIFF

DECREASE

Rider No. 1 - PJM Surcharge

Second Revised Page No. 80  
Cancelling First Revised Page No. 80

Rider No. 1 - PJM Surcharge of 0.0375 cents per kWh as it applies to customers on Rate Schedules GL, GLH, L and HVPS has been decreased to 0.0280 cents per kWh.

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APR - 8 2007

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SECRETARY'S BUREAU

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**STANDARD CONTRACT RIDERS - (Continued)****RIDER NO. 1 - PJM SURCHARGE****(Applicable to All Rate Schedules)**

The PJM Surcharge is a pass-through of the charges incurred by the Company for start-up, grid management and administrative costs associated with membership and operation in PJM. These charges are billed by PJM to each generation supplier and therefore, customers purchasing their electric generation requirements from an electric generation supplier will not be billed this surcharge by the Company.

The charges incurred are beyond the control of the Company and can change from time to time.

A PJM Surcharge of 0.0708 cents per kWh shall be applied to all kWh for customers on Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, MTS and PAL who purchase their electric generation requirements from the Company. The PJM Surcharge shall remain fixed at 0.0708 cents/kWh for these Rate Schedules through December 31, 2007, and is included in the generation charges.

A PJM Surcharge of 0.0280 cents per kWh shall be applied to all kWh for customers on Rate Schedules GL, GLH, L and HVPS who purchase their electric generation requirements from the Company. The Surcharge applicable to Rate Schedules GL, GLH, L and HVPS will be adjusted annually to recover actual costs incurred by the Company and reconcile costs with revenues collected. (D)

**DUQUESNE LIGHT COMPANY**  
**PJM Surcharge Recalculation and Reconciliation**  
**June 1, 2007 - May 31, 2008**

**Schedule 1**

FERC Schedule 9-1 Control Area Administration Services

	06/07 - 05/08 Large C&I Sales (MWH)	Rate per MWH	Cost	
June	16,195	0.1786	2,892.43	
July	15,626	0.1786	2,790.80	
August	17,145	0.1786	3,062.10	
September	16,498	0.1786	2,946.54	
October	15,264	0.1786	2,726.15	
November	14,464	0.1786	2,583.27	
December	15,388	0.1786	2,748.30	
January	15,124	0.1809	2,735.93	
February	13,625	0.1809	2,464.76	
March	15,736	0.1809	2,846.64	
April	13,929	0.1809	2,519.76	
May	14,104	0.1809	2,551.41	
	183,098			\$32,868.09
<b>9-2 <u>Financial Transmission Rights Administration Service</u></b>				
Rate		\$0.0027 per MWH		
Annual Peak Load	3,053			
Annual Peak Load X 8730	26,744,280			
Annual Cost to LSE			72,209.56	
Annual Cost to LSE Allocated to Large C&I			0.01188	857.78
<b>9-3 <u>Market Support Service</u></b>				
Rate		\$0.0401		
Annual Load (MWH) Projected 06/07- 05/08 Large C&I	183,098			
Annual Cost to LSE				7,342.23
<b>9-4 <u>Regulation and Frequency Response Administration Service</u></b>				
Rate		\$0.2434		
Sum of Daily Peaks for DLCo Control Area Load	695,239			
Regulation Amount (PJM West Requirement)	1.0%			
Annual Cost to LSE			40,613.08	
Annual Cost to LSE Allocated to Large C&I			0.01188	482.45
<b>9-5 <u>Capacity resource and Obligation Management Service</u></b>				
Rate		\$0.0923		
Annual Peak Load	3,053			
UCAP Requirement	1,079			
Annual Cost to LSE			110,979.51	
Annual Cost to LSE Allocated to Large C&I			0.01188	1,318.33
<b>9-FERC <u>FERC Annual Charge Recovery</u></b>				
Rate		\$0.0426		
Annual Load (MWH) Projected 06/07- 05/08 Large C&I	183,098			
Annual Cost to LSE				7,799.97
Annual Membership Charge			5,000.00	
Annual Cost to LSE Allocated to Large C&I			0.01188	<u>59.40</u>
<b>Total Projected 06/07 - 05/08 PJM Charges for Large C&amp;I</b>				<b>\$50,728.25</b>
Actual Sch. 9 Charges incurred for Large C&I 6/1/06 - 1/31/07			42,256.45	
PJM Surcharge Billed to Large C&I 6/1/06 - 1/1/07 (Schedule 1b)			47,940.05	
<b>Reconciliation of Prior PJM Surcharge Recovery</b>				<b><u>(\$5,683.60)</u></b>
<b>Total to be Recovered via PJM Surcharge effective 06/01/07 - 05/31/08</b>				<b>\$45,044.65</b>
06/07 - 05/08 Projected Large C&I kWh Sales				171,196,844
Surcharge Rate \$/kWh				\$0.00026312
Surcharge Rate cents/kWh (without GRT)				0.0263
<b>Surcharge Rate cents/kWh (with GRT)</b>				<b><u>0.0280</u></b>

Notes 1 PJM Rates are as published for the 06/07 - 05/08 period - see Schedule 1a for weighting  
2 2006 Control Area Load used for projected 9-4 and 9-5 costs  
3 Allocation Factor for Large C&I based upon 07/08 Projected C&I mWh load relative to  
07/08 Control Area Load

183,098,229 15,413,535,567 0.01188

**Duquesne Light Company**  
**Proration of PJM Schedule 9 Rates**  
 For Projected Costs June 07 through May 08

**Schedule 1a**

	Projected Load for HPS (MWH)	9-2 Rate	9-3 Rate	9-4 Rate	9-5 Rate
June-07	16,195	0.0027	0.0402	0.2429	0.0924
July	15,626	0.0027	0.0402	0.2429	0.0924
August	17,145	0.0027	0.0402	0.2429	0.0924
September	16,498	0.0027	0.0402	0.2429	0.0924
October	15,264	0.0027	0.0402	0.2429	0.0924
November	14,464	0.0027	0.0402	0.2429	0.0924
December	15,388	0.0027	0.0402	0.2429	0.0924
Sub-Total	110,580	0.0016	0.0243	0.1467	0.0558
January-08	15,124	0.0027	0.0399	0.2442	0.0922
February	13,625	0.0027	0.0399	0.2442	0.0922
March	15,736	0.0027	0.0399	0.2442	0.0922
April	13,929	0.0027	0.0399	0.2442	0.0922
May	14,104	0.0027	0.0399	0.2442	0.0922
Sub-Total	72,518	0.0011	0.0158	0.0967	0.0365
Total	183,098				
Weighted Rate		0.0027	0.0401	0.2434	0.0923

**Duquesne Light Company**  
**PJM Surcharge Billed to Large C&I Customers**  
June 1, 2006 through January 31, 2007

**Schedule 1b**

FPS - Thru the Meter kWh's	6,927,107
HPS - Thru the Meter kWh's	114,215,839
POLR 1 (Rule 4) - Thru the Meter kWh's	14,712,678
Total kWh	<u>135,855,624</u>
Rider 1 - PJM Surcharge Rate	0.000375000
GRT	0.941
Rider 1 - PJM Surcharge Rate Less GRT	0.000352875
Rider 1 - PJM Surcharge Billed Amount	\$47,940.05