



Duquesne Light

Our Energy... Your Power

411 Seventh Avenue
16th Floor
Pittsburgh, PA 15219

Tel: 412-393-1482
Fax: 412-393-5711
akurtanich@duqlight.com

Adrienne D. Kurtanich
Attorney

November 25, 2015

VIA OVERNIGHT DELIVERY

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

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NOV 25 2015

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

**Re: Duquesne Light Company
Supplement No. 123 to Tariff Electric – PA. P.U.C. No. 24
Universal Service Charge – Rider No. 5**

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of the Supplement No. 123 to Duquesne Light Company's ("Duquesne Light" or "Company") Tariff-Electric, PA. P.U.C. No. 24 issued November 25, 2015 to become effective on January 1, 2016. As noted in the attachment, the proposed Universal Service Charge will be 0.705 cents per kWh.

Also enclosed is a copy of the reconciliation statement which supports the rate change. A copy of the reconciliation statement was also separately filed today. Consistent with the Pennsylvania Public Utility Commission's Final Order issued at Docket M-2013-2350946, the propose rates are based in part upon modified enrollment projections for the Consumer Assistance Program ("CAP"). Duquesne Light switched its CAP enrollment projections from a 5-year average to a 3-year average.

Finally, Duquesne Light has served a copy of this filing on all parties in its last general base rate increase proceeding. Duquesne Light respectfully requests that the Commission approve the tariff supplement.



Rosemary Chiavetta, Secretary
November 25, 2015
Page 2

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

Respectfully Submitted,

Adrienne D. Kurtanich
Attorney, Regulatory

Enclosure

cc: Certificate of Service
William V. Pfrommer



SCHEDULE OF RATES

For Electric Service in Allegheny and Beaver Counties

(For List of Communities Served, see Pages No. 4 and 5)

Issued By

DUQUESNE LIGHT COMPANY
411 Seventh Avenue
Pittsburgh, PA 15219

Richard Riazzi
President and Chief Executive Officer

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NOV 25 2015

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

ISSUED: November 25, 2015

EFFECTIVE: January 1, 2016

Issued in compliance with Commission Order entered February 24, 2011,
at Docket No. R-2010-2179522.

NOTICE

THIS TARIFF SUPPLEMENT INCREASES A RATE WITHIN AN EXISTING RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

INCREASE

Rider No. 5 – Universal Service Charge

Eleventh Revised Page No. 84
Cancelling Tenth Revised Page No. 84

In accordance with the provisions of the Annual Update section of Rider No. 5 – Universal Service Charge, the annual adjustment of the Company's Universal Service Charge is being filed. The USC increased from 0.582 cents per kilowatt-hour to 0.705 cents per kilowatt-hour.

STANDARD CONTRACT RIDERS - (Continued)**RIDER NO. 5 – UNIVERSAL SERVICE CHARGE**
(Applicable to Rate Schedules RS, RH and RA)**APPLICABILITY**

The Universal Service Charge ("USC") is instituted as a cost recovery mechanism to recover the costs incurred by the Company to provide its Commission approved Universal Service and Energy Conservation Plan. The USC shall be applicable to all residential customers who take distribution service under Rate Schedules RS, RH and RA except for residential customers in the Company's Customer Assistance Program ("CAP"). The USC provides for the recovery of the costs, excluding internal administrative costs, associated with universal service programs provided by the Company to residential customers. The USC shall be determined to the nearest one-thousandth of one (1) cent per kilowatt-hour ("kWh") in accordance with the formula set forth below and shall be applied to all kilowatt-hours delivered during the billing month. The USC is a non-bypassable charge.

RATE

In addition to the charges provided in this Tariff, an amount of 0.705 cents per kilowatt-hour shall be added (I) to the distribution energy charges per kilowatt-hour of each applicable rate schedule to determine the total per kilowatt-hour charge. The USC shall not be applicable to customers enrolled in the Company's CAP.

CALCULATION OF CHARGE

$$USC = [(US_c - Cr - E) / S_{Res}] * 100 * [1 / (1 - T)]$$

Where: USC = The charge, in cents per kilowatt-hour, to be applied to each kilowatt-hour delivered to all applicable non-CAP customers who take distribution service under the residential retail rate schedules under this Tariff.

US_c = Universal Service Program costs, which are the estimated direct and external administrative costs to be incurred by the Company to provide Universal Service to customers for the USC Computational Year. Such costs shall include, but are not limited to, preparation of the Needs Assessment, Universal Service Plan development, Impact Evaluation and educational materials. Universal Service Programs include the following programs which may change from time to time:

- Customer Assistance Program ("CAP"): CAP costs will be calculated to include the projected CAP discount and CAP program costs for the Computational Year. The total CAP discount will be based on the annual average discount from the previous year, the Reconciliation Year, multiplied by the projected average number of CAP program participants during the Computational Year. The CAP discount shall be reduced by the annual Low Income Home Energy Assistance Program ("LIHEAP") funds received by CAP customers during the previous LIHEAP program year. The annual average discount from the previous year will be calculated as the difference between the bill at current rates and the CAP payment from customers during the

(I) – Indicates Increase

ISSUED: NOVEMBER 25, 2015

EFFECTIVE: JANUARY 1, 2016

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2014 through October 31, 2015

	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Total
1 Net Surcharge Revenue, Incl. GRT	(\$856,509)	(\$914,788)	\$2,049,015	\$1,975,967	\$1,790,204	\$1,307,002	\$1,735,501	\$1,954,083	\$2,444,633	\$2,224,565	\$1,930,572	\$1,391,765	\$17,032,009
2 E-Factor Revenue, Incl. GRT	(\$92,911)	(\$109,914)	\$494,738	\$462,419	\$417,496	\$304,306	\$404,092	\$455,191	\$569,017	\$517,473	\$449,168	\$323,406	\$4,194,483
3 Universal Service Charge Related Revenue	(\$949,419)	(\$1,024,702)	\$2,543,754	\$2,438,386	\$2,207,700	\$1,611,308	\$2,139,592	\$2,409,275	\$3,013,650	\$2,742,039	\$2,379,740	\$1,715,171	\$21,226,493
4 Universal Service Charge Related Revenue	(\$949,419)	(\$1,024,702)	\$2,543,754	\$2,438,386	\$2,207,700	\$1,611,308	\$2,139,592	\$2,409,275	\$3,013,650	\$2,742,039	\$2,379,740	\$1,715,171	\$21,226,493
5 Less PA Gross Receipts Tax	(\$56,016)	(\$60,457)	\$150,081	\$143,865	\$130,254	\$95,067	\$126,236	\$142,147	\$177,805	\$161,780	\$140,405	\$101,195	\$1,252,363
6 Universal Service Charge Related Revenue	(\$893,404)	(\$964,244)	\$2,393,672	\$2,294,521	\$2,077,446	\$1,516,241	\$2,013,357	\$2,267,128	\$2,835,844	\$2,580,259	\$2,239,335	\$1,613,976	\$19,974,130
7 Expense	\$7,155,376	\$1,381,647	\$1,536,332	\$1,198,231	\$1,235,187	\$1,425,482	\$1,206,657	\$1,693,683	\$1,685,668	\$1,820,156	\$2,356,141	\$2,009,734	\$24,704,295
8 CAP Discount Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Adjusted Expense	\$7,155,376	\$1,381,647	\$1,536,332	\$1,198,231	\$1,235,187	\$1,425,482	\$1,206,657	\$1,693,683	\$1,685,668	\$1,820,156	\$2,356,141	\$2,009,734	\$24,704,295
10 Over/(Under) Collection	(\$8,048,780)	(\$2,345,892)	\$857,340	\$1,096,290	\$842,259	\$90,758	\$806,699	\$573,445	\$1,150,176	\$760,102	(\$116,806)	(\$395,758)	(\$4,730,166)
11 Interest	(\$804,878)	(\$222,860)	\$77,161	\$93,185	\$67,381	\$6,807	\$56,469	\$37,274	\$69,011	\$41,806	(\$5,840)	(\$17,809)	(\$602,295)
12 Total Over/(Under) Collection	(\$8,853,658)	(\$2,568,751)	\$934,501	\$1,189,475	\$909,639	\$97,565	\$863,168	\$610,719	\$1,219,186	\$801,908	(\$122,646)	(\$413,567)	(\$5,332,461)

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2014 through October 31, 2015

Rate Class	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Total
A. Actual Surcharge Revenue by Month, Incl. GRT													
1 RS	(\$753,330)	(\$791,143)	\$1,739,849	\$1,644,737	\$1,527,860	\$1,173,485	\$1,627,513	\$1,833,200	\$2,302,594	\$2,091,267	\$1,811,129	\$1,260,947	\$15,468,109
2 RH	(\$91,233)	(\$110,260)	\$279,966	\$301,986	\$233,688	\$113,692	\$87,007	\$97,153	\$113,547	\$106,721	\$96,060	\$111,445	\$1,339,772
3 RA	(\$11,946)	(\$13,385)	\$29,200	\$29,243	\$28,656	\$19,825	\$20,980	\$23,730	\$28,493	\$26,577	\$23,382	\$19,373	\$224,129
4 Total	(\$856,509)	(\$914,788)	\$2,049,015	\$1,975,967	\$1,790,204	\$1,307,002	\$1,735,501	\$1,954,083	\$2,444,633	\$2,224,565	\$1,930,572	\$1,391,765	\$17,032,009
B. Actual Surcharge Revenue by Month, Excl. GRT													
5 RS	(\$708,883)	(\$744,465)	\$1,637,198	\$1,547,698	\$1,437,716	\$1,104,249	\$1,531,490	\$1,725,041	\$2,166,741	\$1,967,883	\$1,704,273	\$1,186,551	\$14,555,491
6 RH	(\$85,850)	(\$103,755)	\$263,448	\$284,169	\$219,900	\$106,984	\$81,874	\$91,421	\$106,847	\$100,424	\$90,393	\$104,870	\$1,260,725
7 RA	(\$11,241)	(\$12,595)	\$27,477	\$27,518	\$26,965	\$18,655	\$19,742	\$22,330	\$26,812	\$25,009	\$22,002	\$18,230	\$210,905
8 Total	(\$805,975)	(\$860,815)	\$1,928,123	\$1,859,385	\$1,684,582	\$1,229,889	\$1,633,106	\$1,838,793	\$2,300,400	\$2,093,316	\$1,816,668	\$1,309,650	\$16,027,121

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2014 through October 31, 2015

Rate Class	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Total
A. Actual Non-CAP kWh by Month													
1 RS	246,907,968	287,892,580	309,228,649	284,442,449	263,533,514	202,219,765	280,569,544	316,126,808	396,842,406	360,244,945	311,979,927	217,018,947	3,477,007,502
2 RH	30,852,554	40,296,069	51,760,843	53,016,606	40,763,369	19,788,182	15,148,972	16,950,905	19,759,693	18,497,446	16,680,526	19,216,726	342,531,891
3 RA	3,986,463	4,884,398	5,483,240	5,073,877	4,959,437	3,403,927	3,608,789	4,101,160	4,891,818	4,571,199	4,056,902	3,324,626	52,345,835
4 B. E-Factor Rate (1) Cents per kWh, Inc. GRT	(0.033)	(0.033)	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135	
C. E-Factor Revenue, Incl. GRT													
5 RS	(\$81,480)	(\$95,005)	\$417,459	\$383,997	\$355,770	\$272,997	\$378,769	\$426,771	\$535,737	\$486,331	\$421,173	\$292,976	\$3,795,495
6 RH	(\$10,115)	(\$13,298)	\$69,877	\$71,572	\$55,031	\$26,714	\$20,451	\$22,884	\$26,676	\$24,972	\$22,519	\$25,943	\$343,224
7 RA	(\$1,316)	(\$1,612)	\$7,402	\$6,850	\$6,695	\$4,595	\$4,872	\$5,537	\$6,604	\$6,171	\$5,477	\$4,488	\$55,764
8 Total	(\$92,911)	(\$109,914)	\$494,738	\$462,419	\$417,496	\$304,306	\$404,092	\$455,191	\$569,017	\$517,473	\$449,168	\$323,406	\$4,194,483
D. E-Factor Revenue, Excl. GRT													
9 RS	(\$76,672)	(\$89,399)	\$392,829	\$361,341	\$334,780	\$256,890	\$356,422	\$401,592	\$504,129	\$457,637	\$396,324	\$275,690	\$3,571,561
10 RH	(\$9,519)	(\$12,513)	\$65,754	\$67,350	\$51,784	\$25,138	\$19,244	\$21,534	\$25,102	\$23,498	\$21,190	\$24,412	\$322,974
11 RA	(\$1,238)	(\$1,517)	\$6,966	\$6,446	\$6,300	\$4,324	\$4,584	\$5,210	\$6,214	\$5,807	\$5,154	\$4,223	\$52,474
12 Total	(\$87,429)	(\$103,429)	\$465,549	\$435,137	\$392,864	\$286,352	\$380,250	\$428,335	\$535,445	\$486,942	\$422,667	\$304,325	\$3,947,009

1/ Per December 2, 2013 submittal at Docket No. M-2013-2395688 and December 9, 2014 submittal at Docket No. M-2014-2455982.

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2014 through October 31, 2015

	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Total
1 CAP Revenue Deficiency	\$6,712,897	\$1,198,628	\$1,069,527	\$926,991	\$793,890	\$713,925	\$751,391	\$987,595	\$1,132,653	\$1,322,057	\$1,401,967	\$1,381,843	\$18,393,363
2 CAP Frozen Arrearage	\$164,082	\$37,359	\$115,257	\$148,731	\$188,534	\$384,133	\$349,890	\$350,921	\$347,173	\$389,940	\$389,565	\$371,015	\$3,236,602
3 CAP Administrative Costs	\$159,466	\$11,179	\$235,217	\$7,335	\$7,399	\$43,326	\$32,076	\$121,654	\$0	\$7,335	\$695,419	\$275,934	\$1,596,340
4 Smart Comfort	\$10,414	\$237,505	\$93,835	\$115,175	\$245,363	\$170,559	\$73,300	\$221,463	\$205,842	\$19,032	(\$84,771)	(\$41,558)	\$1,266,159
5 CARES	\$108,517	(\$103,024)	\$22,496	\$0	\$0	\$113,539	\$0	\$12,050	\$0	\$0	(\$46,039)	\$22,500	\$130,039
6 Hardship Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$81,792	\$0	\$0	\$81,792
7 Total Expenses	\$7,155,376	\$1,381,647	\$1,536,332	\$1,198,231	\$1,235,187	\$1,425,482	\$1,206,657	\$1,693,683	\$1,685,668	\$1,820,156	\$2,356,141	\$2,009,734	\$24,704,295
8 CAP Customers	35,020	35,155	35,185	35,119	35,154	35,242	35,544	35,848	35,961	36,124	35,828	35,918	
9 Monthly Enrollment Level (1)	41,650	41,650	41,650	41,650	41,650	41,650	41,650	41,650	41,650	41,650	41,650	41,650	
10 CAP Customers>Enrollment	0	0	0	0	0	0	0	0	0	0	0	0	
11 Average CAP Deficiency/CAP Customer (2)	\$191.69	\$34.10	\$30.40	\$26.40	\$22.58	\$20.26	\$21.14	\$27.55	\$31.50	\$36.60	\$39.13	\$38.47	
12 Average Frozen Arrearage/CAP Customer (2)	\$4.69	\$1.06	\$3.28	\$4.24	\$5.36	\$10.90	\$9.84	\$9.79	\$9.65	\$10.79	\$10.87	\$10.33	
13 Deficiency and Arrearage Combined	\$196.37	\$35.16	\$33.67	\$30.63	\$27.95	\$31.16	\$30.98	\$37.34	\$41.15	\$47.39	\$50.00	\$48.80	
14 Bad Debt Offset (3)	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	
15 CAP Discount Credit (line 10 * line13 * line 14)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16 Total Adjusted Expenses (line 7 - line 15)	\$7,155,376	\$1,381,647	\$1,536,332	\$1,198,231	\$1,235,187	\$1,425,482	\$1,206,657	\$1,693,683	\$1,685,668	\$1,820,156	\$2,356,141	\$2,009,734	\$24,704,295

1/ Per tariff, Rider 5, Universal Service Charge, page 85.

2/ Average amount per CAP customer per month.

3/ Per Company tariff, Rider 5, Universal Service Charge, page 85 and at Docket No. R-2010-2179522.

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2014 through October 31, 2015

	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Total
1 Net Surcharge Revenue, Excl. GRT	(\$805,975)	(\$860,815)	\$1,928,123	\$1,859,385	\$1,684,582	\$1,279,889	\$1,633,106	\$1,898,793	\$2,300,400	\$2,093,316	\$1,816,668	\$1,309,650	\$16,027,121
2 E-Factor Revenue, Excl. GRT	(\$87,429)	(\$103,429)	\$465,549	\$435,137	\$192,864	\$286,352	\$380,250	\$428,335	\$535,445	\$486,942	\$422,667	\$304,325	\$3,947,009
3 Universal Service Charge Related Revenue, Excl. GRT	(\$893,404)	(\$964,244)	\$2,393,672	\$2,294,521	\$2,077,446	\$1,516,241	\$2,013,357	\$2,267,178	\$2,835,844	\$2,580,259	\$2,239,335	\$1,613,976	\$19,974,130
4 Expense	\$7,155,376	\$1,381,617	\$1,536,332	\$1,198,231	\$1,235,187	\$1,425,482	\$1,206,657	\$1,693,683	\$1,685,668	\$1,820,156	\$2,356,141	\$2,009,234	\$24,704,295
5 Over/(Under) Collection	(\$8,048,780)	(\$2,345,692)	\$857,340	\$1,096,290	\$842,259	\$90,758	\$806,699	\$573,445	\$1,150,176	\$760,102	(\$116,806)	(\$395,758)	(\$4,730,166)
6 Interest Rate	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	
7 Interest Weight	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	12/12	11/12	10/12	9/12	
8 Interest	(\$804,878)	(\$222,860)	\$77,161	\$93,185	\$67,381	\$6,807	\$56,469	\$37,274	\$69,011	\$41,806	(\$5,840)	(\$17,809)	(\$602,295)

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ATTACHMENT A

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Reconciliation of Revenue and Expense - November 1, 2014 through October 31, 2015

1	Net Surcharge Revenue, Incl. GRT	\$17,032,009	Exh. 1, Page 2
2	Net Surcharge Related Revenue, Excl. GRT	\$16,027,121	Line 1 * 0.941
3	E-Factor Revenue, Incl. GRT	\$4,194,483	Exh. 1, Page 3
4	E-Factor Revenue, Excl. GRT	\$3,947,009	Line 3 * 0.941
5	Universal Service Related Revenue, Excl. GRT	\$19,974,130	Line 2 + Line 4
6	Universal Service Related Expense	\$24,704,295	Exh. 1, Page 4
7	Total Reconciliation Period Over/(Under) Collection	(\$4,730,166)	Line 5 - Line 5
8	Interest	(\$602,295)	Exh. 1, Page 5
9	Net Reconciliation Period Over/(Under) Collection	(\$5,332,461)	Line 7 + Line 8
<u>E-Factor Reconciliation</u>			
10	Balance at YE October 31, 2014, Excl. GRT	\$4,892,142	Att. A, Page 2
11	E-Factor Revenue - Nov 2014-Oct 2015, Excl. GRT	\$3,947,009	
12	Prior Period Balance at October 31, 2015	\$945,133	Line 10 - Line 11
13	Reconciliation Period Over/(Under) Collection - Nov 2014-Oct 2015	(\$5,332,461)	Line 9
14	E-Factor Balance at YE October 31, 2015	(\$4,387,328)	Sum Line 12 through Line 13

ATTACHMENT A
Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016

Reconciliation of E-Factor Revenue

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2014 through October 31, 2015

<u>Filed December 2011</u>			
1	April 21, 2011 through October 31, 2011	Actual Current Period Over/(Under) Recovery	\$4,364,901
2		Interest	\$255,067
3		Total Actual	\$4,619,968 Line 1 + Line 2
4		Net Actual Over/(Under) Collection	\$4,619,968 Line 3
<u>Filed December 2012</u>			
Effective January 1, 2012-December 2012			
5	Apr 2011 to Oct 2011	Prior Period Over/(Under) Collection	\$4,619,968 Line 4
6	Nov 2011 to Oct 2012	Current Period E-Factor Revenue (excl. GRT)	\$5,388,616
7		Prior Period E-Factor Balance	(\$778,648) Line 5 - Line 6
8	Nov 2011 to Oct 2012	Actual Current Period Over/(Under) Recovery	\$3,757,322
9		Interest	\$303,238
10		Total	\$4,060,557 Line 8 + Line 9
11		E-Factor Balance at YE October 31, 2012	\$3,281,909 Line 7 + Line 10
<u>Filed December 2013</u>			
Effective January 1, 2014-December 2014			
12	Nov 2011 to Oct 2012	Prior Period Over/(Under) Collection	\$3,281,909
13	Nov 2012 to Oct 2013	E-Factor Revenue (excl. GRT)	\$3,648,208
14		Prior Period Balance Oct. 31, 2013	(\$364,298) Line 12 - Line 13
15	1/ Per Decer Nov 2012 to Oct 2013	Actual Current Period Over/(Under) Recovery	(\$820,817)
16		Interest	(\$13,045)
17		Total	(\$833,862) Line 15 + Line 16
18		E-Factor Balance at October 31, 2013	(\$1,200,161) Line 14 + Line 17
<u>Filed December 2014</u>			
Effective January 1, 2015-December 2015			
19	Nov 2012 to Oct 2013	Prior Period Over/(Under) Collection	(\$1,200,161) Line 18
20	Nov 2013 to Oct 2014	E-Factor Revenue (excl. GRT)	(\$447,619)
21		Prior Period Balance Oct. 31, 2013	(\$752,542) Line 19 - Line 20
22	Nov 2013 to Oct 2014	Actual Current Period Over/(Under) Recovery	\$6,180,725
23		Interest	\$537,824
24		Total	\$6,718,550 Line 22 + Line 23
25		E-Factor Balance at October 31, 2013	\$5,966,008 Line 21 + Line 24
26	Audit Finding No. 1 - Recovery of Understatement of CAP Discount		(\$633,025) Note (1)
27	Audit Finding No. 2 - Recovery of Understatement of Arrearage Forgiveness		(\$535,766) Note (1)
28	Audit Finding No. 3 - Refund with interest of Overstatement of Administrative Charges		\$84,925 Note (1)
29		Net E-Factor Balance at YE October 31, 2014	\$4,892,142 Sum Line 25 through line 28
<u>Filed November 2015</u>			
Effective January 1, 2015-December 2016			
30	Nov 2013 to Oct 2014	Prior Period Over/(Under) Collection	\$4,892,142 Line 29
31	Nov 2014 to Oct 2015	Current Period E-Factor Revenue (excl. GRT)	\$3,947,009
32		Prior Period E-Factor Balance	\$945,133 Line 30 - Line 31
33	Nov 2014 to Oct 2015	Actual Current Period Over/(Under) Recovery	(\$4,730,166)
34		Interest	(\$602,295)
35		Total	(\$5,332,461) Line 33 + Line 34
36		E-Factor Balance at YE October 31, 2015	(\$4,387,328) Line 32 + Line 35

(1) Audit findings per Commission order entered January 23, 2014 at Docket No. D-2013-2343084. Interest on refund calculated at 44 months from from November 2011 and 32 months from November 2012 at 6%.

ATTACHMENT A

**Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2016**

Calculation of the Projected Universal Service Charge

<u>Universal Service Program Costs:</u>		
1	CAP Revenue Deficiency	\$13,549,499
2	CAP Frozen Arrearage	\$3,586,632
3	CAP Administration Cost	\$1,509,600
4	Smart Comfort	\$1,655,700
5	CARES	\$135,000
6	Hardship Fund	\$75,000
7	<u>Projected Universal Service Program Budget</u>	<u>\$20,511,431</u>
<u>Credit (Bad Debt Offset):</u>		
8	CAP Customer Participation Level	41,650 Per USC, Tariff Rider 5, page 85
9	<u>Actual Enrollment as of October 31, 2015</u>	<u>35,918</u>
10	Difference	0 Line 9 - Line 8
11	<u>Average Discount per Customer per Year</u>	<u>\$468 See Footnote 1</u>
12	<u>Discount With Excess Customers</u>	<u>\$0 Line 10 * Line 11</u>
13	<u>Bad Debt Offset</u>	<u>10.43% Per USC, Tariff Rider 5, page 85</u>
14	<u>Adjustment to USC for Bad Debt</u>	<u>\$0 Line 12 * Line 13</u>
15	<u>Total Projected Universal Service Program Costs</u>	<u>\$20,511,431 Line 7 - Line 14</u>
<u>Projected Non-CAP Sales:</u>		
16	Forecast Residential Sales (kWh)	4,081,373,383
17	<u>Less Forecast CAP Sales (kWh)</u>	<u>330,248,181</u>
18	<u>Non-CAP Forecast Sales (kWh)</u>	<u>3,751,125,202 Line 16 - Line 17</u>
19	Charge - \$/kWh	\$0.00547 Line 15 / Line 18
20	Charge - ¢/kWh	0.547 Line 19 * 100
21	T= Pennsylvania Gross Receipts Tax (GRT):	5.9%
22	<u>Projected Universal Service Charge (USC) (¢/kWh)</u>	<u>0.581 Line 20 * 1 / (1 - line 21)</u>
23	E-Factor Over/(Under) Collection (¢/kWh), Incl. GRT	(0.124) Att. A, Page 3
24	<u>Universal Service Charge (USC) (¢/kWh) - Effective January 1, 2016</u>	<u>0.705 Line 22 - Line 23</u>

(1) Calculated as follows:

Projected 2016 CAP Deficiency and Arrearages (Line 1 + Line 2)	\$17,136,131
Projected Enrollment as of December 31, 2016	36,641
Average Discount per Customer per Year	<u>\$468</u>

CERTIFICATE OF SERVICE

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

VIA U.S. MAIL

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265

Candis A. Tunilo, Esq.
David T. Evrard, Esq.
Amy E. Hirakis, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Theodore S. Robinson, Esq.
Citizen Power Inc.
2121 Murray Avenue
Pittsburgh, PA 15217

Patrick M. Cicero, Esq.
Harry S. Geller, Esq.
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101
Counsel for CAUSE-PA

Pamela C. Polacek, Esq.
Teresa K. Schmittberger, Esq.
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166
*Counsel for Duquesne Industrial
Intervenors*

Sharon E. Webb, Esq.
Small Business Advocate
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101-1923

Derrick P. Williamson, Esq.
Barry A. Naum, Esq.
Spilman Thomas & Battle
1100 Bent Creek Boulevard, Suite 101
Mechanicsburg, PA 17050
*Counsel for United States Steel
Corporation*

Joseph L. Vullo, Esq.
1460 Wyoming Avenue
Forty Fort, PA 18704
Counsel for CAAP

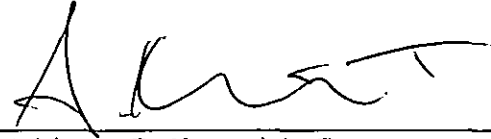
Todd S. Stewart, Esq.
Hawke McKeon & Sniscak LLP
P.O. Box 1778
100 N. Tenth Street
Harrisburg, PA 17105-1778
Counsel for Interstate Gas Supply, Inc.

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Scott J. Rubin, Esq.
Public Utility Consulting
333 Oak Lane
Bloomsburg, PA 17815
Counsel for IBEW Local 29



Adrienne D. Kurtanich, Esq.
Duquesne Light Company
411 Seventh Avenue, 16-1
Pittsburgh, PA 15219
Phone: 412-393-1482
Fax: 412-393-5711
akurtanich@duqlight.com

Dated: November 25, 2015