



**Duquesne Light**

*Our Energy...Your Power*

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

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Adrienne D. Kurtanich  
Attorney

November 25, 2015

**VIA OVERNIGHT DELIVERY**

**RECEIVED**

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

NOV 25 2015

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Re: Duquesne Light Company – Annual Reconciliation Statement  
Rider No. 5 – Universal Service Charge**

Dear Secretary Chiavetta:

Enclosed for filing is Duquesne Light Company's ("Duquesne Light" or "Company") Universal Service Charge Rider No. 5 reconciliation statement ("Reconciliation Filing") for the period of November 1, 2014 through October 31, 2015 ("Reconciliation Period").

The Pennsylvania Public Utility Commission ("Commission") approved Rider No. 5 in Duquesne Light's general base rate increase case at Docket No. R-2010-2179522. The reconcilable charge is designed to recover the costs incurred by the Company to provide its Universal Service and Energy Conservation Plan.

The enclosed reconciliation statement provides a summary of total revenues and expenses for the Reconciliation Period. Page 2 of the statement summarizes the revenue by month for the Reconciliation Period. Page 3 provides the E-Factor revenue calculation. Page 4 summarizes the Company's Universal Services expenses for the reconciliation period, and page 5 provides the interest calculation.

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

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)

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PA PUBLIC UTILITY COMMISSION  
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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
<b>A. Actual Surcharge Revenue by Month, Incl. GRT</b>													
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>B. Actual Surcharge Revenue by Month, Excl. GRT</b>													
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

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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
<b>A. Actual Non-CAP kWh by Month</b>													
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	30,652,554	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
<b>B. E-Factor Rate [1] Cents per kWh, Inc. GRT</b>													
4	(0.033)	(0.033)	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135	0.135
<b>C. E-Factor Revenue, Incl. GRT</b>													
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
<b>D. E-Factor Revenue, Excl. GRT</b>													
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

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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 * line 13 * 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.

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Duquesne Light Company  
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	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	\$1,229,889	\$1,633,106	\$1,838,793	\$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	\$392,864	\$286,352	\$380,250	\$428,335	\$535,445	\$486,942	\$422,667	\$304,325	\$3,947,005
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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)

**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

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Harry S. Geller, Esq.  
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118 Locust Street  
Harrisburg, PA 17101

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555 Walnut Street  
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Phone: 412-393-1482  
Fax: 412-393-5711  
akurtanich@duqlight.com

Dated: November 25, 2015

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

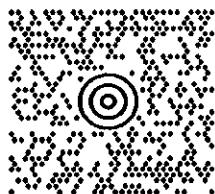
ADIE KURTAHCH  
412-393-1482  
DUQUESNE LIGHT  
411 7TH AVENUE, 16-1  
PITTSBURGH PA 15219

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**SHIP TO:**

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CHIAVETTA R. PUC