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File #: 151663

December 10, 2015

***VIA ELECTRONIC FILING***

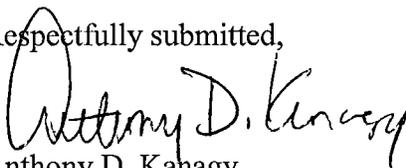
Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Petition of Duquesne Light Company for Approval to Implement a Time-of-Use  
Program for the Year Commencing June 1, 2016 and Ending May 31, 2017  
Docket No. P-2015-2506002**

Dear Secretary Chiavetta:

Enclosed please find the Response of Duquesne Light Company to the Bureau of Technical Utility Services Data Request No. 1. Copies will be provided as indicated on the Certificate of Service.

Respectfully submitted,



Anthony D. Kanagy

ADK/skr  
Enclosure

cc: Certificate of Service  
Yasmin Snowberger  
Lee Yalcin

## CERTIFICATE OF SERVICE

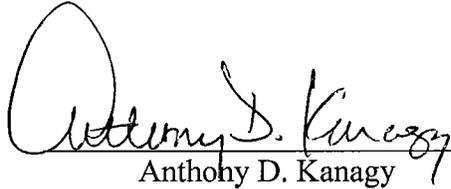
I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

### VIA E-MAIL & FIRST CLASS MAIL

Sharon E. Webb, Esquire  
Office of Small Business Advocate  
300 North Second Street, Suite 202  
Harrisburg, PA 17101  
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Elizabeth R. Marx, Esquire  
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[emarxpulp@palegalaid.net](mailto:emarxpulp@palegalaid.net)  
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Date: December 10, 2015

  
Anthony D. Kanagy

Docket No. P-2015-2506002  
Duquesne Light Co. (DUQ)  
Data Request

- 1) Please reference **Section E. Cost Recovery**- DUQ estimates the approximate costs associated with the TOU implementation to be \$512,500.00. Please provide a detailed explanation of the estimated cost with a breakdown in fixed and recurring cost.

Response:

A breakdown of the \$512,500 cost estimate for the proposed Time of Use Program is detailed below. Each component is a one-time cost estimate in support of the implementation and communication of the TOU Program for the TOU rate effective period June 1, 2016 to May 31, 2017.

**Customer Communication** - \$250,000 was allocated to communicate to all eligible TOU participants. This amount is to ensure that eligible customers are aware of the program, the benefits of the program, how to enroll in the program as well as the Duquesne Light web portal that will compare the TOU rates to base supply rates so the customer can make an informed decision concerning the potential savings and benefits of participation. The method of communication will be direct mail to each eligible customer including letters and postcards. This communication approach is in addition to any notifications already being employed for the installation of the smart meter wherein the TOU program is also mentioned. The Company anticipates that approximately 200,000 customers will be eligible for the TOU program that is scheduled to begin June 1, 2016. The Company also intends that this communication will be an unbiased source so the customer can gain clear picture of the TOU program. This communication will also be in addition to those that may be offered by participating EGS(s).

**CSR Training** - \$12,500 was allocated to provide training to the Customer Service Representative and Billing Staff. The training will be completed after normal call center hours. The estimate was developed based on approximately 100 employees trained for two (2) two hour sessions.

**Billing Resources** - \$50,000 was allocated for billing resource assistance to provide the customer with detailed TOU bills and to ensure TOU bill accuracy.

**Reporting and Analysis** - \$200,000 was allocated for TOU program reporting and analytics. The proposed TOU Program outlined a reporting plan that may be included in the final report. In order to provide meaningful data and information, the Company proposes to provide an analysis of the TOU program that will aid in future TOU program design. The analysis will identify: what information worked successfully, areas to improve, customer preferences and observations. The Company may engage an outside firm to conduct customer research and gather customer feedback.

All actual TOU expenses will be assigned to the applicable customer class and included as part of the overall supply expenses for recovery through default service rates.

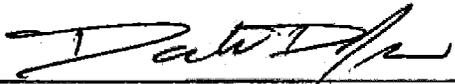
The estimated costs above are based upon the assumption that an EGS will offer the TOU program. If Duquesne Light is required to offer the TOU program under its contingency plan, the estimated costs above may increase due to additional customer communication activities or for additional Company implementation costs.

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**Petition of Duquesne Light Company For** :  
**Approval to Implement a Time-of-Use** : **Docket No. P-2015-2506002**  
**Program for the Year Commencing June 1,** :  
**2016 and Ending May 31, 2017** :

**VERIFICATION**

I, David W. Defide, Manager, Customer Programs for Duquesne Light Company, hereby state that the facts above set forth in Response No. 1 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).

  
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David W. Defide

Date: December 10, 2015