



Duquesne Light

Our Energy...Your Power

411 Seventh Avenue
15th Floor
Pittsburgh, PA 15219

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

Adrienne D. Kurtanich
Attorney

December 30, 2015

Via Overnight Delivery

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DEC 30 2015

CONTAINS CONFIDENTIAL INFORMATION

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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

**Re: Duquesne Light Company Default Service Supply – Rider No. 8
Quarterly Rate Adjustment Effective March 1, 2016
Supplement No. 126 to Tariff Electric – PA. P.U.C. No. 24**

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of Supplement No. 126 to Duquesne Light Company's Tariff Electric, PA. P.U.C. No. 24 issued December 30, 2015 with an effective date of March 1, 2016. This filing is made in compliance with Pennsylvania Public Utility Commission ("Commission") Order entered on January 15, 2015 at Docket No. P-2014-2418242.

Supplement No. 126 modifies medium commercial and industrial rates. Herein, Duquesne Light Company is providing the supporting statements for the proposed default service rates. Also included with the calculations is a **CONFIDENTIAL** summary of the Request for Proposal (RFP) results that supports each rate. The **CONFIDENTIAL** information is being provided to the Commission only and Duquesne Light Company respectfully requests that the **CONFIDENTIAL** version be excluded from the public file.

Should you have any questions, please feel free to contact me or Bill Pfrommer at 412-393-6323.

Respectfully Submitted,

Adrienne D. Kurtanich
Attorney, Regulatory

Enclosures

cc: Certificate of Service, without **CONFIDENTIAL** information



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

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Richard Riazzi

President and Chief Executive Officer

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

ISSUED: December 30, 2015

EFFECTIVE: March 1, 2016

Issued in compliance with Commission Order dated January 15, 2015,
at Docket No. P-2014-2418242.

NOTICE

THIS TARIFF SUPPLEMENT DECREASES A RATE WITHIN AN EXISTING RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

DECREASE

Rider No. 8 – Default Service Supply

Twentieth Revised Page No. 88
Cancelling Nineteenth Revised Page No. 88

The supply charge has decreased from 6.6641 ¢/kWh to 5.4711 ¢/kWh for the application period March 1, 2016, through May 31, 2016, for Medium Commercial & Industrial customers whose usage is greater than or equal to 25 KW.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

Default Service Supply ("DSS") provides residential, commercial, industrial and lighting customers on the applicable rate schedules with a default service supply rate that is determined based on a request for proposal to acquire the energy to serve the load of customers taking service under the provisions of this Rider. Commercial and industrial customers are defined in Rate Schedules GS/GM and GMH, and, in general, are those customers with a monthly metered demand that is less than 300 kW in a twelve (12) month period.

DEFAULT SERVICE SUPPLY RATE

Residential (Rate Schedules RS, RH and RA)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2015 through November 30, 2015	6.7502
December 1, 2015 through May 31, 2016	6.5398
June 1, 2016 through November 30, 2016	X.XXXX
December 1, 2016 through May 31, 2017	X.XXXX

Small Commercial and Industrial customers with monthly metered demand less than 25 kW.
(Rate Schedules GS/GM and GMH and Rate Schedule UMS)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2015 through November 30, 2015	6.2355
December 1, 2015 through May 31, 2016	6.0133
June 1, 2016 through November 30, 2016	X.XXXX
December 1, 2016 through May 31, 2017	X.XXXX

Medium Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW.

(Rate Schedules GS/GM and GMH)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2015 through August 31, 2015	6.1413
September 1, 2015 through November 30, 2015	5.6764
December 1, 2015 through February 29, 2016	6.6641
March 1, 2016 through May 31, 2016	5.4711
June 1, 2016 through August 31, 2016	X.XXXX
September 1, 2016 through November 30, 2016	X.XXXX
December 1, 2016 through February 28, 2017	X.XXXX
March 1, 2017 through May 31, 2017	X.XXXX

(D)

Lighting (Rate Schedules AL and SE)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2015 through November 30, 2015	4.1117
December 1, 2015 through May 31, 2016	3.9828
June 1, 2016 through November 30, 2016	X.XXXX
December 1, 2016 through May 31, 2017	X.XXXX

(D) – Indicates Decrease

ATTACHMENT A

Duquesne Light Company
 Rider No. 8 - Medium C&I Default Service Supply Rate
 Proposed Supply Rates Effective March 1, 2016

Rate Design for Medium C&I Tariff Rate

1	Wholesale Price		\$46.50 /MWh	Weighted bid price - Att. A, Page 1
2	Line Losses	6.1%		Transmission (0.8%); distribution (5.3%)
3	Price Adjustment for Losses		\$2.84 /MWh	Line 1 * Line 2
4	Price Adjusted for Losses		\$49.34 /MWh	Line 1 + Line 3
5	Outside Services	\$21,598		Outside services to conduct RFPs
6	Forecast POLR Sales (MWh)	165,027		Forecast POLR sales (MWh) March 1, 2016 through May 31, 2016
7	Administrative Adder (per MWh)		\$0.13 /MWh	Line 5 / Line 6
<u>Reconciliation (April 2015 to July 2015)</u>				
8	E-factor (Over)/Under Collection	\$112,823		E-factor Balance and prior period (Over)/Under Collection per the Company's October 1, 2015 filing at Docket No. M-2015-2491632. Reconciliation will be updated in the April 1, 2016 filing.
9	(Over)/Under Collection	\$544,100		
10	Interest on (Over)/Under Collection	\$24,444		
11	Total (Over)/Under Collection	\$568,544		Line 9 + Line 10
12	Total E Factor (Over)/Under Reconciliation	\$681,367		Line 8 + Line 11
13	Forecast POLR Sales (MWh)	338,830		Forecast POLR sales (MWh) December 1, 2015 through May 31, 2016
14	E Factor Rate (per MWh)		\$2.01 /MWh	Line 12 / Line 13
15	Adjusted Wholesale Price		\$51.48 /MWh	Line 4 + Line 7 + Line 14
16	PA GRT @ 5.9%		\$3.23 /MWh	Line 15 * (.059/(1-.059))
17	Total Rate (per MWh)		\$54.71 /MWh	Line 15 + Line 16
18	<u>RFP Medium C&I Retail Supply Rate (¢/kWh)</u>		<u>5.4711</u> /kWh	Line 17 / 10
19	Forecast POLR Sales (kWh)	165,027,168		Forecast POLR sales (kWh) March 1, 2016 through May 31, 2016
20	Projected RFP Revenue	\$9,028,781		Line 19 * (Line 18 / 100)

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ATTACHMENT A

Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective March 1, 2016

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	<u>Current Tariff Effective 12/1/2015</u>	<u>Proposed Tariff Effective 3/1/2016</u>
GM => 25 kW				
GMH => 25 kW				
All kWh	kWh	¢/kWh	6.6641	5.4711

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CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have 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

Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265

Tonya McCloskey, Esq.
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

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

Pamela C. Polacek, Esq.
McNees Wallace & Nurick LLC
100 Pine Street
P.O. Box 1166
Harrisburg, PA 17108-1166

John Ciganek
Bureau of Audits
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 3rd Floor, F East
Harrisburg, PA 17120



Adrienne D. Kurtanich, Esq.
Duquesne Light Company
411 Seventh Avenue, 15-7
Pittsburgh, PA 15219
Phone: 412-393-1482
Fax: 412-393-5711
akurtanich@duqlight.com

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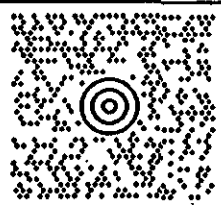
ADIE KURTAICH
412-393-1482
DUQUESNE LIGHT
411 7TH AVENUE, 16-1
PITTSBURGH PA 15219

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SHIP TO:

ROSEMARY CHIAVETTA, SECRETARY
717-772-7777
PENNSYLVANIA PUBLIC UTILITY COMMISS
COMMONWEALTH KEYSTONE BLDG, 2ND FL.
400 NORTH STREET
HARRISBURG PA 17120-0200



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