



Shelby A. Linton-Keddie
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January 28, 2016

Ms. Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, Room-N201
400 North Street
Harrisburg, PA 17120

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JAN 28 2016

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: Pennsylvania Public Utility Commission, et al. v Duquesne Light Company
Docket No. R-2013-2372129, et al.**

Dear Secretary Chiavetta:

Pursuant to paragraph 29 of the Joint Petition for Approval of Non-Unanimous Settlement that was approved by the Commission on April 23, 2014 in the above-referenced proceeding, please find enclosed for filing Duquesne Light Company's affidavit and report attesting to the actual contributions to pension trusts during the 2015 calendar year.

If you have any questions regarding the information contained in this filing, please contact myself or Audrey Waldock at 412.393.6334 or awaldock@duqlight.com.

Sincerely,

Shelby Linton-Keddie
Manager, State Regulatory Affairs/Senior Legal Counsel

Enclosure

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AFFIDAVIT

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I, Matthew S. Ankrum, Controller, after being duly sworn, state that I am authorized to make this Affidavit on behalf of Duquesne Light Company ("Duquesne" or "Company"), and that in compliance with the Settlement Agreement and approved Commission Order in the last Duquesne Light distribution base rate case held before the Commission, Docket No. R-2013-2372129 et al., I make the following affirmations:

1. The Settlement Agreement among the parties and approved by the Commission in said distribution rate proceeding provided that Duquesne is to provide a report and affidavit to the Commission attesting to the actual contributions Duquesne made to its pension trust during each preceding calendar year. Commencing with calendar year 2014, Duquesne will deposit into its pension trust an amount equal to \$37,200,000 per year; provided, however, that contribution(s) in any year in excess of the foregoing may be used on a cumulative basis to satisfy future contribution obligations under this Settlement. The Settlement provides for recovery of the expense component of \$18,600,000 (50% of the average cash contributions) of projected future pension contributions. [Settlement Agreement at page 7]

2. The Settlement Agreement further provides that if Duquesne concludes a contribution less than \$37,200,000 to the pension trust is appropriate, the Company may reduce the pension contribution and will record a regulatory liability on its books that is equal to 50% of the reduction to the pension contribution below the level of \$37,200,000. [Settlement Agreement at page 7]

3. I hereby represent and affirm that the following contributions were made by Duquesne to its employee pension trust fund during the calendar year 2015. I further represent

and affirm beginning when new rates became effective, that the following regulatory liability represent 50% of the reduction to the pension contributions below the level of \$37,200,000.

Contributions in 2015

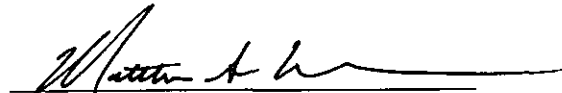
None

Pension Regulatory Liability

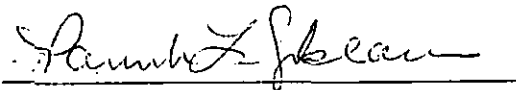
| | |
|---|---------------------|
| Pension Recovery per Settlement | \$37,200,000 |
| Actual Pension Contributions | <u>\$ 0</u> |
| Difference | \$37,200,000 |
| Adjusted 50% per Settlement | <u>50%</u> |
| Addition to Pension Regulatory Liability | \$18,600,000 |
| Pension Regulatory Liability @ 12/31/2014 | <u>\$ 9,709,000</u> |
| Pension Regulatory Liability @ 12/31/2015 | \$28,309,000 |

4. I also attach a report from Willis Towers Watson, a nationally known outside pension consulting firm that supports and shows the contributions having been made to the pension trusts.

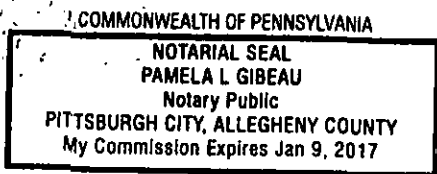
5. I represent that Duquesne has complied with the Settlement Agreement as it relates to its pension funding commitment.


Matthew S. Ankrum

Sworn and subscribed before me this 28th day of January, 2016.

By: 

My Commission Expires:



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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission :
: Docket No. R-2013-2372129
v. :
: :
Duquesne Light Company :

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the Affidavit and attachment 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 and/or E-MAIL

Richard A. Kanaskie, Esquire
Scott Granger, Esquire
Bureau of Investigation & Enforcement
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Sharon E. Webb, Esquire
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Candis A. Tunilo, Esquire
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SECRETARY'S BUREAU

Date: January 28, 2016



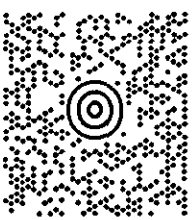
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ADIE KURTAINICH
412-393-4482
DUQUESNE LIGHT
411 7TH AVENUE, 16-1
PITTSBURGH PA 15219

0.0 LBS LTR 1 OF 1

SHIP TO:

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



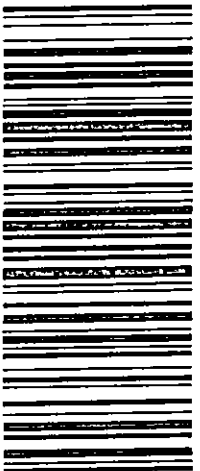
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400 NORTH ST

HARRISBURG PA 17120-1008

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