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August 31, 2016

VIA ELECTRONIC FILING

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

Re: Duquesne Light Company Universal Service and Energy Conservation Three Year Plan 2017-2019 Submitted in Compliance with 52 Pa. Code §§ 54.74; Docket No. M-2016-2534323

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company ("Duquesne Light") is an original copy of Duquesne Light's comments in the proceeding referenced above. These comments are being filed pursuant to the Tentative Order entered on August 11, 2016 in the above referenced proceeding.

Should you have any questions, please do not hesitate to contact me at 412-393-1482.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Adrienne D. Kurtanich", with a long horizontal line extending to the right.

Adrienne D. Kurtanich
Counsel, Regulatory

Enclosure

cc: Certificate of Service
Louise Fink-Smith, Esquire (via email)

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 FIRST CLASS MAIL AND/OR E-MAIL

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

James Farley
Joseph Magee
Sarah Dewey
Bureau of Consumer Services
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
2nd Floor, G-M East
Harrisburg, PA 17120

Patrick Cicero
Pennsylvania Utility Law Project
118 Locust Street
Harrisburg, PA 17101

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101

Office of Small Business Advocate
Suite 1102, Commerce Building
200 North Street
Harrisburg, PA 17101-1923

Date: August 31, 2016



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**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Duquesne Light Company	:	
Universal Service and Energy	:	
Conservation Three Year Plan 2017-2019	:	Docket No. M-2016-2534323
Submitted in Compliance with	:	
52 Pa. Code §§ 54.74	:	

TENTATIVE ORDER

COMMENTS OF DUQUESNE LIGHT COMPANY

I. BACKGROUND & INTRODUCTION

On March 16, 2016, Duquesne Light Company (“Duquesne Light” or “Company”) filed its Universal Service and Energy Conservation Plan (“Plan”) for 2017 through 2019 for approval with the Pennsylvania Public Utility Commission (“PUC” or “Commission”). On August 11, 2016, the Commission entered a Tentative Order at Docket No. M-2016-2534323 tentatively approving Duquesne Light’s proposed Plan. The Commission provided interested parties the opportunity to submit comments regarding the Tentative Order, including but not limited to the Commission’s requests for clarification and discussion contained therein. In its Tentative Order, the Commission directed Duquesne Light to address thirteen (13) points of discussion and clarification in its comments.

The Commission provided that comments on these points of discussion and clarification are due twenty (20) days after the date of entry of the Tentative Order, and reply comments are due ten (10) days thereafter. Duquesne Light appreciates the Commission’s thorough efforts in reviewing the Company’s Plan and in providing observations and points requiring clarification. The Company hereby submits the following comments in response to the Commission’s

requested discussion points and requests for clarification below. Duquesne Light's comments are organized in accordance with the organization of the discussion points in the Tentative Order.

II. COMMENTS AND POINTS OF CLARIFICATION

A. EXPLAIN HOW LIHEAP RECIPIENTS AUTOMATICALLY ENROLLED IN CAP WILL BE EDUCATED ABOUT THE BENEFITS AND RESPONSIBILITIES OF CAP

Customers receiving Low Income Home Energy Assistance Program ("LIHEAP") benefits who are automatically enrolled in Duquesne Light's Customer Assistance Program ("CAP") will be educated about the benefits and responsibilities of CAP in several ways. Duquesne Light plans to provide the customers with the same information provided during the in-person application process in a written format that will be mailed to the customer along with the CAP welcome letter. Additionally, it is the Company's intention to provide the customer with a brochure highlighting the benefits of CAP as well as its other Universal Services programs. Examples of the information that may be provided to customers about CAP will include information related to the benefits and responsibilities of CAP such as arrearage forgiveness, CAP discount, prohibition on shopping for CAP customers, minimum required payments, etc.

B. PROVIDE ADDITIONAL DETAILS ABOUT ITS "OPT-OUT" POLICY FOR CUSTOMERS AUTOMATICALLY ENROLLED INTO CAP

All customers enrolled in CAP have the opportunity to leave the program at any time. Customers automatically enrolled in CAP will also have an additional "opt-out" option. Within 30 days of receipt of a LIHEAP grant, a customer may "opt-out" of participation in CAP. The customer may contact the Company by phone or through the Duquesne Light website. The customer may also respond to the system generated CAP welcome letter. Additionally, CAP representatives from the community based organizations ("CBO") call the customers within

thirty days of enrollment. A disinterested customer may also express his or her unwillingness to participate in CAP at that time. Even if the customer did not “opt-out” within the first thirty (30) days, the customer may leave CAP at any time thereafter. However, customers that are automatically enrolled and subsequently affirm their participation in CAP (e.g., complete additional paperwork to change CAP discount percentage) will be subject to the “stay-out” period should they leave the program.

C. EXPLAIN WHETHER CAP ENROLLMENT IS IMPACTED WHEN A CUSTOMER TRANSFERS SERVICE FROM ONE RESIDENCE TO ANOTHER WITHIN ITS SERVICE TERRITORY

When a CAP customer transfers service from one residence to another within the Duquesne Light territory, the customer remains on CAP. The customer’s CAP will end at the first residence and begin at the new residence without any further action from the customer aside from notifying the Company that he or she is moving.

D. EXPLAIN WHY CAP CUSTOMERS WHO DO NOT RESTORE SERVICE WITHIN 14 DAYS AFTER SERVICE TERMINATION MUST STAY OUT OF CAP FOR ONE YEAR

As required, Duquesne Light customers remain customers for a period of thirty days following termination of service. System programming currently defaults customers from CAP after fourteen (14) days beyond termination of service, however if the customer restores service within thirty (30) days, the customer will be placed back into CAP. The one year stay-out provision does not apply to this scenario. Duquesne Light Company will add this clarification to the Plan.

E. EXPLAIN HOW INCOME INFORMATION FROM A PUC COMPLAINT IS USED TO REMOVE HOUSEHOLDS FROM CAP AND WHAT RIGHTS A CUSTOMER HAS TO DISPUTE AND/OR CLARIFY THIS INFORMATION

Income information provided by the Bureau of Consumer Services (“BCS”) in response to a PUC complaint is treated the same way as when a customer provides updated income information to the Company. Should that income information disqualify a customer from CAP, the customer will be removed from CAP. As the BCS uses this income information to issue payment arrangements, the Company’s position is that this information is considered to be verified as the customer should provide truthful and accurate income information to the BCS. Furthermore, payment arrangements should not be issued by the BCS based upon inaccurate information. A customer may always contact the Company to report a change in income or to dispute or clarify the information provided to Duquesne Light by the BCS.

F. EXPLAIN THE MINIMUM PAYMENT REQUIREMENTS FOR CAP

Customers on regular residential service are required to pay a minimum of fifteen (15) dollars per month. Heating customers are required to pay a minimum of forty (40) dollars per month. Duquesne Light will add this clarification to the Plan.

G. PROVIDE ADDITIONAL DETAILS ABOUT ITS ZERO INCOME VERIFICATION PROCEDURE

If a customer states that he or she has zero income, the Company requests that the customer complete and sign a “Zero Income Form” as verification that the customer indeed has zero income. Aside from the completed form, no additional information is requested as verification of zero income. Additionally, Duquesne Light Company does not require the “Zero Income Form” to be notarized.

H. CONSIDER REPLACING CFLS BULBS WITH LEDS AS PART OF ITS STANDARD LIURP MEASURES

The light bulb measures used in Low Income Usage Reduction Program (“LIURP”) will shift from the installation of CFL bulbs to the installation of LED bulbs in 2018.

I. PROVIDE DETAILS REGARDING ITS HEALTH AND SAFETY GUIDELINES AND/OR ALLOWANCE THRESHOLDS FOR INCIDENTAL REPAIRS NEEDED TO PROVIDE WEATHERIZATION SERVICES, INCLUDING PROVISIONS FOR HOUSEHOLD DISQUALIFICATION

Duquesne Light currently utilizes an outside contractor, Conservation Consultants, Inc. (“CCI”) for weatherization projects. The contractor establishes the guidelines for the provision of weatherization services and has discretion to disqualify unsuitable households for health and safety reasons (e.g., mold, moisture, structural damage, etc.). CCI can make incidental repairs in order to implement LIURP measures with consultation from Duquesne Light.

J. PROVIDE DETAILS OF ITS LIURP QUALITY CONTROL PROTOCOLS AND CONTRACTOR TRAINING REQUIREMENTS

Duquesne Light will audit five (5) percent of LIURP jobs as a quality control protocol. Duquesne Light utilizes a third party contractor, CCI, for installation of LIURP measures. CCI establishes the necessary training requirements for its staff. The following are examples of topics covered by in trainings that the contractors from CCI receive: diagnostic approaches to weatherization, air conditioning testing, air filtration, ASHRAE 62.2-2010, baseload auditing, basic residential energy, big building testing, blower door testing (ASTM E779), construction hazard recognition, designing energy efficient steel stud wall assemblies, heating systems, home performance, risk assessment and inspection, safe work practices, leadership development, microbial investigation, multifamily building analysis, programmable thermostat investigation, quality control, solar panel installation, attic ventilation, moisture problems and solutions, etc.

K. EXPLAIN WHETHER CUSTOMERS MAY PROVIDE ALTERNATE FORMS OF IDENTIFICATION FOR HOUSEHOLD MEMBERS IN LIEU OF SSNS WHEN APPLYING FOR A HARDSHIP FUND GRANT

The requirement for providing a social security number for household members is not a requirement of Duquesne Light but rather that of Dollar Energy Fund (“Dollar Energy”), which administers Duquesne Light’s hardship fund.

L. EXPLAIN HOW IT DETERMINES THE HARDSHIP FUND GRANT AMOUNT ISSUED TO AN ELIGIBLE HOUSEHOLD

As mentioned above, Duquesne Light’s Hardship fund is administered by Dollar Energy. Customers interested in a Hardship Fund grant complete an application with Dollar Energy. The Dollar Energy employee conducting the intake enters the information into Dollar Energy’s I-Partner system. Applications are then directed to Duquesne Light and evaluated by an analyst to determine eligibility. The analyst determines customer eligibility and the amount of the grant awarded. If a customer is determined to be eligible for a Hardship Fund grant, the grant amount of up to five hundred (500) dollars is awarded based upon the total account balance, excluding any payment arrangement catch-up amount.

Upon receipt of a grant, a thirty (30) day hold from termination will be placed on the customer’s account and the applicable amount will be applied to the customer’s past and current amounts due. Excess amounts will be applied to the next month’s bill. Thus, if the customer is on a payment arrangement and the catch-up amount is less than the total account balance, the grant amount will be treated as a customer payment and will be applied to past due amounts and current amounts to the extent of the grant amount. Any remaining funds will be applied to future bills. Based upon the account balance, the customer will receive the maximum grant amount available.

Please note that the grant is awarded based upon a snapshot in time. Occasionally the grant amount is sufficient to satisfy the entire balance due at that time. Also, customers sometimes make payments after the amount of the grant is determined but prior to issuance of the customer's next bill. In these circumstances, the customer's payment could result in a credit balance on the account which will be applied against future bills.

M. IDENTIFY THE TOTAL COST OF PROVIDING LIURP SERVICES TO ALL ELIGIBLE HOUSEHOLDS WITHIN ITS SERVICE TERRITORY

Utilizing the 2015 LIURP data, the average cost of each job was \$733.56. Duquesne Light estimates the total cost of completing LIURP jobs for all eligible customers in the Company's service territory is \$30,138,489. That amount is calculated as follows:

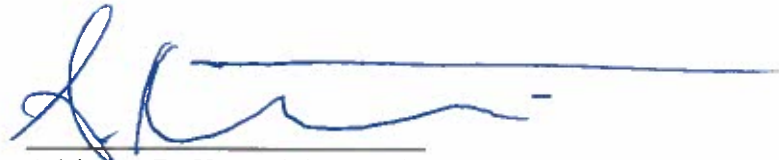
Total Residential Households	524,560
Less Households Using <500 kWh	276,510
Net Base Load Eligible Customers	248,050
Multiplied by Average Poverty Rate per Census Data	25.68%
Eligible Households	63,699
Less Jobs Completed in Last Six Years & 2016 Projected Completions	22,614
Net Eligible Households	41,085
Multiplied by Average Job Cost	\$ 733.56
Total Cost for All Eligible LIURP Jobs	\$ 30,138,489

III. CONCLUSION

Duquesne Light appreciates the opportunity to provide comments related to the Tentative Order for its Plan for 2017 through 2019. The Company believes that the clarifications requested in the Tentative Order and the responses provided herein will aid in the overall comprehension of the Plan and the provision of services for the programs discussed therein. Duquesne Light has set forth a sensible and functional Plan that with the Commission's requested clarifications, balance the needs of all residential customers with those in need of the programs provided for

within the Plan. Accordingly, the Company requests that the Commission approve the Plan as submitted.

Respectfully Submitted,



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