

SUPPLEMENT NO. 24  
TO ELECTRIC – PA. P.U.C. NO. 3S

# DUQUESNE LIGHT COMPANY

## ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

Issued By

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**DUQUESNE LIGHT COMPANY**  
411 Seventh Avenue  
Pittsburgh, PA 15219

APR 28 2017

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Richard Riazzi**  
**President and Chief Executive Officer**

Issued: April 28, 2017

Effective: **June 1, 2017**

Issued pursuant to the Commission's Order  
Entered December 22, 2016, at Docket No. P-2016-2543140

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# NOTICE

**THIS TARIFF SUPPLEMENT REMOVES A PAGE FROM TARIFF NO. 3S AND  
REVISES LANGUAGE IN EXISTING RULES AND IN AN EXISTING RIDER**

**See Page Two**

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

**Rules and Regulations** Fourth Revised Page No. 30A  
**12. Payment and Billing** Cancelling Third Revised Page No. 30A  
**12.1.7 Purchase of EGS Receivables (POR) Program**

Language has been revised to reflect the Default Service Plan VIII ("DSP VIII") time period.

**Rules and Regulations** Fourth Revised Page No. 30A  
**12. Payment and Billing** Cancelling Third Revised Page No. 30A and Second Revised Page No. 30A-1  
**12.1.7 Purchase of EGS Receivables (POR) Program**  
**12.1.7.2 Purchase Price Discount**

Language has been revised to remove the POR Program discount rate for uncollectible expenses for residential customers, small C&I customers and medium C&I customers to reflect that there is no longer an uncollectible expense discount applied to the Purchase of EGS Receivables ("POR") Program.

**Rules and Regulations** Second Revised Page No. 30A-1  
**12. Payment and Billing** Cancelling First Revised Page No. 30A-1  
**12.1.7 Purchase of EGS Receivables (POR) Program**  
**12.1.7.2.1 Purchase Price Discount Adjustment**

Rule No. 12.1.7.2.1 Purchase Price Discount Adjustment has been removed from EGS Coordination Tariff No. 3S as it is no longer applicable.

**Rules and Regulations** Second Revised Page No. 30A-1  
**12. Payment and Billing** Cancelling First Revised Page No. 30A-1  
**12.1.7 Purchase of EGS Receivables (POR) Program**  
**12.1.7.2.1 Purchase Price Discount Adjustment**

Second Revised Page No. 30A-1, Cancelling First Revised Page No. 30A-1 is being removed from EGS Coordination Tariff No. 3S as it contained Rule No. 12.1.7.2.1 Purchase Price Discount Adjustment which has been removed from the Tariff.

**Rules and Regulations** Fifth Revised Page No. 30B  
**12. Payment and Billing** Cancelling Fourth Revised Page No. 30B  
**12.1.3 Purchase of EGS Receivables (POR) Program**  
**12.1.7.4 Other Payment Provisions**

Language has been revised to more clearly state that in Rule No. 12.1.7.4 Other Payment Provisions certain terms apply to consolidated EDC rate ready billing only.

**Rider - Standard Offer Program Cost Recovery** Third Revised Page No. 42B  
Cancelling Second Revised Page No. 42B

Language has been removed in the "Background" and "Customer Acquisition Fee" sections.

**Rider - Standard Offer Program Cost Recovery** Third Revised Page No. 42B  
Cancelling Second Revised Page No. 42B

Language has been revised in the "Billing and Payment" section to update a portion of the mailing address.

**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM** Duquesne will purchase the accounts receivable, without recourse, associated with EGS sales of retail electric commodity, comprised of generation and transmission services, to residential customers and commercial and industrial ("C&I") customers with monthly metered demand less than 300 kW within Duquesne's service territory. Eligible customers are those customers taking delivery service under the Company's retail tariff Rate RS, RH, RA, GS/GM and GMH, and who purchase their electric commodity requirements from the EGS through consolidated billing with the Company. Commercial and industrial customers will be separated into two categories for purposes of the Purchase Price Discount discussed in Section 12.1.7.2. Small C&I customers will be those customers with monthly metered demand less than 25 kW and Medium C&I customers will be those customers with monthly metered demand equal to or greater than 25 kW. The classification of customers as less than or equal to or greater than 25 kW is discussed in detail in the Company's retail tariff Rate GS/GM and Rate GMH. Under the POR program, Duquesne will reimburse EGSs for their customer billings regardless of whether Duquesne receives payment from the customer, subject to the limitations set forth below. Duquesne will seek to recover the EGS receivables from EGS customers consistent with Duquesne's existing collection procedures for recovery of billings to default service customers, and incur any uncollectible costs related to billings for EGSs. The term of the POR program defined herein will become effective June 1, 2017, and will remain in effect as described and will terminate on May 31, 2021.

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**12.1.7.1 ELIGIBILITY REQUIREMENTS** EGSs that choose Duquesne's consolidated billing option for all or a portion of their eligible customer accounts will be required to sell their accounts receivable to Duquesne for those customers for whom Duquesne issues a consolidated bill. (EGSs may continue to issue their own bills [dual billing] for commodity service, for all or a portion of their customers, but will not be eligible to participate in the POR program for those customers that receive dual billing.) EGSs may choose to participate in the POR program with consolidated billing at any time during the term of the POR program as long as the EGS does not remove customer accounts from consolidated billing. A customer whose service is terminated or who voluntarily switches from the EGS' service to another generation provider is not considered to have been removed by the EGS from consolidated billing and the POR program.

EGSs participating in this POR program will agree not to reject for enrollment a new customer covered by the program based on credit-related issues. Any customer who wishes to be served by an EGS participating in the POR program will be accepted by the EGS if that EGS is actively serving the rate class to which that customer belongs.

**12.1.7.2 PURCHASE PRICE DISCOUNT** EGS' electric commodity receivables will be purchased at a discount. The discount rate will be 0.10% for incremental, ongoing operating and administrative expenses associated with the POR Program related to these customers.

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**RULES AND REGULATIONS - (Continued)**

**12. PAYMENT AND BILLING – (Continued)**

**12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM – (Continued)**

**12.1.7.2 PURCHASE PRICE DISCOUNT ADJUSTMENT FOR INDIVIDUAL EGS** Duquesne will monitor individual EGS uncollectible percentage rates (measured as any unpaid amounts sixty (60) days or older divided by that EGS's total annual consolidated billings), to determine whether any individual EGS is engaging in Unusual Business Behavior that results in an increase to the total uncollectible percentage rate for the Duquesne System. If, based on this monitoring, Duquesne finds that an individual EGS's uncollectible percentage rate exceeds 5%, then Duquesne, at its discretion, may increase the discount rate for that individual EGS's accounts to reflect the increased costs associated with the EGS's uncollectible accounts by the difference between the EGS's uncollectible percentage rate and two percent (2%). For purposes of this calculation, Duquesne shall rely on the most recent twelve (12) month period (or shorter if the EGS is new to the POR program) to calculate the EGS's uncollectible percentage rate. Duquesne, in its discretion, may opt to waive the imposition of the additional discount if the increase in the uncollectible rate results primarily from providing service to previously poor paying customers currently on default service and the individual EGS is able to provide a reasonable explanation for the significant increase in its uncollectible rate is not the result of a particular price offering, marketing strategy or other actions of the individual EGS. If, however, Duquesne determines that the EGS may challenge that determination pursuant to the dispute resolution procedures discussed below. Should the result of those procedures uphold the EGS's position, Duquesne will refund to the EGS the additional discount withheld from their receivables. In the course of the dispute resolution, the EGS may be called upon to provide customer payment history for the customers it serves, commodity pricing, and other such information deemed appropriate, subject to confidentiality agreement. The discount will be lowered to the level applicable to other EGSs when and if the particular EGS's uncollectible percentage rate decreases to a level of two percent (2%) or below over a twelve (12) month period. If the particular EGS stops providing service to a customer under the POR program, the EGS must pay to Duquesne an amount equal to the increase to the discount multiplied by that customer's prior year's billings, to the extent that such amount has not already been paid on the date the EGS stops providing service to that customer.

**12.1.7.3 TIMING OF PAYMENTS** Payments to EGSs will occur electronically; thirty-five (35) days after consolidated bills are issued, and will continue throughout the billing cycle. If the thirty-fifth (35<sup>th</sup>) day falls on a weekend, Duquesne Light holiday or bank holiday, payments will occur on the next business day.

**12.1.7.4 OTHER PAYMENT PROVISIONS** If the EGS customer is on consolidated rate ready billing or consolidated rate ready billing and Duquesne's budget payment plan, Duquesne shall purchase the actual amount owed each month by the customer and payments to EGSs shall be made based on the actual amount owed. If the EGS customer is on consolidated bill ready billing or consolidated bill ready billing and Duquesne's budget payment plan, Duquesne shall purchase the amount sent in the bill ready 810 and payments to EGSs shall be made based on the amount in the bill ready 810. Duquesne shall also purchase accounts receivable of EGS's customers based upon an estimated bill. Duquesne shall add to or deduct from any payments due to EGSs amounts that may result from reconciliations, estimated readings, cancel and re-bills, or any applicable billing adjustment. Notwithstanding the foregoing, Duquesne shall only be obligated to purchase the monthly budget amount and remit to the EGS any adjusted budget billing amount until Duquesne implements any necessary changes to its billing system to allow for the payment of the actual amount owed by the customer.

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**12.1.7.5 TRANSFER OF COLLECTION RESPONSIBILITIES AND RIGHTS** Under the POR program, Duquesne is entitled to receive and retain all payments from customers. Duquesne is authorized to conduct collection activities and, if necessary, terminate its delivery service and EGS commodity service to customers whose accounts receivables were purchased and who fail to make payment of amounts due on the consolidated bill, including the amount of the purchased EGS receivables. Any such termination of service shall be in accordance with the

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**STANDARD OFFER PROGRAM COST RECOVERY**

**BACKGROUND**

In compliance with Commission Order dated July 16, 2013, at Docket No. P-2012-2301664, the Company implemented a Standard Offer Program ("SOP"). Under the SOP, EGSs can submit applications agreeing to become SOP Suppliers and provide a Standard Offer that is a fixed price product seven percent (7%) lower than Duquesne Light's Price to Compare ("PTC"), in effect at the time of the offer, for a twelve month (12-month) period. Complete SOP rules and documentation may be found at <http://supplier.customer-choice.com>.

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**SUPPLIER CHARGES**

As approved by the Commission in the proceeding at Docket No. P-2012-2301664, the Company will charge each SOP Supplier a Customer Acquisition Fee that will be applied to the number of EDI transactions submitted by the SOP Supplier to Duquesne Light.

**CUSTOMER ACQUISITION FEE**

The Customer Acquisition Fee for each EDI transaction submitted will be \$10.28.

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**BILLING AND PAYMENT**

The Company will bill the participating SOP Suppliers on a monthly basis. All charges are due and payable within 30 days. There are two methods of payment:

A check made payable to Duquesne Light Company and mailed to:

Duquesne Light Company  
Attn: Supplier Service Center  
411 Seventh Avenue (MD: 15-1)  
Pittsburgh, PA 15219

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or through a wire/ACH transfer to:

Bank Name: Mellon Bank, Pittsburgh  
ABA: 043000261  
Account No: 000-8061  
Acct Name: Duquesne Light Company

If an SOP Supplier fails to make the required payment, Duquesne Light may reduce the amount due to that SOP Supplier from that SOP Supplier's next Purchase of Receivable ("POR") payment by the SOP amount due (but not from amounts that are subject to a bona fide POR payment dispute).

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