



Michael Zimmerman
Counsel, Regulatory

411 Seventh Avenue
Mail drop 15-7
Pittsburgh, PA 15219

Tel: 412-393-6268
mzimmerman@duqlight.com

July 31, 2017

VIA ELECTRONIC FILING

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

**Re: Duquesne Light Company – Rider 20 Smart Meter Charge
Annual Reconciliation**

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of the annual reconciliation of Duquesne Light Company's Smart Meter Charge Rider for the period July 1, 2016 through June 30, 2017.

Should you have any questions, please feel free to contact me or David Ogden, Manager of Rates and Tariff Services, at 412-393-6343.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Michael Zimmerman", is written over a light blue horizontal line.

Michael Zimmerman
Counsel, Regulatory

Enclosures

Cc: Certificate of Service

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).

FIRST CLASS MAIL

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

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

Pennsylvania Public Utility Commission
UPARC
Bureau of Audits
3070 William Pitt Way
Pittsburgh, PA 15238

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



Michael Zimmerman, Esquire
Counsel, Regulatory
Duquesne Light Company
411 Seventh Avenue, 15-7
Pittsburgh, PA 15219
412-393-6268
mzimmerman@duqlight.com

Date: July 31, 2017

Exhibit 1

Duquesne Light Company
Rider 20 -Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

Summary of Reconciliation Period

1	Surcharge Revenue, Inc. GRT	\$31,229,718	Exh. 1, Page 2
2	Surcharge Revenue, Excl. GRT		Line 1 * 0.941
		\$29,387,164	
3	E-Factor Revenue, Inc. GRT	\$122,040	Exh. 1, Page 2
4	E-Factor Revenue, Excl. GRT		Line 3 * 0.941
		\$114,840	
5	Net Smart Meter Related Revenue, Excl. GRT		Line 2 - Line 4
		\$29,272,324	
6	Smart Meter Related Expense		Exh. 1, Page 2
		\$27,876,088	
7	Reconciliation Period (Over)/Under Collection		Line 6 - Line 5
		(\$1,396,236)	
8	Interest on (Over)/Under Collection		Exh. 1, Page 2
		(\$122,221)	
9	Total Reconciliation Period (Over)/Under Collection		Line 7 + Line 8
		(\$1,518,457)	

Exhibit 1

Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

TOTAL - SINGLE PHASE AND POLY PHASE METERS COMBINED

Statement of (Over)/Under Collections for the Reconciliation Period - July 2016 through June 2017

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
1 Net Surcharge Revenue, Incl. GRT	\$2,107,584	\$2,073,553	\$2,016,287	\$2,275,451	\$2,331,690	\$2,192,252	\$3,274,108	\$3,438,411	\$3,326,049	\$2,719,460	\$2,802,847	\$2,672,026	\$31,229,718
2 Less E-Factor Revenue, Incl. GRT	(\$263,271)	(\$264,121)	(\$265,050)	(\$265,047)	(\$265,884)	(\$266,295)	\$285,226	\$285,415	\$285,624	\$285,396	\$285,130	\$284,917	\$122,040
3 Smart Meter Charge Related Revenue	\$2,370,855	\$2,337,674	\$2,281,337	\$2,540,498	\$2,597,575	\$2,458,547	\$2,988,881	\$3,152,997	\$3,040,425	\$2,434,064	\$2,517,717	\$2,387,108	\$31,107,677
4 Smart Meter Charge Related Revenue	\$2,370,855	\$2,337,674	\$2,281,337	\$2,540,498	\$2,597,575	\$2,458,547	\$2,988,881	\$3,152,997	\$3,040,425	\$2,434,064	\$2,517,717	\$2,387,108	\$31,107,677
5 Less PA Gross Receipts Tax	\$139,880	\$137,923	\$134,599	\$149,889	\$153,257	\$145,054	\$176,344	\$186,027	\$179,385	\$143,610	\$148,545	\$140,839	\$1,835,353
6 Net Smart Meter Charge Related Revenue	\$2,230,974	\$2,199,751	\$2,146,738	\$2,390,608	\$2,444,318	\$2,313,493	\$2,812,537	\$2,966,970	\$2,861,040	\$2,290,455	\$2,369,171	\$2,246,269	\$29,272,324
7 Expense	\$2,355,551	\$2,191,999	\$2,356,725	\$2,197,671	\$1,799,746	\$2,238,525	\$2,978,793	\$2,603,364	\$2,099,527	\$2,291,981	\$2,303,360	\$2,458,846	\$27,876,088
8 (Over)/Under Collection	\$124,576	(\$7,752)	\$209,987	(\$192,937)	(\$644,571)	(\$74,967)	\$166,256	(\$363,606)	(\$761,513)	\$1,526	(\$65,811)	\$212,577	(\$1,396,236)
9 Interest	\$14,949	(\$892)	\$23,099	(\$20,258)	(\$64,457)	(\$7,122)	\$14,963	(\$30,907)	(\$60,921)	\$114	(\$4,607)	\$13,818	(\$122,221)
10 Total (Over)/Under Collection	\$139,526	(\$8,644)	\$233,085	(\$213,195)	(\$709,029)	(\$82,089)	\$181,219	(\$394,513)	(\$822,434)	\$1,641	(\$70,418)	\$226,394	(\$1,518,457)

Exhibit 1

Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

SINGLE PHASE METERS

Statement of (Over)/Under Collections for the Reconciliation Period - July 2016 through June 2017

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
1 Net Surcharge Revenue, Incl. GRT	\$2,052,391	\$2,018,054	\$1,960,579	\$2,209,937	\$2,266,085	\$2,126,622	\$3,162,925	\$3,327,115	\$3,214,820	\$2,614,831	\$2,698,315	\$2,567,445	\$30,219,119
2 Less E-Factor Revenue, Incl. GRT	(\$253,080)	(\$253,874)	(\$254,764)	(\$254,775)	(\$255,598)	(\$256,005)	\$276,243	\$276,422	\$276,637	\$276,402	\$276,144	\$275,927	\$129,679
3 Smart Meter Charge Related Revenue	\$2,305,471	\$2,271,928	\$2,215,343	\$2,464,712	\$2,521,683	\$2,382,627	\$2,886,682	\$3,050,693	\$2,938,183	\$2,338,430	\$2,422,171	\$2,291,518	\$30,089,440
4 Smart Meter Charge Related Revenue	\$2,305,471	\$2,271,928	\$2,215,343	\$2,464,712	\$2,521,683	\$2,382,627	\$2,886,682	\$3,050,693	\$2,938,183	\$2,338,430	\$2,422,171	\$2,291,518	\$30,089,440
5 Less PA Gross Receipts Tax	\$136,023	\$134,044	\$130,705	\$145,418	\$148,779	\$140,575	\$170,314	\$179,991	\$173,353	\$137,967	\$142,908	\$135,200	\$1,775,277
6 Net Smart Meter Charge Related Revenue	\$2,169,448	\$2,137,884	\$2,084,637	\$2,319,294	\$2,372,904	\$2,242,052	\$2,716,368	\$2,870,703	\$2,764,830	\$2,200,462	\$2,279,263	\$2,156,318	\$28,314,163
7 Expense	\$2,288,778	\$2,131,012	\$2,289,740	\$2,131,046	\$1,747,628	\$2,170,591	\$2,880,451	\$2,518,581	\$2,033,047	\$2,213,241	\$2,224,207	\$2,373,992	\$27,002,313
8 (Over)/Under Collection	\$119,330	(\$6,873)	\$205,102	(\$188,248)	(\$625,276)	(\$71,461)	\$164,083	(\$352,122)	(\$731,783)	\$12,778	(\$55,055)	\$217,673	(\$1,311,850)
9 Interest	\$14,320	(\$790)	\$22,561	(\$19,766)	(\$62,528)	(\$6,789)	\$14,768	(\$29,930)	(\$58,543)	\$958	(\$3,854)	\$14,149	(\$115,444)
10 Total (Over)/Under Collection	\$133,649	(\$7,663)	\$227,664	(\$208,014)	(\$687,804)	(\$78,250)	\$178,851	(\$382,052)	(\$790,326)	\$13,737	(\$58,909)	\$231,822	(\$1,427,294)

Exhibit 1

Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

POLY PHASE METERS

Statement of (Over)/Under Collections for the Reconciliation Period - July 2016 through June 2017

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
1 Net Surcharge Revenue, Incl. GRT	\$55,193	\$55,499	\$55,708	\$65,514	\$65,606	\$65,630	\$111,183	\$111,296	\$111,229	\$104,629	\$104,532	\$104,581	\$1,010,598
2 Less E-Factor Revenue, Incl. GRT	(\$10,191)	(\$10,247)	(\$10,286)	(\$10,272)	(\$10,286)	(\$10,290)	\$8,983	\$8,993	\$8,987	\$8,994	\$8,986	\$8,990	(\$7,639)
3 Smart Meter Charge Related Revenue	\$65,384	\$65,746	\$65,994	\$75,786	\$75,892	\$75,920	\$102,199	\$102,303	\$102,242	\$95,635	\$95,546	\$95,590	\$1,018,237
4 Smart Meter Charge Related Revenue	\$65,384	\$65,746	\$65,994	\$75,786	\$75,892	\$75,920	\$102,199	\$102,303	\$102,242	\$95,635	\$95,546	\$95,590	\$1,018,237
5 Less PA Gross Receipts Tax	\$3,858	\$3,879	\$3,894	\$4,471	\$4,478	\$4,479	\$6,030	\$6,036	\$6,032	\$5,642	\$5,637	\$5,640	\$60,076
6 Net Smart Meter Charge Related Revenue	\$61,526	\$61,867	\$62,101	\$71,315	\$71,414	\$71,441	\$96,169	\$96,267	\$96,209	\$89,992	\$89,909	\$89,951	\$958,161
7 Expense	\$66,773	\$60,987	\$66,985	\$66,625	\$52,119	\$67,934	\$98,342	\$84,783	\$66,480	\$78,740	\$79,153	\$84,854	\$873,775
8 (Over)/Under Collection	\$5,247	(\$880)	\$4,884	(\$4,689)	(\$19,296)	(\$3,507)	\$2,172	(\$11,484)	(\$29,730)	(\$11,252)	(\$10,756)	(\$5,097)	(\$84,386)
9 Interest	\$630	(\$101)	\$537	(\$492)	(\$1,930)	(\$333)	\$196	(\$976)	(\$2,378)	(\$844)	(\$753)	(\$331)	(\$6,776)
10 Total (Over)/Under Collection	\$5,876	(\$981)	\$5,422	(\$5,182)	(\$21,225)	(\$3,840)	\$2,368	(\$12,460)	(\$32,108)	(\$12,096)	(\$11,509)	(\$5,428)	(\$91,162)

Exhibit 1
Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

Summary of Surcharge Revenue

	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Total</u>
A. Net Surcharge Revenue by Meter Type, Incl. GRT													
1 Single Phase	\$2,052,391	\$2,018,054	\$1,960,579	\$2,209,937	\$2,266,085	\$2,126,622	\$3,162,925	\$3,327,115	\$3,214,820	\$2,614,831	\$2,698,315	\$2,567,445	\$30,219,119
2 Poly-Phase	\$55,193	\$55,499	\$55,708	\$65,514	\$65,606	\$65,630	\$111,183	\$111,296	\$111,229	\$104,629	\$104,532	\$104,581	\$1,010,598
3 Total	\$2,107,584	\$2,073,553	\$2,016,287	\$2,275,451	\$2,331,690	\$2,192,252	\$3,274,108	\$3,438,411	\$3,326,049	\$2,719,460	\$2,802,847	\$2,672,026	\$31,229,718
B. Net Surcharge Revenue by Meter Type, Excl. GRT													
4 Single Phase	\$1,931,300	\$1,898,989	\$1,844,905	\$2,079,551	\$2,132,386	\$2,001,151	\$2,976,313	\$3,130,816	\$3,025,146	\$2,460,556	\$2,539,114	\$2,415,966	\$28,436,191
5 Poly-Phase	\$51,937	\$52,224	\$52,422	\$61,649	\$61,735	\$61,758	\$104,623	\$104,730	\$104,666	\$98,456	\$98,365	\$98,410	\$950,973
6 Total	\$1,983,236	\$1,951,213	\$1,897,326	\$2,141,199	\$2,194,121	\$2,062,909	\$3,080,935	\$3,235,545	\$3,129,812	\$2,559,012	\$2,637,479	\$2,514,376	\$29,387,164

Exhibit 1
Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

Summary of Surcharge Related Expense

	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Total</u>
A. Expense - Single Phase Meters													
1 O&M Expense	\$881,028	\$723,337	\$882,074	\$640,032	\$256,555	\$679,480	\$1,241,738	\$879,880	\$394,298	\$492,269	\$503,236	\$653,063	\$8,226,991
2 Capitalized Component	\$1,407,750	\$1,407,675	\$1,407,666	\$1,491,013	\$1,491,072	\$1,491,111	\$1,638,714	\$1,638,701	\$1,638,749	\$1,720,972	\$1,720,971	\$1,720,928	\$18,775,322
3 Total	\$2,288,778	\$2,131,012	\$2,289,740	\$2,131,046	\$1,747,628	\$2,170,591	\$2,880,451	\$2,518,581	\$2,033,047	\$2,213,241	\$2,224,207	\$2,373,992	\$27,002,313
B. Expense - Poly Phase Meters													
4 O&M Expense	\$33,111	\$27,250	\$33,239	\$24,085	\$9,637	\$25,491	\$46,613	\$33,042	\$14,787	\$18,491	\$18,903	\$24,562	\$309,210
5 Capitalized Component	\$33,662	\$33,737	\$33,746	\$42,541	\$42,482	\$42,443	\$51,728	\$51,741	\$51,693	\$60,249	\$60,250	\$60,293	\$564,565
6 Total	\$66,773	\$60,987	\$66,985	\$66,625	\$52,119	\$67,934	\$98,342	\$84,783	\$66,480	\$78,740	\$79,153	\$84,854	\$873,775
C. Expense - Total													
7 O&M Expense	\$914,139	\$750,587	\$915,313	\$664,117	\$266,192	\$704,971	\$1,288,351	\$912,922	\$409,085	\$510,760	\$522,139	\$677,625	\$8,536,201
8 Capitalized Component	\$1,441,412	\$1,441,412	\$1,441,412	\$1,533,554	\$1,533,554	\$1,533,554	\$1,690,442	\$1,690,442	\$1,690,442	\$1,781,221	\$1,781,221	\$1,781,221	\$19,339,887
9 Total	\$2,355,551	\$2,191,999	\$2,356,725	\$2,197,671	\$1,799,746	\$2,238,525	\$2,978,793	\$2,603,364	\$2,099,527	\$2,291,981	\$2,303,360	\$2,458,846	\$27,876,088

Exhibit 1
Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

Calculation of E-Factor Revenue

	<u>Jul-16</u>	<u>Aug-16</u>	<u>Sep-16</u>	<u>Oct-16</u>	<u>Nov-16</u>	<u>Dec-16</u>	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Total</u>
A. E-Factor Billing Units, Meter Count													
1 Single Phase Meters	567,020	568,799	570,792	570,817	572,661	573,573	573,992	574,364	574,811	574,322	573,786	573,336	
2 Poly Phase Meters	21,310	21,428	21,509	21,480	21,510	21,518	21,547	21,569	21,556	21,573	21,553	21,563	
3 Total Meters	588,330	590,227	592,301	592,297	594,171	595,091	595,539	595,933	596,367	595,895	595,339	594,899	
B. E-Factor Rate - Single													
4 E-Factor Rate - Single	(\$0.42)	(\$0.42)	(\$0.42)	(\$0.42)	(\$0.42)	(\$0.42)	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45	\$0.45
E-Factor Rate - Poly													
4 E-Factor Rate - Poly	(\$0.45)	(\$0.45)	(\$0.45)	(\$0.45)	(\$0.45)	(\$0.45)	\$0.39	\$0.39	\$0.39	\$0.39	\$0.39	\$0.39	\$0.39
Excl. GRT (1)													
C. E-Factor Revenue, Excl. GRT													
5 Single Phase Meters	(\$238,148)	(\$238,896)	(\$239,733)	(\$239,743)	(\$240,518)	(\$240,901)	\$259,945	\$260,113	\$260,315	\$260,094	\$259,851	\$259,648	\$122,028
6 Poly Phase Meters	(\$9,590)	(\$9,643)	(\$9,679)	(\$9,666)	(\$9,680)	(\$9,683)	\$8,453	\$8,462	\$8,457	\$8,464	\$8,456	\$8,460	(\$7,188)
7 Total Meters	(\$247,738)	(\$248,538)	(\$249,412)	(\$249,409)	(\$250,197)	(\$250,584)	\$268,398	\$268,575	\$268,773	\$268,558	\$268,307	\$268,107	\$114,840
D. E-Factor Revenue, Incl. GRT													
8 Single Phase Meters	(\$253,080)	(\$253,874)	(\$254,764)	(\$254,775)	(\$255,598)	(\$256,005)	\$276,243	\$276,422	\$276,637	\$276,402	\$276,144	\$275,927	\$129,679
9 Poly Phase Meters	(\$10,191)	(\$10,247)	(\$10,286)	(\$10,272)	(\$10,286)	(\$10,290)	\$8,983	\$8,993	\$8,987	\$8,994	\$8,986	\$8,990	(\$7,639)
10 Total Meters	(\$263,271)	(\$264,121)	(\$265,050)	(\$265,047)	(\$265,884)	(\$266,295)	\$285,226	\$285,415	\$285,624	\$285,396	\$285,130	\$284,917	\$122,040

1/ E-Factor rate changes January 1 each year.

Exhibit 1

Duquesne Light Company
Rider 20 - Smart Meter Charge
Annual Reconciliation - July 1, 2016 through June 30, 2017

Calculation of Interest

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total
<u>Single Phase Meter</u>													
1 Net Smart Meter Charge Related Revenue Excl GRt	\$2,169,448	\$2,137,884	\$2,084,637	\$2,319,294	\$2,372,904	\$2,242,052	\$2,716,368	\$2,870,703	\$2,764,830	\$2,200,462	\$2,279,263	\$2,156,318	\$28,314,163
2 Expense	\$2,288,778	\$2,131,012	\$2,289,740	\$2,131,046	\$1,747,628	\$2,170,591	\$2,880,451	\$2,518,581	\$2,033,047	\$2,213,241	\$2,224,207	\$2,373,992	\$27,002,313
3 (Over)/Under Collection	\$119,330	(\$6,873)	\$205,102	(\$188,248)	(\$625,276)	(\$71,461)	\$164,083	(\$352,122)	(\$731,783)	\$12,778	(\$55,055)	\$217,673	(\$1,311,850)
4 Interest Rate	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
5 Interest Weight	24/12	23/12	22/12	21/12	20/12	19/12	18 / 12	17 / 12	16 / 12	15 / 12	14 / 12	13 / 12	
6 Interest	\$14,320	(\$790)	\$22,561	(\$19,766)	(\$62,528)	(\$6,789)	\$14,768	(\$29,930)	(\$58,543)	\$958	(\$3,854)	\$14,149	(\$115,444)
7 Total (Over)/Under Collection	\$133,649	(\$7,663)	\$227,664	(\$208,014)	(\$687,804)	(\$78,250)	\$178,851	(\$382,052)	(\$790,326)	\$13,737	(\$58,909)	\$231,822	(\$1,427,294)
<u>Poly Phase Meter</u>													
8 Net Smart Meter Charge Related Revenue Excl GRt	\$61,526	\$61,867	\$62,101	\$71,315	\$71,414	\$71,441	\$96,169	\$96,267	\$96,209	\$89,992	\$89,909	\$89,951	\$958,161
9 Expense	\$66,773	\$60,987	\$66,985	\$66,625	\$52,119	\$67,934	\$98,342	\$84,783	\$66,480	\$78,740	\$79,153	\$84,854	\$873,775
10 (Over)/Under Collection	\$5,247	(\$880)	\$4,884	(\$4,689)	(\$19,296)	(\$3,507)	\$2,172	(\$11,484)	(\$29,730)	(\$11,252)	(\$10,756)	(\$5,097)	(\$84,386)
11 Interest Rate	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
12 Interest Weight	24/12	23/12	22/12	21/12	20/12	19/12	18 / 12	17 / 12	16 / 12	15 / 12	14 / 12	13 / 12	
13 Interest	\$630	(\$101)	\$537	(\$492)	(\$1,930)	(\$333)	\$196	(\$976)	(\$2,378)	(\$844)	(\$753)	(\$331)	(\$6,776)
14 Total (Over)/Under Collection	\$5,876	(\$981)	\$5,422	(\$5,182)	(\$21,225)	(\$3,840)	\$2,368	(\$12,460)	(\$32,108)	(\$12,096)	(\$11,509)	(\$5,428)	(\$91,162)

(1) Interest calculated at the legal rate of interest at 6%. June 30, 2018 is the mid-point of the period January 1, 2018 to December 31, 2018 during which the over collection will be refunded.