



Michael Zimmerman
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December 29, 2017

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Via Overnight Delivery

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

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

**Re: Duquesne Light Company – Default Service Plan VIII Compliance Filing
Docket No. P-2016-2543140
Supplement No. 168 to Tariff Electric – PA. P.U.C. No. 24**

Dear Secretary Chiavetta:

Enclosed please find Supplement No. 168 to Duquesne Light Company's ("Duquesne Light" or the "Company") Tariff No. 24 – Retail Tariff. Supplement No. 168 is filed in compliance with the Public Service Commission's ("Commission") Order issued December 22, 2016, in the above-captioned docket, and has an effective date of March 1, 2018.

Supplement No. 168 would modify default service rates contained in Rider No. 8 for medium commercial and industrial customers. Herein, the Company is providing statements that support the proposed default service rates. Included with this filing are public and **CONFIDENTIAL** versions of the supporting statements. The **CONFIDENTIAL** versions include competitive Request for Proposal results. The Company respectfully requests that the **CONFIDENTIAL** versions be excluded from the public file.

Should you have any questions, please do not hesitate to contact David Ogden, Manager, Rates & Tariff Services, at (412) 393-6343 or dogden@duqlight.com.

Respectfully Submitted,

Michael Zimmerman
Counsel, Regulatory

Enclosure

Cc: Certificate of Service, Non-confidential version

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SUPPLEMENT NO. 168
TO ELECTRIC - PA. P.U.C. NO. 24

PA PUBLIC UTILITY COMMISSION
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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

Richard Riazzi

President and Chief Executive Officer

ISSUED: December 29, 2017

EFFECTIVE: March 1, 2018

Issued in compliance with
Commission Order dated December 22, 2016, at Docket No. P-2016-2543140.

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

Fourteenth Revised Page No. 88A
Cancelling Thirteenth Revised Page No. 88A

The supply charge for Medium Commercial & Industrial customers has decreased from 5.7974 ¢/kWh to 5.3509 ¢/kWh for the Application Period March 1, 2018, through May 31, 2018.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

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

DEFAULT SERVICE SUPPLY RATE – (Continued)

Medium Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW and less than 300 kW.

(Rate Schedules GS/GM and GMH)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2017 through August 31, 2017	5.2863
September 1, 2017 through November 30, 2017	5.1571
December 1, 2017 through February 28, 2018	5.7974
March 1, 2018 through May 31, 2018	5.3509
June 1, 2018 through August 31, 2018	X.XXXX
September 1, 2018 through November 30, 2018	X.XXXX
December 1, 2018 through February 28, 2019	X.XXXX
March 1, 2019 through May 31, 2019	X.XXXX
June 1, 2019 through August 31, 2019	X.XXXX
September 1, 2019 through November 30, 2019	X.XXXX
December 1, 2019 through February 29, 2020	X.XXXX
March 1, 2020 through May 31, 2020	X.XXXX
June 1, 2020 through August 31, 2020	X.XXXX
September 1, 2020 through November 30, 2020	X.XXXX
December 1, 2020 through February 28, 2021	X.XXXX
March 1, 2021 through May 31, 2021	X.XXXX

(D)

Lighting

(Rate Schedules AL and SE)

<u>Application Period</u>	<u>Supply Charge - ¢/kWh</u>
June 1, 2017 through November 30, 2017	3.7939
December 1, 2017 through May 31, 2018	3.8177
June 1, 2018 through November 30, 2018	X.XXXX
December 1, 2018 through May 31, 2019	X.XXXX
June 1, 2019 through November 30, 2019	X.XXXX
December 1, 2019 through May 31, 2020	X.XXXX
June 1, 2020 through November 30, 2020	X.XXXX
December 1, 2020 through May 31, 2021	X.XXXX

(D) – Indicates Decrease

CONFIDENTIAL

ATTACHMENT A

**Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective March 1, 2018**

Summary of RFP Results

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SECRETARY'S BUREAU**

**CONFIDENTIAL
REDACTION**

ATTACHMENT A

**Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective March 1, 2018**

Rate Design for Medium C&I Tariff Rate

1	Wholesale Price		\$48.46 /MWh	Weighted bid price - Att. A, Page 1
2	Line Losses	6.1%		Transmission (0.8%); distribution (5.3%)
3	Price Adjustment for Losses		\$2.96 /MWh	Line 1 * Line 2
4	Price Adjusted for Losses		\$51.42 /MWh	Line 1 + Line 3
5	Outside Services	\$34,183		Outside services to conduct RFPs
6	Forecast POLR Sales (MWh)	191,007		Forecast POLR sales (MWh) March 1, 2018 through May 31, 2018
7	Administrative Adder (per MWh)		\$0.18 /MWh	Line 5 / Line 6
8	Filing Preparation and Approval Process Expense	\$13,468		Unbundling provisions of Appendix C of the Joint Petition Settlement
9	Working Capital for Default Service Supply Expense	\$45,950		adopted as part of the Commission order entered December 22, 2016 at
10	Total Medium C&I Unbundling Expense	\$59,418		Docket No. P-2016-2543140.
11	Forecast POLR Sales (MWh)	191,007		Forecast POLR sales (MWh) March 1, 2018 through May 31, 2018
12	Unbundling Rate (per MWh)		\$0.31 /MWh	Line 10 / Line 11
13	E-factor (Over)/Under Collection	(\$672,089)		Exh. 1, Page 4
	<u>Reconciliation (February 2017 to July 2017)</u>			
14	{Over}/Under Collection	\$65,776		Exh. 1, Page 2
15	Interest on {Over}/Under Collection	\$349		Exh. 1, Page 3
16	Total {Over}/Under Collection	\$66,125		Line 14 + Line 15
17	Total E Factor {Over}/Under Reconciliation	(\$605,964)		Line 13 + Line 16
18	Forecast POLR Sales (MWh)	387,714		Forecast POLR sales (MWh) December 1, 2017 through May 31, 2017
19	E Factor Rate (per MWh)		(\$1.56) /MWh	Line 17 / Line 18
20	Adjusted Wholesale Price		\$50.35 /MWh	Line 4 + Line 7 + Line 12 + Line 19
21	PA GRT @ 5.9%		\$3.16 /MWh	Line 15 * (.059/(1-.059))
22	Total Rate (per MWh)		\$53.51 /MWh	Line 20 + Line 21
23	RFP Medium C&I Retail Supply Rate (c/kWh)		5.3509 /kWh	Line 22 / 10
24	Forecast POLR Sales (kWh)	196,707,445		Forecast POLR sales (kWh) March 1, 2018 through May 31, 2018
25	Projected RFP Revenue	\$10,525,611		Line 24 * (Line 23 / 100)

ATTACHMENT A

Duquesne Light Company
Rider No. 8 - Medium C&I Default Service Supply Rate
Proposed Supply Rates Effective March 1, 2018

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	Current Tariff Effective <u>12/1/2017</u>	Proposed Tariff Effective <u>3/1/2018</u>
GM => 25 kW				
GMH => 25 kW				
All kWh	kWh	c/kWh	5.7974	5.3509

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. Code § 1.54 (relating to service by a participant).

VIA U.S. 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 Small Business Advocate
Commerce Tower, Suite 202
300 North Second Street
Harrisburg, PA 17101-1923

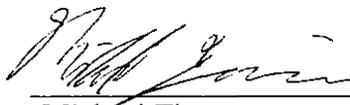
Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

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

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Dated: December 29, 2017

