



Michael Zimmerman
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March 28, 2018

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 No. 1 – Retail Market Enhancement Surcharge
Rate Calculation Filing
Supplement No. 171 to Tariff Electric – PA. P.U.C. No. 24**

Dear Secretary Chiavetta:

Duquesne Light Company (“Duquesne Light” or the “Company”) hereby files the attached tariff supplement updating the Company’s Rider No. 1 – Retail Market Enhancement Surcharge (“RMES”) effective June 1, 2018.

This tariff supplement is filed in compliance with the annual filing requirements of Rider No. 1, which currently provides, *inter alia*, “On or about April 1 of the filing year, the Company will file revised RMES rates with the Commission defining rates in effect from June 1 to May 31 of the following year.” Schedules supporting these updated RMES rates are also included herein.

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,

A handwritten signature in blue ink, appearing to read "Michael Zimmerman", is written over a light blue circular stamp.

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. 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



Michael Zimmerman
Duquesne Light Company
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Pittsburgh, PA 15219
Phone: 412-393-6268
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Dated: March 28, 2018



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: March 28, 2018

EFFECTIVE: June 1, 2018

Issued in compliance with the
Commission's Order entered January 15, 2015, at Docket No. P-2014-2418242 and the
Commission's Order entered December 22, 2016, at Docket No. P-2016-2543140.

NOTICE

THIS TARIFF SUPPLEMENT DECREASES RATES WITHIN AN EXISTING RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF**DECREASE****Rider No. 1 – Retail Market Enhancement Surcharge****Eighteenth Revised Page No. 80
Cancelling Seventeenth Revised Page No. 80**

Annual update as required by the provisions of the Rider.

The Retail Market Enhancement Surcharge Rates for Tariff Rate Classes RS, RH and RA have decreased from 11.00 cents per customer per month to 8.00 cents per customer per month effective June 1, 2018.

The Retail Market Enhancement Surcharge Rates for Tariff Rate Classes GS, GM < 25 kW and GMH < 25 kW have decreased from 16.00 cents per customer per month to 15.00 cents per customer per month effective June 1, 2018.

The Retail Market Enhancement Surcharge Rates for Tariff Rate Classes GM > 25 kW and GMH > 25 kW have decreased from 102.00 cents per customer per month to 95.00 cents per customer per month effective June 1, 2018.

The Retail Market Enhancement Surcharge Rates for Tariff Rate Classes GL, GLH, L and HVPS have decreased from 1.00 cent per customer per month to (1.00) cent per customer per month effective June 1, 2018.

The Retail Market Enhancement Surcharge Rates for Tariff Rate Classes AL, SE, UMS, SM, SH and PAL decreased from 5.00 cents per customer per month to (5.00) cents per customer per month effective June 1, 2018.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 1 – RETAIL MARKET ENHANCEMENT SURCHARGE

(Applicable to all Rates)

The Retail Market Enhancement Surcharge (“RMES”) is instituted as a cost recovery mechanism to recover all eligible costs incurred by the Company associated with implementing Commission-mandated activities, programs, projects, services etc. to enhance the competitive energy market in Pennsylvania. As an example, some of the mandated activities may be found in, but are not limited to, Commission Order’s at Docket No. I-2011-2237952, Docket No. M-2013-2355751, and Docket No. M-2014-2401345. In addition, in accordance with the Commission’s Order entered on December 22, 2016, at Docket No. P-2016-2543140, beginning June 1, 2017, the RMES recovers the Purchase of Receivables (“POR”) program discount expense associated with the uncollectible expense of Electric Generation Supplier (“EGS”) consolidated billings. The RMES shall remain in effect to recover all expenses associated with Commission-mandated consumer education and retail market enhancement activities that are directed by the Commission to be recovered through the RMES or other Commission-approved mechanism and that are not otherwise being recovered in base rates. Consumer education activities shall also include those expenses to educate low-income and Customer Assistance Program (“CAP”) customers about shopping in the retail market. The RMES will be recomputed annually and filed, to be effective June 1 of each year, unless the new rate is such a small change as to warrant no change in rates. The RMES shall be applied to all customers’ bills. The RMES process will reconcile actual expense with revenue billed in accordance with this Rider.

MONTHLY RETAIL MARKET ENHANCEMENT SURCHARGE RATES

Tariff Rate Class	Monthly RME Surcharge per Customer (cents)	Monthly POR Surcharge per Customer (cents)	Total (cents)	
Rate RS	(2.00)	10.00	8.00	(D)
Rate RH	(2.00)	10.00	8.00	(D)
Rate RA	(2.00)	10.00	8.00	(D)
Rate GS	(1.00)	16.00	15.00	(D)
Rate GM < 25 kW	(1.00)	16.00	15.00	(D)
Rate GM > 25 kW	(3.00)	98.00	95.00	(D)
Rate GMH < 25 kW	(1.00)	16.00	15.00	(D)
Rate GMH > 25 kW	(3.00)	98.00	95.00	(D)
Rates GL, GLH, L and HVPS	(1.00)	0.00	(1.00)	(D)
Rates AL, SE, UMS, SM, SH and PAL	(5.00)	0.00	(5.00)	(D)

CALCULATION OF RATES

The RMES, calculated independently for each customer class in this Tariff, shall be applied to all customers served under the Tariff. The RMES shall be determined in cents per month in accordance with the formula set forth below and shall be applied to all customers served during any part of a billing month:

$$RMES = [(((RME - e) + POR) / (C * 12) * 100)] * [1 / (1 - T)]$$

Where **RMES** = Retail Market Enhancement Surcharge, a fixed charge in cents per month, to be billed to each customer served under the applicable Tariff rate class.

EXHIBIT 1

Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018

Reconciliation of Revenue and Expense - January 1, 2017 through December 31, 2017

1	Surcharge Revenue, Incl. GRT	\$877,734	Exh. 1, Page 3
2	Surcharge Revenue, Excl. GRT	\$825,947	Line 1 * 0.941
3	E-Factor Revenue, Incl. GRT	\$330,296	Exh. 1, Page 4
4	E-Factor Revenue, Excl. GRT	\$310,808	Line 3 * 0.941
5	Net Retail Market Enhancement Related Revenue, Excl. GRT	\$515,139	Line 2 - Line 4
6	Retail Market Enhancement Related Expense	\$465,442	Exh. 1, Page 5
7	Reconciliation Period (Over)/ Under Collection	(\$49,698)	Line 6 - Line 5
8	Balance at December 2016, Excl. GRT	\$298,725	Att. A, Page 1
9	E-Factor Revenue - Jan-Dec 2017 , Excl. GRT	\$310,808	Line 4
10	Prior Period Balance at YE 2017	(\$12,083)	Line 8 - Line 9
11	Reconciliation Period (Over)/ Under Collection - Jan-Dec 2017	(\$49,698)	Line 7
12	E-Factor Balance at YE 2017	(\$61,781)	Line 10 + Line 11

EXHIBIT 1

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Summary of Revenue and Expense for the Reconciliation Period - January 2017 through December 2017

	a	b	c = a + b	d = c * 0.941	e = b * 0.941	f = d - e	g	h = g - f
<u>Customer Class / (Rate Class)</u>	Surcharge C-Factor Revenue <u>Incl. GRT</u>	Surcharge E-Factor Revenue <u>Incl. GRT</u> Exh. 1, Page 4	Total Surcharge Revenue <u>Incl. GRT</u>	Total Surcharge Revenue <u>Excl. GRT</u>	Surcharge E-Factor Revenue <u>Excl. GRT</u>	Net Retail Market Enhancement Related Revenue	Surcharge Related Expense Exh. 1, Page 5	Total (Over)/Under Collection
1 Residential (RS, RH, RA)	\$421,478	\$294,129	\$715,607	\$673,386	\$276,775	\$396,611	\$349,844	(\$46,767)
2 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$48,240	\$24,096	\$72,336	\$68,068	\$22,675	\$45,393	\$45,285	(\$109)
3 Medium Commercial & Industrial (GM, GMH) >25 kW	\$77,756	\$6,068	\$83,824	\$78,879	\$5,710	\$73,169	\$70,313	(\$2,856)
4 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$53	\$477	\$529	\$498	\$448	\$50	\$0	(\$50)
5 Lighting & Unmetered (AL, SE, SM, SH, PAL, UMS)	(\$89)	\$5,525	\$5,437	\$5,116	\$5,199	(\$83)	\$0	\$83
6 Total	\$547,438	\$330,296	\$877,734	\$825,947	\$310,808	\$515,139	\$465,442	(\$49,698)

EXHIBIT 1

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Summary of Surcharge Revenue - January 2017 through December 2017

A. Actual 2017 Surcharge Revenue by Month, Incl. GRT

<u>Rate Class</u>	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	<u>Total</u>
1 RS	\$54,284	\$54,349	\$54,262	\$53,534	\$63,098	\$51,260	\$55,537	\$46,365	\$57,897	\$51,947	\$64,611	\$57,204	\$664,349
2 RH	\$2,684	\$3,428	\$4,178	\$2,840	\$4,669	\$3,744	\$3,603	\$3,407	\$3,854	\$4,337	\$4,536	\$3,544	\$44,823
3 RA	\$401	\$511	\$587	\$466	\$565	\$607	\$514	\$492	\$556	\$560	\$630	\$546	\$6,434
4 GS	\$2,015	\$2,174	\$2,946	\$2,402	\$2,704	\$3,380	\$3,914	\$3,482	\$3,642	\$3,765	\$3,975	\$3,718	\$38,118
5 GM <25KW	\$1,804	\$1,926	\$2,236	\$1,909	\$2,127	\$2,658	\$3,199	\$2,668	\$2,888	\$2,891	\$3,183	\$2,944	\$30,433
6 GM =>25KW	\$978	\$1,047	\$1,173	\$1,054	\$1,132	\$6,333	\$13,703	\$9,875	\$9,673	\$9,652	\$10,862	\$10,203	\$75,684
7 GMH <25KW	\$191	\$227	\$282	\$214	\$288	\$319	\$392	\$343	\$356	\$384	\$418	\$371	\$3,784
8 GMH =>25KW	\$77	\$128	\$128	\$95	\$134	\$713	\$1,391	\$1,057	\$1,097	\$1,071	\$1,175	\$1,073	\$8,141
9 GL	\$74	\$87	\$84	\$75	\$85	\$33	(\$24)	\$8	\$7	\$10	\$7	\$7	\$453
10 GLH	\$9	\$11	\$11	\$9	\$10	\$5	(\$3)	\$1	\$1	\$1	\$1	\$1	\$57
11 L	\$3	\$4	\$3	\$3	\$2	\$3	(\$1)	\$0	\$0	\$0	\$0	\$0	\$16
12 HVPS	\$0	\$0	\$1	(\$0)	\$1	\$1	(\$0)	\$0	\$0	\$0	\$0	\$0	\$2
13 AL	\$0	\$1	\$0	(\$0)	\$0	\$0	(\$0)	\$0	\$0	\$0	\$0	\$0	\$2
14 SE	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
15 SM	\$19	\$19	\$18	\$18	\$19	\$8	\$9	\$8	\$9	\$8	\$8	\$8	\$151
16 SH	\$3	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$13
17 PAL	\$69	\$90	\$88	\$88	\$86	\$39	\$39	\$41	\$41	\$40	\$40	\$42	\$704
18 UMS	\$396	\$580	\$594	\$556	\$630	\$255	\$263	\$258	\$254	\$262	\$262	\$255	\$4,565
19 Total	\$63,008	\$64,585	\$66,593	\$63,262	\$75,553	\$69,357	\$82,535	\$68,006	\$80,277	\$74,931	\$89,708	\$79,919	\$877,734

#REF!

	<u>Incl. GRT</u>	<u>Excl. GRT</u>
20 Residential (RS, RH, RA)	\$715,607	\$673,386
21 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$72,336	\$68,068
22 Medium Commercial & Industrial (GM, GMH) >25 kW	\$83,824	\$78,879
23 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$529	\$498
24 Lighting & Unmetered (AL, SE, SM, SH, PAL, UMS)	\$5,437	\$5,116
25 Total	\$877,734	\$825,947

EXHIBIT 1

Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018

Calculation of E-Factor Revenue - January 2017 through December 2017

Rate Class	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Total
A. Actual Customer Count by Month													
1 RS	494,076	494,423	495,173	493,692	493,703	494,059	493,557	493,218	492,611	493,192	493,533	493,849	5,925,086
2 RH	33,145	33,160	33,539	33,349	33,386	33,529	33,506	33,848	33,755	33,863	34,024	33,998	403,102
3 RA	4,693	4,709	4,723	4,738	4,884	4,909	4,907	4,908	4,901	4,905	4,907	5,028	58,212
4 GS	22,982	22,983	23,010	22,998	22,972	22,924	22,932	22,973	22,946	22,962	23,011	23,096	275,789
5 GM <25KW	18,438	18,431	18,354	18,352	18,347	18,388	18,372	18,368	18,296	18,278	18,272	18,202	220,098
6 GM =>25KW	9,886	9,939	9,953	9,965	9,946	9,951	9,951	9,955	9,947	9,952	9,955	9,949	119,349
7 GMH <25KW	2,249	2,248	2,248	2,243	2,236	2,230	2,234	2,235	2,236	2,234	2,234	2,235	26,862
8 GMH =>25KW	1,037	1,041	1,042	1,042	1,042	1,043	1,042	1,046	1,046	1,044	1,044	1,042	12,511
9 GL	763	753	738	726	726	729	727	726	727	726	726	727	8,794
10 GLH	96	95	93	92	91	91	91	91	91	91	91	91	1,104
11 L	26	26	26	26	26	26	26	26	26	26	26	27	313
12 HVPS	4	4	4	4	4	4	4	4	4	4	4	3	47
13 AL	3	3	3	3	3	3	3	3	3	3	3	3	36
14 SE	1	1	1	1	1	1	1	1	1	1	1	1	12
15 SM	177	175	174	174	174	174	175	173	174	174	174	174	2,092
16 SH	13	13	13	13	13	13	13	13	13	13	13	13	156
17 PAL	813	808	809	809	808	804	805	814	814	815	816	821	9,736
18 UMS	5,484	5,490	5,537	5,508	5,510	5,516	5,515	5,470	5,474	5,471	5,473	5,481	65,929

B. E-Factor Rate per Customer Class, Excl. GRT													
19 Residential (RS, RH, RA)	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
20 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
21 Medium Commercial & Industrial (GM, GMH) >25 kW	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
22 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
23 Lighting & Unmetered (AL, SE, SM, SH, PAL, UMS)	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05	\$0.05

C. E-Factor Revenue by Month, Excl. GRT													
24 RS	\$44,467	\$44,498	\$44,566	\$44,432	\$44,433	\$4,941	\$4,936	\$4,932	\$4,926	\$4,932	\$4,935	\$4,938	\$256,936
25 RH	\$2,983	\$2,984	\$3,019	\$3,001	\$3,005	\$335	\$335	\$338	\$338	\$339	\$340	\$340	\$17,357
26 RA	\$422	\$424	\$425	\$426	\$440	\$49	\$49	\$49	\$49	\$49	\$49	\$50	\$2,482
27 GS	\$2,068	\$2,068	\$2,071	\$2,070	\$2,067	\$229	\$229	\$230	\$229	\$230	\$230	\$231	\$11,953
28 GM<25	\$1,659	\$1,659	\$1,652	\$1,652	\$1,651	\$184	\$184	\$184	\$183	\$183	\$183	\$182	\$9,555
29 GM>25	\$890	\$895	\$896	\$897	\$895	\$100	\$100	\$100	\$99	\$100	\$100	\$99	\$5,169
30 GMH<25	\$202	\$202	\$202	\$202	\$201	\$22	\$22	\$22	\$22	\$22	\$22	\$22	\$1,167
31 GMH>25	\$93	\$94	\$94	\$94	\$94	\$10	\$10	\$10	\$10	\$10	\$10	\$10	\$541
32 GL	\$69	\$68	\$66	\$65	\$65	\$7	\$7	\$7	\$7	\$7	\$7	\$7	\$384
33 GLH	\$9	\$9	\$8	\$8	\$8	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$48
34 L	\$2	\$2	\$2	\$2	\$2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14
35 HVPS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2
36 AL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2
37 SE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
38 SM	\$16	\$16	\$16	\$16	\$16	\$9	\$9	\$9	\$9	\$9	\$9	\$9	\$140
39 SH	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$1	\$10
40 PAL	\$73	\$73	\$73	\$73	\$73	\$40	\$40	\$41	\$41	\$41	\$41	\$41	\$649
41 UMS	\$494	\$494	\$498	\$496	\$496	\$276	\$276	\$274	\$274	\$274	\$274	\$274	\$4,398
42 Total	\$53,450	\$53,487	\$53,590	\$53,436	\$53,448	\$6,204	\$6,199	\$6,198	\$6,190	\$6,197	\$6,202	\$6,207	\$310,808

D. E-Factor Revenue by Customer Class			
	Incl. GRT	Excl. GRT	
43 Residential (RS, RH, RA)	\$294,129	\$276,775	
44 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$24,096	\$22,675	
45 Medium Commercial & Industrial (GM, GMH) >25 kW	\$6,068	\$5,710	
46 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$477	\$448	
47 Lighting & Unmetered (AL, SE, SM, SH, PAL, UMS)	\$5,525	\$5,199	
48 Total	\$330,296	\$310,808	

EXHIBIT 1

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Summary of Expense - January 2017 through December 2017

A. Actual 2017 Expense by Month

Rate Class	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Total
1 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 POR Expense (1)	\$0	\$0	\$0	\$0	\$0	\$49,978	\$49,978	\$49,978	\$49,978	\$49,978	\$49,978	\$49,978	\$349,844
5 Subtotal - Residential	\$0	\$0	\$0	\$0	\$0	\$49,978	\$49,978	\$49,978	\$49,978	\$49,978	\$49,978	\$49,978	\$349,844
6 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 POR Expense (1)	\$0	\$0	\$0	\$0	\$0	\$6,469	\$6,469	\$6,469	\$6,469	\$6,469	\$6,469	\$6,469	\$45,285
10 Subtotal - Small C&I	\$0	\$0	\$0	\$0	\$0	\$6,469	\$6,469	\$6,469	\$6,469	\$6,469	\$6,469	\$6,469	\$45,285
11 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14 POR Expense (1)	\$0	\$0	\$0	\$0	\$0	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$70,313
15 Subtotal - Medium C&I	\$0	\$0	\$0	\$0	\$0	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$10,045	\$70,313
16 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19 Subtotal - Large C&I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23 Subtotal - Lighting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27 Subtotal - Unmetered	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28 Total	\$0	\$0	\$0	\$0	\$0	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$465,442

B. Actual 2017 Expense by Customer Class

29 Residential (RS, RH, RA)	\$349,844
30 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$45,285
31 Medium Commercial & Industrial (GM, GMH) >25 kW	\$70,313
32 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$0
33 Lighting & Unmetered (AL, SE, SM, SH, PAL, UMS)	\$0
34 Total	\$465,442

(1) Refer to Page 6

Exhibit 1

Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018

Summary of Revenue and Expense for the Reconciliation Period - January 2017 through December 2017

	Jan-2017	Feb-2017	Mar-2017	Apr-2017	May-2017	Jun-2017	Jul-2017	Aug-2017	Sep-2017	Oct-2017	Nov-2017	Dec-2017	Total
<u>Revenue</u>													
1 Actual Surcharge Revenue	\$63,008	\$64,585	\$66,593	\$63,262	\$75,553	\$69,357	\$82,535	\$68,006	\$80,277	\$74,931	\$89,708	\$79,919	\$877,734
2 E-Factor Revenue	\$56,801	\$56,841	\$56,950	\$56,787	\$56,800	\$6,593	\$6,588	\$6,586	\$6,578	\$6,585	\$6,591	\$6,596	\$330,296
3 Net Surcharge Revenue	\$6,207	\$7,744	\$9,643	\$6,476	\$18,754	\$62,764	\$75,947	\$61,419	\$73,699	\$68,346	\$83,117	\$73,322	\$547,438
4 Less PA Gross Receipts Tax (GRT) at 5.9%	\$366	\$457	\$569	\$382	\$1,106	\$3,703	\$4,481	\$3,624	\$4,348	\$4,032	\$4,904	\$4,326	\$32,299
5 Net Calendar Month Revenue	\$5,841	\$7,287	\$9,074	\$6,094	\$17,647	\$59,061	\$71,466	\$57,796	\$69,351	\$64,313	\$78,213	\$68,996	\$515,139
<u>Expense</u>													
6 Training and Organization Change Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 Post go-live support	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 Communication Material	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 POR Expense (1)	\$0	\$0	\$0	\$0	\$0	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$465,442
11 Total Expense	\$0	\$0	\$0	\$0	\$0	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$66,492	\$465,442
12 (Over)/Under Collection	(\$5,841)	(\$7,287)	(\$9,074)	(\$6,094)	(\$17,647)	\$7,431	(\$4,975)	\$8,696	(\$2,859)	\$2,178	(\$11,722)	(\$2,505)	(\$49,698)

(1) Reflects the Uncollectible POR Provision of the Joint Petition for Approval of Non-Unanimous Settlement that was adopted as part of the Commission order entered December 22, 2016 at Docket No. P-2016-2543140. Effective June 1, 2017 the Company will eliminate the uncollectible accounts component of the POR discounts for EGSs. Calendar year 2015 POR discount expense of \$797,900 POR uncollectible expense will be moved to the Company's Rider 1 RMES for recovery until the next base rate proceeding. The amount will be fixed. Appendix D of the Joint Petition for Approval of Non-Unanimous Settlement reflects, by customer class, the allocated fixed dollar amounts.

ATTACHMENT A

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Summary of (Over)/Under Calculation Balance by Customer Class at December 31, 2017

A	B	C	D (B-C)	E	F (E-D)	G	I (F+G-C)
<u>Customer Class / (Rate Class)</u>	Total Surcharge Revenue <u>Excl. GRT</u> Exh. 1, Page 2	E-Factor Revenue <u>Excl. GRT</u> Exh. 1, Page 4	Net Reconciliation Period Revenue <u>Excl. GRT</u>	Actual Reconciliation Period <u>Expense</u> Exh. 1, Page 5	Current Reconciliation Period (Over)/ Under <u>Collection</u>	Prior Period YE 2016 (Over)/ Under Collection <u>Balance</u>	Total (Over)/ Under Collection Balance at <u>Dec. 31, 2017</u>
1 Residential (RS, RH, RA)	\$673,386	\$276,775	\$396,611	\$349,844	(\$46,767)	\$267,705	(\$55,837)
2 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$68,068	\$22,675	\$45,393	\$45,285	(\$109)	\$22,194	(\$589)
3 Medium Commercial & Industrial (GM, GMH) >25 kW	\$78,879	\$5,710	\$73,169	\$70,313	(\$2,856)	\$5,248	(\$3,318)
4 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$498	\$448	\$50	\$0	(\$50)	\$458	(\$40)
5 Unmetered (UMS) & Lighting (AL, SE, SM, SH, PAL)	\$5,116	\$5,199	(\$83)	\$0	\$83	\$3,119	(\$1,997)
6 Total	\$825,947	\$310,808	\$515,139	\$465,442	(\$49,698)	\$298,725	(\$61,781)

ATTACHMENT A

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Calculation of E-Factor Revenue - January to May 2018

A	B	C	D	E = (C * D) / 100	F = B - E	G	H = F / G * 100
	Total (Over)/ Under Collection Balance at <u>Dec. 31, 2017</u> Att. A, page 1	Forecast Customer Bills <u>Jan-May 2018</u>	Current E-Factor Rate Excl. GRT <u>Cents/Month</u> Att. E, page 4	Forecast E-Factor Revenue Jan. 2018 to <u>May 2018</u>	Forecast (Over)/ Under Collection Balance at <u>May 31, 2018</u>	Forecast Customer Bills Jun 2018 to <u>May 2019</u>	Proposed E-Factor Rate Excl. GRT <u>Cents/Month</u>
1 Residential (RS, RH, RA)	(\$55,837)	2,673,656	1.00	\$26,737	(\$82,574)	6,416,486	(2.00)
2 Small C&I (GS, GM, GMH) <25 kW	(\$589)	217,167	1.00	\$2,172	(\$2,761)	519,349	(1.00)
3 Medium C&I (GM, GMH) >25 kW	(\$3,318)	54,845	1.00	\$548	(\$3,866)	131,437	(3.00)
4 Large C&I (GL, GLH, L, HVPS)	(\$40)	4,246	1.00	\$42	(\$83)	10,185	(1.00)
5 Unmetered (UMS) & Lighting (AL, SE, SM, SH, PAL)	(\$1,997)	32,662	5.00	\$1,633	(\$3,630)	78,441	(5.00)
6 Total	(\$61,781)	2,982,576		\$31,132	(\$92,913)	7,155,897	

ATTACHMENT A

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Calculation of C-Factor Rate

A	B	C	D = B / C * 100
<u>Customer / (Rate Class)</u>	2018 Retail Market Enhancement <u>Budget</u>	Forecast Customer Bills Jun 2018 to <u>May 2019</u>	Monthly C-Factor Rate <u>Cents/Month</u>
1 Residential (RS, RH, RA)	\$0	6,416,486	0.00
2 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$0	519,349	0.00
3 Medium Commercial & Industrial (GM, GMH) >25 kW	\$0	131,437	0.00
4 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$0	10,185	0.00
5 Unmetered (UMS) & Lighting (AL, SE, SM, SH, PAL)	\$0	78,441	0.00
6 Total	\$0	7,155,897	

ATTACHMENT A

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Calculation of POR Rate

A	B	C	D = B / C * 100
<u>Customer / (Rate Class)</u>	2018 Retail Market Enhancement <u>POR Budget (1)</u>	Forecast Customer Bills Jun 2018 to <u>May 2019</u>	Monthly POR Rate <u>Cents/Month</u>
1 Residential (RS, RH, RA)	\$599,733	6,416,486	9.00
2 Small Commercial & Industrial (GS, GM, GMH) <25 kW	\$77,631	519,349	15.00
3 Medium Commercial & Industrial (GM, GMH) >25 kW	\$120,536	131,437	92.00
4 Large Commercial & Industrial (GL, GLH, L, HVPS)	\$0	10,185	0.00
5 Unmetered (UMS) & Lighting (AL, SE, SM, SH, PAL)	\$0	78,441	0.00
6 Total	\$797,900	7,155,897	

(1) Reflects the Uncollectible POR Provision of the Joint Petition for Approval of Non-Unanimous Settlement that was adopted as part of the Commission order entered December 22, 2016 at Docket No. P-2016-2543140. Effective June 1, 2017 the Company will eliminate the uncollectible accounts component of the POR discounts for EGSs. Calendar year 2015 POR discount expense of \$797,900 POR uncollectible expense will be moved to the Company's Rider 1 RMES for recovery until the next base rate proceeding. The amount will be fixed. Appendix D of the Joint Petition for Approval of Non-Unanimous Settlement reflects, by customer class, the allocated fixed dollar amounts.

ATTACHMENT A

**Duquesne Light Company
Rider No. 1 - Retail Market Enhancement
Proposed Surcharge Effective June 1, 2018**

Calculation of the Projected Retail Market Enhancement Surcharge Effective June 1, 2018

A	B	C = B * 1 / (1 - 0.059)	D	E = D * 1 / (1 - 0.059)	F	G = F * 1 / (1 - 0.059)	H = C + E + G
<u>Customer / (Rate Class)</u>	POR Monthly Charge <u>Cents/Month</u> Att. A, page 4	POR Monthly Charge Inc. GRT <u>Cents/Month</u>	C-Factor Monthly Charge <u>Cents/Month</u> Att. A, page 3	C-Factor Monthly Charge Inc. GRT <u>Cents/Month</u>	E-Factor Monthly Charge <u>Cents/Month</u> Att. A, page 2	E-Factor Monthly Charge Inc. GRT <u>Cents/Month</u>	Proposed Surcharge Inc. GRT <u>Cents/Month</u>
1 Residential (RS, RH, RA)	9.00	10.00	0.00	0.00	(2.00)	(2.00)	8.00
2 Small Commercial & Industrial (GS, GM, GMH) <25 kW	15.00	16.00	0.00	0.00	(1.00)	(1.00)	15.00
3 Medium Commercial & Industrial (GM, GMH) >25 kW	92.00	98.00	0.00	0.00	(3.00)	(3.00)	95.00
4 Large Commercial & Industrial (GL, GLH, L, HVPS)	0.00	0.00	0.00	0.00	(1.00)	(1.00)	(1.00)
5 Unmetered (UMS) & Lighting (AL, SE, SM, SH, PAL)	0.00	0.00	0.00	0.00	(5.00)	(5.00)	(5.00)