



Tishekia E. Williams
Assistant General Counsel, Regulatory

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

Tel: 412-393-1541
Fax: 412-393-5757
twilliams@duqlight.com

March 13, 2018

RECEIVED

MAR 13 2018

VIA OVERNIGHT MAILING

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: Securities Certificate of Duquesne Light Company with Respect to the
Issuance of Debt in Principal Amount Not to Exceed \$500 Million
Docket No. S-2016-2570685**

Dear Secretary Chiavetta:

Pursuant to the Pennsylvania Utility Commission ("Commission") Order issued December 8, 2016 in the above referenced proceeding, Duquesne Light Company is required to file notice with the Commission within 60 days of any debt issuance made as part of the authority granted in that proceeding. This letter is notice that Duquesne Light Company issued First Mortgage Bonds, Series AA and Series AB on February 1, 2018. The Series AA Bonds were issued in the aggregate principal amount of \$60 million, have a term of 30 years and bear interest at a rate of 3.89% per annum. The Series AB Bonds were issued in the aggregate principal amount of \$125 million, have a term of 40 years and bear interest at a rate of 4.04% per annum. With this issuance, there is \$255 million in principal amount of securities remaining to be issued under the present Securities Certificate.

This notice also includes the enclosed summary of the terms of the issuance, including the interest rate, maturity and call provisions of the securities issued.

If you have any questions regarding the information contained in this filing, please contact me at 412-393-1541 or twilliams@duqlight.com.

Sincerely,

Tishekia E. Williams
Assistant General Counsel



Summary Term Sheet

Issuer:	Duquesne Light Company (the Company or DLC)
Issue:	First Mortgage Bonds, Series AA / AB (the Bonds)
Principal amount:	\$60,000,000 (Series AA) / \$125,000,000 (Series AB)
Maturity:	February 1, 2048 (Series AA) / February 1, 2058 (Series AB)
Amortization:	None
Interest Rate:	3.89% (Series AA) / 4.04% (Series AB)
Indicative credit spread:	T+112 bps (Series AA) / T+127 bps (Series AB)
Ranking:	<p>The Bonds will be secured equally and ratably with the Company's existing and future first mortgage bonds issued under the Indenture of Mortgage and Deed of Trust dated as of April 1, 1992, as amended and restated in its entirety by Supplemental Indenture No. 22, dated as of October 1, 2004, and as further amended and supplemented, including as amended by Supplemental Indenture No. 31 and Supplemental Indenture No. 32 relating to the Bonds (such indenture, as amended and supplemented from time to time, the Indenture or the DLC Mortgage). The Indentures constitute a first mortgage lien on substantially all of DLC's tangible properties used in the transmission and distribution of electric energy and on other property that DLC may from time to time subject to the first mortgage lien. The priority and scope of the first mortgage lien is subject to permitted liens and other customary exclusions and exceptions. The Indenture does not constitute a lien on property expressly excepted from the lien thereof and property released from the lien thereof.</p>
Optional redemption:	<p>The Bonds will be callable at the option of the Company at any time, in whole or in part, at the make-whole price. The make-whole price will be defined as the greater of (i) par plus accrued interest or (ii) the present value of the remaining principal and interest payments due on the Bonds discounted by the yield on the U.S. Treasury obligation having a final maturity corresponding to the remaining average life of the Bonds, plus in each case, 50 basis points. In addition, at any time on or after August 1, 2047 (in the case of the Series AA Bonds) or August 1, 2057 (in the case of the Series AB Bonds) (six months prior to the maturity date of the Bonds), we may, at our option, redeem all of the Bonds, upon notice by mail not less than 30 nor more than 60 days before the date fixed for redemption, at a redemption price equal to 100% of the principal amount of the Bonds then outstanding to be redeemed, plus accrued and unpaid interest thereon to the date of redemption.</p>



- Affirmative covenants** Affirmative covenants under the Indenture include, but are not limited to, the following:
- Pay principal, interest and premium, if any, in accordance with the Bonds and the Indenture, maintain and preserve the Lien of the Indenture, maintain an office where Bonds may be presented for payment, maintain corporate existence and franchises, maintain mortgaged properties, pay taxes when due, maintain insurance, and cause the Indenture and supplemental indentures to be promptly recorded.
- Additional affirmative covenants under the Bond Purchase Agreement include, but are not limited to, the following:
- Furnish annual audited financial statements and quarterly unaudited financial information.
- Negative covenants:** Negative covenants under the Indenture include, but are not limited to, the following:
- The Company will not permit Liens to be created on the Mortgaged Property other than Permitted Liens and other Liens permitted to exist under the Indenture.
- Additional negative covenants under the Bond Purchase Agreement include, but are not limited to, the following:
- Line of Business, and
 - Terrorism Sanctions Regulations
- Issuance tests:** Additional first mortgage bonds may be issued under the circumstances described in the Indenture, including on the basis of Property Additions to the extent of 70% of the cost or the fair value thereof, calculated as provided in the Indenture.
- To the extent additional first mortgage bonds are issued on the basis of Property Additions, the Company must deliver a Net Earnings Certificate showing that the Adjusted Net Earnings of the Company for a specified period is not less than an amount equal to twice the Annual Interest Requirements (as defined in the Indenture).
- Additional first mortgage bonds may also be issued on the basis of the retirement of an equal principal amount of first mortgage bonds (without the requirement of a Net Earnings Certificate).



Events of default and remedies:

Events of Default under the Indenture include the following:

- Failure to pay principal or premium, if any, within three Business Days after maturity;
- Failure to pay interest within 60 days of the due date;
- Failure to perform any of the covenants (or breaches of warranty) under the Indenture (and not in the Bond Purchase Agreement) for a period of 60 days after written notice thereof from the Trustee or holders of 25% in principal amount of the obligations outstanding under the Indenture, subject to extension of such cure period if corrective action is being diligently pursued; and
- Certain events of bankruptcy or insolvency of the Company.

A description of the Events of Default and Remedies can be found in Article X of the DLC Mortgage.

Company obligations:

The obligations to pay the principal of, premium, if any, and interest on the Bonds are solely obligations of the Company and are not obligations of Duquesne Light Holdings, Inc., DQE Holdings LLC, the investors that own DQE Holdings LLC, or any of their other affiliates. Further, none of Duquesne Light Holdings, Inc., DQE Holdings LLC, the investors that own DQE Holdings LLC, nor any of their other affiliates will guarantee or provide any credit support for the Company's obligations on the Bonds.

Amendments; modifications:

Amendments to the Bond Purchase Agreement will require the approval of the holders of at least 51% of the aggregate principal amount of outstanding Bonds. Amendments to the DLC Mortgage and the Bonds will be governed by the DLC Mortgage and the Bonds.

A description of the provisions relating to amendments and supplements of the Bonds and the DLC Mortgage can be found in Articles XIV and XV of the DLC Mortgage.

Governing law:

Pennsylvania, except to the extent law of any other jurisdiction is mandatorily applicable.

UPS CampusShip: View/Print Label

1. **Ensure there are no other shipping or tracking labels attached to your package.** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.
2. **Fold the printed label at the solid line below.** Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.
3. **GETTING YOUR SHIPMENT TO UPS Customers with a Daily Pickup**
Your driver will pickup your shipment(s) as usual.

Customers without a Daily Pickup

Take your package to any location of The UPS Store®, UPS Access Point(TM) location, UPS Drop Box, UPS Customer Center, Staples® or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including Via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations. Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip packages. Hand the package to any UPS driver in your area.

UPS Access Point™
PVA INTERACTIVE
2004 SMALLMAN ST
PITTSBURGH, PA 15222

UPS Access Point™
THE UPS STORE
1735 E CARSON ST
PITTSBURGH, PA 15203

UPS Access Point™
WALTMIRE PHARMACY
1435 SPRING GARDEN AVE
PITTSBURGH, PA 15212

FOLD HERE

ERIN DITOMMASO 412-393-6020 DUQUESNE LIGHT 411 SEVENTH AVENUE PITTSBURGH PA 15219	0.5 LBS LTR	1 OF 1
SHIP TO: ROSEMARY CHIAVETTA, SECRETARY 412-393-1541 PENNSYLVANIA PUC 400 NORTH STREET, 2ND FLOOR COMMONWEALTH KEYSTONE BUILDING HARRISBURG PA 17120-0093		
	PA 171 9-20 	
UPS NEXT DAY AIR		
TRACKING #: 1Z 187 399 01 9497 9360	1	
		
BILLING: P/P		
Cost Center: 004 Reference # 2: Tishekia Williams		
CS 20.0.32. WNTNV50 97.0A 01/2018		

004

