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November 27, 2019

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 – Annual Reconciliation Statement
Rider No. 5 - Universal Service Charge
Docket No. M-2019-_____**

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company (“Duquesne Light” or “Company”) is a copy of the Company’s Rider No. 5 – Universal Service Charge reconciliation statement for the period November 1, 2018 through October 31, 2019 (“Reconciliation Filing”).

The Pennsylvania Public Utility Commission (“Commission”) approved Rider No. 5 in Duquesne Light’s general base rate case at Docket No. R-2010-2179522. The reconcilable charge is designed to recover the costs incurred by the Company to provide its Universal Service and Energy Conservation Plan.

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

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Emily M. Farah", is written over the typed name and title.

Emily M. Farah
Counsel, Regulatory

Enclosure

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
555 Walnut Street, 1st Floor
Harrisburg, PA 17101

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



Emily M. Farah
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Phone: 412-393-6431
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Dated: November 27, 2019

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2020

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2018 through October 31, 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Total
1 Net Surcharge Revenue, Incl. GRT	\$2,775,235	\$3,168,949	\$3,019,919	\$2,160,049	\$2,397,605	\$2,051,568	\$1,967,721	\$2,466,429	\$3,986,625	\$3,169,203	\$2,714,983	\$2,025,137	\$31,903,422
2 E-Factor Revenue, Incl. GRT	(\$367,001)	(\$420,581)	\$340,462	\$284,363	\$289,822	\$212,688	\$265,220	\$306,831	\$477,014	\$383,075	\$325,742	\$245,413	\$2,343,046
3 Universal Service Charge Related Revenue	\$2,408,234	\$2,748,368	\$3,360,380	\$2,444,412	\$2,687,427	\$2,264,256	\$2,232,941	\$2,773,260	\$4,463,638	\$3,552,278	\$3,040,725	\$2,270,549	\$34,246,468
4 Universal Service Charge Related Revenue	\$2,408,234	\$2,748,368	\$3,360,380	\$2,444,412	\$2,687,427	\$2,264,256	\$2,232,941	\$2,773,260	\$4,463,638	\$3,552,278	\$3,040,725	\$2,270,549	\$34,246,468
5 Less PA Gross Receipts Tax	\$142,086	\$162,154	\$198,262	\$144,220	\$158,558	\$133,591	\$131,744	\$163,622	\$263,355	\$209,584	\$179,403	\$133,962	\$2,020,542
6 Universal Service Charge Related Revenue	\$2,266,148	\$2,586,215	\$3,162,118	\$2,300,192	\$2,528,868	\$2,130,665	\$2,101,197	\$2,609,637	\$4,200,284	\$3,342,694	\$2,861,322	\$2,136,587	\$32,225,926
7 Expense	\$2,689,482	\$2,474,534	\$2,589,533	\$2,287,438	\$2,708,826	\$2,938,959	\$2,860,947	\$2,733,554	\$2,805,333	\$2,722,152	\$2,737,915	\$2,930,346	\$32,479,019
8 CAP Discount Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Adjusted Expense	\$2,689,482	\$2,474,534	\$2,589,533	\$2,287,438	\$2,708,826	\$2,938,959	\$2,860,947	\$2,733,554	\$2,805,333	\$2,722,152	\$2,737,915	\$2,930,346	\$32,479,019
10 Over/(Under) Collection	(\$423,334)	\$111,681	\$572,585	\$12,754	(\$179,958)	(\$808,294)	(\$759,749)	(\$123,917)	\$1,394,951	\$620,542	\$123,407	(\$793,759)	(\$253,092)
11 Interest	(\$42,333)	\$10,610	\$51,533	\$1,084	(\$14,397)	(\$60,622)	(\$53,182)	(\$8,055)	\$83,697	\$34,130	\$6,170	(\$35,719)	(\$27,085)
12 Total Over/(Under) Collection	(\$465,668)	\$122,291	\$624,117	\$13,838	(\$194,354)	(\$868,916)	(\$812,932)	(\$131,972)	\$1,478,648	\$654,672	\$129,578	(\$829,478)	(\$280,177)

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2020

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2018 through October 31, 2019

Rate Class	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Total
A. Actual Surcharge Revenue by Month, Incl. GRT													
1 RS	\$2,392,273	\$2,732,086	\$2,506,470	\$1,818,488	\$2,037,437	\$1,868,653	\$1,734,460	\$2,347,802	\$3,744,690	\$2,953,913	\$2,517,740	\$1,846,235	\$28,500,246
2 RH	\$333,373	\$380,641	\$455,737	\$301,408	\$315,785	\$153,229	\$200,136	\$82,566	\$190,498	\$170,651	\$157,067	\$143,158	\$2,884,249
3 RA	\$49,588	\$56,223	\$57,712	\$40,153	\$44,383	\$29,686	\$33,124	\$36,061	\$51,436	\$44,640	\$40,176	\$35,744	\$518,926
4 Total	\$2,775,235	\$3,168,949	\$3,019,919	\$2,160,049	\$2,397,605	\$2,051,568	\$1,967,721	\$2,466,429	\$3,986,625	\$3,169,203	\$2,714,983	\$2,025,137	\$31,903,422
B. Actual Surcharge Revenue by Month, Excl. GRT													
5 RS	\$2,251,129	\$2,570,893	\$2,358,588	\$1,711,197	\$1,917,228	\$1,758,403	\$1,632,127	\$2,209,282	\$3,523,754	\$2,779,632	\$2,369,193	\$1,737,307	\$26,818,732
6 RH	\$313,704	\$358,183	\$428,849	\$283,625	\$297,154	\$144,188	\$188,328	\$77,694	\$179,259	\$160,582	\$147,800	\$134,712	\$2,714,078
7 RA	\$46,663	\$52,905	\$54,307	\$37,784	\$41,764	\$27,935	\$31,170	\$33,933	\$48,401	\$42,006	\$37,806	\$33,635	\$488,309
8 Total	\$2,611,496	\$2,981,981	\$2,841,744	\$2,032,606	\$2,256,146	\$1,930,526	\$1,851,625	\$2,320,909	\$3,751,414	\$2,982,220	\$2,554,799	\$1,905,653	\$30,021,120

EXHIBIT 1

**Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2020**

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2018 through October 31, 2019

<u>Rate Class</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Total</u>
A. Actual Non-CAP kWh by Month													
1 RS	245,122,833	281,003,744	282,951,547	238,961,088	246,187,683	190,596,078	244,545,631	285,106,011	447,665,529	357,632,679	303,185,548	223,237,463	3,346,195,834
2 RH	34,296,634	39,220,776	51,004,481	40,102,487	38,187,174	18,506,952	16,742,873	17,367,749	23,239,810	20,152,809	17,983,249	18,261,718	335,066,713
3 RA	5,077,522	5,807,381	6,505,598	5,299,761	5,446,746	3,584,771	3,931,657	4,357,325	6,108,523	5,289,285	4,572,833	3,913,695	59,895,096
4 B. E-Factor Rate (1) Cents per kWh, Inc. GRT	(0.129)	(0.129)	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	
C. E-Factor Revenue, Incl. GRT													
5 RS	(\$316,208)	(\$362,495)	\$282,952	\$238,961	\$246,188	\$190,596	\$244,546	\$285,106	\$447,666	\$357,633	\$303,186	\$223,237	\$2,141,366
6 RH	(\$44,243)	(\$50,595)	\$51,004	\$40,102	\$38,187	\$18,507	\$16,743	\$17,368	\$23,240	\$20,153	\$17,983	\$18,262	\$166,712
7 RA	(\$6,550)	(\$7,492)	\$6,506	\$5,300	\$5,447	\$3,585	\$3,932	\$4,357	\$6,109	\$5,289	\$4,573	\$3,914	\$34,969
8 Total	(\$367,001)	(\$420,581)	\$340,462	\$284,363	\$289,822	\$212,688	\$265,220	\$306,831	\$477,014	\$383,075	\$325,742	\$245,413	\$2,343,046
D. E-Factor Revenue, Excl. GRT													
9 RS	(\$297,552)	(\$341,108)	\$266,257	\$224,862	\$231,663	\$179,351	\$230,117	\$268,285	\$421,253	\$336,532	\$285,298	\$210,066	\$2,015,025
10 RH	(\$41,632)	(\$47,610)	\$47,995	\$37,736	\$35,934	\$17,415	\$15,755	\$16,343	\$21,869	\$18,964	\$16,922	\$17,184	\$156,876
11 RA	(\$6,164)	(\$7,050)	\$6,122	\$4,987	\$5,125	\$3,373	\$3,700	\$4,100	\$5,748	\$4,977	\$4,303	\$3,683	\$32,906
12 Total	(\$345,348)	(\$395,767)	\$320,374	\$267,586	\$272,722	\$200,139	\$249,572	\$288,728	\$448,870	\$360,473	\$306,523	\$230,934	\$2,204,807

1/ Per November 30, 2017 submittal at Docket No. M-2017-2636972 and November 30, 2018 submittal at Docket No. M-2018-3006254.

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2020

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2018 through October 31, 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Total
1 CAP Revenue Deficiency	\$1,771,885	\$1,813,753	\$2,059,963	\$1,679,705	\$1,921,661	\$1,906,599	\$1,932,053	\$1,931,019	\$1,993,500	\$1,836,916	\$1,928,522	\$2,071,160	\$22,846,737
2 CAP Frozen Arrearage	\$537,654	\$323,004	\$382,116	\$439,175	\$635,511	\$863,502	\$778,499	\$622,214	\$637,361	\$586,764	\$555,587	\$574,624	\$6,936,012
3 CAP Administrative Costs	\$136,204	\$136,204	\$136,204	\$151,204	\$140,404	\$138,524	\$136,204	\$137,204	\$136,204	\$147,399	\$147,399	\$147,399	\$1,690,556
4 Smart Comfort	\$232,489	\$190,322	\$0	\$6,104	\$0	\$19,083	\$2,940	\$31,867	\$27,017	\$139,822	\$3,838	\$125,913	\$779,396
5 CARES	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$135,000
6 Hardship Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$91,318	\$0	\$91,318
7 Total Expenses	\$2,689,482	\$2,474,534	\$2,589,533	\$2,287,438	\$2,708,826	\$2,938,959	\$2,860,947	\$2,733,554	\$2,805,333	\$2,722,152	\$2,737,915	\$2,930,346	\$32,479,019
8 CAP Customers	35,897	36,010	35,948	36,021	36,149	36,410	36,653	36,439	36,598	36,715	36,643	36,346	
9 Monthly Enrollment Level (1)	41,650	41,650	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	
10 CAP Customers>Enrollment	0	0	0	0	0	0	0	0	0	0	0	0	
11 Average CAP Deficiency/CAP Customer (2)	\$49.36	\$50.37	\$57.30	\$46.63	\$53.16	\$52.36	\$52.71	\$52.99	\$54.47	\$50.03	\$52.63	\$56.98	
12 Average Frozen Arrearage/CAP Customer (2)	\$14.98	\$8.97	\$10.63	\$12.19	\$17.58	\$23.72	\$21.24	\$17.08	\$17.42	\$15.98	\$15.16	\$15.81	
13 Deficiency and Arrearage Combined	\$64.34	\$59.34	\$67.93	\$58.82	\$70.74	\$76.08	\$73.95	\$70.07	\$71.89	\$66.01	\$67.79	\$72.79	
14 Bad Debt Offset (3)	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	
15 CAP Discount Credit (line 10 * line13 * line 14)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16 Total Adjusted Expenses (line 7 - line 15)	\$2,689,482	\$2,474,534	\$2,589,533	\$2,287,438	\$2,708,826	\$2,938,959	\$2,860,947	\$2,733,554	\$2,805,333	\$2,722,152	\$2,737,915	\$2,930,346	\$32,479,019

1/ Per Tariff No. 25, Rider 5, Universal Service Charge, page 94 and at Docket No. R-2019-3013287. In accordance with the Company's approved distribution rate case at Docket No. R-2018-3000124, effective 12/29/2018, the CAP participation level has been reset per the provisions of Rider No. 5

2/ Average amount per CAP customer per month.

3/ Per Company Tariff No. 25, Rider 5, Universal Service Charge, page 94 and at Docket No. R-2019-3013287.

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2020

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2018 through October 31, 2019

	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Total
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2 E-Factor Revenue, Excl. GRT	(\$345,348)	(\$395,767)	\$320,374	\$267,586	\$272,722	\$200,139	\$249,572	\$288,728	\$448,870	\$360,473	\$306,523	\$230,934	\$2,204,807
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5 Over/(Under) Collection	(\$423,334)	\$111,681	\$572,585	\$12,754	(\$179,958)	(\$808,294)	(\$759,749)	(\$123,917)	\$1,394,951	\$620,542	\$123,407	(\$793,759)	(\$253,092)
6 Interest Rate	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	
7 Interest Weight	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	12/12	11/12	10/12	9/12	
8 Interest	(\$42,333)	\$10,610	\$51,533	\$1,084	(\$14,397)	(\$60,622)	(\$53,182)	(\$8,055)	\$83,697	\$34,130	\$6,170	(\$35,719)	(\$27,085)