



Michael Zimmerman
Counsel, Regulatory

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

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

March 10, 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's Annual Reconciliation Statement -- January 1, 2019
through December 31, 2019, for Rider No. 22 -- Distribution System Improvement
Charge
Docket No. M-2020-3017778**

Dear Secretary Chiavetta:

On February 5, 2020, Duquesne Light Company (the "Company") filed its Reconciliation of Revenue and Expenses for the period of January 1, 2019 through December 31, 2019, for Tariff-Electric, PA. P.U.C. No. 24, Rider No. 22 – Distribution System Improvement Charge ("DSIC Annual Reconciliation") at the above-captioned docket. The Company has since identified certain adjustments to the current period activity, and has updated its DSIC Annual Reconciliation accordingly. Therefore, for filing, please find attached a Revised Reconciliation of Revenue and Expenses for the period of January 1, 2019 through December 31, 2019, for Tariff-Electric, PA. P.U.C. No. 24, Rider No. 22 – Distribution System Improvement Charge.



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 "Michael Zimmerman".

Michael Zimmerman
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).

FIRST CLASS MAIL

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
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

Office of Small Business Advocate
555 Walnut Street, 1st Floor
Harrisburg, PA 17101



Michael Zimmerman
Counsel, Regulatory
Duquesne Light Company
411 Seventh Avenue, 15-7
Pittsburgh, PA 15222
412-393-6268
mzimmerman@duqlight.com

Date: March 10, 2020

Exhibit 1

Duquesne Light Company
Rider 22 - Distribution System Improvement Charge
Annual Reconciliation - January 1, 2019 through December 31, 2019

Summary of Reconciliation Period

1	Surcharge Revenue, Inc. GRT	(\$3,607,509)	Exh. 1, Page 2
2	Surcharge Revenue, Excl. GRT		(\$3,394,666) Line 1 * 0.941
3	E-Factor Revenue, Inc. GRT	(\$2,238,603)	Exh. Page 4
4	E-Factor Revenue, Excl. GRT		(\$2,106,526) Line 3 * 0.941
5	Net DSIC Related Revenue, Excl. GRT		(\$1,288,141) Line 2 - Line 4
6	Filed Current (DSIC) Revenue Requirement - Excl. GRT		\$0 Exh. 1, Page 2
7	Reconciliation Period (Over)/Under Collection		\$1,288,141 Line 6 - Line 5
8	Interest on (Over)/Under Collection		\$0 Exhibit 1, Page 5
9	Total Reconciliation Period (Over)/Under Collection		\$1,288,141 Line 7 + Line 8

Exhibit 1

Duquesne Light Company
Rider 22 - Distribution System Improvement Charge
Annual Reconciliation - January 1, 2019 through December 31, 2019

Summary of Revenue for the Reconciliation Period - January 2019 through December 2019

	Jan-19 (1)	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
1 Net Surcharge Revenue, Incl. GRT	(\$1,384,112)	(\$13,868)	(\$19,185)	(\$196,665)	(\$223,295)	(\$249,300)	(\$263,928)	(\$276,224)	(\$247,396)	(\$254,319)	(\$233,564)	(\$245,654)	(\$3,607,509)
2 Less E-Factor Revenue, Incl. GRT	(\$15,205)	(\$13,868)	(\$19,185)	(\$196,665)	(\$223,295)	(\$249,300)	(\$263,928)	(\$276,224)	(\$247,396)	(\$254,319)	(\$233,564)	(\$245,654)	(\$2,238,603)
3 DSIC Related Revenue	(\$1,368,906)	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$1,368,906)
4 DSIC Related Revenue	(\$1,368,906)	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$1,368,906)
5 Less PA Gross Receipts Tax	(\$80,765)	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$80,765)
6 Net DSIC Related Revenue	(\$1,288,141)	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$1,288,141)
7 Filed Current (DSIC) Revenue Requirement - Excl. GRT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8 (Over)/Under Collection	\$1,288,141	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$1,288,141
9 Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10 Total (Over)/Under Collection	\$1,288,141	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$1,288,141

(1) January 2019 reflects an under collection as a result of the Company's reversal of the December 2018 unbilled revenue entry.

Exhibit 1

Duquesne Light Company
Rider 22 - Distribution System Improvement Charge
Annual Reconciliation - January 1, 2019 through December 31, 2019

Revenue Requirement and Actual Revenues

	Jan-19 (1)	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total
1 Filed Distribution Revenue, including GRT	\$51,459,119	\$46,685,433	\$46,873,110	\$42,202,453	\$46,782,198	\$51,882,661	\$60,450,587	\$57,523,530	\$47,389,705	\$44,878,599	\$45,009,997	\$50,565,496	\$591,702,888
2 Filed DSIC Rate (Including GRT) - Excluding E-Factor	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
3 Calculated DSIC Revenue Requirement (Including GRT) - Excluding E-Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4 Gross Receipts Tax Factor	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	0.941	
5 Calculated DSIC Revenue Requirement (Excluding GRT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6 Actual DSIC Revenue Billed (Excluding GRT)	(\$1,288,141)	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$1,288,141)
7 Net (Over)/Under Collection	\$1,288,141	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$1,288,141
8 Interest on (Over)/Under Collection	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Net (Over)/Under Collection, including Interest	\$1,288,141	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$1,288,141

(1) As part of the Company's distribution rate case at Docket No. R-2018-3000124, the Company received Commission approval to roll its Distribution System Improvement Charge ("DSIC") and the associated plant additions into base rates. Consistent with Duquesne Light's Tariff No. 25, Rider No. 22, page 140, beginning December 29, 2018, the DSIC c-factor rate was set to zero. It remained at zero throughout calendar year 2019.

Exhibit 1

**Duquesne Light Company
Rider 22 - Distribution System Improvement Charge
Annual Reconciliation - January 1, 2019 through December 31, 2019**

Calculation of E-Factor Revenue

	<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>Nov-19</u>	<u>Dec-19</u>	<u>Total</u>
1 Total Distribution Revenue													
2 including surcharges	\$50,684,453	\$45,982,546	\$48,254,512	\$40,968,731	\$46,882,705	\$49,722,873	\$64,880,861	\$55,834,417	\$51,943,447	\$45,555,626	\$46,920,375	\$49,817,300	
3 E-Factor DSIC % Inc. GRT	-0.03%	-0.03%	-0.03%	-0.53%	-0.53%	-0.53%	-0.45%	-0.45%	-0.45%	-0.53%	-0.53%	-0.53%	
4 E-Factor Revenue, Inc. GRT (1)	(\$15,205)	(\$13,868)	(\$19,185)	(\$196,665)	(\$223,295)	(\$249,300)	(\$263,928)	(\$276,224)	(\$247,396)	(\$254,319)	(\$233,564)	(\$245,654)	(\$2,238,603)
5 E-Factor Revenue, Excl. GRT	(\$14,308)	(\$13,050)	(\$18,053)	(\$185,061)	(\$210,121)	(\$234,591)	(\$248,357)	(\$259,927)	(\$232,799)	(\$239,314)	(\$219,784)	(\$231,160)	(\$2,106,526)

(1) February through December monthly e-factor revenue includes adjustments to reflect zero in current period activity on Exhibit 1, page 2

Exhibit 1

**Duquesne Light Company
Rider 22 - Distribution System Improvement Charge
Annual Reconciliation - January 1, 2019 through December 31, 2019**

Calculation of Interest

	<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>Nov-19</u>	<u>Dec-19</u>	<u>Total</u>
1 Actual Surcharge Revenue, Excl. GRT	(\$1,302,449)	(\$13,050)	(\$18,053)	(\$185,061)	(\$210,121)	(\$234,591)	(\$248,357)	(\$259,927)	(\$232,799)	(\$239,314)	(\$219,784)	(\$231,160)	(\$3,394,666)
2 Less E-Factor Revenue, Excl. GRT	(\$14,308)	(\$13,050)	(\$18,053)	(\$185,061)	(\$210,121)	(\$234,591)	(\$248,357)	(\$259,927)	(\$232,799)	(\$239,314)	(\$219,784)	(\$231,160)	(\$2,106,526)
3 Net Surcharge Related Revenue	(\$1,288,141)	\$0	\$0	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	(\$0)	(\$0)	\$0	(\$1,288,141)
4 Calculated Current (DSIC) Revenue Requirement - Excl. GRT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5 (Over)/Under Collection	\$1,288,141	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$1,288,141
6 Interest Rate (1)	5.75%	5.50%	5.25%	5.25%	5.25%	5.25%	5.00%	4.75%	4.75%	4.50%	4.50%	4.50%	
7 Interest Weight	21/12	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	12/12	11/12	10/12	
8 Interest (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Total (Over)/Under Collection	\$1,288,141	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	(\$0)	\$1,288,141

(1) Interest calculated at the residential mortgage lending rate as specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law.
(2) Per Duquesne Light's Tariff No. 25, Rider No. 22, page 140, the Company is not permitted to accrue interest on under collections.