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December 22, 2020

VIA ELECTRONIC FILING

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

**Re: Petition of Duquesne Light Company for Implementation of the
Percentage of Income Payment Plan Customer Assistance Program
Docket No. M-2016-2534323
Docket No. M-2019-3008227
Docket No. P-2020-_____**

Dear Secretary Chiavetta:

Enclosed for filing please find the enclosed Petition requesting an extension of Duquesne Light Company's ("Duquesne Light" or the "Company") implementation of a Percentage of Income Payment Plan Implementation for its Customer Assistance Program. Specifically, the enclosed Petition proposes an implementation of the PIPP to occur no later than April 1, 2021.

Electronic copies of this the Petition have been served on those listed on the Certificate of Service, including the parties to Duquesne Light's Universal Service filing at docket number M-2019-3008227.

Please contact me with any questions, comments, or concerns.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Tishekia E. Williams", is written over a horizontal line.

Tishekia E. Williams
Director, Regulatory Legal

Enclosure

cc: Certificate of Service (w/ encl.)

3. The names, addresses and telephone numbers of Duquesne Light's attorneys authorized to receive all notices and communications regarding this filing are as follows:

Tishekia E. Williams (ID #208997)
Emily M. Farah (ID # 322559)
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4. The attorneys listed above consent to electronic service of documents related to this proceeding.

II. BACKGROUND

5. On April 19, 2018, the Pennsylvania Public Utility Commission (Commission) entered an Order on Reconsideration at Docket No. M-2016-2534323 (Reconsideration Order) approving certain modifications to Company's Universal Service and Energy Conservation Plans.¹

6. The Pennsylvania Office of Consumer Advocate (OCA) and the Coalition for Affordable Utility Service and Energy Efficiency (CAUSE-PA) were the only other parties to the Company's Universal Service and Energy Conservation Plan proceedings.

5. In accordance with the Company's proposed USECPs, the Company agreed to implement a PIPP structure for CAP customers in November 2019, concurrent with the implementation of its Customer Care & Billing (CC&B) system update (Project Spark).

6. On November 5, 2019, Duquesne Light filed a letter petition at M-2016-2534323 requesting an extension to implement the PIPP CAP by July 2020.

¹ DLC's PIPP CAP was proposed and approved to be effective from 2018 through 2022, spanning two USECPs. By Commission Order dated October 5, 2019, at Docket No. M-2019-3012601, the duration of USECPs were extended. As a result, DLC's proposed 2020-2022 USECP at Docket No. M-2019-3008227 would be effective through 2025. DLC's 2017-2019 USECP at Docket No. M-2016-2534323 remains in effect until its proposed 2020-2025 USECP is approved.

7. On November 18, 2019, the Commission issued a Secretarial Letter at Docket No. M-2016-2534323 granting the extension, provided that the PIPP CAP would be fully implemented on or before July 31, 2020.

8. On January 6, 2020, the Company filed a revised proposed 2020-2025 USECP at Docket No. M-2019-3008227, which identified its PIPP CAP implementation date as July 2020.

9. In the January 6, 2020 revised USECP, the Company proposed changes to its PIPP to mirror the energy burdens indicated in the Final Policy Statement and Order adopting CAP Policy Statement at 52 Pa. Code §§ 69.261-69.267 docketed at M-2019-3012599 (“Final Policy Statement and Order”), among other things.

10. To date, the Commission has not granted or denied Duquesne Light’s January 6, 2020 revised USECP with the energy burden tiers mirroring those outlined in the Final Policy Statement and Order.²

11. By letter dated April 3, 2020, Duquesne Light Company (Duquesne Light or the Company) requested a delayed implementation of its Percentage of Income Payment Plan (PIPP) Customer Assistance Program (CAP).

12. The April 3, 2020 letter petition indicated that the Company needed to temporarily halt work on Project Spark and instead focus on the critical tasks required to maintain business continuity in light of the COVID-19 pandemic.

13. By Secretarial Letter dated April 20, 2020, the Pennsylvania Public Utility Commission (Commission) granted Duquesne Light an extension of the PIPP CAP implementation, subject to monthly status reports beginning June 1, 2020.

² On November 6, 2020, the Company filed a Petition for expedited Commission approval of the energy burdens indicated in it’s the Final Policy Statement and Order. On November 16, OCA and CAUSE-PA filed Answers. On November 19, 2020, the Commission issued a Tentative Order which did not grant or deny the implementation of the Company’s PIPP CAP at the energy burden tiers mirroring those in the Final Policy Statement and Order, but instead determined that certain policy matters be clarified prior to approval. Duquesne Light’s responses to the policy-related clarification questions were filed with the Commission on December 10, 2020.

14. The April 20, 2020 Secretarial Letter required Duquesne Light to propose a new implementation date no later than December 31, 2020.

15. On June 1, 2020, July 1, 2020, August 3, 2020, September 1, 2020, October 2, 2020, and November 6, 2020 Duquesne Light submitted its monthly status reports.

16. In the Company's July 1, 2020 monthly status report, Duquesne Light anticipated the CC&B updates required to implement the PIPP to be completed on or before November 30, 2020. The Company noted, however, it may need to reassess the attainability of a November 2020 PIPP implementation due to the continued fluidity of Project Spark in light of the ongoing COVID-19 pandemic.

17. Due to the recent challenges Duquesne Light's Project Spark team has faced, the Company will be unable to complete implementation of the proposed PIPP by December 31, 2020.

18. By way of the present Petition, and as required by the Secretarial Letter dated April 20, 2020, Duquesne Light respectfully requests the Commission for approval to extend its PIPP implementation to occur no later than April 1, 2021 at the energy burden levels outlined in its January 6, 2020 USCEP, and in support thereof, states as follows:

III. PETITION FOR APPROVAL OF DELAYED IMPLEMENTATION OF DUQUESNE LIGHT'S PIPP CAP IS REASONABLE AND IN THE PUBLIC INTEREST

A. Good cause exists for granting Duquesne Light an extension to implement its PIPP because the Company faced significant and unpredictable technology challenges shortly prior to its anticipated go-live date of November 30, 2020.

19. 52 Pa. Code § 1.15 allows the Commission to grant extensions upon good cause shown.

20. Duquesne Light's commitment to implement a PIPP structure for CAP customers is inextricably tied to implementation of its Customer Care & Billing (CC&B) platform update (Project Spark).

21. Due to the COVID-19 pandemic, Duquesne Light was forced to halt Project Spark in or around April 3, 2020 in order to ensure its employees could focus on the critical tasks required to maintain business continuity.

22. Project Spark resumed at full capacity in or around September 1, 2020.

23. Despite returning the Project to full capacity, Duquesne Light has been facing significant challenges ahead of its originally anticipated go-live date of November 30, 2020.

24. As indicated in the Company's October 2, 2020 monthly status report, Duquesne Light faced challenges after its first cycle of System Integration testing. Specifically, the remote environment created due to the COVID-19 pandemic resulted in significant collaboration hurdles.

25. Duquesne Light took mitigation actions by increasing end user testers, conducting tri-daily test team checkpoints, and placing additional technology resources on Project Spark.

26. Shortly after the remote environment issue was identified and mitigated, an Original Equipment Manufacturer (OEM) defect was identified.

27. The OEM defect significantly hindered overall system performance at a critical testing stage of Project Spark.

28. In turn, the OEM defect caused delays to training classes and testing efforts one month ahead of the anticipated go-live date in November 2020.

29. In light of the above significant challenges Duquesne Light faced shortly ahead of its anticipated go-live date, good cause exists for an extension to implement its PIPP on or before April 1, 2021.

B. Changes to planned PIPP implementation will significantly increase the cost of Project Spark and will cause low income families to contribute a higher percentage of their household incomes to utility bills.

30. Duquesne Light's PIPP CAP is inextricably tied to its planned CC&B upgrade, Project Spark.

31. In light of the Final Policy Statement and Order's recommendation to amend USECPs with adjusted energy burden tiers as "fully and quickly" as possible, Duquesne Light filed its revised USECP January 6, 2020 while simultaneously developing Project Spark.

32. Duquesne Light was presented with the unique problem of potentially implementing PIPP tiers in 2020 and then being required to change those tiers shortly thereafter in early 2021.

33. Therefore, Project Spark was built to be consistent with the Commission's suggestion for the amendments to USECP energy burden tiers to be operational by or before January 1, 2021.

34. As noted by the Joint Statement of Chairman Gladys Brown Dutrieuille and Vice Chairman David W. Sweet entered on November 19, 2020, the energy burden tiers in the Final Policy Statement and Order have already been deemed as "reasonable, affordable and necessary."

35. Project Spark is expected to be completed no later than April 1, 2021.

36. Duquesne Light is in the midst of rigorous testing to ensure that the go-live is as smooth as possible for its employees and customers. As such, a "code freeze" has been implemented to prevent further changes during system testing.

37. Changes to the energy burden levels that this Commission has determined as reasonable, affordable, and necessary would add an additional 6-8 weeks of testing and user training.

38. An additional 6-8 weeks of testing and user training is estimated to cost approximately \$3 million.

39. The cost associated with testing, user training, and rebuilding Project Spark to implement energy burden tiers different than those in the Commission's Final Policy Statement and Order is counterproductive to the objective of the PIPP CAP, which seeks to benefit low

income customers by reducing the percentage total household income that is used to pay utility bills.³

40. Especially now, in light of the ongoing and worsening COVID-19 pandemic, implementing the energy burden tiers as outlined in the Commission’s Final Policy Statement and Order is critical to families in need.

41. Currently, the approved PIPP structure for CAP customers is as follows:

Income Category	Residential Service Non-Electric Heat Percentage of Income Payment	Residential Electric Heat Percent of Income Payment
0%-50% FPIG	3%	7%
51%-100% FPIG	4%	8%
101%-150% FPIG	5%	9%

42. The PIPP structure built into Project Spark, consistent with the Commission’s Final Policy Statement and Order is as follows:

Income Category	Residential Service Non-Electric Heat Percentage of Income Payment	Residential Electric Heat Percent of Income Payment
0%-50% FPIG	2%	6%
51%-100% FPIG	4%	10%
101%-150% FPIG	4%	10%

43. The PIPP structure in the Commission’s Final Policy Statement and Order provides greater affordability for low income Duquesne Light customers. Specifically, non-electric heat customers whose income is within 50-100 percent of the federal poverty guidelines will pay 4%

³ To the extent necessary, Duquesne Light respectfully requests this Petition for an Extension also be considered a Petition for Reconsideration, *nunc pro tunc*.

of their income under either plan. This customer segment represents approximately 45% of Duquesne Light CAP customers. Likewise, an additional 45 percent of Duquesne Light CAP customers will be afforded a greater discount. Accordingly, roughly 90% of Duquesne Light CAP customers will pay the same or less under the PIPP structure built into Project Spark⁴ as compared to the PIPP structure currently approved.⁵

44. Duquesne Light notes that the proposed PIPP tiers are the only CAP change proposed in the 2020-2025 USECP. The CAP program otherwise mirrors the plan already approved by the Commission.

45. Due to the risk associated with changing the PIPP tiers at this juncture, Duquesne Light requests Commission approval allowing Duquesne Light to implement the less-burdensome PIPP structure that has been deemed reasonable, affordable, and necessary by this Commission.

IV. CONCLUSION

WHEREFORE, Duquesne Light Company requests that the Pennsylvania Public Utility Commission approve the instant petition and enter an order authorizing the Company to implement its PIPP CAP no later than April 1, 2021, at the energy burden tiers as outlined in its USECP filed on January 6, 2020.

Respectfully submitted,



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Date: December 22, 2020

⁴ Outlined in ¶ 42.

⁵ Outlined in ¶ 41.


**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

	:	
	:	
Petition for an Extension of Duquesne Light	:	
Company's Percentage of Income Payment Plan	:	Docket No. M-2016-2534323
Implementation Customer Assistance Program	:	Docket No. M-2019-3008227
	:	Docket No. P-2020-_____
	:	

VERIFICATION

I, Katherine Scholl, Director of Customer Experience for Duquesne Light Company, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements made herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 12/22/2020


Katherine Scholl
Director, Customer Experience
Duquesne Light Company

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served upon the following persons, in the manner(s) indicated, in accordance with the requirements of § 1.54 (relating to service by a participant).

VIA ELECTRONIC MAILING ONLY

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Date: 12/22/2020

DUQUESNE LIGHT COMPANY

By: 
Tishekia E. Williams, Esq.