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April 1, 2021

#### **Via Electronic Delivery**

Ms. Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building, 2<sup>nd</sup> Floor 400 North Street Harrisburg, PA 17120

Re: Duquesne Light Company - Phase IV Energy Efficiency and Conservation Plan Supplement No. 24 to Tariff Electric – Pa. P.U.C. No. 25 Docket No. M-2020-3015228

Dear Secretary Chiavetta:

Enclosed please find Supplement No. 24 to Duquesne Light Company's ("Duquesne Light" or the "Company") Tariff No. 25, issued March 25, 2021 to become effective June 1, 2021. Supplement No. 24 modifies Rider No. 15A – Phase IV Energy Efficiency and Conservation Surcharge, pursuant to Commission Order dated March 25, 2021, at the above-captioned proceeding, to become effective June 1, 2021. Please note that the Energy Efficiency & Conservation Surcharge rates to become effective June 1, 2021, will not be available until early May 2021. Duquesne Light Company will file a replacement page to reflect actual rates when they become available, and to the extent necessary, will request a waiver pursuant to 52 Pa. Code § 53.102 to allow those rates to become effective June 1, 2021, on less than 60 days' notice.

Copies of the enclosed Supplement No. 24 are being served on the parties listed on the attached Certificate of Service. 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,

Michael Zimmerman

Senior 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):

#### **ELECTRONIC MAIL**

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Office of Consumer Advocate Aron Beatty, Esq. Lauren E. Guerra, Esq. 555 Walnut Street Forum Place, 5<sup>th</sup> Floor Harrisburg, PA 17101-1923 ABeatty@paoca.org Office of Small Business Advocate Sharon E. Webb, Esq. 555 Walnut Street, 1<sup>st</sup> Floor Forum Place Harrisburg, PA 17101 swebb@pa.gov

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Bureau of Investigation & Enforcement Richard Kanaskie Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor West PO Box 3265 Harrisburg, PA 17105-3265 rkanaskie@pa.gov

Dated: April 1, 2021

Michael Zimmerman

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## 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

Mark E. Kaplan
Interim President and Chief Executive Officer

ISSUED: April 1, 2021 EFFECTIVE: June 1, 2021

Issued in compliance with the Commission's Order entered June 18, 2020, at Docket No. M-2020-3015228 and the Commission's Order entered March 25, 2021, at Docket No. M-2020-3020818.

# **NOTICE**

THIS TARIFF SUPPLEMENT REVISES LANGUAGE IN THE TABLE OF CONTENTS, RIDER MATRIX AND AN EXISTING RIDER

See Page Two

#### LIST OF MODIFICATIONS MADE BY THIS TARIFF

#### **CHANGE**

**Table of Contents** 

Third Revised Page No. 3

**Cancelling Second Revised Page No. 3** 

**Rider Matrix** 

First Revised Page No. 87 Cancelling Original Page No. 87

Rider No. 15A – Phase III Energy Efficiency and Conservation Surcharge has been renamed "Rider No. 15A - Phase IV Energy Efficiency and Conservation Surcharge" in accordance with the provisions of the Order entered June 18, 2020, at Docket No. M-2020-3015228, Page No. 142, and, therefore, is being renamed in the *Table of Contents* and the *Rider Matrix*.

Rider No. 15A – Phase IV Energy Efficiency and Conservation Surcharge Second Revised Page No. 118

Cancelling First Revised Page No. 118

First Revised Page No. 119 Cancelling Original Page No. 119

First Revised Page No. 120 Cancelling Original Page No. 120

First Revised Page No. 121 Cancelling Original Page No. 121

First Revised Page No. 122 Cancelling Original Page No. 122

Rider No. 15A has been renamed "Rider No. 15A - Phase IV Energy Efficiency and Conservation Surcharge" in accordance with the provisions of the Order entered June 18, 2020, at Docket No. M-2020-3015228, Page No. 142.

Language in Rider No. 15A - Phase IV Energy Efficiency and Conservation Surcharge has been revised to comply with the provisions of the Order entered June 18, 2020, at Docket No. M-2020-3015228.

Rider No. 15A – Phase IV Energy Efficiency and Conservation Surcharge First Revised Page No. 119

Cancelling Original Page No. 119

First Revised Page No. 120 Cancelling Original Page No. 120

Language has been added into "e" in the "Calculation of Surcharge" sections to indicate that the over or under recovery for the reconciliation year may include any applicable PJM Forward Capacity Market proceeds and/or penalties.

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RA	Residential Service Add-on Heat Pump	
GS/GM	General Service Small and Medium	
GMH	General Service Medium Heating	
GL	General Service Large	
GLH	General Service Large Heating	
L	Large Power Service	
HVPS	High Voltage Power Service	
AL	Architectural Lighting Service	
SE	Street Lighting Energy	
SM	Street Lighting Municipal	
SH	Street Lighting Highway	
UMS	Unmetered Service	
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#### **STANDARD CONTRACT RIDERS** – (Continued)

#### **RIDER MATRIX**

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 1	Χ	Χ	Χ	Х	Х	Χ	Х	Х	Х	Χ	Χ	Χ	Χ	Х	Х
Rider No. 2				Х	Х	Χ	Х								
Rider No. 3				Х	Х	Χ	Х	Х							
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Rider No. 5	Χ	Χ	Χ												
Rider No. 6				Х											
Rider No. 7															
Rider No. 8	Χ	Χ	Χ	Χ	Х					Χ	Χ	Χ	Χ	Χ	Χ
Rider No. 9				Χ	X	Χ	Χ	Χ	Χ						
Rider No. 10	Χ	Χ	Χ	Χ	Х	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ
Rider No. 11				Χ		Χ									
Rider No. 12				Χ	Χ										
Rider No. 13				Χ											
Rider No. 14	Χ														
Rider No. 15															
Rider No. 15A	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Х	Χ	Χ	Χ	Χ	Χ	Χ	Χ
Rider No. 16				Χ	Χ	Χ	Χ	Χ							
Rider No. 17						Χ	Χ	Χ	Χ						
Rider No. 18	Χ	Χ	Χ	Χ	Χ	Χ	Χ								
Rider No. 19															
Rider No. 20	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ					
Rider No. 21	Χ	Χ	Χ	Χ	Χ	Χ									
Rider No. 22	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ
Appendix A	Χ	Χ	Χ	X	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ	Χ

#### Rider Titles:

Rider No. 1 — Retail Market Enhancement Surcharge

Rider No. 2 — Untransformed Service

Rider No. 3 — School and Government Service Discount Period

Rider No. 4 — Intentionally Left Blank
Rider No. 5 — Universal Service Charge
Rider No. 6 — Temporary Service
Rider No. 7 — Intentionally Left Blank
Rider No. 8 — Default Service Supply

Rider No. 9 — Day-Ahead Hourly Price Service

Rider No. 10 — State Tax Adjustment Rider No. 11 — Street Railway Service

Rider No. 12 — Billing Option – Volunteer Fire Companies and Nonprofit Senior Citizen Centers

Rider No. 13 — General Service Separately Metered Electric Space Heating Service

Rider No. 14 — Residential Service Separately Metered Electric Space and Water Heating

Rider No. 15 — Intentionally Left Blank

Rider No. 15A — Phase IV Energy Efficiency and Conservation Surcharge

Rider No. 16 — Service to Non-Utility Generating Facilities

Rider No. 17 — Emergency Energy Conservation

Rider No. 18 — Rates for Purchase of Electric Energy from Customer-Owned Renewable

Resources Generating Facilities

Rider No. 19 — Intentionally Left Blank
Rider No. 20 — Smart Meter Charge
Rider No. 21 — Net Metering Service

Rider No. 22 — Distribution System Improvement Charge ("DSIC")

Appendix A — Transmission Service Charges

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#### STANDARD CONTRACT RIDERS - (Continued)

#### RIDER NO. 15A – PHASE IV ENERGY EFFICIENCY AND CONSERVATION SURCHARGE

(C)

(C)

#### (Applicable to all Rates)

The Phase IV Energy Efficiency and Conservation Surcharge ("EEC IV") is instituted as a cost recovery mechanism to recover the costs associated with implementing Phase IV of the Company's Energy Efficiency and Conservation Plan in effect from June 1, 2021, through May 31, 2026. Act 129 of 2008 became law on October 15, 2008, requiring the Pennsylvania Public Utility Commission ("Commission") to develop an Energy Efficiency and Conservation Program applicable to electric distribution companies ("EDCs") with at least 100,000 customers. This EEC IV is implemented in compliance with Docket No. M-2020-3015228 renaming the current Rider No. 15A — Phase III Energy Efficiency and Conservation Surcharge. The EEC IV is a non-bypassable Surcharge and shall be applied to all customers' bills.

#### **RATES**

		Monthly Surcharge				
Customer Class	Applicable Tariff Rate Schedule	¢/kWh	Fixed Charge \$/Month	\$/kW <sup>(1)</sup>		
Residential	RS, RH, RA	X.XX				
Small & Medium Commercial and Industrial	GS, GM & GMH	X.XX				
Large Commercial	GL, GLH, L		\$XXX.XX	\$X.XX		
Large Industrial	GL, GLH, L, HVPS		\$X,XXX.XX	\$X.XX		
Lighting	AL, SE, SM, SH, PAL	X.XX				
Unmetered	UMS	X.XX				

<sup>(1)</sup>Monthly Surcharge applicable to the customer's Peak Load Contribution.

#### **CALCULATION OF SURCHARGE**

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

#### **RESIDENTIAL CUSTOMER CLASS**

EEC (r) = 
$$[((B-e)/S)*100]*[(1/(1-T))]$$

Where: **EEC (r)** = The Energy Efficiency and Conservation Surcharge (residential) in one-hundredth of a cent which shall be added to the distribution rates for billing purposes for all residential customers.

(C) – Indicates Change

#### **STANDARD CONTRACT RIDERS - (Continued)**

#### RIDER NO. 15A – PHASE IV ENERGY EFFICIENCY AND CONSERVATION SURCHARGE – (Continued)

(Applicable to all Rates)

#### <u>CALCULATION OF SURCHARGE</u> – (Continued)

#### RESIDENTIAL CUSTOMER CLASS – (Continued)

- **B** = The projected costs of the EEC (r) Plan applicable to the residential customer class for the planning year June 1 through May 31.
- **e =** The over or under recovery for the reconciliation year. The reconciliation year shall be the twelve (12) months ended March 31. This may include any applicable PJM Forward Capacity Market proceeds and/or penalties.
- **S** = Projected distribution sales in kWh for the residential customer class for the planning year.
- **T** = The Pennsylvania Gross Receipts Tax in effect during the billing month, expressed in decimal form.

#### SMALL AND MEDIUM COMMERCIAL & INDUSTRIAL, LIGHTING AND UNMETERED CUSTOMER CLASSES

EEC (s) = 
$$[((B-e)/S)*100]*[(1/(1-T))]$$

- Where: **EEC (s)** = The Energy Efficiency and Conservation Surcharge (small commercial & industrial) in one-hundredth of a cent. This Surcharge shall be a separate line item for billing purposes for all small and medium C&I customers.
  - **B** = The projected costs of the EEC (s) Plan applicable to the small and medium C&I customer class for the planning year June 1 through May 31.
  - **e** = The over or under recovery for the reconciliation year. The reconciliation year shall be the twelve (12) months ended March 31. This may include any applicable PJM Forward Capacity Market proceeds and/or penalties.
  - **S** = Projected distribution sales in kWh for the small and medium C&I customer class for the planning year.
  - **T** = The Pennsylvania Gross Receipts Tax in effect during the billing month, expressed in decimal form.

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#### **STANDARD CONTRACT RIDERS - (Continued)**

#### RIDER NO. 15A - PHASE IV ENERGY EFFICIENCY AND CONSERVATION SURCHARGE — Continued

(Applicable to all Rates)

#### <u>CALCULATION OF SURCHARGE</u> – (Continued)

#### LARGE COMMERCIAL & INDUSTRIAL CUSTOMER CLASSES

EEC (I) (Fixed) = 
$$[(B_A - e_A)/C] * [(1/(1-T))]$$

EEC (I) (Demand) =  $[(B_i - e_I)/L]*[(1/(1-T))]$ 

Where: **EEC (I)** 

- = The Energy Efficiency and Conservation Surcharge (large commercial & industrial) is a two-part Surcharge. EEC (I) (Fixed) is a monthly fixed Surcharge designed to recover projected program administrative costs and EEC (I) (Demand) is a monthly demand Surcharge designed to recover projected program incentive costs. Combined, the two components are designed to recover the total projected program costs. This Surcharge shall be shown separately for billing purposes for all large C&I customers.
- **B** = The projected costs of the EEC (I) Plan applicable to the large C&I customer class for the planning year June 1 through May 31. B<sub>A</sub> is the projected administrative costs applicable to each customer class and B<sub>I</sub> is the projected incentive costs applicable to each customer class.
- **e** = The over or under recovery for the reconciliation year. e<sub>A</sub> is the over or under recovery of program administrative costs for the reconciliation year. e<sub>I</sub> is the over or under recovery of program incentive costs for the reconciliation year. The reconciliation year shall be the twelve (12) months ended March 31. This may include any applicable PJM Forward Capacity Market proceeds and/or penalties.
- **C** = Projected distribution customers for the planning year.
- **L** = Projected Peak Load Contribution (PLC) in kilowatts (kW) for the large C&I customer class for the planning year.
- **T** = The Pennsylvania Gross Receipts Tax in effect during the billing month, expressed in decimal form.

#### **ANNUAL UPDATE**

The Surcharges defined herein will be updated effective June 1 of each year. On or about May 1 of the filing year, the Company will file revised EEC IV rates with the Commission defining rates in effect from June 1 to May 31 of the following year. The reconciliation year shall be the twelve (12) months beginning April 1 of the previous year and ending March 31 of the current year. The rates for EEC (r) and EEC (s) shall be determined based on the projected costs and sales for the planning year and the over or under collection of expenses based on actual EEC (r) and EEC (s) revenue and expense incurred for the reconciliation year.

(C) - Indicates Change

#### **STANDARD CONTRACT RIDERS - (Continued)**

#### RIDER NO. 15A - PHASE IV ENERGY EFFICIENCY AND CONSERVATION SURCHARGE — Continued

(Applicable to all Rates)

#### **ANNUAL UPDATE - (Continued)**

The rates for EEC (I) shall be determined based on the projected costs and the projected Peak Load Contribution for the planning year and the over or under collection of expenses based on actual EEC (I) revenue and expense incurred for the reconciliation year. In accordance with 66 Pa. C.S. § 1307(e), a reconciliation statement filing will be made with the Commission by April 30 of each year. A final reconciliation statement will be filed with the Commission within thirty (30) days after the completion of the final over or under collection refund/recovery period.

Upon determination that any EEC IV, if left unchanged, would result in material over- or under-collection of costs incurred or expected to be incurred during the twelve (12) month period ending March 31, the Company may request that the Commission authorize interim revisions to the EEC IV to become effective upon no less than ten (10) days' notice from the date of filing upon Commission approval.

#### **MISCELLANEOUS**

Rider No. 10 – State Tax Adjustment Surcharge (STAS) shall be applicable to the Surcharges defined in this Rider.

The EEC IV shall be subject to review and audit by the Commission.

There shall be no interest applicable to over or under collections for the reconciliation period.

Customer class programs are designed to achieve reduction mandates in a cost effective manner using developed delivery channels. The projected program costs for the Residential, Small and Medium C&I and Large C&I customer classes are developed in proportion to their approximate annual energy consumption. Projected program costs are first directly assigned to customer classes based on eligibility and those costs applicable to more than one class are allocated according to their electric loads and history of program participation. Actual program costs will be assigned to customer classes based on customer class program participation. Non-direct program administrative costs are allocated to programs based on projected energy savings for the programs in that customer class. The Company will only recover actual program costs for each customer class based on customer participation in each program.

In compliance with Commission Order at M-2020-3015228, the EEC IV effective June 1, 2021, will include a reconciliation component for the Energy Efficiency and Conservation Phase III program costs, ending March 31, 2021. The total actual recoverable EEC Phase III Plan expenditures incurred for the twelve (12) months ended March 31, 2021, will be reconciled with actual EEC Phase III Plan revenues received for the twelve (12) months ended March 31, 2021. The net over- or under-recovered amount shall be reflected as a separate line item, without interest, as an E-factor adjustment of the EEC Phase IV rates effective June 1, 2021. In addition, as a separate line item, the Phase IV rates effective June 1, 2021, shall include projections of the: expenses to finalize any measures installed and commercially operable on or before May 31, 2021; expenses to finalize any contracts; and other Phase III administrative obligations. The reconciliation of actual Phase III expenses with actual EEC Phase III surcharge revenue for April and May 2021 shall be reconciled with EEC Phase IV revenue and expense for the twelve (12) months ending March 31, 2022.

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ISSUED: APRIL 1, 2021 **EFFECTIVE: JUNE 1, 2021**  (C) (C)

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#### **STANDARD CONTRACT RIDERS - (Continued)**

#### RIDER NO. 15A – PHASE IV ENERGY EFFICIENCY AND CONSERVATION SURCHARGE — Continued

(Applicable to all Rates)

#### **MISCELLANEOUS** – (Continued)

In order to facilitate the termination of this Rider, the Company may propose a rate adjustment to become effective on no less than ten (10) days' notice to achieve a zero (-0-) balance at calendar year end. This interim filing will adjust the E-factor in effect June 1, 2026, for reconciliation of actual revenue and expense in April and May 2026.

This Rider will remain in effect until the final reconciliation statement is approved and all charges are fully recovered or refunded or until otherwise directed by the Commission.

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