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June 29, 2021

**VIA ELECTRONIC FILING**

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
2<sup>nd</sup> Floor, Room-N201  
400 North Street  
Harrisburg, PA 17120

Re: **Annual Depreciation Report**

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company, please find the 2021 Annual Depreciation Report. The report is filed pursuant to the regulations at 52 Pa. Code Section 73.9(a).

If you have any questions regarding the information contained in this filing, please feel free to contact me or Chris Johnson at 412-393-6496 or [cljohnson@duqlight.com](mailto:cljohnson@duqlight.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "LB", with a long, sweeping underline that extends to the right.

Lindsay A. Baxter  
Manager, Regulatory and Clean Energy Strategy

Enclosure

Cc (w/enclosure):

Richard A. Kanaskie, Esq., Bureau of Investigation and Enforcement  
Darryl Lawrence, Office of Consumer Advocate  
Steven Gray, Office of Small Business Advocate

DUQUESNE LIGHT COMPANY  
ANNUAL DEPRECIATION REPORT  
TO THE PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
(CODE M-110150F2021)  
JUNE 2021

DUQUESNE LIGHT COMPANY

ANNUAL DEPRECIATION REPORT TO THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
(CODE M-110150F2021)

JUNE 2021

INTRODUCTION AND SUMMARY

This report is prepared in response to the requirements related to the monitoring of depreciation practices set forth in 52 Pa. Code Chapter 73. In accordance with the requirements, the report presents an explanation of the methods used, the calculation of remaining life depreciation accrual rates as of December 31, 2020; a summary of the plant accounting transactions, including the 2020 retirements expressed as a percent of the plant balance; a summary of the depreciation reserve activity, including the reserve as a percent of the plant balance; an explanation of any unusual retirements; the net salvage amortization amount for 2021 based on 2016 through 2020 experience; and an explanation of exclusions from the experienced net salvage.

The annual accrual rate calculations were based on the results of a service life study incorporating data through 2019. The prior service life study was based on data through December 31, 2014. The same methods of depreciation are used in this report as were used in previous annual depreciation reports.

The composite depreciation rate related to total depreciable electric plant as of December 31, 2020, is 2.81 percent in comparison to the composite rate of 2.89 percent as of December 31, 2019 and 2.82 percent as of December 31, 2018.

The overall composite annual depreciation accrual rates for transmission plant decreased slightly from December 31, 2018 through December 31, 2020. The composite

annual accrual rate from December 31, 2018 to December 31, 2019 decreased due to the high growth in Account 353. The composite rate continued to decrease from December 31, 2019 to December 31, 2020 due to low growth and a higher reserve to plant ratio. The composite annual depreciation accrual rate for distribution plant from December 31, 2018 to December 31, 2019 increased as a result of high growth in the shorter service lived accounts. The composite annual accrual rate decreased slightly from December 31, 2019 to December 31, 2020 due to growth in the longer level asset classes. The composite rate for general plant increased from December 31, 2018 to December 31, 2019 due to high growth in many of the short lived accounts such as Account 391.2, Office Furniture and Equipment – E.D.P Equipment and Account 397, Communication Equipment. The composite rate decreased from December 31, 2019 to December 31, 2020 due to low growth and a higher reserve to plant ratio.

#### REMAINING LIFE DEPRECIATION ACCRUAL RATES

The annual depreciation accrual rates to be used during 2021 are calculated as of December 31, 2020, and based on the straight line remaining life method using the average service life procedure for property installed prior to 1983 and the equal life group procedure for property installed subsequent to 1982. The annual depreciation accrual rates for depreciable plant as of December 31, 2020, are set forth in column 8 in Table 2 on pages 10 and 11. The annual accrual rate for depreciable plant equals the pro forma annual accrual in column 6 divided by the original cost in column 3.

For the purpose of calculating the composite remaining life accrual rates as of December 31, 2020, the book reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account as of

December 31, 2020. Descriptions of the derivation of remaining life accruals at a given point in time for the vintages calculated by the average service life (ASL) procedure and for the vintages calculated by the equal life group (ELG) procedure follow. An example of the calculation is presented on pages 4 through 6.

For vintages prior to 1983, for which the ASL procedure is applicable, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life (expectancy) of the vintage. The average remaining life is derived directly from the estimated future survivor curve in accordance with the average service life procedure.

For vintages beginning with 1983, for which the ELG procedure is applicable, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the composite remaining life for the surviving original cost of that vintage. The composite remaining life is derived by compositing the individual equal life group remaining lives in accordance with the following equation:

$$\text{Composite Remaining Life} = \frac{\sum \left( \frac{\text{Book Cost}}{\text{Life}} \times \text{Remaining Life} \right)}{\sum \frac{\text{Book Cost}}{\text{Life}}}.$$

The book costs and lives of the several equal life groups which are summed in the foregoing equation are defined by the estimated future survivor curve.

DUQUESNE LIGHT COMPANY  
ACCOUNT 101 AND 106 ELECTRIC PLANT IN SERVICE

ACCOUNT 364.11 POLES, TOWERS AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2020

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R1						
1912	1,819.38	1,735	1,819			
1914	9,359.44	8,820	9,359			
1915	10.52	10	11			
1916	7,269.69	6,773	7,270			
1917	18,191.10	16,855	18,137	54	4.26	13
1918	3,802.22	3,503	3,769	33	4.56	7
1919	78.73	72	77	2	4.85	
1920	58,606.96	53,403	57,465	1,142	5.15	222
1921	1,243.55	1,127	1,213	31	5.44	6
1922	11,391.59	10,264	11,045	347	5.74	60
1923	1,899.73	1,702	1,831	69	6.05	11
1924	31,903.96	28,411	30,572	1,332	6.35	210
1925	123,702.27	109,498	117,828	5,874	6.66	882
1926	54,205.21	47,691	51,319	2,886	6.97	414
1927	205,848.69	180,011	193,705	12,144	7.28	1,668
1928	139,045.37	120,826	130,018	9,027	7.60	1,188
1929	110,852.41	95,716	102,997	7,855	7.92	992
1930	152,490.58	130,800	140,750	11,741	8.25	1,423
1931	150,124.62	127,917	137,648	12,477	8.58	1,454
1932	57,742.69	48,872	52,590	5,153	8.91	578
1933	48,439.77	40,715	43,812	4,628	9.25	500
1934	66,749.74	55,713	59,951	6,799	9.59	709
1935	7,981.33	6,613	7,116	865	9.94	87
1936	67,492.92	55,519	59,742	7,751	10.29	753
1937	96,306.21	78,639	84,621	11,685	10.64	1,098
1938	33,187.37	26,893	28,939	4,248	11.00	386
1939	53,316.39	42,874	46,136	7,180	11.36	632
1940	36,426.19	29,059	31,270	5,156	11.73	440
1941	110,351.53	87,330	93,973	16,379	12.10	1,354
1942	99,724.88	78,267	84,221	15,504	12.48	1,242
1943	14,890.33	11,589	12,471	2,419	12.86	188
1944	6,544.94	5,050	5,434	1,111	13.25	84
1945	12,082.60	9,241	9,944	2,139	13.64	157
1946	21.53	16	17	5	14.03	
1947	9,979.38	7,497	8,067	1,912	14.43	133
1948	270,851.99	201,552	216,885	53,967	14.84	3,637
1949	326,523.13	240,670	258,978	67,545	15.25	4,429
1950	398,122.76	290,630	312,739	85,384	15.66	5,452
1951	561,457.29	405,799	436,669	124,788	16.08	7,760
1952	669,230.17	478,727	515,145	154,085	16.51	9,333
1953	864,438.88	611,962	658,515	205,924	16.94	12,156
1954	1,127,944.89	790,148	850,256	277,689	17.37	15,987

DUQUESNE LIGHT COMPANY  
ACCOUNT 101 AND 106 ELECTRIC PLANT IN SERVICE

ACCOUNT 364.11 POLES, TOWERS AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2020

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R1						
1955	909,120.09	629,802	677,713	231,407	17.82	12,986
1956	950,478.73	651,240	700,781	249,698	18.26	13,675
1957	1,228,204.25	831,998	895,290	332,914	18.71	17,793
1958	1,223,448.40	819,074	881,383	342,065	19.17	17,844
1959	1,595,631.91	1,055,590	1,135,891	459,741	19.63	23,420
1960	1,460,339.28	954,259	1,026,852	433,487	20.10	21,567
1961	995,036.44	641,968	690,804	304,232	20.58	14,783
1962	1,160,043.67	738,832	795,037	365,007	21.06	17,332
1963	1,022,563.20	642,804	691,704	330,859	21.54	15,360
1964	1,111,347.62	689,036	741,453	369,895	22.04	16,783
1965	1,333,433.70	815,461	877,495	455,939	22.53	20,237
1966	1,318,537.73	794,762	855,221	463,317	23.04	20,109
1967	2,245,692.38	1,333,874	1,435,345	810,347	23.55	34,410
1968	1,467,499.57	858,737	924,063	543,437	24.06	22,587
1969	1,325,298.75	763,650	821,743	503,556	24.58	20,486
1970	3,434,718.92	1,947,726	2,095,894	1,338,825	25.11	53,318
1971	1,797,093.22	1,002,347	1,078,598	718,495	25.65	28,012
1972	2,650,602.89	1,453,723	1,564,311	1,086,292	26.19	41,477
1973	3,255,663.32	1,755,258	1,888,785	1,366,878	26.73	51,136
1974	5,186,522.51	2,747,094	2,956,072	2,230,451	27.28	81,761
1975	5,332,013.73	2,772,647	2,983,569	2,348,445	27.84	84,355
1976	5,845,454.89	2,982,176	3,209,037	2,636,418	28.41	92,799
1977	5,357,769.76	2,681,671	2,885,672	2,472,098	28.97	85,333
1978	4,223,549.15	2,071,735	2,229,337	1,994,212	29.55	67,486
1979	5,140,516.10	2,470,121	2,658,029	2,482,487	30.13	82,393
1980	6,395,552.99	3,008,084	3,236,916	3,158,637	30.72	102,820
1981	4,910,306.77	2,259,576	2,431,467	2,478,840	31.31	79,171
1982	6,453,865.86	2,903,142	3,123,991	3,329,875	31.91	104,352
1983	6,926,085.68	3,999,814	4,304,089	2,621,997	27.44	95,554
1984	6,379,788.09	3,609,684	3,884,281	2,495,507	28.01	89,093
1985	8,393,193.60	4,678,366	5,034,260	3,358,934	28.19	119,153
1986	8,102,863.90	4,416,871	4,752,873	3,349,991	28.79	116,360
1987	7,626,750.68	4,087,938	4,398,917	3,227,834	29.00	111,305
1988	8,866,849.92	4,639,136	4,992,046	3,874,804	29.61	130,861
1989	8,666,873.07	4,449,573	4,788,062	3,878,811	29.85	129,943
1990	9,144,705.72	4,574,182	4,922,151	4,222,555	30.48	138,535
1991	10,386,855.26	5,086,443	5,473,380	4,913,475	30.74	159,840
1992	11,556,572.65	5,500,929	5,919,397	5,637,176	31.38	179,642
1993	8,648,988.58	4,020,050	4,325,865	4,323,124	31.67	136,505
1994	9,708,030.21	4,399,679	4,734,373	4,973,657	31.98	155,524
1995	9,319,612.23	4,111,813	4,424,608	4,895,004	32.30	151,548
1996	9,452,117.61	4,053,068	4,361,394	5,090,724	32.64	155,966

DUQUESNE LIGHT COMPANY  
ACCOUNT 101 AND 106 ELECTRIC PLANT IN SERVICE

ACCOUNT 364.11 POLES, TOWERS AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL  
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2020

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 58-R1						
1997	14,382,063.46	5,982,938	6,438,074	7,943,989	32.99	240,800
1998	2,067,285.13	832,702	896,048	1,171,237	33.36	35,109
1999	365,334.79	142,188	153,005	212,330	33.75	6,291
2000	1,404,918.17	527,125	567,225	837,693	34.14	24,537
2001	2,737,110.62	987,550	1,062,675	1,674,436	34.55	48,464
2002	2,734,819.18	951,170	1,023,528	1,711,291	34.69	49,331
2003	5,564,760.82	1,850,283	1,991,038	3,573,723	35.13	101,729
2004	7,424,638.91	2,364,005	2,543,840	4,880,799	35.32	138,188
2005	7,546,711.35	2,292,691	2,467,101	5,079,610	35.52	143,007
2006	10,983,437.71	3,169,820	3,410,956	7,572,482	35.75	211,818
2007	5,582,684.43	1,522,398	1,638,210	3,944,474	36.00	109,569
2008	7,139,969.64	1,838,542	1,978,404	5,161,566	36.04	143,218
2009	8,207,310.34	1,973,037	2,123,131	6,084,179	36.34	167,424
2010	12,389,507.22	2,783,922	2,995,701	9,393,806	36.23	259,283
2011	21,799,862.85	4,514,752	4,858,200	16,941,663	36.37	465,814
2012	19,363,358.08	3,671,293	3,950,577	15,412,781	36.34	424,127
2013	24,830,700.41	4,265,914	4,590,432	20,240,268	36.17	559,587
2014	14,922,582.13	2,280,171	2,453,629	12,468,953	36.05	345,879
2015	13,731,171.73	1,834,485	1,974,038	11,757,134	35.65	329,793
2016	14,643,510.53	1,660,574	1,786,898	12,856,613	35.18	365,452
2017	25,434,282.48	2,339,954	2,517,960	22,916,322	34.52	663,856
2018	53,082,562.69	3,689,238	3,969,886	49,112,677	33.47	1,467,364
2019	49,560,878.48	2,245,108	2,415,899	47,144,979	31.61	1,491,458
2020	62,189,019.59	1,119,402	1,204,557	60,984,462	27.28	2,235,501
	596,619,726.70	163,291,704	175,713,485	420,906,242		13,216,858

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 31.8 2.22

Inasmuch as book cost divided by life equals the whole life annual accrual, the foregoing equation reduces to the following form:

$$\text{Composite Remaining Life} = \frac{\sum \text{Book Cost} - \text{Calc. Reserve}}{\sum \text{Whole Life Annual Accrual}}$$

or

$$\text{Composite Remaining Life} = \frac{\sum \text{Whole Life Future Accruals}}{\sum \text{Whole Life Annual Accruals}}$$

The composite remaining life calculations were made using computer software that utilizes detailed ELG calculations of whole life future accruals and annual accruals in order to derive the vintage composite remaining lives for the ELG vintages.

The annual accrual rate for each account is equal to the sum of the remaining life annual accruals divided by the total original cost. The composite remaining life is calculated by dividing the sum of the future book accruals by the sum of the remaining life annual accruals.

## 2020 PLANT AND RESERVE ACTIVITY

Tables 3 and 4 present summaries by account of the plant and reserve accounting activity as of December 31, 2020. Table 3 on pages 12 and 13 sets forth the original cost as of December 31, 2019, the beginning of the year; additions; retirements; transfer and adjustments; the balance at the end of the year, December 31, 2020 and the retirements expressed as a percent of the beginning plant balance.

The high percentage retirements in Account 370.1, Meters – Communication Equipment is the result of upgrading all associated communication equipment. The high retirements in Account 392, Transportation Equipment is due to the need to upgrade the vehicle fleet. The high retirement activity in 2020 for Accounts 391.20, Office Furniture

and Equipment – E.D.P Equipment; 393.00, Stores Equipment; 395.00, Laboratory Equipment; and 397.00, Communication Equipment; is due to high surviving balances for vintages being retired for amortization accounting.

Table 4 on page 14 sets forth the book depreciation reserve balance at the beginning of the year, December 31, 2019; annual accruals; retirements; gross salvage; cost of removal; miscellaneous debits and credits; the balance at the end of the year, December 31, 2020; and the book reserve as a percent of the plant balance as of December 31, 2020.

#### AMORTIZATION OF NET SALVAGE

The 2021 amortization amount for experienced negative net salvage is \$7,429,573 based on the experienced negative net salvage during the five-year period, 2016 through 2020. The calculation of the amortization amounts by account is set forth in Table 5, on page 15.

In order to be consistent with this manner of recognizing salvage, no adjustments for salvage were made to the annual accruals and accrued depreciation calculated for each function. There were no exclusions from the 2016 through 2020 net salvage experience.

**DUQUESNE LIGHT COMPANY**

**TABLE 1. ORIGINAL COST, BOOK RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS BY FUNCTION RELATED TO UTILITY PLANT AT DECEMBER 31, 2018, DECEMBER 31, 2019 AND DECEMBER 31, 2020**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>TRANSMISSION PLANT</b>			
ORIGINAL COST (DEPRECIABLE)	917,660,279.78	932,574,654.95	981,846,188.18
BOOK ACCRUED DEPRECIATION	265,682,013	286,132,415	305,119,396
BOOK RESERVE % OF O.C.	28.95%	30.68%	31.08%
ORIGINAL COST DEPRECIATED	651,978,266	646,442,239	676,726,794
ANNUAL DEPRECIATION EXPENSE	22,593,644	22,386,237	23,343,766
ANNUAL % OF O.C.	2.46%	2.40%	2.38%
<b>DISTRIBUTION PLANT</b>			
ORIGINAL COST (DEPRECIABLE)	2,749,648,114.23	2,895,074,102.36	3,052,328,819.22
BOOK ACCRUED DEPRECIATION	849,480,263	884,479,652	941,099,477
BOOK RESERVE % OF O.C.	30.89%	30.55%	30.83%
ORIGINAL COST DEPRECIATED	1,900,167,852	2,010,594,451	2,111,229,344
ANNUAL DEPRECIATION EXPENSE	75,587,187	81,329,517	84,841,998
ANNUAL % OF O.C.	2.75%	2.81%	2.78%
<b>GENERAL PLANT</b>			
ORIGINAL COST (DEPRECIABLE)	333,287,735.96	358,983,871.72	351,761,202.42
BOOK ACCRUED DEPRECIATION	137,838,580	146,320,991	149,641,834
BOOK RESERVE % OF O.C.	41.36%	40.76%	42.54%
ORIGINAL COST DEPRECIATED	195,449,154	212,662,879	202,119,366
ANNUAL DEPRECIATION EXPENSE	14,597,580	17,409,865	14,919,567
ANNUAL % OF O.C.	4.38%	4.85%	4.24%
<b>TOTAL COMPANY</b>			
ORIGINAL COST (DEPRECIABLE)	4,000,596,129.97	4,186,632,629.03	4,385,936,209.82
BOOK ACCRUED DEPRECIATION	1,253,000,857	1,316,933,059	1,395,860,706
BOOK RESERVE % OF O.C.	31.32%	31.46%	31.83%
ORIGINAL COST DEPRECIATED	2,747,595,272	2,869,699,569	2,990,075,504
ANNUAL DEPRECIATION EXPENSE	112,778,411	121,125,619	123,105,331
ANNUAL % OF O.C.	2.82%	2.89%	2.81%
<b>NON-DEPRECIABLE PLANT</b>			
LAND AND LAND RIGHTS	41,732,715.03	43,681,470.16	43,718,490.16
INTANGIBLE PLANT	292,705,497.35	317,883,210.82	326,235,339.98
REGIONAL TRANSMISSION	0.00	0.00	0.00
LEASEHOLD IMPROVEMENTS	14,608,919.87	20,822,008.93	21,472,189.22
<b>TOTAL PLANT IN SERVICE</b>	<b>4,349,643,262.22</b>	<b>4,569,019,318.94</b>	<b>4,777,362,229.18</b>

DUQUESNE LIGHT COMPANY

TABLE 2. SUMMARY OF ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2020

	(1) DEPRECIABLE GROUP	(2) SURVIVOR CURVE	(3) ORIGINAL COST AS OF DECEMBER 31, 2020	(4) BOOK DEPRECIATION RESERVE	(5) FUTURE ACCRUALS	(6) CALCULATED ANNUAL ACCRUAL AMOUNT	(7) RATE (6)/(3)	(8) COMPOSITE REMAINING LIFE (5)/(6)
	<b>DEPRECIABLE PLANT</b>							
	<b>TRANSMISSION PLANT</b>							
352	STRUCTURES AND IMPROVEMENTS							
	MAJOR STRUCTURES		25,718,276.88	8,374,585	17,343,693	765,786	2.98	22.6
	OTHER SMALL STRUCTURES		7,390,637.92	1,789,075	5,601,563	178,364	2.41	31.4
	TOTAL ACCOUNT 362		33,108,914.80	10,163,660	22,945,256	944,150	2.85	24.3
353	STATION EQUIPMENT		432,945,260.42	141,953,715	290,991,545	13,880,536	3.21	21.0
354	TOWERS AND FIXTURES		78,247,471.86	34,496,411	43,751,061	918,720	1.17	47.6
355	POLES AND FIXTURES		59,118,433.72	14,950,006	44,168,428	1,136,124	1.92	38.9
356	OVERHEAD CONDUCTORS AND DEVICES		139,592,330.45	38,403,704	101,188,627	2,162,517	1.55	46.8
357	UNDERGROUND CONDUIT		80,848,762.42	32,074,761	48,774,002	1,417,497	1.75	34.4
358	UNDERGROUND CONDUCTORS AND DEVICES		147,799,020.67	31,721,229	116,077,792	2,704,095	1.83	42.9
359	ROADS AND TRAILS		10,185,993.84	1,355,911	8,830,083	180,127	1.77	49.0
	<b>TOTAL TRANSMISSION PLANT</b>		<b>981,846,188.18</b>	<b>305,119,396</b>	<b>676,726,794</b>	<b>23,343,766</b>	<b>2.38</b>	<b>29.0</b>
	<b>DISTRIBUTION PLANT</b>							
361	STRUCTURES AND IMPROVEMENTS							
	MAJOR STRUCTURES		39,777,434.29	26,761,791	13,015,644	861,893	2.17	15.1
	OTHER SMALL STRUCTURES		30,517,006.00	14,595,529	15,921,477	629,577	2.06	25.3
	TOTAL ACCOUNT 361		70,294,440.29	41,357,320	28,937,121	1,491,470	2.12	19.4
362	STATION EQUIPMENT							
	COMPANY STATIONS		463,534,504.22	157,504,924	306,029,581	9,797,162	2.11	31.2
	CUSTOMER HIGH TENSION		36,852,933.48	16,828,328	20,024,605	873,036	2.37	22.9
	PORTABLE SUBSTATIONS		4,413,012.19	1,230,941	3,182,071	117,274	2.66	27.1
	TOTAL ACCOUNT 362		504,800,449.89	175,564,193	329,236,257	10,787,472	2.14	30.5
364.11	POLES, TOWERS AND FIXTURES		596,619,726.70	175,713,485	420,906,242	13,216,858	2.22	31.8
365.01	OVERHEAD CONDUCTORS AND DEVICES		576,572,530.74	167,483,743	409,088,788	15,654,534	2.72	26.1
366	UNDERGROUND CONDUIT		146,553,442.72	52,161,554	94,391,888	2,025,845	1.38	46.6
367	UNDERGROUND CONDUCTORS AND DEVICES		437,016,513.61	118,211,054	318,805,460	12,215,533	2.80	26.1
368	LINE TRANSFORMERS							
	OVERHEAD		260,554,293.53	78,933,437	181,620,856	8,685,400	3.33	20.9
	CONVENTIONAL DISTRIBUTION NETWORK		77,356,155.81	20,218,181	57,137,975	2,399,964	3.10	23.8
	UNDERGROUND RESIDENTIAL DISTRIBUTION		55,909,442.92	40,319,583	15,589,860	2,650,171	4.74	15.2
	TOTAL ACCOUNT 368		38,289,395.90	10,555,820	27,733,576	1,229,257	3.21	22.6
			432,109,288.16	123,297,296	306,811,990	14,964,792	3.46	20.5
369.2	SERVICES		102,586,465.67	39,908,186	62,678,280	1,716,372	1.67	36.5
370	METERS AND SMART METERS		142,503,898.82	20,517,531	121,986,368	11,521,346	8.08	10.6
370.1	METERS - COMMUNICATION EQUIPMENT		19,872.70	14,905	4,968	1,703	8.57	2.9
373	STREET LIGHTING EQUIPMENT		43,252,189.92	24,870,208	18,381,982	1,246,073	2.88	14.8
	<b>TOTAL DISTRIBUTION PLANT</b>		<b>3,052,328,819.22</b>	<b>941,099,477</b>	<b>2,111,229,344</b>	<b>84,841,988</b>	<b>2.78</b>	<b>24.9</b>

DUQUESNE LIGHT COMPANY

TABLE 2. SUMMARY OF ESTIMATED SURVIVOR CURVES, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2020

	(1) DEPRECIABLE GROUP	(2) SURVIVOR CURVE	(3) ORIGINAL COST AS OF DECEMBER 31, 2020	(4) BOOK DEPRECIATION RESERVE	(5) FUTURE ACCRUALS	(6) CALCULATED ANNUAL ACCRUAL AMOUNT	(7)=(6)/(3) RATE	(8)=(5)/(6) COMPOSITE REMAINING LIFE
390.1	<b>GENERAL PLANT</b>							
	STRUCTURES AND IMPROVEMENTS							
	MAJOR STRUCTURES	58-R2 *	137,308,013.76	45,768,902	91,539,109	3,846,897	2.80	23.8
	OTHER SMALL STRUCTURES	45-R3	6,390,122.85	1,539,743	4,850,380.00	154,950	2.42	31.3
	TOTAL ACCOUNT 390		143,698,136.61	47,308,645	96,389,489	4,001,847	2.78	24.1
391	OFFICE FURNITURE AND EQUIPMENT							
	OFFICE FURNITURE	20-SQ	6,413,982.66	2,530,434	3,883,549	285,804	4.46	13.6
	E.D.P EQUIPMENT	5-SQ	25,355,163.33	13,081,629	12,273,534	4,578,516	18.06	2.7
	TOTAL ACCOUNT 391		31,769,145.99	15,612,063	16,157,083	4,864,320	15.31	3.3
392	TRANSPORTATION EQUIPMENT							
393	STORES EQUIPMENT	30-SQ	66,957,577.65	39,147,979	27,809,598	**		
394	TOOLS, SHOP AND GARAGE EQUIPMENT	25-SQ	1,620,656.40	821,084	799,572	53,169	3.28	15.0
395	LABORATORY EQUIPMENT	20-SQ	27,832,805.92	8,828,926	19,003,880	1,112,530	4.00	17.1
396	POWER OPERATED EQUIPMENT	15-SQ	1,895,474.48	885,240	1,010,235	94,309	4.98	10.7
397	COMMUNICATION EQUIPMENT	20-SQ	3,582,340.38	1,618,216	1,964,124	**		
398	MISCELLANEOUS EQUIPMENT	20-SQ	74,175,048.89	35,237,700	38,937,348	4,780,374	6.44	8.1
	TOTAL GENERAL PLANT		351,761,202.42	149,641,834	202,119,366	14,919,567	4.24	13.5
	TOTAL DEPRECIABLE PLANT		4,385,936,209.82	1,395,860,706	2,990,075,504	123,105,331	2.81	24.3
	<b>INTANGIBLE AND NONDEPRECIABLE PLANT</b>							
301	ORGANIZATION		100,275.19					
302	FRANCHISES AND CONSENTS		6,830.09					
303	MISCELLANEOUS INTANGIBLE PLANT		326,128,234.70	197,011,331				
350	LAND AND LAND RIGHTS		14,383,935.18					
360	LAND AND LAND RIGHTS		23,189,757.87					
389	LAND AND LAND RIGHTS		6,144,797.11					
390.2	STRUCTURES AND IMPROVEMENTS - LEASEHOLDS		21,472,189.22	10,247,099				
	TOTAL INTANGIBLE AND NONDEPRECIABLE PLANT		391,426,019.36	207,258,430				
	TOTAL ELECTRIC PLANT		4,777,362,229.18	1,603,119,136				

NOTE: TRANSPORTATION WAS SWITCHED FROM GROUP TO INDIVIDUAL WITH GAIN LOSS.

\* LIFE SPAN PROCEDURE WAS USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.

\*\* ANNUAL ACCRUAL IS CHARGED ON A VEHICLE BY VEHICLE BASIS.

DUQUESNE LIGHT COMPANY

TABLE 3. SUMMARY OF PLANT IN SERVICE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2020

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	DEPRECIABLE GROUP	BALANCE AT BEGINNING OF YEAR	+ ADDITIONS	- RETIREMENTS	+ TRANSFERS AND ADJUSTMENTS	= BALANCE AT END OF YEAR	PERCENT OF ORIGINAL COST RETIRED
		(2)	(3)	(4)	(5)	(6)	(7)
<b>DEPRECIABLE PLANT</b>							
352	TRANSMISSION PLANT						
	STRUCTURES AND IMPROVEMENTS	33,363,560.83	524,896.38	24,188.90	(755,353.51)	33,108,914.80	0.07
353	STATION EQUIPMENT	413,285,534.54	23,331,142.09	3,671,416.21	0.00	432,945,260.42	0.89
354	TOWERS AND FIXTURES	70,427,760.79	8,528,290.68	708,579.61	0.00	78,247,471.86	1.01
355	POLES AND FIXTURES	57,009,138.85	2,128,789.22	19,494.35	0.00	59,118,433.72	0.03
356	OVERHEAD CONDUCTORS AND DEVICES	119,654,883.01	20,086,023.67	148,576.23	0.00	139,592,330.45	0.12
357	UNDERGROUND CONDUIT	80,748,181.53	0.00	0.00	100,580.89	80,848,762.42	0.00
358	UNDERGROUND CONDUCTORS AND DEVICES	147,899,601.56	0.00	0.00	(100,580.89)	147,799,020.67	0.00
359	ROADS AND TRAILS	10,185,993.84	0.00	0.00	0.00	10,185,993.84	0.00
	<b>TOTAL TRANSMISSION PLANT</b>	<b>932,574,654.95</b>	<b>54,599,142.04</b>	<b>4,572,255.30</b>	<b>(755,353.51)</b>	<b>981,846,188.18</b>	
361	DISTRIBUTION PLANT						
	STRUCTURES AND IMPROVEMENTS	70,053,676.65	312,431.55	71,671.51	3.60	70,294,440.29	0.10
362.1	STATION EQUIPMENT - COMPANY STATIONS	450,537,387.70	16,607,770.39	3,659,355.10	48,701.23	463,534,504.22	0.81
362.2	STATION EQUIPMENT - CUSTOMER HIGH TENSION	36,163,234.08	1,304,635.39	614,935.99	0.00	36,852,933.48	1.70
362.3	STATION EQUIPMENT - PORTABLE SUBSTATIONS	4,413,012.19	0.00	0.00	0.00	4,413,012.19	0.00
364.11	POLES, TOWERS AND FIXTURES	532,980,729.74	65,826,350.73	2,187,353.77	0.00	596,619,726.70	0.41
365.01	OVERHEAD CONDUCTORS AND DEVICES	540,188,167.27	40,567,561.21	4,183,197.74	0.00	576,572,530.74	0.77
366	UNDERGROUND CONDUIT	145,979,445.47	746,632.11	172,634.86	0.00	146,553,442.72	0.12
367	UNDERGROUND CONDUCTORS AND DEVICES	424,530,647.76	16,809,584.71	4,323,718.86	0.00	437,016,513.61	1.02
368	LINE TRANSFORMERS	412,053,244.35	24,944,060.01	4,839,314.97	(48,701.23)	432,109,288.16	1.17
369.2	SERVICES	100,047,493.53	2,762,070.40	223,088.26	0.00	102,586,465.67	0.22
370	METERS AND SMART METERS	135,472,237.91	7,065,278.72	33,617.81	0.00	142,503,898.82	0.02
370.1	METERS - COMMUNICATION EQUIPMENT	32,662.29	0.00	12,789.59	0.00	19,872.70	39.16
373	STREET LIGHTING EQUIPMENT	42,622,163.42	1,918,068.19	1,288,041.69	0.00	43,252,189.92	3.02
	<b>TOTAL DISTRIBUTION PLANT</b>	<b>2,895,074,102.36</b>	<b>178,864,443.41</b>	<b>21,609,730.15</b>	<b>3.60</b>	<b>3,052,328,819.22</b>	
390.1	GENERAL PLANT						
	STRUCTURES AND IMPROVEMENTS	141,930,075.98	1,825,002.26	7,113.61	(49,828.02)	143,698,136.61	0.01
391.1	OFFICE FURNITURE AND EQUIPMENT - OFFICE FURNITURE	5,920,483.70	493,498.96	0.00	0.00	6,413,982.66	0.00
391.2	OFFICE FURNITURE AND EQUIPMENT - E.D.P. EQUIPMENT	32,099,361.82	5,585,051.52	3,428,142.32	(8,901,107.69)	25,355,163.33	10.68
392	TRANSPORTATION EQUIPMENT	61,529,539.40	7,726,392.55	2,298,354.30	0.00	66,957,577.65	3.74
393	STORES EQUIPMENT	1,676,779.66	207,126.49	263,249.75	0.00	1,620,656.40	15.70
394	TOOLS, SHOP AND GARAGE EQUIPMENT	25,848,997.89	2,088,935.32	105,127.29	0.00	27,832,805.92	0.41
395	LABORATORY EQUIPMENT	2,158,595.77	0.00	263,121.29	0.00	1,895,474.48	12.19
396	POWER OPERATED EQUIPMENT	3,694,308.85	0.00	111,968.47	0.00	3,582,340.38	3.03
397	COMMUNICATION EQUIPMENT	83,854,531.56	596,731.16	10,276,213.83	0.00	74,175,048.89	12.25
398	MISCELLANEOUS EQUIPMENT	230,016.10	0.00	0.00	0.00	230,016.10	0.00
	<b>TOTAL GENERAL PLANT</b>	<b>358,942,690.73</b>	<b>18,522,738.26</b>	<b>16,753,290.86</b>	<b>(8,950,935.71)</b>	<b>351,761,202.42</b>	
	<b>TOTAL DEPRECIABLE PLANT</b>	<b>4,186,591,448.04</b>	<b>251,986,323.71</b>	<b>42,935,276.31</b>	<b>(9,706,285.62)</b>	<b>4,385,936,209.82</b>	

DUQUESNE LIGHT COMPANY

TABLE 3. SUMMARY OF PLANT IN SERVICE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2020

	DEPRECIABLE GROUP (1)	BALANCE		ADDITIONS (3)	RETIREMENTS (4)	TRANSFERS AND ADJUSTMENTS (5)	BALANCE		PERCENT OF ORIGINAL COST RETIRED (7)
		AT BEGINNING OF YEAR (2)	AT END OF YEAR (6)				AT END OF YEAR (6)	AT END OF YEAR (6)	
	DEPRECIABLE PLANT								
	INTANGIBLE PLANT AND NONDEPRECIABLE PLANT								
301	ORGANIZATION	100,275.19		0.00		0.00		100,275.19	
302	FRANCHISES AND CONSENTS	6,830.09		0.00		0.00		6,830.09	
303	MISCELLANEOUS INTANGIBLE PLANT	317,776,105.54		12,703,107.52	4,350,978.36	0.00		326,128,234.70	
350	LAND AND LAND RIGHTS	14,346,915.18		37,020.00	0.00	0.00		14,383,935.18	
360	LAND AND LAND RIGHTS	23,189,757.87		0.00	0.00	0.00		23,189,757.87	
389	LAND AND LAND RIGHTS	6,144,797.11		0.00	0.00	0.00		6,144,797.11	
390.2	STRUCTURES AND IMPROVEMENTS - LEASEHOLDS	20,822,008.93		610,529.89	10,174.02	49,824.42		21,472,189.22	
	<b>TOTAL INTANGIBLE AND NONDEPRECIABLE PLANT</b>	<b>382,386,689.91</b>		<b>13,350,657.41</b>	<b>4,361,152.38</b>	<b>49,824.42</b>		<b>391,426,019.36</b>	
	<b>TOTAL ELECTRIC PLANT</b>	<b>4,568,978,137.95</b>		<b>265,336,981.12</b>	<b>47,296,428.69</b>	<b>(9,656,461.20)</b>		<b>4,777,362,229.18</b>	

DUQUESNE LIGHT COMPANY

TABLE 4. SUMMARY OF BOOK RESERVE ACTIVITY FOR THE YEAR ENDED DECEMBER 31, 2020

	(1)	BOOK RESERVE AT		(3)	(4)	(5)	(6)	(7)	(8)	(9)
		BEGINNING OF YEAR +	END OF YEAR							
DEPRECIABLE PLANT										
TRANSMISSION PLANT										
352 STRUCTURES AND IMPROVEMENTS		9,288,842	939,025	24,189	982	41,010	10,163,660		30.70	
353 STATION EQUIPMENT		131,746,360	14,691,516	3,671,416	8,206	897,620	141,953,715	76,669	32.79	
354 TOWERS AND FIXTURES		34,306,191	936,862	708,580		38,063	34,496,411		44.09	
355 POLES AND FIXTURES		13,712,046	1,261,924	19,494		4,470	14,950,006		25.29	
356 OVERHEAD CONDUCTORS AND DEVICES		36,463,131	2,318,284	148,576		229,134	38,403,704		37.51	
357 UNDERGROUND CONDUIT		30,586,145	1,488,616				32,074,761		29.67	
358 UNDERGROUND CONDUCTORS AND DEVICES		28,853,063	2,868,165				31,721,229		21.46	
359 ROADS AND TRAILS		1,176,637	179,274				1,355,911		13.31	
<b>TOTAL TRANSMISSION PLANT</b>		<b>286,132,415</b>	<b>24,683,665</b>	<b>4,572,255</b>	<b>9,198</b>	<b>1,210,297</b>	<b>305,119,396</b>	<b>76,669</b>		
DISTRIBUTION PLANT										
361 STRUCTURES AND IMPROVEMENTS		39,953,030	1,508,425	71,672		32,485	41,357,320	21	58.83	
362 STATION EQUIPMENT		168,825,734	12,411,765	4,274,291		1,399,570	175,564,193	556	34.78	
364.11 POLES, TOWERS AND FIXTURES		166,446,849	14,839,015	2,187,354		860,073	175,713,485		36.20	
365.01 OVERHEAD CONDUCTORS AND DEVICES		157,418,328	15,291,278	4,183,198		1,336,981	167,483,743		32.79	
366 UNDERGROUND CONDUIT		50,354,370	2,042,629	172,635		62,810	52,161,554		35.59	
367 UNDERGROUND CONDUCTORS AND DEVICES		112,221,874	11,027,633	4,323,719		1,589,411	118,211,054		27.05	
368 LINE TRANSFORMERS		117,661,420	13,636,212	4,839,315		1,618,215	125,297,298	(556)	29.00	
369.2 SERVICES		38,072,981	3,063,041	223,098		1,004,738	39,908,186		38.90	
370 METERS AND SMART METERS		8,464,295	12,087,344	33,618		491	20,517,531		14.40	
370.1 METERS - COMMUNICATION EQUIPMENT		25,850	1,844	12,790			14,905		75.00	
373 STREET LIGHTING EQUIPMENT		25,034,921	1,141,908	1,288,042		18,579	24,870,208		57.50	
<b>TOTAL DISTRIBUTION PLANT</b>		<b>884,479,652</b>	<b>87,051,094</b>	<b>21,609,730</b>	<b>3,529,483</b>	<b>12,351,043</b>	<b>941,099,477</b>	<b>21</b>		
GENERAL PLANT										
390.1 STRUCTURES AND IMPROVEMENTS		43,071,373	4,276,635	7,114		28,868	47,308,645	(3,381)	32.92	
391.1 OFFICE FURNITURE AND EQUIPMENT - OFFICE FURNITURE		2,221,994	308,441				2,530,434		42.74	
391.2 OFFICE FURNITURE AND EQUIPMENT - E.D.P. EQUIPMENT		11,791,578	4,718,194	3,428,142		74,668	13,081,629		40.75	
392 TRANSPORTATION EQUIPMENT		37,572,461	3,707,317	2,298,354			39,147,979	(32,707)	58.47	
393 STORES EQUIPMENT		1,024,637	59,697	263,250			821,084		50.66	
394 TOOLS, SHOP AND GARAGE EQUIPMENT		7,882,551	1,041,522	105,127			8,828,926		31.72	
395 LABORATORY EQUIPMENT		1,042,053	106,308	283,121			885,240		46.70	
396 POWER OPERATED EQUIPMENT		1,525,541	155,579	111,968		4,773	1,618,216		45.17	
397 COMMUNICATION EQUIPMENT		39,967,598	5,546,561	10,276,214		245	35,237,700		47.51	
398 MISCELLANEOUS EQUIPMENT		170,502	11,478				181,979		79.12	
<b>TOTAL GENERAL PLANT</b>		<b>146,280,266</b>	<b>19,931,731</b>	<b>16,753,291</b>	<b>291,442</b>	<b>108,554</b>	<b>149,641,834</b>	<b>239</b>		
<b>TOTAL DEPRECIABLE PLANT</b>		<b>1,316,892,333</b>	<b>131,666,490</b>	<b>42,935,276</b>	<b>3,830,123</b>	<b>13,669,893</b>	<b>1,395,860,706</b>	<b>76,930</b>		
INTANGIBLE PLANT AND NONDEPRECIABLE PLANT										
301 ORGANIZATION									0.00	
302 FRANCHISES AND CONSENTS									0.00	
303 MISCELLANEOUS INTANGIBLE PLANT		150,909,581	50,452,728	4,350,978			197,011,331		60.41	
350 LAND AND LAND RIGHTS									0.00	
360 LAND AND LAND RIGHTS									0.00	
389 LAND AND LAND RIGHTS									0.00	
390.2 STRUCTURES AND IMPROVEMENTS - LEASEHOLDS		9,216,674	1,037,239	10,174			10,247,099	3,360	47.72	
<b>TOTAL INTANGIBLE PLANT AND NONDEPRECIABLE PLANT</b>		<b>160,126,255</b>	<b>51,489,967</b>	<b>4,361,152</b>	<b>0</b>	<b>0</b>	<b>207,258,430</b>	<b>3,360</b>		
<b>TOTAL ELECTRIC PLANT</b>		<b>1,477,018,588</b>	<b>183,156,457</b>	<b>47,296,429</b>	<b>3,830,123</b>	<b>13,669,893</b>	<b>1,603,119,136</b>	<b>80,290</b>		

DUQUESNE LIGHT COMPANY

TABLE 5. AMORTIZATION OF EXPERIENCED NET SALVAGE

ACCOUNT (1)	2016		2017		2018		2019		2020		NET SALVAGE (12)	SALVAGE ACCRUAL (13)=(12)/5
	COST OF REMOVAL (2)	GROSS SALVAGE (3)	COST OF REMOVAL (4)	GROSS SALVAGE (5)	COST OF REMOVAL (6)	GROSS SALVAGE (7)	COST OF REMOVAL (8)	GROSS SALVAGE (9)	COST OF REMOVAL (10)	GROSS SALVAGE (11)		
350			(1,137)	29,000							30,137	6,027
352	85,929	176,180	58,444	1,524	1,621	2,000			41,010	992	(184,488)	(36,898)
353	1,144,499		678,911	60,109	934,401		580,806		897,620	8,206	(3,989,743)	(797,949)
354	4,754								38,063		(42,817)	(8,563)
355	1,090				1,038				4,470		(6,597)	(1,319)
356	20,472		45,487	23,012	44,180		196,953		229,134		(513,215)	(102,643)
357	681,771	434,966	197,758	194,412							(250,150)	(50,030)
358	17,437	17,437									0	0
361	15,176	16	14,089				65,631		32,485		(127,365)	(25,473)
362	838,923	7,534	1,075,470	28,425	652,537	6,717	1,470,387		1,399,570		(5,394,211)	(1,078,842)
364.11	2,370,889	1,156,013	3,135,095	893,247	4,527,344	677,169	3,970,077	1,038,461	4,245,098	860,073	(13,623,538)	(2,724,708)
365.01	3,708,347	1,504,230	1,121,162	597,641	1,400,700	1,949,545	2,512,802	1,589,501	2,379,647	1,336,981	(4,144,759)	(828,952)
366	69,364	265,679	31,924	1,483	43,444		65,141		62,810		(5,520)	(1,104)
367	719,726	859,661	547,037	498,352	1,016,493	2,259,048	1,565,026	644,736	1,589,411	874,677	(301,218)	(60,244)
368	1,152,549	1,088,103	1,077,401	1,095,428	1,180,119	756,448	1,633,373	600,741	1,618,215	457,751	(2,653,186)	(530,637)
369.2	799,704		1,442,930		1,401,664		1,377,092		1,004,738		(6,026,127)	(1,205,225)
370	38,283		2,008		277,983		5,318		491		(324,083)	(64,817)
373	96,121		37,052		39,296		43,204		18,579		(234,252)	(46,850)
390.1	298,889		60,454				8,467		28,868		(396,677)	(79,335)
390.2							11,905				(11,905)	(2,381)
392		390,121	(42,884)	128,075	(86,300)	25,053	(30,370)	137,295	74,668	273,931	1,039,362	207,872
396									4,773	17,510	12,737	2,547
397									245		(245)	(49)
<b>TOTAL</b>	<b>12,063,922</b>	<b>5,909,941</b>	<b>9,481,201</b>	<b>3,550,707</b>	<b>11,434,519</b>	<b>5,675,979</b>	<b>13,475,810</b>	<b>4,010,734</b>	<b>13,669,893</b>	<b>3,830,123</b>	<b>(37,147,862)</b>	<b>(7,429,573)</b>