



Emily Farah  
Counsel, Regulatory

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

Tel: 412-393-6431  
efarah@duqlight.com

October 6, 2021

**Via Electronic Filing**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Keystone Bldg. 2nd Floor W  
400 N. Street  
Harrisburg, PA 17120

**RE: Securities Certificate of Duquesne Light Company related to the Issuance of  
Financial Instruments  
Docket No. S-2021-\_\_\_\_\_**

Dear Secretary Chiavetta:

Enclosed for filing, please find Duquesne Light Company's request for approval and issuance of a Securities Certificate for the issuance of financial instruments in an amount not to exceed \$400 million through December 31, 2023. The \$350 filing fee for the certificate and electronic copy of the exhibits is being paid electronically.

Should you have any questions, comments, or concerns, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Emily M. Farah", is written over a faint, larger version of the signature.

Emily M. Farah  
PA. I.D. No. 322559  
Duquesne Light Company  
Counsel, Regulatory

Enclosure

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

In re: Securities Certificate of	:	
DUQUESNE LIGHT COMPANY	:	Securities Certificate
in respect to the issuance of	:	
Financial Instruments in an	:	No. S-2021-_____
Aggregate Principal Amount Not to	:	
Exceed \$400.0 Million	:	

**SECURITIES CERTIFICATE**

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

1. Name and address of the public utility filing this securities certificate:

Duquesne Light Company  
411 Seventh Avenue  
Pittsburgh, PA 15219-1905

2. Duquesne Light Company (“Duquesne Light” or “Company”) is a limited liability company, Pennsylvania public utility that was formed in 1912 and is engaged in the distribution and transmission of electric service to the public, primarily within Allegheny and Beaver Counties in Pennsylvania. Duquesne Light is a subsidiary of Duquesne Light Holdings, Inc. (“DLH”) and DLH is a wholly owned subsidiary of DQE Holdings LLC (Duquesne Light’s ultimate parent). Duquesne Light’s principal business is the transmission and distribution of electricity to customers within its service territory. Duquesne Light delivers electricity to approximately 600,000 customers, of which nearly 90% are residential customers. The Company’s transmission and delivery system consists of approximately 45,000 miles of overhead power lines, 250,000 utility poles and 103,000 transformers over a territory of approximately 817 square miles.

3. On December 5, 2019, the Pennsylvania Public Utility Commission registered a Securities Certificate for Duquesne Light (S-2019-3013570) allowing it to issue debt in the form of First Mortgage Bonds (“FMBs”), Pollution Control Revenue Refunding Bonds (“PCRRBs”), unsecured notes, bank borrowings, and/or similar securities not to exceed \$400.0 million through December 31, 2021. Currently there is \$200.0 million remaining available under the existing certificate which is insufficient for Duquesne Light’s near term needs. Accordingly, Duquesne Light desires to replace and cancel the existing Securities Certificate and have a new Certificate issued with an authorization of \$400.0 million of new debt. Duquesne Light requests authority to issue debt under this Securities Certificate through December 31, 2023.

4. The purposes of Duquesne Light’s proposed aggregate debt issuances of up to \$400.0 million are as follows:

- To help finance a portion of the significant upcoming capital expenditures currently estimated at approximately \$1.2 billion from 2021-2023, including capital expenditures associated with the Company’s the Long-term Infrastructure Improvement Plan and with electric transmission and distribution line investments required to address system capacity, reliability and asset management needs;
- To potentially refinance outstanding debt;
- General corporate purposes.

Duquesne Light’s financing needs are discussed in detail below:

(a) Duquesne Light expects capital expenditures to average approximately \$385.9 million annually from 2021 to 2023. The estimated capital expenditures are for the significant transmission and distribution infrastructure improvements that the Company has planned that are

necessary to maintain reliability for customers, meet evolving customer needs and adhere to regulatory requirements. Exhibit C provides additional details regarding the upcoming major capital expenditures. A portion of these capital expenditures would need to be financed by debt from this Securities Certificate.

(b) As shown in Exhibit G, as of December 31, 2020, Duquesne Light maintained a ratio of equity to total capitalization of approximately 52.3%. Further debt issuances will allow Duquesne Light to maintain an appropriate capital structure.

(c) All funds issued under this Securities Certificate will be used solely for utility purposes.

5. As of the date of this request, the Security Certificate S-2019-3013570, registered by the Commission on December 5, 2019 and referenced above, represents the most recent permission to issue debt. Pursuant to that authority, \$200.0 million of debt has been issued.

In April 2020, Duquesne Light priced \$200.0 million aggregate principal amount of FMBs following a private placement offering. The bonds were issued in a 30-year tranche that settled on May 5, 2020 and have a maturity date of May 5, 2050. The bonds bear interest at an annual rate of 3.11%. The net proceeds were utilized to repay existing short-term indebtedness with DLH and for general corporate purposes, including capital expenditures.

6. The particulars of debt issuances are as follows:

(a) Exact title of security:

The title of each series of FMBs, unsecured notes, bank borrowings and/or similar securities will be determined at the time of the establishment of such series. A listing of currently outstanding debt is provided in Exhibit B.

- (b) Aggregate amount to be issued:  
Up to \$400.0 million of FMBs, unsecured notes, bank borrowings and/or similar securities.
- (c) In the case of FMBs, unsecured notes and bank borrowings and/or similar securities:
  - (i) Nominal date(s) of issuance:  
To be determined based on overall market conditions at the time of issuance.
  - (ii) Date(s) of maturity:  
Varying, to be determined by market conditions at the time of the debt offering(s).
  - (iii) Interest rate and payment dates:  
The actual interest rate and payment dates will be determined by market conditions at the time of the debt offering(s).
  - (iv) Extent to which taxes on securities are assumed by the issuer:  
None.
  - (v) Callability provisions:  
Call provisions will depend on market conditions at the time of issuance.
  - (vi) Conversion provisions:  
Conversion provisions will depend on market conditions at the time.
  - (vii) Maintenance, depreciation and sinking fund provisions:  
To be determined.

- (viii) Name and address of Trustee for FMBs, unsecured notes and/or similar securities and whether affiliated:

The Trustee for the FMBs is The Bank of New York Mellon (successor by acquisition from J.P. Morgan Chase Bank, which was successor by merger to the Chase Manhattan Bank, successor in Trust to Mellon Bank, N.A.), 500 Ross Street, 12<sup>th</sup> Floor, Pittsburgh, PA 15262. The Bank of New York Mellon is not an “affiliated interest” of Duquesne Light as that term is defined in Section 2101 of the Public Utility code, 66 Pa. C.S. § 2101. The Trustee of any future FMBs, unsecured notes and/or similar securities will be determined at the time of issuance.

7. Subject to the approval of the Commission, as evidenced by the registration of this Securities Certificate, the Company proposes to issue and sell the new debt in one or more series from time to time directly to investors, through agents or to one or more underwriters for public offering or in private placements directly to one or more institutional investors or through agents, in all cases on terms to be determined by market conditions at the time of the sale and Commission requirements. As necessary, Duquesne Light will enter into one or more underwriting agreements, agency agreements or purchase agreements with underwriters, agents or other purchasers. The price to be paid to the Company by the underwriters, agents or other purchasers of any bonds and the compensation received by such parties will be determined at the time of sale.

8. While the exact type of debt to be issued is not known at this time and will be determined after comparing market rates, issuance costs and other factors, the Company, at the

time of this filing, expects to issue \$150.0 million in the form of FMBs in 2022, and currently anticipates issuing up to \$250.0 million of additional FMBs in 2023.

With regard to issuance expenses, assuming FMB issuances without registration rights of \$150.0 million and \$250.0 million, the issuance expenses to be incurred are estimated as \$1.0 million and \$1.5 million, respectively. Expenses will vary with the number of sales of debt securities and the type of debt securities sold.

9. The following exhibits are attached and made part of this Securities Certificate:

EXHIBIT A Balance sheets of Duquesne Light as of December 31, 2020 and December 31, 2019, and statements of operations and cash flows for the year ended December 31, 2020 both on a comparative basis with the year ended December 31, 2019

EXHIBIT B Duquesne Light debt summary

EXHIBIT C Estimated capital expenditures from 2021 to 2023

EXHIBIT D Statement of utility plant by classified accounts of Duquesne Light as of December 31, 2020

EXHIBIT E Journal entries showing all charges and credits to be made on the books of account of Duquesne Light as a result of a proposed debt issuance

EXHIBIT F Source and uses of funds estimate 2021 to 2023

EXHIBIT G Duquesne Light capital structure as of December 31, 2020 and the December 31, 2020 capital structure adjusted to reflect the securities activity contemplated in this petition

EXHIBIT H Duquesne Light history of credit ratings

EXHIBIT I Current and projected selected financial ratios for Duquesne Light

EXHIBIT J Unregulated affiliates of Duquesne Light

EXHIBIT K Duquesne Light pension update

EXHIBIT L Responses to standard data requests

**WHEREFORE**, Duquesne Light requests issuance of a Securities Certificate authorizing the issuance of debt in the amount of \$400.0 million through December 31, 2023, to grant authority to enter into any act incidental to related issuances and to grant such other relief as may be required or appropriate to conduct the transactions described herein.

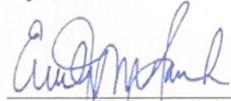
Dated this 6th day of October, 2021

DUQUESNE LIGHT COMPANY

By:

  
James H. Milligan  
Treasurer

By Counsel:

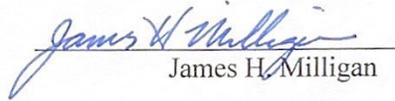


Emily M. Farah (ID #322559)  
Duquesne Light Company  
411 Seventh Ave, MD 15-7  
Pittsburgh, PA 15219  
Phone: 412-393-6431  
[efarah@duqlight.com](mailto:efarah@duqlight.com)

## VERIFICATION

I, James H. Milligan, being the Treasurer at 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 that Duquesne Light Company will be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 PA C.S. § 4904 (relating to unsworn falsification to authorities).

Date: October 6, 2021

  
James H. Milligan

**Duquesne Light Company**  
**Balance Sheets**  
(Millions of Dollars)

As of December 31,

<b>Assets</b>	2020	2019
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 5.0	\$ -
Receivables:		
Electric customers	114.8	86.8
Unbilled electric customers	58.5	57.9
Other	11.9	5.1
Less: Allowance for uncollectible accounts	(29.7)	(17.8)
<b>Total Receivables - Net</b>	<b>155.5</b>	<b>132.0</b>
Materials and supplies (at average cost)	34.2	32.1
Prepaid expenses	19.9	18.7
Regulatory assets	6.0	5.1
Other	0.3	1.0
<b>Total Current Assets</b>	<b>220.9</b>	<b>188.9</b>
<b>Long-Term Investments</b>	<b>2.5</b>	<b>2.5</b>
<b>Property, Plant and Equipment:</b>		
Electric plant in service	4,778.6	4,559.6
Construction work in progress	257.7	199.2
Other	6.2	3.8
<b>Gross property, plant and equipment</b>	<b>5,042.5</b>	<b>4,762.6</b>
Less: Accumulated depreciation and amortization	(1,559.6)	(1,456.7)
<b>Total Property, Plant and Equipment - Net</b>	<b>3,482.9</b>	<b>3,305.9</b>
<b>Other Non-Current Assets:</b>		
Regulatory assets	215.4	234.7
Operating lease right-of-use assets	24.7	31.3
Other	0.3	0.5
<b>Total Other Non-Current Assets</b>	<b>240.4</b>	<b>266.5</b>
<b>Total Assets</b>	<b>\$ 3,946.7</b>	<b>\$ 3,763.8</b>

**Duquesne Light Company**  
**Balance Sheets**  
(Millions of Dollars)

<b>Liabilities and Capitalization</b>	As of December 31,	
	2020	2019
<b>Current Liabilities:</b>		
Accounts payable	\$ 100.9	\$ 108.9
Accrued taxes	21.4	13.1
Accrued compensation	21.0	17.9
Accrued interest	19.2	18.3
Payable to affiliates - net	8.9	85.1
Regulatory liabilities	0.2	-
Other	48.6	60.1
<b>Total Current Liabilities</b>	<b>220.2</b>	<b>303.4</b>
<b>Non-Current Liabilities:</b>		
Deferred income taxes - net	606.7	577.0
Regulatory liabilities	100.2	128.2
Pension liability	69.5	91.0
Other postretirement benefits	26.4	26.4
Operating lease liabilities	20.5	25.6
Legacy liabilities	13.8	14.0
Other	11.4	11.0
<b>Total Non-Current Liabilities</b>	<b>848.5</b>	<b>873.2</b>
<b>Capitalization:</b>		
<b>Long-term debt</b>	<b>1,370.1</b>	<b>1,168.7</b>
<b>Common Shareholder's Equity:</b>		
Capital Surplus	988.4	988.4
Retained earnings	522.2	431.9
Accumulated other comprehensive income	(2.7)	(1.8)
<b>Total Common Shareholder's Equity</b>	<b>1,507.9</b>	<b>1,418.5</b>
<b>Total Capitalization</b>	<b>2,878.0</b>	<b>2,587.2</b>
<b>Total Liabilities and Capitalization</b>	<b>\$ 3,946.7</b>	<b>\$ 3,763.8</b>

**Duquesne Light Company**  
**Statements of Common Shareholder's Equity**  
**(Millions of Dollars)**

	Capital Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balances at December 31, 2018	\$ 988.4	\$ 297.6	\$ 1.3	\$ 1,287.3
Net income	-	184.4	-	184.4
Distributions to parent	-	(50.0)	-	(50.0)
Other comprehensive loss	-	-	(3.2)	(3.2)
Other (a)	-	(0.1)	0.1	-
Balance at December 31, 2019	\$ 988.4	\$ 431.9	\$ (1.8)	\$ 1,418.5
Net income	-	170.3	-	170.3
Distributions to parent	-	(80.0)	-	(80.0)
Other comprehensive loss	-	-	(0.9)	(0.9)
Balance at December 31, 2020	\$ 988.4	\$ 522.2	\$ (2.7)	\$ 1,507.9

(a) Other activates within retained earnings and accumulated other comprehensive income (loss) relate to the adoption of ASU 2018-02.

**Duquesne Light Company**  
**Statements of Cash Flows**  
**(Millions of Dollars)**

	Years Ended December 31,	
	2020	2019
<b>Cash Flows From Operating Activities:</b>		
Net income	\$ 170.3	\$ 184.4
Adjustments to reconcile net income to net cash provided from operating activities:		
Depreciation and amortization	186.3	167.7
Changes in working capital other than cash	(14.2)	(17.1)
Deferred income taxes	(1.4)	10.6
Pension contributions	(10.0)	(10.0)
Other	9.9	(2.8)
Changes in affiliate receivable/payable	(1.3)	(2.0)
<b>Net Cash Provided from Operating Activities</b>	<b>339.6</b>	<b>330.8</b>
<b>Cash Flows From Investing Activities:</b>		
Capital expenditures	(374.5)	(322.5)
Other	(4.0)	(4.1)
<b>Net Cash Used in Investing Activities</b>	<b>(378.5)</b>	<b>(326.6)</b>
<b>Cash Flows From Financing Activities:</b>		
Issuance of long-term debt obligations	200.0	-
Revolving credit facility borrowings	249.2	110.0
Revolving credit facility repayments	(249.2)	(155.0)
Distributions to parent	(80.0)	(50.0)
Affiliated borrowings from parent	92.0	140.8
Affiliated borrowing repayments to parent	(167.0)	(55.8)
Debt issuance costs	(1.1)	(0.8)
<b>Net Cash Used in Financing Activities</b>	<b>43.9</b>	<b>(10.8)</b>
Net increase (decrease) in cash and cash equivalents	5.0	(6.6)
Cash and cash equivalents at beginning of the period	-	6.6
Cash and cash equivalents at end of the period	\$ 5.0	\$ -
<b>Supplemental Cash Flow Information</b>		
Cash paid during the year:		
Interest (net of amount capitalized)	\$ 58.7	\$ 55.3
Income taxes paid - net	\$ 42.4	\$ 33.2

**Duquesne Light Company**  
**Statements of Operations**  
**(Millions of Dollars)**

	Years Ended December 31,	
	2020	2019
Operating Revenues:		
Retail sales of electricity	\$ 942.3	\$ 944.4
Other	18.3	19.4
<b>Total Operating Revenues</b>	<b>960.6</b>	<b>963.8</b>
Operating Expenses:		
Purchased power	201.7	221.7
Other operating and maintenance	252.8	232.3
Depreciation and amortization	186.3	167.7
Taxes other than income taxes	59.1	57.5
<b>Total Operating Expenses</b>	<b>699.9</b>	<b>679.2</b>
<b>Operating Income</b>	<b>260.7</b>	<b>284.6</b>
Investment and other income	4.4	2.4
Interest and other charges	(58.1)	(54.6)
Income Before Income Taxes	207.0	232.4
Income Tax Expense	36.7	48.0
<b>Net Income</b>	<b>170.3</b>	<b>184.4</b>
<b>Earnings Available for Common Stock</b>	<b>\$ 170.3</b>	<b>\$ 184.4</b>

Exhibit B

Duquesne Light Company - Debt Summary

Instrument Type	Issuance	CUSIP	Amount	Offer Price	Term	Mode	Put Date	Maturity	Optional Redemption	Rate	Interest Payment Dates
Revolving Credit Facility	10/31/2019		\$250,000,000	100%	5	Floating		10/31/2025		LIBOR+0.875%	As agreed (A)
Affiliated Interest Agreement (with DLH)	2/22/2021		\$300,000,000			Floating				LIBOR+0.875%	As agreed (A)
4.76% Series S First Mortgage Bond	2/3/2012	266228C@2	\$200,000,000	100%	30	Fixed		2/3/2042	Make Whole	4.76%	2/1 & 8/1
4.97% Series T First Mortgage Bond	11/14/2013	266228C#0	\$160,000,000	100%	30	Fixed		11/14/2043	Make Whole	4.97%	5/14 & 11/14
5.02% Series U First Mortgage Bond	2/4/2014	266228D*3	\$45,000,000	100%	30	Fixed		2/4/2044	Make Whole	5.02%	2/4 & 8/4
5.12% Series V First Mortgage Bond	2/4/2014	266228D@1	\$85,000,000	100%	40	Fixed		2/4/2054	Make Whole	5.12%	2/4 & 8/4
3.78% Series W First Mortgage Bond	3/2/2015	266228E*2	\$100,000,000	100%	30	Fixed		3/2/2045	Make Whole	3.78%	3/2 & 9/2
3.93% Series X First Mortgage Bond	3/2/2015	266228D#9	\$200,000,000	100%	40	Fixed		3/2/2055	Make Whole	3.93%	3/2 & 9/2
3.93% Series Y First Mortgage Bond	7/15/2015	266228E@0	\$160,000,000	100%	30	Fixed		7/15/2045	Make Whole	3.93%	1/15 & 7/15
3.82% Series Z First Mortgage Bond	10/3/2017	266228E#8	\$60,000,000	100%	30	Fixed		10/3/2047	Make Whole	3.82%	10/3 & 4/3
3.89% Series AA First Mortgage Bond	2/1/2018	266228F*1	\$60,000,000	100%	30	Fixed		2/1/2048	Make Whole	3.89%	2/1 & 8/1
4.04% Series AB First Mortgage Bond	2/1/2018	266228F@9	\$125,000,000	100%	40	Fixed		2/1/2058	Make Whole	4.04%	2/1 & 8/1
3.11% Series AC First Mortgage Bond	5/5/2020	266228F#7	\$200,000,000	100%	30	Fixed		5/5/2050	Make Whole	3.11%	5/5 & 11/5

(A) Adjusted issuance and maturity dates due to amendments

Exhibit C

Duquesne Light Company - Estimated Capital Expenditures  
(\$ in millions)

Business Plan Category	Additional Description	2021	2022	2023	Total 2021-2023	Average 2021-2023
<b>Capital Programs</b>						
Restoration of Service	Restoration of service to our customer outages resulting from major storms, weather, equipment failure and other events that cause damage to our system.	38.5	38.7	40.7	117.8	39.3
Customer Commitments	Capital work to meet customer requests ranging from simple overhead services to complex commercial and industrial installations.	28.4	28.5	29.2	86.2	28.7
Overhead Programs	Overhead distribution and transmission programs including replacement of failed equipment or equipment that is approaching end of life and extension of distribution circuits with available capacity to relieve overloaded circuits.	28.2	27.6	27.8	83.5	27.8
Pole Replacement Program	Replace poles that are identified as needing replacement through our routine inspection program.	26.1	24.6	23.3	74.0	24.7
Underground Programs	Underground distribution programs including the replacement of failed underground equipment or equipment that is approaching end of life.	2.4	2.5	2.5	7.4	2.5
Substation Programs	Substation transmission and distribution programs including the replacement of failed substation equipment or equipment that is approaching end of life.	29.5	27.6	21.1	78.2	26.1
<b>Subtotal - Capital Programs</b>		<b>\$ 153.0</b>	<b>\$ 149.4</b>	<b>\$ 144.7</b>	<b>\$ 447.1</b>	<b>\$ 149.0</b>
<b>Capital Projects</b>						
ADMS	Project to implement an outage management system.	8.9	4.2	5.9	18.9	6.3
LTIP Initiative	Projects/Programs that support Duquesne Light Company's Long Term Infrastructure Improvement Plan initiatives filed with the PUC.	25.7	40.5	41.4	107.6	35.9
Transmission & Distribution System Capacity and Reliability Projects	Projects focused on replacement of aged infrastructure, addressing capacity needs, system resiliency and/or the improvement of transmission and distribution system reliability.	156.1	128.9	89.9	374.9	125.0
<b>Subtotal - Capital Projects</b>		<b>\$ 190.7</b>	<b>\$ 173.6</b>	<b>\$ 137.2</b>	<b>\$ 501.5</b>	<b>\$ 167.2</b>
<b>Utility Support</b>						
Facilities	Rehabilitation and installation of buildings and related assets.	16.8	10.1	14.8	41.8	13.9
Transportation Services	Replacement of vehicles that are at or approaching end of life.	6.0	6.0	6.0	18.0	6.0
Information Technology	Replacement or installation of information technology systems to support business operations.	39.2	34.7	28.2	102.0	34.0
Telecommunications	Replacement or installation of business communication systems as well as transmission and distribution system communication systems.	3.4	3.6	2.0	9.1	3.0
Metering	Replacement or installation of customer meters.	5.6	5.6	5.9	17.2	5.7
<b>Subtotal - Utility Support</b>		<b>\$ 71.0</b>	<b>\$ 60.1</b>	<b>\$ 56.9</b>	<b>\$ 188.1</b>	<b>\$ 62.7</b>
<b>Total Capital Plan</b>		<b>\$ 414.7</b>	<b>\$ 383.1</b>	<b>\$ 338.8</b>	<b>\$ 1,136.6</b>	<b>\$ 378.9</b>
AFUDC		9.2	11.3	11.4	31.9	10.6
<b>Total Utility Capital Including AFUDC</b>		<b>\$ 423.9</b>	<b>\$ 394.4</b>	<b>\$ 350.2</b>	<b>\$ 1,168.5</b>	<b>\$ 389.5</b>
Non-cash capitalized pension costs		(6.8)	(2.3)	(1.7)	(10.8)	(3.6)
<b>*Total Utility Capital (including AFUDC)</b>		<b>\$ 417.1</b>	<b>\$ 392.1</b>	<b>\$ 348.5</b>	<b>\$ 1,157.7</b>	<b>\$ 385.9</b>

\*Exhibit G reflects the Company's current projections of capital spending from 2021-2023. These projections are subject to change.

Exhibit D

**Duquesne Light Company - Statement of Utility Plant**

		12/31/20
		Plant In Service
301	Organization	100,275
302	Franchises and Consents	6,830
303	Miscellaneous Intangible Plant	326,128,234
<b>INTANGIBLE PLANT</b>		<b>326,235,340</b>
350.0	Land and Land Rights	14,383,935
352.0	Structures and Improvements	33,108,915
353.0	Station Equipment	432,945,260
354.0	Towers and Fixtures	78,247,472
355.0	Poles and Fixtures	59,118,433
356.0	Overhead Conductors and Devices	139,592,330
357.0	Underground Conduit	80,848,762
358.0	Underground Conductors and Devices	147,799,021
359.0	Roads and Trails	10,185,994
<b>TRANSMISSION PLANT</b>		<b>996,230,122</b>
360.0	Land and Land Rights	23,189,758
361.0	Structures and Improvements	70,294,440
362.0	Station Equipment	504,800,450
364.0	Poles, Towers, and Fixtures	596,619,728
365.0	Overhead Conductors and Devices	576,572,531
366.0	Underground Conduit	146,553,442
367.0	Underground Conductors and Devices	437,016,514
368.0	Line Transformers	432,109,288
369.0	Services	102,586,465
370.0	Meters	142,523,772
373.0	Street Lighting and Signal Systems	43,252,190
<b>DISTRIBUTION PLANT</b>		<b>3,075,518,579</b>
382.0	Computer Hardware	0
383.0	Computer Software	0
<b>REGIONAL TRANS PLANT</b>		<b>0</b>
389.1	Land and Land Rights	6,144,797
390.1	Structures and Improvements	165,170,326
391.0	Office Furniture and Equipment	31,769,146
392.0	Transportation Equipment	66,957,578
393.0	Stores Equipment	1,620,656
394.0	Tools, Shop, and Garage Equipment	27,832,805
395.0	Laboratory Equipment	1,895,475
396.0	Power Operated Equipment	3,582,340
397.0	Communication Equipment	74,175,049
398.0	Miscellaneous Equipment	230,016
<b>SUB-TOTAL General plant</b>		<b>379,378,188</b>
399.1	ARO for General Plant	0
<b>GENERAL PLANT</b>		<b>379,378,188</b>
<b>Plant Purchased or sold</b>		<b>0</b>
<b>TOTAL PLANT-IN-SERVICE</b>		<b>4,777,362,229</b>

Exhibit E

**Duquesne Light Company - Pro Forma Journal Entries**

	<u>Debit</u>	<u>Credit</u>
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 397,500,000	
<b>Deferred Credits:</b>		
Debt Issuance Costs	\$ 2,500,000	
<b>Capitalization:</b>		
Long-Term Debt		\$ 400,000,000

To record the proposed issuance of \$400,000,000 of 30 year debt with an interest rate of 3.50%

	<u>Debit</u>	<u>Credit</u>
<b>Capitalization:</b>		
Retained Earnings	\$ 10,014,000	
<b>Current Liabilities:</b>		
Accrued Taxes	\$ 4,069,000	
<b>Current Assets:</b>		
Cash and Cash Equivalents		\$ 14,000,000
<b>Deferred Credits:</b>		
Debt Issuance Costs		\$ 83,300

To record the annual effect on retained earnings resulting from the increase in interest requirements associated with the above transaction

	<u>Debit</u>	<u>Credit</u>
<b>Interest on Long-Term Debt:</b>		
Annual increase in interest requirements resulting from the proposed financing of \$400,000,000 of 30 year debt with an interest		\$ 14,000,000
<b>Other Interest Expense:</b>		
Annual amortization of debt issuance costs		\$ 83,300
		<u>\$ 14,083,300</u>
<b>Income Taxes:</b>		
Annual decrease in state and federal income taxes based on 9.99% and 21.00% state and federal tax rates, respectively, and the net increase in interest expense	\$ 4,069,000	
	<u>\$ 4,069,000</u>	
<b>Decrease in net income:</b>		<u>\$ 10,014,300</u>

## Exhibit F

### Duquesne Light Company - Sources and Uses Statement

(\$ in millions)	2021	2022	2023	TOTAL
<b>Application of Funds</b>				
Capital Expenditures (excluding AFUDC)	\$ 415	\$ 383	\$ 339	1,137
Long-Term Debt Redemptions/Maturities	-	-	-	-
Short-Term Debt Repayments - Affiliated	-	38	56	94
Short-Term Debt Repayments - Non-Affiliated	-	-	-	-
Subtotal Debt	\$ -	\$ 38	\$ 56	\$ 94
Dividends	29	-	7	36
Working Capital (including cash)/Other	\$ 23	\$ 1	\$ 5	\$ 29
<b>Total Applications</b>	<b>\$ 467</b>	<b>\$ 459</b>	<b>\$ 463</b>	<b>\$ 1,360</b>
<b>Sources of Funds</b>				
Cash Provided by Operating Activities	\$ 410	\$ 372	\$ 401	\$ 1,184
Long-term Debt Issuances	\$ -	\$ 150	\$ 250	\$ 400
Short-Term Debt Borrowings - Affiliated	\$ 84	\$ -	\$ -	\$ 84
Short-Term Debt Borrowings - Non-Affiliated	-	-	-	-
Subtotal Debt	\$ 84	\$ 150	\$ 250	\$ 484
Working Capital (including cash)/Other	\$ -	\$ -	\$ -	\$ -
<b>Total Sources</b>	<b>\$ 494</b>	<b>\$ 522</b>	<b>\$ 651</b>	<b>\$ 567</b>



Exhibit G

Duquesne Light Company - Capital Structure

	ACTUAL As of December 31, 2020		AS ADJUSTED (1)*		AS ADJUSTED (2)**	
	Amount Outstanding	Percent	Amount Outstanding	Percent	Amount Outstanding	Percent
<b>Long Term Debt:</b>						
Total Long-term Debt Before Adjustment	\$ 1,395,000,000		\$ 1,545,000,000		\$ 1,795,000,000	
Unamortized Loss on Reacquired Debt	(17,227,610)		(17,227,610)		(17,227,610)	
<b>Total Adjusted Long Term Debt</b>	<b>\$ 1,377,772,390</b>	<b>47.70%</b>	<b>\$ 1,527,772,390</b>	<b>50.28%</b>	<b>\$ 1,777,772,390</b>	<b>54.06%</b>
<b>Common Equity:</b>						
Capital Surplus	\$ 988,426,521		\$ 988,426,521		\$ 988,426,521	
Retained Earnings	522,211,101		522,211,101		522,211,101	
Accumulated Other Comprehensive Income (AOCI)	-		-		-	
<b>Total Common Equity</b>	<b>\$ 1,510,637,622</b>	<b>52.30%</b>	<b>\$ 1,510,637,622</b>	<b>49.72%</b>	<b>\$ 1,510,637,622</b>	<b>45.94%</b>
<b>Total Book Capitalization</b>	<b>\$ 2,888,410,012</b>	<b>100.00%</b>	<b>\$ 3,038,410,012</b>	<b>100.00%</b>	<b>\$ 3,288,410,012</b>	<b>100.00%</b>

\*The 'As Adjusted (1)' numbers assume the issuance of \$150 million of new debt.

\*\*The 'As Adjusted (2)' numbers assume the issuance of \$400 million of new debt.

Note: The pro forma capitalization is based on the December 31, 2020 balance sheet. The Company believes the actual projected capital structure of Duquesne Light Company will be as shown on Exhibit I.

## Exhibit H

### Duquesne Light Company - Historical Credit Ratings

<b>S&amp;P</b>	<b>Rating</b>	<b>Date of Change</b>
Issuer Credit Rating	BBB+	12/19/2019
	BBB	6/30/2014
	BBB-	12/17/2009
Outlook	Stable	6/30/2014
	Positive	6/13/2013
	Stable	12/17/2009
Senior Secured	A-	6/30/2014
	BBB+	12/15/2010

<b>Moody's</b>	<b>Rating</b>	<b>Date of Change</b>
Issuer Credit Rating	A3	1/30/2014
	Baa1	3/4/2013
	Baa2	2/13/2002
Outlook	Stable	1/30/2014
	Review for Upgrade	11/8/2013
	Stable	3/4/2013
	Review for Upgrade	11/8/2012
Senior Secured	Stable	5/22/2007
	A1	1/30/2014
	A2	3/4/2013
	A3	8/3/2009

Exhibit I

**Duquesne Light Company - Selected Financial Ratios**

(in millions)

	<i>Actual (Year-End)*</i>		<i>Projected (Year-End)</i>		
	2019	2020	2021	2022	2023
<b>Dividend Payout Ratio</b>					
Net Income	184.4	170.3	152.2	177.6	186.5
Dividend Payout	50.0	80.0	29.0	-	7.3
Dividend Payout Ratio	27.1%	47.0%	19.1%	0.0%	3.9%
<b>Capital Expenditures to Depreciation and Amortization</b>					
Capital Expenditures	322.5	374.5	414.7	383.1	338.8
Depreciation & Amortization	167.7	186.3	205.9	213.3	223.7
Capital Expenditures to Depreciation and Amortization	1.9x	2.0x	2.0x	1.8x	1.5x
<b>Capitalization Ratio</b>					
Debt	1,168.7	1,370.1	1,379.8	1,524.8	1,777.1
Preferred Stock	-	-	-	-	-
Common Equity	1,418.5	1,507.9	1,642.3	1,823.8	2,003.0
Capitalization	2,587.2	2,878.0	3,022.1	3,348.6	3,780.1
Debt/Capitalization	45.2%	47.6%	45.7%	45.5%	47.0%
Pref. Stock/Capitalization	0.0%	0.0%	0.0%	0.0%	0.0%
Equity/Capitalization	54.8%	52.4%	54.3%	54.5%	53.0%
<b>Interest Coverage Ratio</b>					
Operating Income	284.6	260.7	251.7	282.6	294.6
Depreciation & Amortization	167.7	186.3	205.9	213.3	223.7
EBITDA	452.3	447.0	457.6	495.9	518.3
Interest and Other Charges	54.6	58.1	60.0	65.0	73.8
EBITDA / Interest (x)	8.3x	7.7x	7.6x	7.6x	7.0x

\*Actual year-end data for 2019 and 2020 are as reported on Duquesne Light Company's GAAP Financial Statements

Exhibit J

**Duquesne Light Company - Affiliated Unregulated Companies**

	<u>Jurisdiction of Organization</u>
AquaSource, LLC	Delaware
DQE Capital Corporation	Delaware Pennsylvania*
DQE Enterprises, Inc.	Pennsylvania
BodyMedia, Inc.	California
NWP Services Corp.	Delaware
DQE Financial LLC	Delaware Pennsylvania*
Duquesne Power, LLC	Delaware Pennsylvania*
Mariner Investment Strategies, LLC	Delaware
Duquesne Fiber Co. f/k/a Diemen-Flevo Co.	Delaware
DQE Systems, Inc.	Pennsylvania
Duquesne Broadband, LLC	Pennsylvania
North Shore Affordable Housing, LLC	Delaware
Montauk Synfuels, LLC	Delaware
DQE Communications LLC	Pennsylvania
Duquesne Energy Solutions, LLC	Delaware Pennsylvania*
DES Corporate Services, Inc.	Delaware
DQE Synfuels, L.P.	Pennsylvania
DH Canada Holdings, LLC	Delaware
DH Canada, Corporation	Nova Scotia
Duquesne Generation LLC	Pennsylvania
Duquesne Conemaugh LLC	Delaware Pennsylvania*
Duquesne Keystone LLC	Delaware Pennsylvania*
Monongahela Light and Power Company	Pennsylvania
DataCom Information Systems, LLC	Delaware Pennsylvania*
Maglev, Inc.	Pennsylvania
Duquesne Light Energy, LLC	Delaware Pennsylvania*
The Efficiency Network, Inc.	Pennsylvania
TEN Connected Solutions, Inc.	Pennsylvania
TEN FESCO, LLC	Delaware

\* Qualified to do business in this jurisdiction.

Exhibit K

**Duquesne Light Company - Pension Update**

(in millions - as of 6/30/21)

Pension Benefit Obligation	\$ 1,183.7
Fair Value of Plan Assets	\$ 1,176.6
Current Funded Percentage	99.4%

Historical and Projected Contributions\*

2008A	\$ 10.0
2009A	\$ 20.0
2010A	\$ 50.0
2011A	\$ 66.5
2012A	\$ 43.5
2013A	\$ 55.0
2014A	\$ 17.8
2015A	\$ -
2016A	\$ 40.0
2017A	\$ 105.0
2018A	\$ 23.0
2019A	\$ 10.0
2020A	\$ 10.0
2021A	\$ 10.0
2022P	\$ 10.0
2023P	\$ 10.0

\*A = Actual; P = Projected

## **Exhibit L**

### **Duquesne Light Company - Responses to Standard Data Requests**

- 1. Previous registration balances. Provide docket numbers, initial registration amount, issuances by type, amount and date and current remaining balance. Plans for these balances vis-à-vis the current registration.**

Please refer to pages 2-3 of the Securities Certificate.

- 2. What effect will this issuance have upon the capital structure of the utility? Show calculations?**

Please refer to Exhibit G.

- 3. Current and three year projections:**

**Sources and uses of funds.**

Please refer to Exhibit F.

**Capital expenditures.**

Please refer to Exhibit C.

**Ratio of capital expenditures to depreciation and amortization.**

Please refer to Exhibit I.

**Capitalization ratios.**

Please refer to Exhibit I.

**Dividend payout ratio.**

Please refer to Exhibit I.

**Interest coverage ratio.**

Please refer to Exhibit I.

- 4. History of credit ratings – by rating agency and class.**

Please refer to Exhibit H.

- 5. Projected refinancing savings or costs, if applicable.**

Please refer to pages 5 - 6 of the Securities Certificate.

- 6. Affiliated interest agreement applicable to instant registration, if financing involves affiliate.**

Not applicable.

- 7. List all unregulated affiliates of the applicant.**

Please refer to Exhibit J.

**8. List all debt for which the applicant is a guarantor of affiliated company debt instruments.**

Not applicable.

**9. For any corporate money pool from which applicant may potentially borrow, lend or deposit excess cash to, provide appropriate information.**

Not applicable.

**10. Describe historical reliance by type of both corporate internal and external sources of financing.**

Please refer to pages 3-4 of the Securities Certificate.

**11. Where current dividend payout ratio exceeds 75%, provide three year history and plan for future dividend payouts.**

Please refer to Exhibit I.

**12. Where debt to total capital ratio exceeds 55%, provide plan for managing future debt to total capital levels.**

Not applicable.

**13. With respect to the purpose for which you propose to issue or assume securities;**

**A. If the purpose is the purchase of construction of new facilities or the betterment of existing facilities, provide:**

**Estimated final cost**

**Brief description of the new facilities and betterments**

**Date when it is expected that the purchase or construction or betterment will be completed**

**Estimated amount of AFUDC included in project costs**

Please refer to Exhibit C.

**B. If the purpose is to obtain working capital, explain any unusual condition which exists, or will exist, in the public utility's current assets or current liabilities.**

Not applicable.

- C. If the purpose is to refund obligations, describe obligations in detail:**  
**Explain the purpose for which the obligations were issued or refer to the number of the securities certificate in which the purpose appears.**  
**State whether refunding is to meet maturity or to effect saving in interest and other annual charges.**

Please refer to pages 2-3 of the Securities Certificate.

- D. If the purpose is for the payment of dividends, please justify the use of funds from the registration to pay dividends.**

Not applicable.

- E. If the purpose is to fund pension obligations;**  
**Provide ABO, PBO, current fair value of plan assets, and the percent of current benefit obligation is funded.**  
**Provide annual contributions to the plan from 2006 to present and projected contributions for the next 5 years.**

Please refer to Exhibit K.

- 14. Reconcile total capitalization with total rate base for ratemaking purposes. Are any funds to be issued for a non-utility purpose? If so, describe that purpose.**

Please refer to page 3 of the Securities Certificate. All funds will be used for utility purposes.

- 15. Three year history and three year projections for ratio of capital expenditures to depreciation expense.**

Please refer to Exhibit I.