



Michael Zimmerman
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November 30, 2021

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building, 2nd Floor
400 North Street
Harrisburg, PA 17120

**Re: Duquesne Light Company –Annual Reconciliation of Rider No. 5
Universal Service Charge**

Dear Secretary Chiavetta:

Enclosed for filing on behalf of Duquesne Light Company (“Duquesne Light” or “Company”) is a copy of the Company’s Rider No. 5 – Universal Service Charge Rider reconciliation statement for the period November 1, 2020 through October 31, 2021. (“Reconciliation Filing”).

The Pennsylvania Public Utility Commission (“Commission”) approved Rider No. 5 in Duquesne Light’s general base rate increase case at Docket No. R-2010-2179522. The reconcilable charge is designed to recover the costs incurred by the Company to provide its Universal Service and Energy Conservation Plan.

Should you have any questions, please do not hesitate to contact me or David Ogden, Manager, Rates & Tariff Services, at (412) 393-6343 or dogden@duqlight.com.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Michael Zimmerman".

Michael Zimmerman

Enclosures

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

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

Office of Small Business Advocate
Sharon Webb
Steve Gray
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
swebb@pa.gov
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Office of Consumer Advocate
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Dated: November 30, 2021

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2022

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2020 through October 31, 2021

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Total
1 Net Surcharge Revenue, Incl. GRT	\$2,538,820	\$3,440,627	\$3,376,809	\$2,859,895	\$2,890,381	\$2,331,571	\$2,684,879	\$3,871,165	\$4,528,900	\$4,344,533	\$2,943,153	\$2,771,637	\$38,582,370
2 E-Factor Revenue, Incl. GRT	\$68,881	\$92,893	\$259,369	\$253,819	\$206,301	\$186,613	\$216,128	\$299,240	\$336,596	\$355,623	\$226,276	\$215,768	\$2,717,509
3 Universal Service Charge Related Revenue	\$2,607,701	\$3,533,520	\$3,636,178	\$3,113,714	\$3,096,682	\$2,518,184	\$2,901,007	\$4,170,405	\$4,865,497	\$4,700,157	\$3,169,429	\$2,987,406	\$41,299,879
4 Universal Service Charge Related Revenue	\$2,607,701	\$3,533,520	\$3,636,178	\$3,113,714	\$3,096,682	\$2,518,184	\$2,901,007	\$4,170,405	\$4,865,497	\$4,700,157	\$3,169,429	\$2,987,406	\$41,299,879
5 Less PA Gross Receipts Tax	\$153,854	\$208,478	\$214,534	\$183,709	\$182,704	\$148,573	\$171,159	\$246,054	\$287,064	\$277,309	\$186,996	\$176,257	\$2,436,693
6 Universal Service Charge Related Revenue	\$2,453,847	\$3,325,042	\$3,421,643	\$2,930,005	\$2,913,978	\$2,369,611	\$2,729,847	\$3,924,351	\$4,578,432	\$4,422,848	\$2,982,433	\$2,811,149	\$38,863,186
7 Expense	\$2,514,931	\$2,990,282	\$2,403,367	\$2,952,013	\$2,968,865	\$2,222,911	\$2,401,229	\$3,020,020	\$3,882,322	\$4,202,336	\$3,585,182	\$2,577,733	\$35,721,193
8 CAP Discount Credit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9 Adjusted Expense	\$2,514,931	\$2,990,282	\$2,403,367	\$2,952,013	\$2,968,865	\$2,222,911	\$2,401,229	\$3,020,020	\$3,882,322	\$4,202,336	\$3,585,182	\$2,577,733	\$35,721,193
10 Over/(Under) Collection	(\$61,085)	\$334,761	\$1,018,276	(\$22,008)	(\$54,887)	\$146,700	\$328,618	\$904,331	\$696,110	\$220,511	(\$602,749)	\$233,415	\$3,141,993
11 Interest	(\$6,108)	\$31,802	\$91,645	(\$1,871)	(\$4,391)	\$11,003	\$23,003	\$58,781	\$41,767	\$12,128	(\$30,137)	\$10,504	\$238,125
12 Total Over/(Under) Collection	(\$67,193)	\$366,563	\$1,109,921	(\$23,879)	(\$59,278)	\$157,703	\$351,622	\$963,112	\$737,877	\$232,640	(\$632,887)	\$243,919	\$3,380,119

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Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2022

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2020 through October 31, 2021

Rate Class	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Total
A. Actual Surcharge Revenue by Month, Incl. GRT													
1 RS	\$2,234,724	\$2,950,815	\$2,857,376	\$2,331,199	\$2,530,307	\$2,069,034	\$2,441,718	\$3,586,017	\$4,311,024	\$3,994,667	\$2,725,802	\$2,530,591	\$34,563,275
2 RH	\$261,327	\$428,544	\$458,544	\$468,293	\$312,858	\$224,334	\$201,803	\$233,227	\$199,808	\$251,113	\$175,725	\$197,903	\$3,413,480
3 RA	\$42,768	\$61,268	\$60,889	\$60,402	\$47,216	\$38,203	\$41,357	\$51,921	\$18,068	\$98,753	\$41,625	\$43,143	\$605,614
4 Total	\$2,538,820	\$3,440,627	\$3,376,809	\$2,859,895	\$2,890,381	\$2,331,571	\$2,684,879	\$3,871,165	\$4,528,900	\$4,344,533	\$2,943,153	\$2,771,637	\$38,582,370
B. Actual Surcharge Revenue by Month, Excl. GRT													
5 RS	\$2,102,876	\$2,776,717	\$2,688,791	\$2,193,659	\$2,381,019	\$1,946,961	\$2,297,657	\$3,374,442	\$4,056,674	\$3,758,982	\$2,564,980	\$2,381,286	\$32,524,042
6 RH	\$245,909	\$403,260	\$431,490	\$440,664	\$294,400	\$211,098	\$189,897	\$219,467	\$188,019	\$236,298	\$165,358	\$186,227	\$3,212,085
7 RA	\$40,245	\$57,653	\$57,296	\$56,839	\$44,430	\$35,949	\$38,917	\$48,858	\$17,002	\$92,927	\$39,169	\$40,598	\$569,883
8 Total	\$2,389,030	\$3,237,630	\$3,177,577	\$2,691,161	\$2,719,848	\$2,194,008	\$2,526,471	\$3,642,766	\$4,261,695	\$4,088,206	\$2,769,507	\$2,608,111	\$36,306,010

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Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2020 through October 31, 2021

Rate Class	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Total
A. Actual Non-CAP kWh by Month													
1 RS	233,361,681	306,423,724	283,192,360	275,154,560	232,327,534	215,106,656	255,636,235	361,812,909	407,866,848	431,379,703	271,638,556	255,653,526	3,529,554,290
2 RH	27,112,807	44,478,032	47,354,294	48,216,945	30,877,154	23,166,472	20,781,200	21,569,514	23,443,615	24,353,278	17,963,614	20,238,464	349,555,390
3 RA	4,452,792	6,379,834	6,296,614	6,263,330	4,719,090	4,081,728	4,268,111	5,240,982	5,827,821	6,115,474	4,263,083	4,326,605	62,235,464
4 B. E-Factor Rate (1) Cents per kWh, Inc. GRT	0.026	0.026	0.077	0.077	0.077	0.077	0.077	0.077	0.077	0.077	0.077	0.077	
C. E-Factor Revenue, Incl. GRT													
5 RS	\$60,674	\$79,670	\$218,058	\$211,869	\$178,892	\$165,632	\$196,840	\$278,596	\$314,057	\$332,162	\$209,162	\$196,853	\$2,442,466
6 RH	\$7,049	\$11,564	\$36,463	\$37,127	\$23,775	\$17,838	\$16,002	\$16,609	\$18,052	\$18,752	\$13,832	\$15,584	\$232,646
7 RA	\$1,158	\$1,659	\$4,848	\$4,823	\$3,634	\$3,143	\$3,286	\$4,036	\$4,487	\$4,709	\$3,283	\$3,331	\$42,397
8 Total	\$68,881	\$92,893	\$259,369	\$253,819	\$206,301	\$186,613	\$216,128	\$299,240	\$336,596	\$355,623	\$226,276	\$215,768	\$2,717,509
D. E-Factor Revenue, Excl. GRT													
9 RS	\$57,094	\$74,970	\$205,193	\$199,369	\$168,338	\$155,860	\$185,226	\$262,159	\$295,528	\$312,565	\$196,821	\$185,239	\$2,298,361
10 RH	\$6,633	\$10,882	\$34,312	\$34,937	\$22,373	\$16,786	\$15,057	\$15,629	\$16,987	\$17,646	\$13,016	\$14,664	\$218,920
11 RA	\$1,089	\$1,561	\$4,562	\$4,538	\$3,419	\$2,957	\$3,093	\$3,797	\$4,223	\$4,431	\$3,089	\$3,135	\$39,895
12 Total	\$64,817	\$87,413	\$244,067	\$238,844	\$194,130	\$175,603	\$203,376	\$281,585	\$316,737	\$334,642	\$212,926	\$203,038	\$2,557,176

1/ Per December 2, 2019 submittal at Docket No. M-2019-3014722 and December 1, 2020 submittal at Docket No. M-2020-3023092.

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Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2022

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2020 through October 31, 2021

	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Total
1 CAP Revenue Deficiency	\$1,825,450	\$1,720,909	\$1,996,321	\$2,473,010	\$2,349,152	\$1,462,030	\$1,392,333	\$2,204,658	\$2,785,299	\$3,122,386	\$2,640,470	\$1,676,329	\$25,648,348
2 CAP Frozen Arrearage	\$254,267	\$626,604	\$207,381	\$160,035	\$248,156	\$300,597	\$339,981	\$363,976	\$465,889	\$442,443	\$474,003	\$444,772	\$4,328,103
3 Recoverable PIPP Costs - 55% (4)	\$0	\$0	\$35,223	\$90,407	\$160,345	\$192,402	\$193,611	\$177,626	\$208,417	\$179,729	\$174,223	\$155,729	\$1,567,712
4 CAP Administrative Costs	\$162,393	\$155,442	\$152,442	\$152,442	\$152,442	\$157,525	\$152,442	\$152,442	\$152,442	\$154,164	\$154,164	\$154,164	\$1,852,507
5 Smart Comfort	\$261,571	\$476,076	\$750	\$64,868	\$47,519	\$99,107	\$311,611	\$110,069	\$259,025	\$213,171	\$131,072	\$135,490	\$2,110,330
6 CARES	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$11,250	\$135,000
7 Hardship Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$79,193	\$0	\$0	\$79,193
8 Total Expenses	\$2,514,931	\$2,990,282	\$2,403,367	\$2,952,013	\$2,968,865	\$2,222,911	\$2,401,229	\$3,020,020	\$3,882,322	\$4,202,336	\$3,585,182	\$2,577,733	\$35,721,193
9 CAP Customers	34,807	33,677	34,225	34,760	34,873	34,888	34,840	34,848	34,732	34,805	34,898	35,194	
10 Monthly Enrollment Level (1)	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	39,088	
11 CAP Customers>Enrollment	0	0	0	0	0	0	0	0	0	0	0	0	
12 Average CAP Deficiency/CAP Customer (2)	\$52.44	\$51.10	\$58.33	\$71.15	\$67.36	\$41.91	\$39.96	\$63.26	\$80.19	\$89.71	\$75.66	\$47.63	
13 Average Frozen Arrearage/CAP Customer (2)	\$7.31	\$18.61	\$6.06	\$4.60	\$7.12	\$8.62	\$9.76	\$10.44	\$13.41	\$12.71	\$13.58	\$12.64	
14 Deficiency and Arrearage Combined	\$59.75	\$69.71	\$64.39	\$75.75	\$74.48	\$50.52	\$49.72	\$73.71	\$93.61	\$102.42	\$89.25	\$60.27	
15 Bad Debt Offset (3)	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	
16 CAP Discount Credit (line 11 * line 14 * line 15)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17 Total Adjusted Expenses (line 8 - line 16)	\$2,514,931	\$2,990,282	\$2,403,367	\$2,952,013	\$2,968,865	\$2,222,911	\$2,401,229	\$3,020,020	\$3,882,322	\$4,202,336	\$3,585,182	\$2,577,733	\$35,721,193
18 Non-Recoverable PIPP Costs - 45% (4)	\$0	\$0	\$28,819	\$73,973	\$131,196	\$157,424	\$158,414	\$145,334	\$170,528	\$147,055	\$142,550	\$127,418	\$1,282,711

1/ Per Tariff No. 25, Rider 5, Universal Service Charge, page 94 and at Docket No. R-2019-3013287. In accordance with the Company's approved distribution rate case at Docket No. R-2018-3000124, effective 12/29/2018, the CAP participation level has been reset per the provisions of Rider No. 5

2/ Average amount per CAP customer per month.

3/ Per Company Tariff No. 25, Rider 5, Universal Service Charge, page 94 and at Docket No. R-2019-3013287.

4/ Pursuant to the Commission's Order on Reconsideration entered April 19, 2018, at Docket No. M-2016-2534323, concurrent with the transition to the PIPP, CAP customers' in-program arrears (IPA) will be written off, giving CAP customers who are delinquent at that time a "fresh start" as a one-time accommodation. The Company will assume responsibility for 45% of this IPA, and will not seek rate recovery on this amount. The remaining 55% - not to exceed 55% of \$12 million, or \$6.6 million - will be deferred and combined with CAP customers' pre-program arrearages, and forgiven in 1/24th increments upon CAP customers' in-full monthly payments. The costs of this forgiven IPA will be recovered via Duquesne Light's USC. The IPA balance at cutover is \$10.4M.

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2 E-Factor Revenue, Excl. GRT	\$64,817	\$87,413	\$244,067	\$238,844	\$194,130	\$175,603	\$203,376	\$281,585	\$316,737	\$334,642	\$212,926	\$203,038	\$2,557,176
3 Universal Service Charge Related Revenue, Excl. GRT	\$2,453,847	\$3,325,042	\$3,421,643	\$2,930,005	\$2,913,978	\$2,369,611	\$2,729,847	\$3,924,351	\$4,578,432	\$4,422,848	\$2,982,433	\$2,811,149	\$38,863,186
4 Expense	\$2,514,931	\$2,990,282	\$2,403,367	\$2,952,013	\$2,968,865	\$2,222,911	\$2,401,229	\$3,020,020	\$3,882,322	\$4,202,336	\$3,585,182	\$2,577,733	\$35,721,193
5 Over/(Under) Collection	(\$61,085)	\$334,761	\$1,018,276	(\$22,008)	(\$54,887)	\$146,700	\$328,618	\$904,331	\$696,110	\$220,511	(\$602,749)	\$233,415	\$3,141,993
6 Interest Rate	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	
7 Interest Weight	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	12/12	11/12	10/12	9/12	
8 Interest	(\$6,108)	\$31,802	\$91,645	(\$1,871)	(\$4,391)	\$11,003	\$23,003	\$58,781	\$41,767	\$12,128	(\$30,137)	\$10,504	\$238,125