



Michael Zimmerman
Senior Counsel, Regulatory

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

Tel: 412-393-6268
mzimmerman@duqlight.com

December 1, 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 Rider No. 5 – Universal Service Charge Rate
Supplement No. 32 to Tariff Electric – PA. P.U.C. No. 25**

Dear Secretary Chiavetta:

Enclosed for filing, please find Duquesne Light Company's ("Duquesne Light" or "Company") Supplement No. 32 to Tariff Electric – PA. P.U.C. No. 25. Supplement No. 32 is a proposed update to the Company's Universal Service Charge rates, with an effective date of January 1, 2022.

Supplement No. 32 is based on the Company's currently effective Universal Services and Energy Conservation Plan. Therefore, the program budgets reflected herein do not include proposed Universal Services Program changes currently pending before the Commission at Docket Nos. M-2019-3008227 and R-2021-3024750.¹ The Company anticipates filing a future supplement to incorporate such changes upon Commission approval thereof.

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, appearing to read "Michael W. Zimmerman".

Michael W. Zimmerman
Senior Counsel, Regulatory

cc: Certificate of Service

¹ See Docket No. M-2019-3008227, Duquesne Light Company responses to Commission information request, pp. 3-5, (filed November 5, 2021).

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
sgray@pa.gov

Office of Consumer Advocate
Aron Beatty
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
ABeatty@paoca.org



Michael Zimmerman
Duquesne Light Company
411 Seventh Avenue, 15-7
Pittsburgh, PA 15219
Phone: 412-393-6268
Email: mzimmerman@duqlight.com

Dated: December 1, 2021



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

Kevin E. Walker

President and Chief Executive Officer

ISSUED: December 1, 2021

EFFECTIVE: January 1, 2022

Issued in compliance with Commission Order entered February 24, 2011,
at Docket No. R-2010-2179522.

NOTICE

THIS TARIFF SUPPLEMENT DECREASES A RATE WITHIN AN EXISTING RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

DECREASE

Rider No. 5 – Universal Service Charge

**Third Revised Page No. 93
Cancelling Second Revised Page No. 93**

In accordance with the provisions of the Annual Update section of Rider No. 5 – Universal Service Charge, the annual adjustment to the Company's Universal Service Charge is being filed. The USC decreased from 0.996 cents per kilowatt-hour to 0.964 cents per kilowatt-hour effective January 1, 2022.

STANDARD CONTRACT RIDERS - (Continued)**RIDER NO. 5 – UNIVERSAL SERVICE CHARGE****(Applicable to Rate Schedules RS, RH and RA)****APPLICABILITY**

The Universal Service Charge (“USC”) is instituted as a cost recovery mechanism to recover the costs incurred by the Company to provide its Commission approved Universal Service and Energy Conservation Plan. The USC shall be applicable to all residential customers who take distribution service under Rate Schedules RS, RH and RA except for residential customers in the Company’s Customer Assistance Program (“CAP”). The USC provides for the recovery of the costs, excluding internal administrative costs, associated with universal service programs provided by the Company to residential customers. The USC shall be determined to the nearest one-thousandth of one (1) cent per kilowatt-hour (“kWh”) in accordance with the formula set forth below and shall be applied to all kilowatt-hours delivered during the billing month. The USC is a non-bypassable charge.

RATE

In addition to the charges provided in this Tariff, an amount of 0.964 cents per kilowatt-hour shall be added to the distribution energy charges per kilowatt-hour of each applicable rate schedule to determine the total per kilowatt-hour charge. The USC shall not be applicable to customers enrolled in the Company’s CAP. (D)

CALCULATION OF CHARGE

$$USC = [(US_c - Cr - E) / S_{Res}] * 100 * [1 / (1 - T)]$$

Where: USC = The charge, in cents per kilowatt-hour, to be applied to each kilowatt-hour delivered to all applicable non-CAP customers who take distribution service under the residential retail rate schedules under this Tariff.

US_c = Universal Service Program costs, which are the estimated direct and external administrative costs to be incurred by the Company to provide Universal Service to customers for the USC Computational Year. Such costs shall include, but are not limited to, preparation of the Needs Assessment, Universal Service Plan development, Impact Evaluation and educational materials. Universal Service Programs include the following programs which may change from time to time:

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

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

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

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

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.

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 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.

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, Excl. GRT	\$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
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

ATTACHMENT A

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

Reconciliation of Revenue and Expense - November 1, 2020 through October 31, 2021

1	Net Surcharge Revenue, Incl. GRT	\$38,582,370		Exh. 1, Page 2
2	Net Surcharge Related Revenue, Excl. GRT		\$36,306,010	Line 1 * 0.941
3	E-Factor Revenue, Incl. GRT	\$2,717,509		Exh. 1, Page 3
4	E-Factor Revenue, Excl. GRT		\$2,557,176	Line 3 * 0.941
5	Universal Service Related Revenue, Excl. GRT		\$38,863,186	Line 2 + Line 4
6	Universal Service Related Expense		\$35,721,193	Exh. 1, Page 4
7	Total Reconciliation Period Over/(Under) Collection		\$3,141,993	Line 5 - Line 6
8	Interest		\$238,125	Exh. 1, Page 5
9	Net Reconciliation Period Over/(Under) Collection		\$3,380,119	Line 7 + Line 8
<u>E-Factor Reconciliation</u>				
10	Balance at YE October 31, 2020, Excl. GRT		\$2,669,101	Att. A, Page 2
11	E-Factor Revenue - Nov 2020-Oct 2021, Excl. GRT		\$2,557,176	Line 4
12	Prior Period Balance at October 31, 2021		\$111,925	Line 10 - Line 11
13	Reconciliation Period Over/(Under) Collection - Nov 2020-Oct 2021		\$3,380,119	Line 9
14	E-Factor Balance at YE October 31, 2021		\$3,492,044	Line 12 + Line 13

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

Reconciliation of E-Factor Revenue

1		Net E-Factor Balance at YE October 31, 2016	<u>(\$6,585,266)</u>	
	<u>Filed November 2017</u>			
	Effective January 1, 2018-December 2018			
2	Nov 2015 to Oct 2016	Prior Period Over/(Under) Collection	(\$6,585,266)	Line 1
3	Nov 2016 to Oct 2017	Current Period E-Factor Revenue (excl. GRT)	<u>(\$5,932,515)</u>	
4		Prior Period E-Factor Balance	(\$652,751)	Line 2 - Line 3
5	Nov 2016 to Oct 2017	Actual Current Period Over/(Under) Recovery	(\$3,401,922)	
6		Interest	<u>(\$290,254)</u>	
7		Total	(\$3,692,176)	Line 5 + Line 6
8		E-Factor Balance at YE October 31, 2017	<u>(\$4,344,927)</u>	Line 4 + Line 7
	<u>Filed November 2018</u>			
	Effective January 1, 2019-December 2019			
9	Nov 2016 to Oct 2017	Prior Period Over/(Under) Collection	(\$4,344,927)	Line 8
10	Nov 2017 to Oct 2018	Current Period E-Factor Revenue (excl. GRT)	<u>(\$5,155,219)</u>	
11		Prior Period E-Factor Balance	\$810,292	Line 9 - Line 10
12	Nov 2017 to Oct 2018	Actual Current Period Over/(Under) Recovery	\$2,350,549	
13		Interest	<u>\$208,579</u>	
14		Total	\$2,559,128	Line 12 + Line 13
15		E-Factor Balance at YE October 31, 2018	<u>\$3,369,420</u>	Line 11 + Line 14
	<u>Filed November 2019</u>			
	Effective January 1, 2020-December 2020			
16	Nov 2017 to Oct 2018	Prior Period Over/(Under) Collection	\$3,369,420	Line 15
17	Nov 2018 to Oct 2019	Current Period E-Factor Revenue (excl. GRT)	<u>\$2,204,807</u>	
18		Prior Period E-Factor Balance	\$1,164,613	Line 16 - Line 17
19	Nov 2018 to Oct 2019	Actual Current Period Over/(Under) Recovery	(\$253,092)	
20		Interest	<u>(\$27,085)</u>	
21		Total	(\$280,177)	Line 19 + Line 20
22		E-Factor Balance at YE October 31, 2019	<u>\$884,436</u>	Line 18 + Line 21
	<u>Filed November 2020</u>			
	Effective January 1, 2021-December 2021			
23	Nov 2018 to Oct 2019	Prior Period Over/(Under) Collection	\$884,436	Line 22
24	Nov 2019 to Oct 2020	Current Period E-Factor Revenue (excl. GRT)	<u>\$1,368,307</u>	
25		Prior Period E-Factor Balance	(\$483,871)	Line 23 - Line 24
26	Nov 2019 to Oct 2020	Actual Current Period Over/(Under) Recovery	\$2,816,847	
27		Interest	<u>\$148,985</u>	
28		Total	\$2,965,831	Line 26 + Line 27
29		E-Factor Balance at YE October 31, 2020	<u>\$2,481,961</u>	Line 25 + Line 28
30	Audit Finding No. 1 - Refund for an overstatement of CAP Deficiency Expense		\$187,141	Note 1
31		Net E-Factor Balance at YE October 31, 2020	<u>\$2,669,101</u>	Line 30 + Line 29
	<u>Filed November 2021</u>			
	Effective January 1, 2022-December 2022			
32	Nov 2019 to Oct 2020	Prior Period Over/(Under) Collection	\$2,669,101	Line 31
33	Nov 2020 to Oct 2021	Current Period E-Factor Revenue (excl. GRT)	<u>\$2,557,176</u>	
34		Prior Period E-Factor Balance	\$111,925	Line 32 - Line 33
35	Nov 2020 to Oct 2021	Actual Current Period Over/(Under) Recovery	\$3,141,993	
36		Interest	<u>\$238,125</u>	
37		Total	\$3,380,119	Line 35 + Line 36
38		E-Factor Balance at YE October 31, 2021	<u>\$3,492,044</u>	Line 34 + Line 37

(1) Per the February 4, 2020 PUC Audit Report at Docket No. D-2018-3003729. Interest on refund calculated at 80 months from November 2014 at 6%.

ATTACHMENT A

Duquesne Light Company
Rider 5 - Universal Service Charge
Proposed Charge Effective January 1, 2022

Calculation of E-Factor Rate

A	B	C	D = B + C	E = D * 0.941	F	G = E - F	H	I = G + H	J	K = I + J	L	M =(K/L)*100	N =M*1/(1-5.9%)
	Current Period November 2020-October 2021									Prior Period	Total		
	Net Reconciliation Period Surcharge Revenue Exh. 1, Page 2	Reconciliation Period Surcharge Revenue Exh. 1, Page 3	Reconciliation Surcharge Related Revenue	Reconciliation Period Related Revenue Less GRT	Reconciliation Period Expense Exh. 1, Page 4	Over/(Under) Collection e Factor	Interest Exh. 1, Page 5	Total Over/(Under) Collection e Factor	Over/(Under) Collection e Factor Att. A, Page 1	Reconciliation Period Over/(Under) Collection e Factor	Forecast Non-CAP Sales (kWh) Jan-Dec 2022 Att. A, Page 4	Proposed E-Factor Rate Excl. GRT	Proposed E-Factor Rate Incl. GRT
1 Residential (RS, RH, RA)	\$38,582,370	\$2,717,509	\$41,299,879	\$38,863,186	\$35,721,193	\$3,141,993	\$238,125	\$3,380,119	\$111,925	\$3,492,044	3,658,647,279	0.095	0.101 cents/kWh

ATTACHMENT A

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

Calculation of the Projected Universal Service Charge

Universal Service Program Costs:

1	CAP Revenue Deficiency	\$25,837,413
2	CAP Frozen Arrearage	\$4,301,489
3	CAP Administration Cost	\$1,991,533
4	Smart Comfort	\$2,410,000
5	CARES	\$135,000
6	Hardship Fund	\$95,000
7	Recoverable PIPP Costs (2)	\$1,881,254
8	<u>Projected Universal Service Program Budget</u>	<u>\$36,651,689</u>

Credit (Bad Debt Offset):

9	CAP Customer Participation Level	39,088	Per Tariff No. 25, USC - Rider 5, page 94
10	<u>Actual Enrollment as of October 31, 2021</u>	<u>35,194</u>	
11	Difference	0	Line 10 - Line 9
12	<u>Average Discount per Customer per Year</u>	<u>\$855</u>	See Footnote 1
13	Discount With Excess Customers	\$0	Line 11 * Line 12
14	<u>Bad Debt Offset</u>	<u>10.43%</u>	Per Tariff No. 25, USC - Rider 5, page 94
15	Adjustment to USC for Bad Debt	\$0	Line 13 * Line 14
16	<u>Total Projected Universal Service Program Costs</u>	<u>\$36,651,689</u>	Line 8 - Line 15

Projected Non-CAP Sales:

17	Forecast Residential Sales (kWh)	3,975,321,482	
18	<u>Less Forecast CAP Sales (kWh)</u>	<u>316,674,203</u>	
19	Non-CAP Forecast Sales (kWh)	3,658,647,279	Line 17 - Line 18
20	Charge - \$/kWh	\$0.01002	Line 16 / Line 19
21	Charge - ¢/kWh	1.002	Line 20 * 100
22	T= Pennsylvania Gross Receipts Tax (GRT):	5.9%	
23	<u>Projected Universal Service Charge (USC) (¢/kWh)</u>	<u>1.065</u>	Line 21 * 1 / (1 - line 22)
24	E-Factor Over/(Under) Collection (¢/kWh), Incl. GRT	0.101	Att. A, Page 3
25	<u>Universal Service Charge (USC) (¢/kWh) - Effective January 1, 2022</u>	<u>0.964</u>	Line 23 - Line 24

(1) Calculated as follows:

Projected 2022 CAP Deficiency and Arrearages (Line 1 + Line 2)	\$30,138,902
Projected Enrollment as of December 31, 2022	35,258
Average Discount per Customer per Year	<u>\$855</u>

(2) 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.