



Michael Zimmerman
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April 1, 2022

Via Electronic Filing

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

**Re: Duquesne Light Company – Default Service Plan IX Compliance Filing
Supplement No. 45 to Tariff Electric – PA. P.U.C. No. 25
Docket No. M-2022-_____**

Dear Secretary Chiavetta:

Enclosed for filing at this docket, please find schedules in support of Supplement No. 45. These revised supporting schedules update the interest rate applicable to over- and under-collections, to reflect end-of-month interest rates effective June 1, 2022.

Included with this filing are public and **CONFIDENTIAL** versions of the supporting statements. The **CONFIDENTIAL** versions include competitive Request for Proposal results. The Company respectfully requests that the **CONFIDENTIAL** versions be excluded from the public file.

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

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Michael Zimmerman".

Michael Zimmerman
Senior Counsel, Regulatory

Enclosure

Cc: Certificate of Service, Non-confidential version

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
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Dated: April 1, 2022



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: April 1, 2022

EFFECTIVE: June 1, 2022

Issued in compliance with the
Commission Order entered January 14, 2021, at Docket No. P-2020-3019522.

NOTICE

THIS TARIFF SUPPLEMENT INCREASES A RATE WITHIN AN EXISTING RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

INCREASE

Rider No. 9 – Day-Ahead Hourly Price Service

**Fifth Revised Page No. 108
Cancelling Fourth Revised Page No. 108**

The Fixed Retail Administrative Charge (“FRA”) has increased from \$3.60 MWH to \$5.19 MWH for the Application Period June 1, 2022, through May 31, 2023.

STANDARD CONTRACT RIDERS - (Continued)**RIDER NO. 9 – DAY-AHEAD HOURLY PRICE SERVICE – (Continued)****(Applicable to Rates GS/GM, GMH, GL, GLH, L and HVPS and Generating Station Service)****MONTHLY CHARGES – (Continued)****PJM Ancillary Service Charges and Other PJM Charges – (Continued)**

PJM_S= PJM Surcharge is a pass-through of the charges incurred by the Company for grid management and administrative costs associated with membership and operation in PJM. These are the charges incurred by the Company under PJM Schedules 9 and 10 to provide hourly price service.

R_D = Reactive supply service charge in \$/MW-day to serve the customer's load as calculated under the PJM Tariff Schedule 2.

B_D = Blackstart service charge in \$/MW-day to serve the customer's load as calculated under the PJM Tariff Schedule 6A.

Fixed Retail Administrative Charge

FRA = The Fixed Retail Administrative Charge in \$ per MWH. The Fixed Retail Administrative Charge consists of the sum of administrative charges for the suppliers providing hourly price service (as determined by a competitive solicitation process) and for the Company to obtain supply and administer this service. Default service supply-related costs shall include the cost of preparing the company's default service plan filing and working capital costs associated with default service supply. The Company will recover these costs over the default service plan period as defined in the Commission's order at Docket No. R-2021-3024750.

The supplier charges shall be based on the winning bids in the Company's most recent solicitation for supply of hourly price default service.

The Company's administrative charges shall be based on an amortization of the costs incurred by the Company to acquire generation supply from any source for the Medium (≥ 200 kW) Customer Class and Large C&I Customer Class during the most recent twelve-month (12-month) period ended May 31st (as determined by amortizing such costs over a 12-month period) plus the amortization of the cost of administering the hourly price service over the duration of the default service plan, including any unbundled costs of preparing the Company's default service plan filing and working capital costs associated with default service supply.

This charge shall also include the Company's costs associated with any Commission approved solar contracts and its administration, if applicable, in \$ per MWh. The proceeds of any solar energy, capacity, ancillary services and solar AECs that are acquired and in excess of those allocated to default service suppliers, and sold into the market, will be netted against solar contract costs.

Application Period	FRA \$/MWH
June 1, 2021 through May 31, 2022	\$3.60
June 1, 2022 through May 31, 2023	\$5.19
June 1, 2023 through May 31, 2024	\$X.XX
June 1, 2024 through May 31, 2025	\$X.XX

(I)

(I) – Indicates Increase**ISSUED: APRIL 1, 2022****EFFECTIVE: JUNE 1, 2022**

Exhibit 1

Duquesne Light Company
Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
Proposed HPS FRA Effective June 1, 2022

Annual HPS FRA Adjustment - February 1, 2021 through January 31, 2022

1	HPS FRA Revenue, Excl. GRT	\$988,042	Exh. 1, Page 2
2	E-Factor Revenue, Excl. GRT	(\$35,714)	Exh. 1, Page 2
3	Net Revenue, Excl. GRT	\$1,023,756	Line 1 - Line 2
4	HPS Expense	\$1,064,674	Exh. 1, Page 2
5	Reconciliation Period (Over)/Under Collection	\$40,917	Line 4 - Line 3
6	Interest	\$2,729	Exh. 1, Page 3
7	Total Reconciliation Period (Over)/Under Collection	\$43,646	Line 5 + Line 6
8	Net (Over)/Under Collection at January 2021	(\$29,034)	Exh. 1, Page 4
9	E-Factor Revenue - February 2021 - January 2022, Excl. GRT	(\$35,714)	Line 2
10	(Over)/Under E-Factor Recovery at January 31, 2022	\$6,680	Line 8 - Line 9
11	Reconciliation Period (Over)/Under Collection - Feb 2021 - Jan 2022	\$43,646	Line 7
12	Prior Period Adjustment	\$4,295	Exh. 1, Page 4
13	E-Factor Balance at January 31, 2022	\$54,621	Line 10 + Line 11 + Line 12

Exhibit 1

Duquesne Light Company
Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
Proposed HPS FRA Effective June 1, 2022

Annual Reconciliation of Revenue and Expense - Current Period

	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Total
Revenue													
1 Actual HPS FRA Revenue (1)	\$78,057	\$13,023	\$119,095	\$81,940	\$74,153	\$106,811	\$92,960	\$110,052	\$41,045	\$110,451	\$67,812	\$92,642	\$988,042
2 E-Factor Revenue	(\$2,803)	(\$1,886)	(\$3,521)	(\$3,514)	(\$2,878)	(\$2,914)	(\$3,237)	(\$3,322)	(\$2,801)	(\$2,913)	(\$2,610)	(\$3,316)	(\$35,714)
3 Net Revenue	\$80,859	\$14,909	\$122,616	\$85,454	\$77,031	\$109,725	\$96,197	\$113,374	\$43,846	\$113,364	\$70,422	\$95,959	\$1,023,756
4 Less PA Gross Receipts Tax (GRT) at 5.9% (2)													\$0
5 Net Calendar Month Revenue	\$80,859	\$14,909	\$122,616	\$85,454	\$77,031	\$109,725	\$96,197	\$113,374	\$43,846	\$113,364	\$70,422	\$95,959	\$1,023,756
Expense													
6 Supply Expense (1)	\$60,646	\$105,070	\$52,076	\$58,649	\$78,803	\$69,704	\$79,072	\$90,068	\$78,599	\$64,807	\$70,794	\$80,200	\$888,489
7 Filing Preparation and Approval Process (3)	\$1,297	\$1,297	\$1,297	\$1,297	\$1,238	\$1,238	\$1,238	\$1,238	\$1,238	\$1,238	\$1,238	\$1,238	\$15,093
8 Working Capital for Default Service Supply (3)	\$9,918	\$9,918	\$9,918	\$9,918	\$9,469	\$9,469	\$9,469	\$9,469	\$9,469	\$9,469	\$9,469	\$9,469	\$115,426
9 Administrative Expense (4)	\$729	\$33,037	\$729	\$729	\$729	\$729	\$729	\$729	\$729	\$729	\$729	\$729	\$41,058
10 Net Metering Expense (5)	\$0	\$0	\$0	\$0	\$4,188	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,188
11 Internal Administrative Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$420	\$420
12 Total Expense	\$72,590	\$149,322	\$64,021	\$70,594	\$94,427	\$81,141	\$90,508	\$101,505	\$90,036	\$76,243	\$82,230	\$92,056	\$1,064,674
13 (Over)/Under Collection	(\$8,269)	\$134,413	(\$58,595)	(\$14,860)	\$17,396	(\$28,584)	(\$5,689)	(\$11,869)	\$46,189	(\$37,121)	\$11,808	(\$3,902)	\$40,917

(1) Retail revenue excludes Company Use facilities. Supply invoice amount excludes expense associated with Company Use facilities.

(2) The FRA \$/MWH excludes GRT. FRA as a component of Rider No. 9, is adjusted for GRT in the calculation of the Rider 9 energy and capacity charges.

(3) Reflects the unbundling provisions of the Joint Petition for Approval of Non-Unanimous Settlement that was adopted as part of the Commission order entered December 22, 2016 at Docket No. P-2016-2543140. The unbundled expenses will be fixed and reconciled only for differences between projected and actual consumption. Appendix C of the Joint Petition for Approval of Non-Unanimous Settlement reflects, by customer class, the allocated fixed dollar amounts for filing preparation and working capital for default service supply. This has been updated as part of the Commission rate case order entered on December 20, 2018 at Docket No. R-2018-3000124 per page 19, paragraph 44. Effective June 2021, the unbundling provisions were updated consistent with Exhibit DBO-5 that was adopted as part of the final order dated 1/14/2021 at Docket No. P-2020-3019522.

(4) Administrative fees to conduct the request for proposal for rates effective June 1, 2021.

(5) Reflects the supply component of the net metering compensation paid to customer-generators.

Exhibit 1

Duquesne Light Company
 Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
 Proposed HPS FRA Effective June 1, 2022

Annual HPS FRA Adjustment - Interest Calculation on (Over)/Under Collection

	<u>Feb 2021</u>	<u>Mar 2021</u>	<u>Apr 2021</u>	<u>May 2021</u>	<u>Jun 2021</u>	<u>Jul 2021</u>	<u>Aug 2021</u>	<u>Sep 2021</u>	<u>Oct 2021</u>	<u>Nov 2021</u>	<u>Dec 2021</u>	<u>Jan 2022</u>	<u>Total</u>
1 (Over)/Under Collection	(\$8,269)	\$134,413	(\$58,595)	(\$14,860)	\$17,396	(\$28,584)	(\$5,689)	(\$11,869)	\$46,189	(\$37,121)	\$11,808	(\$3,902)	\$40,917
2 Interest Rate (1)	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
3 Interest Weight	22/12	21/12	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	12/12	11/12	
4 Interest	(\$493)	\$7,645	(\$3,174)	(\$765)	\$848	(\$1,316)	(\$247)	(\$482)	\$1,751	(\$1,307)	\$384	(\$116)	\$2,729

1/ Interest rate per Section 54 Pa. Code 54.190(c).

Exhibit 1

**Duquesne Light Company
Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
Proposed HPS FRA Effective June 1, 2022**

Annual HPS FRA Adjustment - Reconciliation of E-Factor Revenue

Filed April 2018

Effective June 2018 to May 2019

1		Prior Period Total (Over)/Under E-Factor Recovery	\$0	
2	Feb 2017 to Jan 2018	Current Period E-Factor Revenue (excl. GRT)	<u>\$0</u>	
3		(Over)/Under E-Factor Recovery		<u>\$0</u> Line 1 - Line 2
4	Feb 2017 to Jan 2018	Current Period (Over)/Under Recovery	\$29,031	
5		Interest	<u>\$1,980</u>	
6		Total		<u>\$31,011</u> Line 4 + Line 5
7		Net (Over)/Under Collection		<u>\$31,011</u> Line 3 + Line 6

Filed April 2019

Effective June 2019 to May 2020

8		Prior Period Total (Over)/Under E-Factor Recovery	\$31,011	
9	Feb 2018 to Jan 2019	Current Period E-Factor Revenue (excl. GRT)	<u>\$20,616</u>	
10		(Over)/Under E-Factor Recovery		<u>\$10,395</u> Line 8 - Line 9
11	Feb 2018 to Jan 2019	Current Period (Over)/Under Recovery	\$21,605	
12		Interest	<u>\$1,874</u>	
13		Total		<u>\$23,479</u> Line 11 + Line 12
14		Net (Over)/Under Collection		<u>\$33,874</u> Line 10 + Line 13

Filed April 2020

Effective June 2020 to May 2021

15		Prior Period Total (Over)/Under E-Factor Recovery	\$33,874	
16	Feb 2019 to Jan 2020	Current Period E-Factor Revenue (excl. GRT)	<u>\$33,691</u>	
17		(Over)/Under E-Factor Recovery		<u>\$183</u> Line 15 - Line 16
18	Feb 2019 to Jan 2020	Current Period (Over)/Under Recovery	(\$2,889)	
19		Interest	<u>\$588</u>	
20		Total		<u>(\$2,300)</u> Line 18 + Line 19
21		Prior Period Adjustment		(\$35,011) See Note 1
22		Net (Over)/Under Collection		<u>(\$37,129)</u> Line 17 + Line 20 + Line 21

Filed April 2021

Effective June 2021 to May 2022

23		Prior Period Total (Over)/Under E-Factor Recovery	(\$37,129)	
24	Feb 2020 to Jan 2021	Current Period E-Factor Revenue (excl. GRT)	<u>(\$14,450)</u>	
25		(Over)/Under E-Factor Recovery		<u>(\$22,679)</u> Line 23 - Line 24
26	Feb 2020 to Jan 2021	Current Period (Over)/Under Recovery	(\$5,944)	
27		Interest	<u>(\$412)</u>	
28		Total		<u>(\$6,356)</u> Line 26 + Line 27
29		Net (Over)/Under Collection		<u>(\$29,034)</u> Line 25 + Line 28

Filed April 2022

Effective June 2022 to May 2023

30		Prior Period Total (Over)/Under E-Factor Recovery	(\$29,034)	
31	Feb 2021 to Jan 2022	Current Period E-Factor Revenue (excl. GRT)	<u>(\$35,714)</u>	
32		(Over)/Under E-Factor Recovery		<u>\$6,680</u> Line 30 - Line 31
33	Feb 2021 to Jan 2022	Current Period (Over)/Under Recovery	\$40,917	
34		Interest	<u>\$2,729</u>	
35		Total		<u>\$43,646</u> Line 33 + Line 34
36		Prior Period Adjustment		\$4,295 See Note 2
37		Net (Over)/Under Collection		<u>\$54,621</u> Sum Line 32 to Line 36

- 1/ Prior period adjustment reflects an over-collection of \$31,047 plus \$3,964 of calculated interest. The over-collection will be refunded over the one-year period commencing on June 1, 2020. See Exhibit 1, page 5 for the detailed calculation of this adjustment.
- 2/ Reflects the recovery of under stated administrative expenses that were identified during a PA PUC audit. These expenses were considered out of scope from an audit perspective, but the Company acknowledged within data response 7-DSS that it would reflect the HPS – Rider No. 9 adjustment in a future rate filing.

CONFIDENTIAL

ATTACHMENT A

**Duquesne Light Company
Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
Proposed HPS FRA Effective June 1, 2022**

Summary of RFP Results

**CONFIDENTIAL
REDACTION**

ATTACHMENT A

**Duquesne Light Company
Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
Proposed HPS FRA Effective June 1, 2022**

Rate Design for HPS FRA

1	HPS FRA Bid Price		\$4.40 /MWh	Weighted bid price - Att. A, Page 1
2	Outside Services	\$41,058		Outside services to conduct RFPs
3	Forecast POLR Sales (MWh)	267,043		Forecast POLR sales (MWh) June 1, 2022 through May 31, 2023
4	Administrative Adder (per MWh)		\$0.15 /MWh	Line 2 / Line 3
5	Filing Preparation and Approval Process Expense	\$12,858		Updated as part of the Commission rate case order entered on December 16, 2021 at Docket No. R-2021-3024750 per page 27, paragraph 66. The amounts are further supported in Exhibit DBO-1R that was filed as part of rebuttal testimony (Statement No. 16R, page 22, lines 3-13).
6	Working Capital for Default Service Supply Expense	\$105,665		
7	Total Large C&I Unbundling Expense	\$118,523		
8	Forecast POLR Sales (MWh)	267,043		
9	Unbundling Adder (per MWh)		\$0.44 /MWh	Line 7 / Line 8
10	E-factor (Over)/Under Collection	\$6,680		Prior Period - Exh. 1, Page 4
	<u>Reconciliation</u>			
11	(Over)/Under Collection	\$40,917		Exh. 1, Page 2
12	Interest on (Over)/Under Collection	\$2,729		Exh. 1, Page 3
13	Total (Over)/Under Collection	\$43,646		Line 11 + Line 12
14	Prior Period Adjustment	\$4,295		Exhibit 1, page 4
15	Total E Factor (Over)/Under Reconciliation	\$54,621		Line 10 + Line 13 + Line 14
16	Forecast POLR Sales (MWh)	267,043		Forecast POLR sales (MWh) June 1, 2022 through May 31, 2023
17	E-Factor Rate (per MWh)		\$0.20 /MWh	Line 15 / Line 16
18	HPS FRA (\$/MWh)		\$5.19 /MWh	Line 1 + Line 4 + Line 9 + Line 17
19	Forecast POLR Sales (MWh)	267,043		Forecast POLR sales (MWh) June 1, 2022 through May 31, 2023
20	Projected RFP Revenue	\$1,386,956		Line 18 * Line 19

ATTACHMENT A

**Duquesne Light Company
Rider No. 9 - Day Ahead Hourly Price Service (HPS) Fixed Retail Administrative Charge (FRA)
Proposed HPS FRA Effective June 1, 2022**

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	Current Tariff Effective <u>6/1/2021</u>	Proposed Tariff Effective <u>6/1/2022</u>
GL GLH L HVPS				
All MWh	MWh	\$/MWh	\$3.60	\$5.19