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April 8, 2022

VIA ELECTRONIC FILING

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

Re: Municipal Contract – Guaranty Agreement between Duquesne Light Company and Allegheny County
Docket No. U-2022-_____

Dear Secretary Chiavetta:

Enclosed for review and approval in accordance with 66 Pa.C.S. § 507 and 52 Pa. Code § 3.101, is a Guaranty Agreement (“Agreement”) dated April 1, 2022, between Duquesne Light Company and Allegheny County. The Agreement sets forth a payment plan for distribution upgrades necessary to support the installation of a 120 kilowatt (“kW”) photovoltaic solar facility at White Oak Park in Allegheny County, located at 2632 McClintock Road, White Oak, PA 15131.

Please do not hesitate to contact me with any questions, comments, or concerns.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Emily M. Farah", is written over a light blue circular stamp.

Emily M. Farah
Counsel for Duquesne Light Company

Enclosures

AGREEMENT NUMBER: 266482

IN WITNESS WHEREOF, the parties hereto have signed this AGREEMENT on the date below indicated.

FOR THE COUNTY OF ALLEGHENY:

DocuSigned by:
By: William McKin
07CED7125D6E474...

Date 4/1/2022

County Manager

DocuSigned by:
By: Andrew Baedile
D0330D237C34467...

Date 3/30/2022

Director

Approved as to Form:

DocuSigned by:
By: Andrew Szefi
385E25DD3DF643B...

Date 3/31/2022

County Solicitor

DocuSigned by:
By: John Daley
C70723367379423...

Date 3/31/2022

Parks Department Solicitor

Supplier Name: Duquesne Light Company

FOR THE SUPPLIER:

DocuSigned by:
By: Joseph L. Pilch
B9DEACF4B0FC48A...

Date 3/29/2022

Name: Joseph L. Pilch

Title: Manager, Transmission Planning and Interconnection

GUARANTY AGREEMENT

THIS GUARANTY AGREEMENT by and between the GUARANTOR, DUQUESNE LIGHT COMPANY, a Pennsylvania public utility, maintaining its principal place of business at 411 Seventh Avenue, Pittsburgh, Pennsylvania 15219 (“Company”); and the GUARANTEE, Allegheny County, maintaining its principal place of business at County Office Building 542 Forbes Avenue - Room 211, Pittsburgh, PA 15219 (“Customer”) (referred to jointly hereinafter as the “Parties”).

WHEREAS, Customer receives electric service from Company at White Oak Park, located at 2632 McClintock Road, White Oak, PA 15131;

WHEREAS, Customer has applied to the Company for net metering service at White Oak Park, at which Customer intends to install and operate a 120 kW solar photovoltaic electric generation facility (the “Generation Facility”) on Customer’s side of the existing electric service point at White Oak Park;

WHEREAS, the Company intends to install the electric distribution facilities necessary to accommodate the Generation Facility, including bidirectional metering and certain other equipment at the Generation Facility’s point of interconnection (“Interconnection Facilities”), as well as upgrades and extensions of electric distribution facilities beyond the point of interconnection (“Distribution Upgrades”);

WHEREAS, because of the configurations and locations of Customer’s existing electric service and intended Generation Facility, as well as those of Company’s existing electric distribution facilities in the area, the Company anticipates that necessary Distribution Upgrades will include multiple pole installations and the addition of overhead transformers;

WHEREAS, designing, engineering, and constructing the Distribution Upgrades will require substantial capital outlays by the Company;

WHEREAS, pursuant to Chapter 75 of the Pennsylvania Public Utility Commission's ("Commission") regulations, 52 Pa. Code Chapt. 75, the costs of Distribution Upgrades are allocated to Customer; and

WHEREAS, Customer has requested to spread out its payments to Company associated with the Distribution Upgrades, to align with Company's incurrence of such costs; and

WHEREAS, the Company and Customer wish to enter into this Agreement to establish the terms of the estimates and payments that Customer will provide to Company associated with the Distribution Upgrades.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound hereby, the Company and the Customer agree as follows:

1. Company will design, engineer, construct, operate, and maintain the Distribution Upgrades, consistent with good utility practice, applicable law, and this Agreement.

2. Estimated costs have been prepared by the Company and Customer agrees to pay in advance for all estimated costs; total direct and indirect costs including the related income tax, in the form of a cash deposit, or other financial instrument(s) as mutually agreed upon by the Parties per the phased schedule outlined below. All estimates are non-binding and Customer acknowledges that Customer will be responsible for the actual costs incurred by Company related to the Distribution Upgrades.

a. Phase I Payment: The initial amount of the payment shall be **\$5,000** (i.e., the Company's projected costs of designing and engineering the Distribution Upgrades and associated taxes) ("Phase I Payment"). The Company shall not be required to

commence design or engineering of the Distribution Upgrades prior to receipt of the Phase I Payment.

- b. Phase II Payment: Upon Company's completion of design and engineering of the Distribution Upgrades, and provided that Customer elects for Company to proceed with construction of the Distribution Upgrades (which election shall be at Customer's sole discretion), the amount of the payment due from Customer shall be increased to the total of (i) the Company's actual costs of designing and engineering the Distribution Upgrades, plus (ii) the Company's projected costs of constructing the Distribution Upgrades, plus (iii) associated taxes ("Phase II Payment"). As of the date of this Agreement, the Company estimates that the Phase II Payment amount will be approximately **\$161,400**, but the actual Phase II Payment amount may differ. The Company shall not be required to commence construction of the Distribution Upgrades prior to receipt of the Phase II Payment.
- c. Final Payment: Upon Company's completion of construction of the Distribution Upgrades, the amount of the payment due from Customer shall be equal to the total of (i) the Company's actual costs of designing, engineering, and constructing the Distribution Upgrades and associated taxes ("Total Project Cost"), minus (ii) the sum of the Customer's previous Phase I and Phase II payments. If the sum of the Customer's previous Phase I and Phase II Payments exceeds the amount of the Total Project Cost, the Company shall refund such excess to Customer accordingly. As of the date of execution of this Agreement, on or about March 23, 2022, the Company estimates that construction of the Distribution Upgrades will be completed by October 31, 2022, but actual construction timeframes may differ.

This Agreement shall terminate upon the receipt of the Final Payment by Company or Customer, as applicable.

3. Nothing in this Agreement affects any other applicable charges, data, or action that the Company may reasonably require from Customer, consistent with the Company's Tariff and Electrical Service Installation Rules, associated with the interconnection of the Generation Facility. Examples of such potential other Customer requirements unaffected by this Agreement include, but are not limited to, Customer's obligation to deliver satisfactory right-of-way across property owned by Customer as reasonably necessary to accommodate Company's facilities.

4. Assignment. Customer may not assign this Agreement without the prior written consent of Company, which consent shall not be unreasonably withheld or delayed. Subject to the preceding sentence, this Agreement shall be binding upon and shall insure to the benefit of the parties hereto and their respective successors and permitted assigns.

5. Notices. Any notice required to be given under this Agreement shall be in writing, given by personal delivery, confirmed email delivery or overnight courier service, in each case addressed respectively as set forth in this Paragraph. The effective date of any notice, request or demand shall be the date of personal delivery, the date on which successful email transmission is confirmed or the date actually delivered by a reputable overnight courier service, as the case may be, in each case properly addressed as provided herein and with all charges prepaid.

(a) if to Company:

Duquesne Light Company
ATTN: Commercial Counsel
411 Seventh Avenue
Pittsburgh, PA 15219

(b) if to the Customer:

Allegheny County Parks
ATTN: Andrew Baechle, Director of Parks
542 Forbes Ave, Suite 211
Pittsburgh, Pa 15219

6. This Agreement shall be governed by, enforced and interpreted in accordance with the laws of the Commonwealth of Pennsylvania, without regard to conflict of laws principles.

7. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which constitutes one and the same agreement.

8. This Agreement constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to such subject matter.

9. Company will file a copy of this Agreement with the Commission as required by Title 66, Section 507 of the Public Utility Code. The effective date of this Agreement shall be subject to applicable law.