



Shelly-Ann Maye
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April 1, 2024

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. 74 to Tariff Electric- PA P.U.C. No. 25 Docket No. M-2024-_____**

Dear Secretary Chiavetta:

Enclosed please find Supplement No. 74 to Duquesne Light Company's ("Duquesne Light" or the "Company") Tariff No. 25. Supplement No. 74 is filed in compliance with the Public Utility Commission's ("Commission") Order issued January 14, 2021, at Docket No. P-2020-3019522 and has an effective date of June 1, 2024.

Supplement No. 74 modifies the Fixed Retail Administrative Charge ("FRA") contained in Rider No. 9 – Day-Ahead Hourly Price Service, which applies to customers taking default hourly price service. The FRA 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 administer this service.

Included with this filing are public and **CONFIDENTIAL** versions of the supporting statements. The **CONFIDENTIAL** versions include competitive auction 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 that reads "Smaye".

Shelly-Ann Maye
Senior Manager, Regulatory Claims



Enclosure

cc: Certificate of Service (w/enclosures)

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):

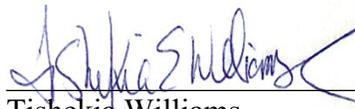
ELECTRONIC MAILING

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Tishekia Williams
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Phone: 412-393-1541
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Dated: April 1, 2024



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, 2024

EFFECTIVE: June 1, 2024

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

**Seventh Revised Page No. 108
Cancelling Sixth Revised Page No. 108**

The Fixed Retail Administrative Charge (“FRA”) has increased from \$11.45 MWH to \$12.89 MWH for the Application Period June 1, 2024, through May 31, 2025.

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	\$11.45
June 1, 2024 through May 31, 2025	\$12.89

(I)

(I) – Indicates Increase**ISSUED: APRIL 1, 2024****EFFECTIVE: JUNE 1, 2024**

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, 2024**

Annual HPS FRA Adjustment - February 1, 2023 through January 31, 2024

1	HPS FRA Revenue, Excl. GRT	\$1,758,424	Exh. 1, Page 2
2	E-Factor Revenue, Excl. GRT	(\$4,359)	Exh. 1, Page 2
3	<u>Net Revenue, Excl. GRT</u>	<u>\$1,762,783</u>	Line 1 - Line 2
4	<u>HPS Expense</u>	<u>\$1,950,484</u>	Exh. 1, Page 2
5	<u>Reconciliation Period (Over)/Under Collection</u>	<u>\$187,701</u>	Line 4 - Line 3
6	<u>Interest</u>	<u>\$15,660</u>	Exh. 1, Page 3
7	<u>Total Reconciliation Period (Over)/Under Collection</u>	<u>\$203,361</u>	Line 5 + Line 6
8	Net (Over)/Under Collection at January 2023	(\$39,086)	Exh. 1, Page 4
9	<u>E-Factor Revenue - February 2023 - January 2024, Excl. GRT</u>	<u>(\$4,359)</u>	Line 2
10	<u>(Over)/Under E-Factor Recovery at January 31, 2024</u>	<u>(\$34,727)</u>	Line 8 - Line 9
11	Reconciliation Period (Over)/Under Collection - Feb 2023 - Jan 2024	\$203,361	Line 7
12	2022 PA PUC Audit Finding - Refund of Understated Revenue	(\$23,060)	
13	2022 PA PUC Audit Finding - Refund of Overstated Expense	(\$1,727)	
14	2022 PA PUC Audit Finding - Prior Period Cancel/Rebill Activity	\$7,779	
15	<u>E-Factor Balance at January 31, 2024</u>	<u>\$151,625</u>	Line 10 + Line 11 + Line 12 + Line 13 + Line 14

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, 2024**

Annual Reconciliation of Revenue and Expense - Current Period

	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Total
Revenue													
1 Actual HPS FRA Revenue (1)	\$114,973	\$97,836	\$91,782	\$85,736	\$86,768	\$181,758	\$207,237	\$194,573	\$163,936	\$172,231	\$178,077	\$183,516	\$1,758,424
2 E-Factor Revenue	\$4,433	\$3,657	\$3,539	\$3,304	(\$2,508)	(\$2,375)	(\$2,719)	(\$2,949)	(\$2,148)	(\$2,256)	(\$2,333)	(\$2,404)	(\$4,359)
3 Net Revenue	\$110,540	\$94,180	\$88,244	\$82,432	\$89,276	\$184,132	\$209,956	\$197,122	\$166,084	\$174,487	\$180,410	\$185,920	\$1,762,783
4 Less PA Gross Receipts Tax (GRT) at 5.9% (2)													\$0
5 Net Calendar Month Revenue	\$110,540	\$94,180	\$88,244	\$82,432	\$89,276	\$184,132	\$209,956	\$197,122	\$166,084	\$174,487	\$180,410	\$185,920	\$1,762,783
Expense													
6 Supply Expense (1)	\$80,407	\$90,725	\$83,028	\$71,466	\$181,539	\$197,374	\$191,290	\$169,153	\$169,658	\$177,341	\$180,160	\$196,138	\$1,788,279
7 Filing Preparation and Approval Process (3)	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$1,072	\$12,858
8 Working Capital for Default Service Supply (3)	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$8,805	\$105,665
9 Administrative Expense (4)	\$729	\$33,037	\$729	\$729	\$729	\$729	\$729	\$729	\$729	\$1,104	\$729	\$729	\$41,433
10 Net Metering Expense (5)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11 Internal Administrative Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12 Solar Contract Expense (6)	\$0	\$0	\$0	\$0	\$281	\$281	\$281	\$281	\$281	\$281	\$281	\$281	\$2,249
13 Total Expense	\$91,013	\$133,639	\$93,634	\$82,073	\$192,427	\$208,261	\$202,178	\$180,040	\$180,545	\$188,603	\$191,047	\$207,025	\$1,950,484
14 (Over)/Under Collection	(\$19,527)	\$39,459	\$5,391	(\$359)	\$103,151	\$24,128	(\$7,779)	(\$17,082)	\$14,461	\$14,116	\$10,637	\$21,105	\$187,701

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

(2) The FRA S/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. Effective June 2022, the unbundling provisions were updated in the Company's most recent rate case, Exhibit DBO-1R that was adopted as part of the final order dated December 16, 2021 at Docket No. R-2021-3024750.

(4) Administrative fees to conduct the request for proposal for rates effective June 1, 2023.

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

(6) In accordance with the Company's Default Service Plan IX Compliance Filing (Solar Power Purchase Agreement dated April 1, 2022 at Docket P-2020-3019522), the Company proposed to recover its third-party costs to prepare and implement the Solar PPA from default service customers over the remaining term of DSP IX (i.e. December 1, 2022 through May 31, 2025). The Company's retail tariff includes the language necessary to recover the Solar PPA costs.

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, 2024

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

	<u>Feb 2023</u>	<u>Mar 2023</u>	<u>Apr 2023</u>	<u>May 2023</u>	<u>Jun 2023</u>	<u>Jul 2023</u>	<u>Aug 2023</u>	<u>Sep 2023</u>	<u>Oct 2023</u>	<u>Nov 2023</u>	<u>Dec 2023</u>	<u>Jan 2024</u>	<u>Total</u>
1 (Over)/Under Collection	(\$19,527)	\$39,459	\$5,391	(\$359)	\$103,151	\$24,128	(\$7,779)	(\$17,082)	\$14,461	\$14,116	\$10,637	\$21,105	\$187,701
2 Interest Rate (1)	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	
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	(\$2,148)	\$4,143	\$539	(\$34)	\$9,284	\$2,051	(\$622)	(\$1,281)	\$1,012	\$918	\$638	\$1,161	\$15,660

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, 2024**

Annual HPS FRA Adjustment - Reconciliation of E-Factor Revenue

Filed April 2023

Effective June 2023 to May 2024

1		Prior Period Total (Over)/Under E-Factor Recovery	\$54,621	
2	Feb 2022 to Jan 2023	Current Period E-Factor Revenue (excl. GRT)	<u>\$29,257</u>	
3		(Over)/Under E-Factor Recovery		<u>\$25,364</u> Line 1 - Line 2
4	Feb 2022 to Jan 2023	Current Period (Over)/Under Recovery	(\$60,264)	
5		Interest	<u>(\$4,187)</u>	
6		Total		<u>(\$64,451)</u> Line 4 + Line 5
7		Net (Over)/Under Collection		<u>(\$39,086)</u> Line 3 + Line 6

Filed April 2024

Effective June 2024 to May 2025

8		Prior Period Total (Over)/Under E-Factor Recovery	(\$39,086)	
9	Feb 2023 to Jan 2024	Current Period E-Factor Revenue (excl. GRT)	<u>(\$4,359)</u>	
10		(Over)/Under E-Factor Recovery		<u>(\$34,727)</u> Line 8 - Line 9
11	Feb 2023 to Jan 2024	Current Period (Over)/Under Recovery	\$187,701	
12		Interest	<u>\$15,660</u>	
13		Total		<u>\$203,361</u> Line 11 + Line 12
14	Audit Finding No. 1 - Refund of Understated Revenue (1)		(\$23,060)	
15	Audit Finding No. 2 - Refund of Overstated Expense (1)		(\$1,727)	
16	Audit Finding No. 3 - Prior Period Cancel/Rebill Activity (1)		\$7,779	
14		Net (Over)/Under Collection		<u>\$151,625</u> Line 10 + Line 13 + Line 14 + Line 15 + Line 16

1/ Audit findings per Commission audit order entered October 4, 2023 at Docket No. D-2022-3032921.

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, 2024**

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, 2024**

Rate Design for HPS FRA

1	HPS FRA Bid Price		\$11.62 /MWh	Weighted bid price - Att. A, Page 1
2	Outside Services	\$41,058		Outside services to conduct RFPs
3	<u>Forecast POLR Sales (MWh)</u>	<u>248,164</u>		Forecast POLR sales (MWh) June 1, 2024 through May 31, 2025
4	Administrative Adder (per MWh)		\$0.17 /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	<u>Working Capital for Default Service Supply Expense</u>	<u>\$105,665</u>		
7	Total Large C&I Unbundling Expense	\$118,523		
8	<u>Forecast POLR Sales (MWh)</u>	<u>248,164</u>		
9	Unbundling Adder (per MWh)		\$0.48 /MWh	Line 7 / Line 8
10	Solar Contract Cost	\$3,373		Refer to footnote 1.
11	<u>Forecast POLR Sales (MWh)</u>	<u>248,164</u>		
12	Solar Contract Rate (per MWh)		\$0.01	
13	E-factor (Over)/Under Collection	(\$34,727)		Prior Period - Exh. 1, Page 4
	<u>Reconciliation</u>			
14	(Over)/Under Collection	\$187,701		Exh. 1, Page 2
15	<u>Interest on (Over)/Under Collection</u>	<u>\$15,660</u>		Exh. 1, Page 3
16	Total (Over)/Under Collection	\$203,361		Line 14 + Line 15
17	Audit Finding No. 1	(\$23,060)		Exh. 1, Page 4
18	Audit Finding No. 2	(\$1,727)		Exh. 1, Page 4
19	Audit Finding No. 3	\$7,779		Exh. 1, Page 4
20	Total E Factor (Over)/Under Reconciliation	\$151,625		Line 13 + Line 16 + Line 17 + Line 18 + Line 19
21	<u>Forecast POLR Sales (MWh)</u>	<u>248,164</u>		Forecast POLR sales (MWh) June 1, 2024 through May 31, 2025
22	E-Factor Rate (per MWh)		\$0.61 /MWh	Line 20 / Line 21
23	<u>HPS FRA (\$/MWh)</u>	<u>\$12.89</u>	/MWh	Line 1 + Line 4 + Line 9 + Line 12 + Line 22
24	Forecast POLR Sales (MWh)	248,164		Forecast POLR sales (MWh) June 1, 2024 through May 31, 2025
25	Projected RFP Revenue	\$3,198,834		Line 23 * Line 24

(1) In accordance with the Company's Default Service Plan IX Compliance Filing (Solar Power Purchase Agreement dated April 1, 2022 at Docket P-2020-3019522), the Company proposed to recover its third-party costs to prepare and implement the Solar PPA from hourly price service customers over the remaining term of DSP IX (i.e. June 1, 2023 through May 31, 2025). The Company's retail tariff includes the language necessary to recover the Solar PPA costs.

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, 2024

Summary of Current Tariff Rates and Proposed Tariff Rates

<u>Rate Schedule</u>	<u>Units</u>	<u>Rate</u>	Current Tariff Effective <u>6/1/2023</u>	Proposed Tariff Effective <u>6/1/2024</u>
GL GLH L HVPS				
All MWh	MWh	\$/MWh	\$11.45	\$12.89