

- Q.1. Provide a summary discussion of the rate change request, including specific reasons for each increase or decrease. Also provide a breakdown, which identifies the revenue requirement value of the major items generating the requested rate change.
- A.1. See Schedule A of DLC Exhibit 1, Part 1.

52 Pa. Code § 53.52(a)(1)

- Q. The specific reasons for each change.
- A. Please refer to Schedule A of DLC Exhibit 2 (Fully Projected Test Year)

52 Pa. Code § 53.52(a)(2)

- Q. The total number of customers served by the utility.
- A. Currently there are approximately 600,000 customers served by Duquesne.

52 Pa. Code § 53.52(a)(3)

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be affected by the change.
- A. See Duquesne's Exhibit 2 (Fully Projected Future Test Year), Schedule D-5D and DFR IV-A.

52 Pa. Code § 53.52(a)(4)

- Q. The effect of the change on the utility's customers.
- A. See Duquesne's Exhibit 2 (Fully Projected Future Test Year), Schedule D-5D and DFR IV-A.

52 Pa. Code § 53.52(a)(5)

- Q. The direct or indirect effect of the proposed change on the utility's revenue and expenses.
- A. See Duquesne's Exhibit 2 (Fully Projected Future Test Year), Schedule D.

52 Pa. Code § 53.52(a)(6)

- Q. The effect of the change on the service rendered by the utility
- A. The Company is not proposing any changes to the service rendered by the utility.

52 Pa. Code § 53.52(a)(7)

- Q. A list of factors considered by the utility in its determination to make the change. The list shall include a comprehensive statement about why these factors were chosen and the relative importance of each. This subsection does not apply to a portion of a change seeking a general rate increase as defined in 66 Pa. C. S. & 1308 (relating to voluntary changes in rates).
- A. Not applicable.

52 Pa. Code § 53.52(a)(8)

- Q. Studies undertaken by the utility in order to draft its proposed change. This paragraph does not apply to a portion of a tariff change seeking a general rate increase as defined in 66 Pa. C. S. & 1308.
- A. Not applicable.

52 Pa. Code § 53.52(a)(9)

- Q. Customer polls taken and other documents which indicate customer acceptance and desire for the proposed change. If the poll or other documents reveal discernible public opposition, an explanation of why the change is in the public interest shall be provided.
- A. Please refer to DLC Exhibit 5, Statement No. 7, Direct Testimony of Jennifer Neiswonger.

52 Pa. Code § 53.52(a)(10)

- Q. Plans the utility has for introducing or implementing the changes with respect to its ratepayers.
- A. The Company proposes to publish in newspapers in general circulation in its service territory the notice of the rate filing. Additional publications may be made based on Commission order. Bill inserts describing changes proposed and ultimately approved will be provided to customers. Additionally, news releases, and other media outlets will be utilized to communicate with customers. Additionally, after the Commission acts on this filing, the Company will notify all customers in accordance with Commission requirements. The Company also plans to inform customers about approved rate changes in customer newsletters.

52 Pa. Code § 53.52(a)(11)

- Q. FCC, FERC or Commission orders or rulings applicable to the filing.
- A. None.

52 Pa. Code § 53.52(b)(1)

- Q. The specific reasons for each Increase or decrease.
- A. See Duquesne's Statement of Reasons in DLC Exhibit 2 (Fully Projected Future Test Year), Schedule A.

52 Pa. Code § 53.52(b)2

- Q. The operating income statement of the utility for a 12-month period, the end of which may not be more than 120 days prior to the filing.
- A. See Duquesne's DLC Exhibit 4 (Historic Test Year), Schedule B.

52 Pa. Code § 53.52(b)3

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be increased.
- A. See Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), Schedule D-5D and DFR IV-A.

52 Pa. Code § 53.52(b)4

- Q. A calculation of the total increases, in dollars, by tariff subdivision, projected to an annual basis.
- A. See Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), Schedule D and DFR IV-A.

52 Pa. Code § 53.52(b)5

- Q. A calculation of the number of customers, by tariff subdivision, whose bills will be decreased.
- A. See Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), Schedule D-5D and DFR IV-A.

52 Pa. Code § 53.52(b)6

- Q. A calculation of the total decreases, in dollars, by tariff subdivision, projected to an annual basis.
- A. See Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), Schedule D-5D and DFR IV-A.

52 Pa. Code § 53.52(c)1

- Q. A statement showing the utility's calculation of the rate of return earned in the 12-month period referred to on subsection (b)(2), and the anticipated rate of return to be earned when the tariff, revision, or supplemental becomes effective. The rate base used in this calculation shall be supported by summaries of original cost for the rate of return calculation.
- A. See Schedule C-1 of DLC Exhibit 2 (Fully Projected Future Test Year), DLC Exhibit 3 (Future Test Year) and DLC Exhibit 4 (Historic Test Year).

52 Pa. Code § 53.52(c)2

- Q. A detailed balance sheet of the utility as of the close of the period referred to in subsection (b)(2).
- A. See Schedule B-1 of Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), DLC Exhibit 3 (Future Test Year) and DLC Exhibit 4 (Historic Test Year).

52 Pa. Code § 53.52(c)3

- Q. A summary, by detailed plant accounts, of the book value of the property of the utility at the date of the balance sheet required by paragraph (2).

- A. See Schedule C-2 of Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), DLC Exhibit 3 (Future Test Year) and DLC Exhibit 4 (Historic Test Year) – DFRV-A-3.

52 Pa. Code § 53.52(c)4

- Q. A statement showing the amount of the depreciation reserve, at the date of the balance sheet required by paragraph (2), applicable to the property, summarized as required by paragraph (3).
- A. See Schedule C-2 of Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), DLC Exhibit 3 (Future Test Year) and DLC Exhibit 4 (Historic Test Year) – DFRV-A-3.

52 Pa. Code § 53.52(c) 5

- Q. A statement of operating income, setting forth the operating revenues and expenses by detailed accounts for the 12-month period ending on the balance sheet required by paragraph (2).
- A. See Schedule B of Duquesne's DLC Exhibit 2 (Fully Projected Future Test Year), DLC Exhibit 3 (Future Test Year) and DLC Exhibit 4 (Historic Test Year).

52 Pa. Code § 53.52(c) 6

- Q. A brief description of a major change in the operating or financial condition of the utility occurring between the date of the balance sheet required by paragraph (2) and the date of transmittal of the tariff, revision or supplement. As used in this paragraph, a major change is one which materially alters the operating or financial condition of the utility from that reflected in paragraphs (1) - (5).
- A. There have been no major changes in the operating and financial conditions of Duquesne between the date of the balance sheet and the date of this filing.

- Q.2. Identify the proposed witnesses for all statements and schedules of revenues, expenses, taxes, property, valuation and the like.
- A.2. Please refer to DLC Exhibit 5, Statement 1 – Direct Testimony of C. James Davis

Q.3. Provide a single page summary table showing, at present and at proposed rates, together with references to the filing information, the following as claimed for the fully adjusted test year:

Revenues
Operating Expenses
Operating Income
Rate Base
Rate of Return (produced)

A.3. Attachment I-A-3 provides the requested information.

Total PA Jurisdiction
Year Ending December 31, 2024
(Thousands of Dollars)

	AT PRESENT RATES		AT PROPOSED RATES	
	<u>Amount</u>	<u>DLC Exhibit 2 (Fully Projected Future) Reference</u>	<u>Amount</u>	<u>DLC Exhibit 2 (Fully Projected Future) Reference</u>
Revenue	\$ 654,591	Sch. D-1, Col. (1), line 5	\$ 755,651	Sch. D-1, Col. (3), line 5
Operating Expenses	<u>458,963</u>	Sch. D-1, Col. (1), line 9	<u>466,287</u>	Sch. D-1, Col. (3), line 9
Operating Income	<u>\$ 195,628</u>	Sch. D-1, Col. (1), line 10	<u>\$ 289,364</u>	Sch. D-1, Col. (3), line 10
Rate Base	<u>\$2,890,210</u>	Sch. C-1, Col. (2), line 1	<u>\$ 2,890,210</u>	Sch. C-1, Col. (2), line 1
Rate of Return	<u>5.983%</u>	Sch. C-1, Col. (2), line 3	<u>8.34%</u>	Sch. C-1, Col. (2), line 5

- Q.4. Whenever a major generating plant is placed in operating service or removed from operating service the utility shall separately indicate the effect of the plant addition or removal from service upon rate base, revenue, expense, tax, income and revenue requirement as it affects the test year.
- A.4. This filing requirement is not applicable to Duquesne Light Company's current rate filing.

Q.1. Provide a corporate history including the dates of original incorporation, subsequent mergers and acquisitions. Indicate all counties, cities and other governmental subdivisions to which service is provided, including service areas outside this Commonwealth, and the total number of customers or billed units in the areas served.

A.1.

Duquesne Light Company
Incorporation History and Conversion to a Limited Liability Company

The present Duquesne Light Company was formed on November 15, 1912 by the consolidation and merger of Duquesne Light Company, Oakmont and Verona Light, Heat and Power Company and Monongahela Light Company under Section 1 of the Act of May 3, 1909, P.L. 408. By the terms of this Act all of the rights, powers, franchises and property of the constituent companies became vested in the present Duquesne Light Company. Comm. vs. Citizens Light, Heat and Power Company of Penna., 41 C.C. 222.

Of the constituent companies, Duquesne Light Company was incorporated on August 5, 1903 under the Act of April 29, 1874, P.L. 73, and its supplement, the Act of May 8, 1889, P.L. 136, for the purpose of supplying light, heat and power by means of electricity to the City of Pittsburgh (Allegheny County), and by the terms of its charter was to have perpetual existence.

Oakmont and Verona Light, Heat and Power Company was incorporated on June 18, 1890, under the Act of April 29, 1874, and its supplement, the Act of May 8, 1889, for the purpose of supplying light, heat and power by means of electricity to the Borough of Oakmont (Allegheny County), and by the terms of its charter was to have existence for 999 years.

Monongahela Light Company was incorporated on April 4, 1902, under the Act of April 29, 1874, and its supplement, the Act of May 8, 1889, for the purpose of supplying light, heat and power by means of electricity within the districts lying east and west of the Monongahela and Youghiogheny Rivers in the County of Allegheny, Pennsylvania between a point on the said Monongahela River where the boundary line of the City of Pittsburgh intersects said river to a point where the boundary line of the County of Westmoreland intersects said river, and from the mouth of the Youghiogheny River to a point where the boundary line of said County of Westmoreland intersects the said Youghiogheny River, and more particularly bounded and described as follows, on the east by the Townships of Rostraver, Sewickley, North Huntingdon, Penn, Franklin and Burrell in the County of Westmoreland, on the north by the Allegheny River, on the west by the City of Pittsburgh and the Townships of Snowden and Baldwin in Allegheny County, and on the south by the Townships of Union and Carroll, in Washington County, Pennsylvania, and by the terms of its charter was to have perpetual existence.

Duquesne Light Company restated its Articles of Amendment last on June 30, 1999. The stated purposes for which the Company is incorporated under the Business Corporation Law of the Commonwealth of Pennsylvania are to engage in, and do any lawful act concerning, any of all lawful business for which corporations may be incorporated under said Business Corporation Law, including but not limited to:

- A. The supply of light, heat and power to the public by any means;
- B. The production, generation, manufacture, transmission, transportation, storage, distribution or furnishing of electricity, natural or artificial gas, steam or air conditioning, or any combination thereof to or for the public; and
- C. Manufacturing, processing, owning, using and dealing in personal property of every class and description, engaging in research and development, the furnishing of services, and acquiring, owning, using and disposing of real property of every nature whatsoever.

In April 2017, Duquesne Light Company submitted an “Application of Duquesne Light Company for Approval to Convert from a Business Corporation to a Limited Liability Company”, (Docket No. A-2017-2599375) to the Pennsylvania Public Utility Commission (PUC). The PUC approved this application in an Order dated August 31, 2017 and effective November 2017, Duquesne Light Company completed its conversion to a Limited Liability Company.

Duquesne Light Holdings, Inc. is the sole holder of Duquesne Light Company common stock (10 shares @\$1 par value). Duquesne Light's subsidiaries are:

Duquesne Light Company and its Subsidiaries

Entity Type:	Corporation	
<u>Registrations</u>		
Pennsylvania	Incorporation	11/25/1912

Duquesne Power Two, LLC*	100%	
Entity Type:	Limited Liability Company	
<u>Registrations</u>		
Delaware	Incorporation	10/21/2003
Pennsylvania	Qualification	05/17/2004

Monongahela Light and Power Company (through October 2017)**	100%	
Entity Type:	Corporation	
<u>Registrations</u>		
Pennsylvania	Incorporation	04/28/1899

*Formerly Duquesne Power, Inc., a Delaware corporation, converted 12/08/2005.

**Pursuant to the PUC Order approving its Application of Duquesne Light Company for Approval to Convert from a Business Corporation to a Limited Liability Company, (Docket No. A-2017-2599375) in

November 2017, Duquesne Light Company transferred Monongahela Light and Power Company and its subsidiary, DataCom Information Systems, LLC to Duquesne Light Holdings, Inc. (parent).

The counties, cities and other government subdivisions, for which service is provided, please see the below. Total number of customer accounts is approximately 595,000.

LIST OF COMMUNITIES SERVED

The Company renders service in portions of Allegheny and Beaver Counties, Pennsylvania. Electric service is available in all localities where the Company has distribution facilities, including all or a portion of the following cities, boroughs and townships.

ALLEGHENY COUNTY

Cities and Boroughs

Aspinwall	Dormont	Jefferson	Rosslyn Farms
Avalon	Dravosburg	Leetsdale	Sewickley
Baldwin	Duquesne	Liberty	Sewickley Heights
Bell Acres	East McKeesport	Lincoln	Sewickley Hills
Bellevue	East Pittsburgh	McKeesport	Sharpsburg
Ben Avon	Edgewood	McKees Rocks	Swissvale
Ben Avon Heights	Edgeworth	Millvale	Thornburg
Bethel Park	Emsworth	Monroeville	Trafford
Blawnox	Etna	Mt. Oliver	Turtle Creek
Braddock	Forest Hills	Munhall	Verona
Braddock Hills	Fox Chapel	North Braddock	Versailles
Brentwood	Franklin Park	Oakmont	Wall
Carnegie	Glassport	Osborne	West Homestead
Castle Shannon	Glenfield	Pennsbury Village	West Mifflin
Chalfant	Green Tree	Pittsburgh	West View
Churchill	Haysville	Pleasant Hills	Whitaker
Clairton	Heidleberg	Plum	Whitehall
Coraopolis	Homestead	Port Vue	White Oak
Crafton	Ingram	Rankin	Wilkinsburg
			Wilmerding

Townships

Aleppo	Kilbuck	Ohio	Shaler
Baldwin	Leet	Penn Hills	Stowe
Collier	McCandless	Pine	Upper St. Clair
Crescent	Moon	Reserve	West Deer
Findlay	Mt. Lebanon	Richland	Wilkins
Hampton	Neville	Robinson	
Indiana	North Versailles	Ross	
Kennedy	O'Hara	Scott	

LIST OF COMMUNITIES SERVED - (Continued)

BEAVER COUNTY

Cities and Boroughs

Aliquippa	East Rochester	Glasgow	Patterson Heights
Ambridge	Eastvale	Hookstown	Rochester
Baden	Economy	Industry	Shippingport
Beaver	Fallston	Midland	South Heights
Beaver Falls	Frankfort Springs	Monaca	West Mayfield
Bridgewater	Freedom	New Brighton	
Conway	Georgetown	Ohioville	

Townships

Brighton	Hanover	New Sewickley	Raccoon
Center	Harmony	Patterson	Rochester
Daugherty	Hopewell	Potter	Vanport
Greene	Independence	Pulaski	White

- Q.2. Provide a description of the property of the utility and an explanation of the system's operation, and supply the following, using available projections if actual data is unavailable:
- a. A schedule of generating capability showing for the test year, and for the two consecutive 12-month periods prior to the test year, net dependable capacity in KW by unit, plant capacity factor by unit, and total fuel consumption by type and cost for each unit, if available, or for each station, and operation and maintenance expenses by station.
 - b. A schedule showing for the test year and for the 12-month period immediately prior to the test year the scheduled and unscheduled outages—in excess of 48 hours—for each station, the equipment or unit involved, the date the outage occurred, duration of the outage, maintenance expenses incurred for each outage, if available, and amounts reimbursable from suppliers or insurance companies.
 - c. A schedule for each unit retired during the test year or subsequent to the end of the test year, which shows the unit's KW capacity, hours of operation during the test year, net output generated, cents/KWH of maintenance and fuel expenses, and date of retirement.
 - d. A schedule showing latest projections of capacity additions and retirements—costs and KW—and reserve capacity at the time of peak for at least 10 years beyond the test year, including the in-service dates—actual or expected—and AFDC cutoff dates—if different from in-service dates—for all new generating units coming on line during or subsequent to the test year, if claimed.
- A.2. This filing requirement is not applicable to Duquesne Light Company's current rate filing.

- Q.1. Provide an overall system map, including and labeling all generating plants, transmission substations—indicate voltage, transmission system lines—indicate voltage, and all interconnection points with other electric utilities, power pools, and other like systems.
- A.1. Attachment DFR I-B-3 is considered Highly Confidential since it contains Critical Energy Infrastructure Information and is being provided to the Commission and will be provided to parties upon the execution of a Stipulated Protective Agreement and/or Protective Order.