



COMMONWEALTH OF PENNSYLVANIA

April 19, 2024

E-FILED

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

**Re: Pennsylvania Public Utility Commission v. Duquesne Light Company / Docket No.
R-2024-3046523**

Dear Secretary Chiavetta:

Enclosed for filing please find the Prehearing Memorandum, on behalf of the Office of Small Business Advocate (“OSBA”), in the above-captioned proceeding.

Copies will be served on all known parties in this proceeding, as indicated on the attached Certificate of Service.

If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Sharon E. Webb

Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

Enclosures

cc: Robert D. Knecht
Parties of Record

II. FILING BACKGROUND

On March 24, 2024, Duquesne Light Company (“Duquesne” or the “Company”) filed Supplement No. 71 to Tariff Electric-PA PUC Tariff No. 25, a general base rate filing, which requested an increase in Duquesne’s total distribution rates of \$133 million per year, with a return on equity of 11.5%

On April 5, 2024, the OSBA filed a Complaint and a Public Statement against the proposed increase. On April 4, 2024, the Commission entered an Order at this docket which suspended the proposed increase for investigation. As such the filing was suspended by operation of law through December 20, 2024.

III. IDENTIFICATION OF WITNESSES AND TENTATIVE ISSUES

Assisting in the development and presentation of the OSBA’s case in this proceeding will be:

Mr. Robert D. Knecht
Industrial Economics Incorporated
5 Plymouth Road
Lexington, MA 02421
(781) 249 9461
rdk@indecon.com

After an initial review of the materials submitted by Duquesne, the OSBA has identified the following issues:

1. Whether DLC’s jurisdictional cost-of-service methodology is appropriate;
2. Whether the Company’s class cost-of-service methodology is appropriate, including whether the study properly allocates all CAP-related costs to the residential class;
3. Whether the Company’s proposed class revenue allocation is cost based;
4. Whether DLC’s proposed general service small (GS) and general service medium (GM) rate designs are cost based.

The OSBA will participate in the case to assure that the interests of small business customers of Duquesne are adequately represented and protected.

As appropriate and necessary, the OSBA will investigate and analyze the claims and proposals of the Company and other parties through discovery, the cross-examination of witnesses appearing for those parties, and through briefing. The OSBA will particularly focus on any issue where the impact on the interests of Duquesne's small business consumers would be unjustifiably different than, or disproportionate to, the impact on another class of customers, or otherwise lacking in reasonableness or basic fairness. The OSBA reserves the right to pursue additional issues as they arise throughout the proceeding.

IV. SERVICE OF DOCUMENTS

The OSBA agrees to accept electronic delivery of documents on the due date as satisfying the in-hand requirement. The OSBA requests that all parties also serve the OSBA witness identified above.

V. SETTLEMENT

The OSBA notes its willingness to enter into settlement discussions at the appropriate phase of this proceeding.

VI. HEARING AND BRIEFING SCHEDULE

The OSBA has been in discussions with the Company and other parties to create a mutually acceptable procedural schedule.

Respectfully submitted,

/s/ Sharon E. Webb

Sharon E. Webb
Assistant Small Business Advocate
Attorney ID No. 73995

Commonwealth of Pennsylvania
Office of Small Business Advocate
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555 Walnut Street, 1st Floor
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Dated: April 19, 2024

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DATE: April 19, 2024

/s/ Sharon E. Webb

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