Petition of Duquesne Light Company for Default Service Plan Call-In Telephonic Evidentiary Hearings	Docket No.: P-2024-3048592

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Judge's Chambers

Piatt Place

301 5th Avenue

Suite 220

Pittsburgh, PA

Wednesday, August 28, 2024

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Hearing Date: August 28, 2024

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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company	**:**	
For Approval Of Default Service Plan	**:**	**Docket No. P-2024-_____**
For The Period June 1, 2025 Through	**:**	
May 31, 2029	**:**	

PETITION OF DUQUESNE LIGHT COMPANY
FOR APPROVAL OF A DEFAULT SERVICE PLAN

Pursuant to 66 Pa. C.S. § 2807(e) and the Pennsylvania Public Utility Commission's ("Commission") default service regulations at 52 Pa. Code §§ 54.181-54.189, Duquesne Light Company ("Duquesne Light" or the "Company") hereby petitions the Commission for approval of its default service plan for the period from June 1, 2025 through May 31, 2029 ("DSP X," "Default Service Plan," or "Plan"), including: 1) an Electric Vehicle Time-of-Use Pilot Program ("EV-TOU"), 2) a Green Tariff Pilot, 3) continuation of the Standard Offer Program ("SOP"), (4) continuation of the Solar Purchase Power Plan provisions approved in DSP IX to the extent that the Company is not able to enter into a contract during the remainder of the DSP IX period, and 5) minor amendments to the Company's Supply Master Agreement ('SMA").

A. BACKGROUND

1. Duquesne Light has implemented nine (9) successful default service programs helping to create one of the most competitive shopping environments in the Commonwealth, while providing default service at rates and terms that meet the requirements of the Public Utility Code. With each successive plan, Duquesne Light has tailored its default service offerings to ensure appropriate levels of price stability for customers at market reflective rates, while supporting the competitive retail electricity market. In its DSP X proposal, Duquesne Light seeks to enhance its current default service program and continue to promote competition for its customers.

2. Chapter 28, Section 2807(e) of the Public Utility Code (Code), 66 Pa. C.S. §

2807(e), provides the statutory requirements for a default service plan. Chapter 28 requires the default service provider to follow a Commission-approved competitive procurement plan that includes auctions, requests for proposals, and/or bilateral agreements, as well as a prudent mix of spot market purchases, short-term contracts, and long-term purchase contracts designed to ensure adequate and reliable service at the least cost to customers over time. 66 Pa. C.S. § 2807(e). Additionally, the Commission's default service regulations at 52 Pa. Code §§ 54.181-54.189 which were modified in a *Final Rulemaking Order* entered on October 4, 2011[1] and the *Default Service End-State Order*[2] provide guidance regarding the Commission's requirements for default service plans.

3. The Company's proposed Default Service Plan satisfies these statutory and regulatory requirements through the competitive procurement of electric supply tailored to meet the individual characteristics of each customer class, by creating a transparent, competitive market and at the same time ensuring appropriate consumer protections. The Company's Default Service Plan recognizes that each customer class has different characteristics and different levels of experience with the competitive market. The Plan takes these differences into account and proposes procurement methodologies for each of the major customer groups that reflect these considerations. The Company's Plan also supports Pennsylvania retail markets by continuing the SOP. In developing this Plan, the Company also considered the approaches that have worked in previous default service plans; the current desires and concerns of parties, customers and retail suppliers; and the Commission's rules and policies.

4. The Company's Default Service Plan satisfies the applicable legal requirements by

[1] *Final Rulemaking Order*, Docket No. L-2009-2095604 (Order entered October 4, 2011).

[2] *Investigation of Pennsylvania's Retail Electricity Market: End State of Default Service*, Docket No. I-2011-2237952, Order entered February 15, 2013 *("Default Service End-State Order").*

providing for the availability of adequate, reliable, affordable, efficient and environmentally sustainable electric service at the least cost over time and consideration of the impact to the environment. A summary of Duquesne Light's Default Service Plan is set forth below, with additional details provided in the testimony and exhibits accompanying this Petition.

B. PROGRAM TERM

5. The term lengths of Duquesne Light's current DSP IX program, as well as the current default service programs for all of the other the major electric distribution companies, are for a four-year period.

6. Duquesne Light proposes that the term length of the DSP X Plan also be for a period of four years, from June 1, 2025 through May 31, 2029. The four-year term saves litigation time and cost for Duquesne Light, other parties that participate in DSP proceedings and the Commission, as compared to prior default service plans with two-year term periods.

C. PROPOSED DEFAULT SERVICE PROCUREMENT PLANS AND RATES

7. The DSP X Plan largely continues the procurement approaches and rate terms that are currently in effect under DSP IX, with certain modifications to the Medium Commercial & Industrial customers group under 200 kW ("Medium C&I <200kW") designed to reduce rate volatility. The DSP X Plan includes a portfolio of four (4) separate supply plans tailored to meet the specific needs of major customer groups, which are: 1) Residential and Lighting ("Residential & Lighting"), 2) Small Commercial & Industrial ("Small C&I"), 3) Medium C&I <200kW, and 4) Hourly Price Service ("HPS") for Medium C&I customers with monthly metered demand equal to or greater than 200 kW and Large Commercial & Industrial ("Large C&I") customers (collectively ("HPS-Eligible")).

Residential and Lighting Customers

8. Default Service for Residential & Lighting customers will continue to consist of a combination of twelve (12) and twenty-four (24) month fixed-price full requirements ("FPFR") supply contracts obtained through semi-annual competitive auctions with overlapping, or "laddered," delivery periods. The full requirements contracts require supplier(s) to provide energy, capacity, ancillary services, and any other services or products necessary to serve a specified percentage of default service load 24 hours a day, for the term of the contract. Because the contract is "load-following," the amount of energy and other services and products a supplier must provide will vary depending upon Duquesne Light's actual default service load. The supply contracts that Duquesne Light has proposed for Residential & Lighting customers require the suppliers to satisfy this obligation at the prices that they bid in the respective auctions. The procurement methodology is discussed in more detail in the testimony of Mr. Peoples in Duquesne Light St. No. 2.

9. The Company also proposes to continue to change the default service supply rates for these customers every six months as in DSP IX.

10. The proposed mix of one-year and two-year FPFR products and the semi-annual overlapping of their delivery periods provide Residential & Lighting customers greater price stability than shorter term procurements and rate changes, which is reasonable and appropriate for this customer class. This is discussed in more detail in the testimony of Mr. Fisher in Duquesne Light St. No. 3.

11. Duquesne Light proposes to procure four (4) FPFR supply contracts for the Residential & Lighting class with delivery periods that extend beyond the end of the DSP X period, otherwise known as "overhang" contracts. Overhang contracts are appropriate customer

protections that help avoid the potential price shock that may occur when 100% of supply must be procured at one time or over a short period of time. The Company's last 4 DSPs also included overhanging supply contracts for Residential & Lighting and Small C&I customers.[3] Exhibit JP-1, which is attached to Duquesne Light Statement No. 2, shows the proposed procurement schedule and delivery period for Residential & Lighting customers.

12. In the event that the capacity price is not known at the time of contracting, Duquesne Light will implement a capacity proxy price that will be trued up to the actual price when it is known.

13. Additionally, Duquesne Light proposes to continue semi-annual reconciliation of Residential & Lighting procurement group default service costs and revenues along with semi-annual rate changes. The Company recognizes that the Commission's regulations provide for quarterly rate changes for Residential customers. See 52 Pa. Code § 54.187. However, Duquesne Light does not believe that quarterly rate changes are necessary for Residential & Lighting customers because the Company is proposing to acquire default service supply for these customers in the form of twelve (12) and twenty-four (24) month fixed-price full requirements contracts. Fixed-price full requirements contracts greatly diminish cost over/under-recoveries that are associated with other procurement methods, and therefore do not require more frequent rate resets in order to reconcile costs. The Commission approved semi-annual reconciliation for Duquesne

[3] See *Petition of Duquesne Light Company for Approval of Revisions to its Approved Default Service Plan VI*, Docket No. P-2012-2301664 (Order entered September 11, 2014) (permitting Duquesne Light to extend contracts that overlap into DSP VII). See also *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period June 1, 2015 Through May 31, 2017*, Docket No. P-2014-2418242 (Order entered January 15, 2015); *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period June 1, 2017 Through May 31, 2021*, Docket No. P-2016-2543140 (Order entered December 22, 2016); *Petition of Duquesne Light Company for Approval of Default Service Plan for the Period June 1, 2021 Through May 31, 2025*, Docket No. P-2020-3019522 (Order entered January 14, 2021) ("*DSP IX Order*") (approving proposed DSPs that provided for supply contracts that would extend into the subsequent DSP).

Light's Residential & Lighting customers in the DSP VI proceeding. *DSP VI Order*, p. 210. In DSP VII, DSP VIII and DSP IX, semi-annual reconciliation was approved as part of the Settlement Stipulations. Duquesne Light therefore requests a waiver of Section 54.187 to the extent necessary to implement its proposed plan.

14. Supply for the Lighting customers' default service load will continue to be combined with the default service supply for Residential customers. Wholesale suppliers will bid a single price to supply both Residential and Lighting customers' default service load. Separate rates will be developed by Duquesne Light for Residential and Lighting customers to reflect the lower market cost of supplying the applicable Lighting customer classes. The methodology for developing Lighting rates is generally the same as that approved by the Commission in DSP VII, VIII and IX and is described by Mr. Ogden in Duquesne Light St. No. 4.

15. The auctions for Residential & Lighting customers will be conducted by Duquesne Light, with an independent monitor. The Company proposes to maintain the 50% supplier load cap to serve Residential & Lighting (and Small C&I) customers in a given auction equal to 50% of the number of tranches solicited on that auction date, rounded up to the nearest integer number of tranches. See Duquesne Light St. No. 2.

16. In the *Default Service End-State Order*, the Commission directed the establishment of a working group, in part, to develop an industry standard default service SMA for EDCs in Pennsylvania. The Company is proposing to continue to use the SMA template that was developed by the Procurement Collaboration Working Group, with a few updates, for its wholesale power procurements under DSP X. A copy of the SMA is attached to Duquesne Light Statement No. 2, the testimony of Mr. John Peoples, as Exhibit JP-3. The Company is also providing a redline version of the proposed SMA to the current SMA.

Small C&I Customers

17. Default Service for Small C&I customers, which are customers with monthly metered demands less than 25 kW, will be supplied in the same manner as Residential & Lighting customers, which consists of a combination of twelve (12) and twenty-four (24) month full requirements supply contracts obtained through semi-annual competitive auctions with overlapping, or "laddered," delivery periods. The procurement schedule and delivery periods for Small C&I customers are also provided in Exhibit JP-1, which is attached to Mr. Peoples' testimony.

18. Similar to its procurement plan for Residential & Lighting customers, Duquesne Light's procurement plan for Small C&I customers is designed to provide additional rate stability for customers. In the *Petition of Duquesne Light Company for Approval of a Default Service Program for the Period from June 1, 2015 through May 31, 2017,* Docket No. P-2014-2418242 (Opinion and Order entered January 15, 2015), the Commission stated at p. 25, "… Duquesne's proposal should be accepted in order that the Small C&I customer class procurement would be similar to the default service procurement for the Residential class in DSP VII. As Duquesne has explained, these classes exhibit similar characteristics and the proposed default service procurement plans for these classes represent a balancing of the importance of rate stability and market responsive rates for these smaller customers."

19. Rates for Small C&I customers will be reset twice per year, and Duquesne Light proposes to continue to reconcile costs for these customers on a semi-annual basis. The Commission first approved semi-annual reconciliation for Duquesne Light's Small C&I customers in the DSP VI proceeding and has continued to approve this in subsequent DSP proceedings. *DSP*

VI Order, p. 210.

20. As with Residential & Lighting customers, Duquesne Light recognizes that the Commission's regulations provide for quarterly rate changes for Small C&I customers. 52 Pa. Code § 54.187. However, the Company does not believe that quarterly rate changes will be necessary for Small C&I customers because the Company is proposing to acquire default service supply for these customers in the form of twelve (12) and twenty-four (24) month fixed-price full requirements contracts. As explained above, fixed price full requirements contracts greatly diminish cost over/under- recoveries that are associated with other procurement methods, and therefore do not require more frequent rate resets in order to reconcile costs. Accordingly, there is no need to reset rates quarterly, and Duquesne Light requests a waiver of the regulation to the extent necessary to implement its proposed plan.

21. Small C&I customers include unmetered C&I customers. The load of unmetered accounts will be included in the Small C&I procurements. Default Service rates for unmetered accounts will be the same as the Small C&I Default Service rates.

22. Duquesne Light also will use the SMA template described above and provided as Exhibit JP-3 for its Small C&I procurements.

Medium C&I Default Service Customers Under 200 kW

23. In Duquesne Light Statement No. 2, Duquesne Light witness John Peoples explains Duquesne Light's proposal to switch from the current approach of soliciting three-month FPFR products in quarterly solicitations to a new approach for the Medium C&I <200kW customer class. Under the new approach, all of the default service supply for the Medium C&I <200kW customer class still will be procured in the form of FPFR products, but half of the default service supply for the Medium C&I <200kW customer class will be procured in the form of 12-month FPFR products

and half will be procured in the form of six-month FPFR products, with 3-month pricing terms.

24. For the half of the supply that is procured in the form of 12-month FPFR products, 50% of that supply (i.e., 25% of the total supply for the customer class) will be procured in each solicitation; therefore, the 12-month FPFR product delivery periods will overlap on a semiannual basis.

25. For the half of the supply that is procured in the form of six-month FPFR products with 3-month pricing terms, 100% of that supply (i.e., 50% of the total supply for the customer class) will be procured in each solicitation; therefore, there will be no overlap of these FPFR supply products across the solicitations.

26. In Duquesne Light St. No. 2, Duquesne Light witness John Peoples explains in detail how the auction process will provide for separate three-month pricing for each six-month FPFR product. The auction will still incorporate a descending-clock price format, and the price that will be used in the auction will reflect pricing for the entire six-month delivery period, but before the auction each bidder will state its price ratio for the two three-month periods of the six-month product, should the bidder be awarded a six-month product. Winning bidders will be paid prices distinguished by the first and second three-month periods, in accordance with their stated price ratios.

27. Duquesne Light is proposing the revised procurement methodology for several reasons. First, this methodology will provide greater price stability for Medium C&I <200kW customers, which is especially important given the higher underlying wholesale market volatility experienced recently. This is explained further in Duquesne Light St. No. 3, the Direct Testimony of Scott G. Fisher.

28. Second, this change in the Medium C&I <200kW procurement strategy is designed

to better encourage greater supplier participation and better ensure successful solicitations. Without the change, in two solicitations each year, only Medium C&I <200kW supply is solicited, and only in the form of very short-term (three-month) products. This may discourage some supplier participation because, all else equal, suppliers may be less likely to be interested in investing time and resources in a solicitation if the amount of supply that they can be awarded is small. In contrast, by instead procuring all of the Medium C&I <200kW supply as a part of larger supply solicitations in which Residential & Lighting and Small C&I supply is also procured, and in which all supply products are for longer terms (six months or longer), greater supplier participation may be encouraged.

29. Rates for Medium C&I customers with demands under 200 kW will continue to be reset quarterly, and Duquesne Light proposes to continue to reconcile costs for these customers on a semi-annual basis.

30. The procurement methodology for Medium C&I customers under 200 kW is appropriately market responsive given the sophistication of this customer class. The default service rates for these customers will continue to change quarterly, on June 1st, September 1st, December 1st, and March 1st.

31. The Company proposes, as initially approved in DSP VII and continued in DSP VIII and DSP IX, to apply no supplier load cap for the Medium C&I <200kW solicitations. Duquesne Light has historically had low participation in some solicitations and believes that imposing load caps would increase the chances of unfilled tranches.

32. In the *Default Service End-State Order,* the Commission proposed that customers with demands of 100 kW or greater that have interval meters only be offered hourly LMP products. *Default Service End-State Order,* p. 31. However, the Commission further acknowledged that

directing an hourly LMP product for Medium C&I customers may raise legal questions about compliance with the Competition Act and that the Commission preferred to pursue legislative amendments that would provide for such authority before mandating an hourly priced product for Medium C&I customers. *Id.* at 45. To date, such changes have not been adopted by the General Assembly. Therefore, the Company is not proposing hourly LMP default service prices for Medium C&I customers under 200 kW.

33. Duquesne Light also will use the SMA template described above and provided as Exhibit JP-3 for its procurements for Medium C&I customers under 200 kW.

HPS-Eligible Customers

34. For Medium C&I customers with monthly metered demand equal to or greater than 200 kW and Large C&I customers, Duquesne Light will continue to offer default service rates based on hourly day-ahead PJM energy market prices. Customers also will be charged a pass through of PJM capacity and ancillary services costs as well as the administrative costs of providing HPS. The procurement methodology is discussed in more detail in the testimony of Mr. Peoples in Duquesne Light St. No. 2.

35. The Company lowered the threshold for HPS eligibility for Medium C&I customers from ≥300 kW to ≥200 kW, on June 1, 2019. This relatively recent ≥200 kW threshold will be preserved in DSP X.

36. In order to acquire default service supply for HPS customers, the Company will conduct a solicitation in March of each year for HPS full requirements supply to be delivered over a twelve-month period from June 1st through May 31st. Two tranches will be solicited, with each tranche representing 50% of the default service load. The supplier(s) with the lowest fixed price bids will be selected as the winning supplier(s) of the HPS solicitation. In addition to the winning

bid price offered by the supplier, each winning supplier will be paid for its share of the associated energy, capacity, and ancillary service charges billed to HPS customers pursuant to Rider No. 9 in Duquesne Light's Retail Tariff. The winning suppliers' fixed price bids will be designed to compensate suppliers for the associated alternative energy credit costs, the energy balancing costs associated with day-ahead pricing versus final energy costs, and any other third-party supplier administrative costs of providing HPS. There is no change in this process from the process that was approved for the DSP IX plan.

37. Duquesne Light will also continue to rely on an independent third party to monitor and conduct the competitive solicitations, including qualifying bidders, conducting bidder information sessions, receiving and evaluating all bids, determining winning bidders, and reporting to the Commission.

38. As of February 2024, 94% of HPS Eligible load was being served by EGSs.

Competitive Procurement Guidelines

39. Duquesne Light proposes to maintain the 50% supplier load cap to serve Residential & Lighting and Small C&I customers in a given auction equal to 50% of the number of tranches solicited in that auction date, rounded up to the nearest integer number of tranches, and seeks the Commission's approval for this provision as part of this proceeding. The Commission approved a 50% supplier load cap in DSP VII, DSP VIII and DSP IX. Additionally, consistent with DSP VII, DSP VIII and DSP IX, the Company is not proposing a supplier load cap for the Medium C&I <200kW and HPS-Eligible solicitations. The Company believes that supplier load caps for these solicitations are not necessary based on the high levels of customer switching and the need to encourage supplier participation.

40. Duquesne Light will continue to engage an independent third party to assist in

qualifying bidders, conducting bidder information sessions, and, importantly, to receive all bids, rank qualifying bids, and determine winning bids for all four procurement groups. All winning bids will be submitted to the Commission for approval prior to award.

41. Within fifteen calendar days from the closing of each solicitation, Duquesne Light will post the weighted average winning bid price on its website and publish an estimated default service rate calculation model on its website that shows the build-up of the auction results into retail default service rates. As explained in the testimony of Mr. Ogden, Duquesne Light Statement No. 4, the Price-To-Compare ("PTC") will be posted 60 days in advance of each change in default service rates, with the exception of the application periods beginning June 1 of each year.[4]

42. If for any reason an auction fails to attract a sufficient volume of bids or the Commission does not approve the submitted bids or an accepted supplier defaults, Duquesne Light acknowledges that it has the obligation to procure supply to provide such portion of the default service. Initially, Duquesne Light will allow winning bidders to step up and serve any unfilled tranches. If any tranches still remain unfilled, Duquesne Light proposes to meet this obligation on an interim basis through purchases in the PJM spot market and requests authority to recover all the costs of such purchases and all reasonable administrative costs from the applicable customer classes. Duquesne Light agrees that it will submit to the Commission, within 15 days after any such occurrence resulting in unfilled tranches, a contingency plan to handle any default service shortfall.

[4] For the application period beginning June 1 of each year, the Company will not know the transmission component of the PTC until May 15. The Company will post the final supply component of the PTC 60 days in advance of June 1 and will post the final PTC including the transmission component by May 15.

Act 129 Standards

43. The procurement methodologies under the Default Service Plan are based upon the standards set forth by Act 129 that the procurement plan shall be designed to be "the least cost to consumers over time" and shall include a "prudent mix" of contracts. As explained in the testimony of Mr. Fisher, Duquesne Light St. No. 3, Duquesne Light's proposed competitive solicitations for full requirements default service supply contracts of various terms for Residential & Lighting, Small C&I, Medium C&I customers with demands less than 200 kW, and HPS-Eligible customers represent a "prudent mix" of procurement contracts and will provide default service customers with access to an adequate and reliable supply of generation at least cost over time.

44. Specifically, Act 129 requires that power "shall be procured through competitive procurement processes" (including auctions, requests for proposals and/or competitively procured bilateral agreements procured at no greater than the cost of obtaining generation under comparable terms in the wholesale market), and such procurement must be a "prudent mix" of spot market purchases, short-term contracts and long-term purchase contracts. *Id.* at § 2807(e)(3.1)-(3.2).

45. Duquesne Light's Default Service Plan relies upon a prudent mix of contracts. The supply contracts are explained in detail by Mr. Peoples, Duquesne Light St. No. 2. A summary of the products for each class is as follows:

- For Residential & Lighting and Small C&I customers, Duquesne Light will procure default service supply through overlapping twelve-month and twenty four-month full requirements contracts.

- For Medium C&I customers with demands less than 200 kW, Duquesne Light will procure default service supply through a mix of twelve-month and six-month (with three-month pricing terms) full requirements contracts.

- For HPS-Eligible customers (Medium C&I customers with demands equal to or greater than 200 kW and Large C&I customers), Duquesne Light will conduct an auction for third-party suppliers to supply HPS customers' actual hourly usage at the day-ahead hourly energy prices.

46. This mix is a prudent mix of contracts. Duquesne Light has attempted to be mindful of both Act 129, the Default Service Regulations, and Commission Policy in proposing the mixture of contracts for its Default Service Plan, and asserts that this Plan includes a prudent mix of contracts given the current levels of, and experience with, switching for each class of customers, and the competitive market enhancements proposed in the Petition.

47. This procurement plan also satisfies the requirement that the Plan be designed to be the "least cost to customers over time." This is discussed in further detail by Mr. Fisher, Duquesne Light St. No. 3.

48. Act 129 also specifies that the Commission shall make a finding that "neither the default service provider nor its affiliated interest has withheld from the market any generation supply in a manner that violates federal law." 66 Pa. C.S. § 2807(e)(3.7). In his direct testimony, Mr. Peoples' addresses this requirement with respect to Duquesne Light and its affiliates and demonstrates that the standard will be met under the DSP X plan.

49. For all of the reasons set forth above, Duquesne Light's Default Service Plan meets the standards set forth in Act 129 and enables the Commission to make the necessary findings per Section 2807(e)(3.7). Specifically, Duquesne Light requests that the Commission find its Plan includes prudent steps necessary to negotiate favorable generation supply contracts, and to obtain least cost generation supply contracts on a long-term, short-term and spot market basis. Neither Duquesne Light nor its affiliated interest has withheld or will withhold from the market any generation supply in a manner that violates Federal law.

Default Service Procurement Cost Recovery

50. Duquesne Light will continue to fully recover the costs incurred from supply solicitations for Residential & Lighting, Small C&I, Medium C&I customers with demands less than 200 kW, and HPS-Eligible customers, gross receipts taxes, along with the costs of hiring the independent monitor, through fully reconcilable Section 1307(e) cost recovery mechanisms for each class. 66 Pa. C.S. § 1307(e).

51. Additionally, Duquesne Light will continue to recover its administrative costs for HPS service through a Fixed Retail Administrative Charge ("FRA"). The FRA (expressed in dollars per MWh) included in Rider No. 9 will consist of two components. The first component will be based on the winning bids submitted by third-party suppliers and will compensate the suppliers for their costs associated with alternative energy credits, energy balancing and any other third-party supplier administrative costs of providing HPS. The second component will include the Company's administrative costs, costs of conducting auctions, and other unbundled costs of preparing the Company's default service plan filing and working capital costs associated with default service supply.

D. EV-TOU PILOT

52. In the *January 2020 Secretarial Letter*,5 the Commission noted that EV usage in the future will increase and that TOU rates in the context of EV expansion need to be further explored. The Commission further stated: "Accordingly, we urge all parties participating in the upcoming DSP proceedings to consider how EV specific TOU rate offerings could be made available to consumers." *January 2020 Secretarial Letter*, pp. 6 – 7.

53. In response to the *January 2020 Secretarial Letter,* Duquesne Light proposed an

5 *Investigation into Default Service and PJM Interconnection, LLC Settlement Reforms,* Docket No. M-2019-3007101, January 23, 2020 (*January 2020 Secretarial Letter"*).

EV-TOU Pilot Program in its DSP IX Proceeding. The Commission approved the EV-TOU Pilot Program in the *DSP IX Order*.

54. The EV-TOU Pilot was available to Residential, Small C&I and Medium C&I customers with demands less than 200 kW who own or lease an EV or who operate EV charging infrastructure at the service location. The DSP IX Pilot was a whole home program, such that the time varying rates applied to the entire usage at the premises.

55. In DSP X, the Company is proposing to continue the EV-TOU Pilot but to expand the rate offering. While the rate will remain a whole-premise rate by default, the Company proposes an option that would allow up to 500 residential customers at a time to opt into an EV-only option for the rate.

56. Residential customers that meet the eligibility criteria for the whole-premise TOU rate will also be eligible for the EV-only TOU rate option if they have a Company-qualified EV or charging station, or consent to another option, like a next-generation meter, that is able to share energy use information with the Company. This will enable the Company to apply the EV-only TOU rate to energy usage only from EV charging at their residence, while the rest of their premise is on the Company's standard default service supply rate.

57. In order to minimize costs for customers, the Company will not install a separate meter to measure EV charging usage. Customers that select the EV-only option consent to allow third-party platform access to vehicle telematics or charging station energy consumption data. See Duquesne Light St. No. 5, the Direct Testimony of Sarah Olexsak for additional details.

58. Customers that are enrolled in the existing whole-premise EV TOU Supply Rate Pilot will be eligible to switch to the EV-only rate option under the new EV TOU Supply Rate Pilot. This option will not be available to commercial customers that are otherwise eligible for the

whole-premise TOU rate.

59. Customers that elect the EV-TOU Pilot Program will be charged different supply rates for Peak, Off-Peak and Super Off-Peak time periods. These time periods are as follows:

Schedule	Time Period
Peak	3pm-9pm non-holiday weekdays
Off-Peak	6am-3pm and 9pm-11pm non-holiday weekdays; 6am-11pm all other days
Super Off-Peak	11pm-6am every day

60. These time periods are consistent with the Peak and Off-Peak time periods that the Company is proposing for its distribution EV-TOU rates in its pending distribution base rate proceeding at Docket No, R-2024-3046523.

61. In order to determine EV-TOU supply rates for each time period, the Company will continue to adjust the adjusted wholesale price for each class using rate class factors that are initially based in part upon hourly locational marginal prices for energy from 2020 through 2023. The rate class factors will continue to be updated annually when DSS rates become effective June 1st of each year. The development of the EV-TOU rate factors is discussed in more detail in the testimony of Mr. Ogden in Duquesne Light Statement No. 4 and in Exhibit DBO-4.

62. The Company will obtain default service supply for EV-TOU customers through the same FPFR products that provide default service supply for the respective customer classes. The FPFR wholesale suppliers will be paid the same price per megawatt-hour of supply regardless of how much of its supply is for EV-TOU customers. Any mismatches between revenues from

EV-TOU supply rates and supply costs paid to FPFR product suppliers will be recovered/refunded within the existing Rider No. 8 – DSS 1307(e) customer class reconciliation. This approach will avoid cost shifting across customer classes during the EV-TOU Pilot Program and is simple to administer within the existing reconciliation process.

63. Additional details regarding the Company's EV-TOU Pilot are provided in the testimony of Ms. Olexsak in Duquesne Light Statement No. 5.

E. GREEN TARIFF PILOT

64. Duquesne Light is proposing a Green Tariff for residential customers who remain on default service and affirmatively elect to increase their carbon-free electricity ("CFE") supply above the requirements under the Pennsylvania Alternative Energy Portfolio Standards ("AEPS"). Additional details regarding the Green Tariff Pilot are provided in Duquesne Light St. No. 1, the Direct Testimony of C. James Davis.

65. Under the Pilot, an additional 7% of the participating Green Tariff customer's annual consumption would be matched with CFE sourced within Pennsylvania. This would be in addition to the Pennsylvania AEPS requirements of 8% for Tier I resources and 10% for Tier II resources that are provided by Duquesne Light's wholesale default service suppliers. As a result, 25% of a Green Tariff customer's annual consumption would be subject to either the current AEPS (18%) requirements or the supplemental (7%) CFE purchases.

66. In order to acquire the additional CFE, Duquesne Light will conduct an auction, and EGSs and other third parties will be allowed to bid for the right to supply customers under the Green Tariff. The auction will solicit a fixed cost per kWh to procure EACs on behalf of customers who enroll in the Green Tariff. The winning Green Tariff provider of EACs will be determined solely on price and will be paid the per unit price that they bid.

67. In addition, Duquesne Light will list the name of the EGS or provider on customer

bills who participate in the Green Tariff.

68. The cost to customers of additional EACs required under the Green Tariff will be fixed on a per kWh basis for each DSP planning year based on the results of the auction. Administrative costs for implementing and operating the program will be recovered through Rider No. 8.

69. The Green Tariff program will be treated as non-basic service.

70. Duquesne Light notes that EGSs already can market supply services, including green products, directly to retail customers. Yet many residential customers remain on default service. The Green Tariff will allow EGSs and/or third-party suppliers to offer green services to default service customers who may be reluctant to leave utility default service. EGSs will still be able to separately market combined supply and clean energy attributes directly to customers. The Company's Green Tariff will allow EGSs and/or third-party suppliers and aggregators an opportunity to reach customers that they may not otherwise be able to serve.

F. SOLAR PPA

71. In the DSP IX proceeding, Duquesne Light sought approval to enter into a long-term Solar PPA (i.e., more than four years and less than twenty years) to support a utility-scale solar project (up to a total of 7 MW) in Pennsylvania, preferably in Duquesne Light's service area. The Commission granted this request in the *DSP IX Order*.

72. Duquesne Light is currently in the process of negotiating a long-term solar contract with the developer and anticipates submitting the contract to the Commission for approval prior to the expiration of the DSP IX plan. In the event that the Company is not able to execute a contract prior to the expiration of the DSP IX plan, the Company requests that the Commission's approval of the Solar PPA in the DSP IX proceeding extend through the DSP X program.

73. As noted in DSP IX, the Company seeks to support utility-scale solar alternative

energy generating facilities in Pennsylvania for several reasons. First, Duquesne Light believes that a long-term Solar PPA is consistent with Act 129's requirements for default service providers to consider long-term contracts in meeting the prudent mix standard. Second, the Company believes that a long-term solar contract may provide greater opportunity for cost-effective financing for the developer of a utility-scale solar project.

G. RETAIL MARKET ENHANCEMENTS

74. Duquesne Light has supported expansion of competitive retail market opportunities for customers through its eight prior default service plans, and has already implemented a number of innovative market enhancements in order to facilitate the development of the retail market. The Company's customer switching level is among the highest in the Commonwealth, with 67% of the total load in its service area receiving service from an EGS as of February 2024. This also puts Duquesne Light among the top electric service areas in the country in terms of percentage of total load switched. *See* Duquesne Light Statement No. 3. Duquesne Light's proposed Default Service Plan contains several important features designed to support retail competition.

Standard Offer Customer Referral Program ("SOP")

75. Duquesne Light currently offers a SOP to Residential and Small C&I customers who are not served by an EGS and who contact the Company to: 1) initiate or move service; 2) discuss choice questions; 3) resolve high bill concerns; or 4) inquire about the SOP.

76. In DSP IX, Duquesne Light obtained approval to rely on a third-party vendor to market and enroll SOP customers instead of Duquesne Light customer service representatives making the referrals to EGSs.

77. Duquesne Light proposes to continue its current SOP, as approved in DSP IX, for DSP X. See Duquesne Light St. No. 1.

Purchase of Receivables ("POR")

78. Duquesne Light proposes to continue its current POR program for Residential, Small C&I, and Medium C&I customers. Under this Plan, Duquesne Light purchases the account receivables, without recourse, associated with EGS sales of retail electric commodity service to Residential, Small C&I, and Medium C&I customers. Duquesne Light purchases the account receivables at a small discount and then reimburses EGSs for their customer billings regardless of whether it receives payment from customers.

H. REQUESTS FOR WAIVERS

79. As explained above, Duquesne Light is proposing to continue to change rates every six months for Residential & Lighting and Small C&I customers. Duquesne Light notes that the Commission's regulation at 52 Pa. Code § 54.187 requiring quarterly rate changes was adopted prior to the passage of Act 129. Act 129 provides that default service providers shall offer residential and small business customers a default service rate that changes no more frequently than quarterly. 66 Pa. C.S. § 2807(e)(7). Therefore, Duquesne Light believes that its proposal for changes in rates on a semi-annual basis for Residential & Lighting and Small C&I customers complies with Act 129. However, Duquesne Light requests a waiver of 52 Pa. Code § 54.187 to allow semi-annual rate changes for Residential & Lighting customers and Small C&I customers to the extent deemed necessary by the Commission.

80. Section 69.1804 of the Commission's DSP Policy Statement, 52 Pa. Code § 69.1804, provides that default service plans should be for two years, unless otherwise directed by the Commission. As explained previously, Duquesne Light proposes that the term of DSP X Program be for four years. As a Policy Statement, 52 Pa. Code § 69.1804 does not have the force of law, and no waiver is required. Nonetheless, for reasons explained above, the Company requests that the Commission approve a four-year period for DSP X.

81. Duquesne Light also requests additional waivers, if necessary, of the Commission's Orders or Regulations to allow Duquesne Light to implement its Default Service Plan as described herein and in the Testimony and Exhibits that accompany this filing.

I. CUSTOMER NOTIFICATION

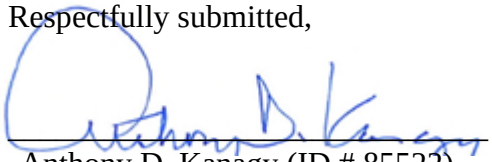
82. As indicated by the enclosed certificate of service, Duquesne Light has served a copy of this Petition upon all of the parties to Duquesne Light's most recent default service proceeding at Docket No. P-2020-3019522 and PJM. Duquesne Light is also providing notice of the filing and a web link to the filing to all registered EGSs in the Duquesne Light service area. In addition, the Company will provide a hard copy of the filing to any party upon request. Duquesne Light intends to notify its customers of new rates once approved by bill message or as otherwise directed by the Commission.

J. CONCLUSION

Duquesne Light's Default Service Plan is based on a proven, successful and evolving model that will provide reliable, reasonably priced default service supply to its customers, while supporting retail competition. The Plan meets and is consistent with Act 129, and should be approved.

WHEREFORE, for all of the foregoing reasons, Duquesne Light Company respectfully requests that the Pennsylvania Public Utility Commission approve the Default Service Plan as proposed in this Petition, approve the proposed tariff sheets set forth in the form of pro forma retail and EGS Coordination tariff supplements provided herein, grant the approvals for Duquesne Light Company to procure power as set forth herein, including, if needed, credit support from its parent, approve the Supply Master Agreement and related attachments for procuring power for default service customers and grant such other relief just and reasonable under the circumstances.

Respectfully submitted,



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Counsel for Duquesne Light Company

Date: April 19, 2024

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company	:	Docket No. P-2024-
For Approval Of Default Service Plan	:	
For The Period June 1, 2025 Through	:	
May 31, 2029	:	

VERIFICATION

I, C. James Davis, hereby state that the facts set forth above are true and correct to the best of my knowledge, information, and belief, and I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. 4904 (relating to unsworn falsification to authorities).

C. James Davis
Director – Rates, Energy Procurement, and
Federal/RTO Affairs

Date: April 19, 2024

APPENDIX A- MAXIMUM UNSECURED CREDIT

Credit Rating Matrix Tables for EDC's

EDC: Duquesne Light Company

Credit Rating of the DS Supplier			Maximum Credit Limit (calculated as the lesser of the percentage of TNW or the Credit Limit Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Credit Limit Cap
A- and above	A3 and above	A- and above	16%	$60,000,000
BBB +	Baa1	BBB +	10%	$40,000,000
BBB	Baa2	BBB	7%	$30,000,000
BBB-	Baa3	BBB-	3%	$20,000,000
Below BBB-	Below Baa3	Below BBB-	0%	$0

Credit Rating Determination Methodology

The DS Supplier or it Guarantor must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the DS Supplier or its Guarantor is rated by all three accepted rating agencies (S&P, Moody's and Fitch), and the ratings are split, the lowest rating will be used. **Minimum Rating –** The lowest credit rating for a DS Supplier, as set forth in this Appendix A, that can obtain unsecured credit.

APPENDIX B – METHODOLOGY FOR CALCULATION OF MARK TO MARKET (MTM) EXPOSURE

Parameters

In calculating the MtM Exposure for each Transaction, the following parameters are set on the Transaction Date:

1. On-Peak Initial Mark Price
2. Off-Peak Initial Mark Price
3. MW-Measure
4. On-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
5. Off-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
6. Number of awarded Tranches

In calculating the MtM Exposure for each Transaction, the following parameters are set each Business Day subsequent to the Transaction Date:

1) On-Peak Forward Price
2) Off-Peak Forward Price
3) Current Capacity PLC Per Bid Block
4) On-Peak Estimated Energy Quantity
5) Off-Peak Estimated Energy Quantity

Determination of On-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub On-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly On-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that On-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the On-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the On-Peak Forward Price for the given month may be updated based on the changes in On-Peak Forward Price quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Determination of Off-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub Off-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly Off-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from the average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that Off-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the Off-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the Off-Peak Forward Price for the given month may be updated based on the changes in Off-Peak Forward Price

quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Example of Disaggregating Aggregate Quotes

The following is an example of the process to be used for disaggregating Aggregate Quotes:

a. Aggregate Quote only available for January – March: $60/MWh.

b. Immediate Prior Calendar year quotes for January, February, and March as follows:

January: $42/MWh

February: $45/MWh

March: $40/MWh

c. Calculations as follows:

1. Calculate Average price in (b) = $42.33/MWh
2. Calculate monthly deviation from Average:

   January: 99.2% ($42/$42.33)

   February: 106.3% ($45/$42.33)

   March: 94.5% ($40/$42.33)

3. Disaggregate the Aggregate Quote by applying percentages from c.(2) to the available aggregate quote:

   January: $59.53 ($60 x 99.2%)

   February: $63.78 ($60 x 106.3%)

   March: $56.69 ($60 x 94.5%)

Mark-To-Market Example

Necessary Information from a Transaction Confirmation:		
Delivery Period:	June 1, 2011 - May 31, 2012	
Bid Blocks:	3	(j)
Estimated Energy Quantity Per MW-Measure:		
	On-Peak MWh (k)	Off-Peak MWh (l)
Jan	11800	8300
Feb	13000	9100
Mar	9100	6400
Apr	7200	5000
May	8800	6200
Jun	12900	9000
Jul	15200	10600
Aug	16000	11200
Sep	9500	6700
Oct	8300	5800
Nov	9800	6900
Dec	10900	7600

Business Day on which MtM is Calculated:	June 24, 2011
MW-Measure:	50.0 MW (m)
Current Capacity PLC Per Bid Block:	40.0 MW (n)
Percent of On-Peak Hours Remaining in Current Month:	18.2% (o)
Percent of Off-Peak Hours Remaining in Current Month:	21.7% (p)

MtM Exposure Calculation

	a	b	c	d	e=c-a	f=d-b	g=k*n/m*j*o	h=l*n/m*j*p	i=(e*g)+(f*h)
	On-Peak Initial Mark Price $/MWh	Off-Peak Initial Mark Price $/MWh	On-Peak Forward Price $/MWh	Off-Peak Forward Price $/MWh	Change In On-Peak Price $/MWh	Change In Off-Peak Price $/MWh	On-Peak Estimated Energy Quantity MWh	Off-Peak Estimated Energy Quantity MWh	MtM Exposure
Jun-11	57.04	27.95	58.48	28.65	1.44	0.70	5,629	4,696	$ 11,393
Jul-11	72.81	31.31	75.26	32.36	2.45	1.05	36,480	25,440	$ 116,088
Aug-11	72.81	34.23	74.28	34.91	1.47	0.68	38,400	26,880	$ 74,726
Sep-11	45.56	24.15	47.31	25.08	1.75	0.93	22,800	16,080	$ 54,854
Oct-11	43.23	23.34	46.09	24.89	2.86	1.55	19,920	13,920	$ 78,547
Nov-11	43.23	25.50	46.40	27.38	3.17	1.88	23,520	16,560	$ 105,691
Dec-11	43.23	26.36	44.86	27.36	1.63	1.00	26,160	18,240	$ 60,881
Jan-12	50.73	38.55	54.45	41.39	3.72	2.84	28,320	19,920	$ 161,923
Feb-12	50.73	39.06	53.61	41.29	2.88	2.23	31,200	21,840	$ 138,559
Mar-12	45.23	30.75	47.64	32.39	2.41	1.64	21,840	15,360	$ 77,825
Apr-12	45.23	25.78	48.01	27.36	2.78	1.58	17,280	12,000	$ 66,998
May-12	47.06	24.94	49.06	26.00	2.00	1.06	21,120	14,880	$ 58,013
									$ 1,005,499

CALCULATION OF MTM EXPOSURE FOR HOURLY PRICE TRANSACTIONS

The MtM Exposure for an Hourly Price Transaction shall be calculated as follows. During the first month of the term of a Transaction, the MtM Exposure shall be equal to Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche. Thereafter, the MtM Exposure shall be calculated on the first Business Day of each month during the term of a Transaction and shall be deemed equal to the product of: (i) Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche; (ii) the ratio of the Current Capacity PLC Per Tranche to the MW-Measure; (iii) the number of Tranches awarded to the DS Supplier per the Transaction Confirmation; and (iv) the ratio of the calendar days remaining in the Delivery Period to the total calendar days in the Delivery Period. The following definitions shall apply for the purposes of this calculation:

"Capacity Peak Load Contribution" or "Capacity PLC" means the aggregation of retail customer peak load contributions, as determined by the Buyer in accordance with the PJM Agreements and reported by Buyer to PJM pursuant to Buyer's retail load settlement process, and used by PJM in determining the DS Supplier's capacity obligation for each Transaction.

"Current Capacity PLC Per Tranche" is the Capacity PLC of a Tranche as of the Business Day the MtM Exposure is calculated for the Transaction.

"MW-Measure" means the Current Capacity PLC Per Tranche as of the Transaction Date.

APPENDIX C - DS SUPPLY SPECIFICATIONS

1) With respect to a Transaction, DS Supplier shall provide DS Supply on a firm and continuous basis. The terms of the Transaction shall be set forth in a Transaction Confirmation to this SMA, in a form as set forth in Exhibit 1. As used herein and in the Transaction Confirmation, Full Requirements Service shall mean all of the following necessary services or products that are required to supply the DS Responsibility Share for the DS Customers associated with the Transaction Confirmation, including: Energy, Capacity, transmission (except for Network Integration Transmission Service), Ancillary Services, Alternative Energy Credits for compliance with the AEPS Act, transmission and distribution system losses, congestion management costs, and such other products and services that are required except for distribution service.

2) The Transaction Confirmation shall, *inter alia*, specify the following terms with respect to a Transaction: (i) the Product (typically, Full Requirements Service); (ii) the DS Customer group associated with the applicable DS Load; (iii) the Delivery Point at which the DS Supplier shall deliver the DS Supply; (iv) the Delivery Period during which the DS Supplier shall deliver the DS Supply; (v) the number of Tranches; (vi) the DS Supplier Responsibility Share; (vii) for Fixed Price Transactions, the total number of AECs associated with each Tranche; and (viii) the DS Fixed Price or Fixed Price Adder, as applicable, for each Tranche.

3) The Company and DS Supplier shall be responsible for their respective PJM Billing Statement Line Item Credits and Charges associated with a Transaction as described in Appendix D, *Responsibilities for PJM Billing Line Items as Defined in Applicable PJM Agreement or Manual*. Company and DS Supplier agree to communicate

with PJM as may be necessary to ensure that PJM transfers all PJM Billing Statement Line Item Credits and Charges to the appropriate party.

4) The DS Supplier shall comply with all applicable requirements described in Appendix E, *DS Suppliers' Obligations For AEPS Compliance*.

5) Except as provided in Paragraph 1 above, DS Supplier bears the risk of any other changes in PJM products and pricing during the term of all Transactions under this Agreement. However, if there are any other new FERC-approved PJM transmission charges other than those referred to in Paragraph 1 above or other new PJM charges and costs, charged to network transmission customers, that DS Supplier believes the Company should recover through retail rates because they are directly related to the Company's obligations, then Company may file with the PaPUC a request for approval to recover such new costs. DS Supplier is required to intervene in any such proceeding before the PaPUC. Such new costs can only be charged to the Company to the extent that the PaPUC approves the Company's recovery of those costs. DS Supplier agrees to be bound by the decision of the PaPUC (subject to the normal rules for appeal of the decision of the PaPUC) and waives all claims concerning this issue before the FERC. Notwithstanding the foregoing, nothing in the Agreement shall preclude DS Supplier or Company from taking any position before the FERC regarding the creation and allocation of any such PJM charges.

DS Customer Group:

Each Transaction Confirmation shall be associated with DS Supply to one of the following DS Customer categories, or their successors, as defined in the DS Tariff:

Customer Group	Rate Schedule	Description
Residential & Lighting	RS	Residential Service
	RH	Residential Service Heating
	RA	Residential Service Add-On Heat Pump
	AL	Architectural Lighting Service
	SE	Street Lighting Energy
	SM	Street Lighting Municipal
	SH	Street Lighting Highway
	PAL	Private Area Lighting
Small Commercial & Industrial	GS	General Service Small
	GM < 25kW	General Service Medium – Demand less than 25kW
	GMH < 25kW	General Service Medium Heating – Demand less than 25kW
	UMS	Unmetered Service
Medium Commercial & Industrial	GM ≥ 25kW and < 200kW	General Service Medium – Demand equal to or greater than 25kW and less than 200kW
	GMH ≥ 25kW and < 200kW	General Service Medium Heating – Demand equal to or greater than 25kW and less than 200kW
HPS-Eligible	GM ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GMH ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GL	General Service Large
	GLH	General Service Heating
	L	Large Power Service
	HVPS	High Voltage Power Service

APPENDIX D – RESPONSIBILITIES FOR PJM BILLING LINE ITEMS AS DEFINED IN APPLICABLE PJM AGREEMENT OR MANUAL

		Responsible Party	
ID #	**PJM Billing Statement Line Items**	**EDC**	**DS Supplier**
ID#	**CHARGES**		
1000	Amount Due for Interest on Past Charges		DS Supplier
1100	Network Integration Transmission Service	EDC	
1101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
1102	Network Integration Transmission Service (exempt)	EDC	
1103	Underground Transmission Service	EDC	
1104	Network Integration Transmission Service Offset	EDC	
1108	Transmission Enhancement	EDC	
1109	MTEP Project Cost Recovery		DS Supplier
1110	Direct Assignment Facilities		DS Supplier
1115	Transmission Enhancement Settlement (EL05-121-009)	EDC	
1120	Other Supporting Facilities		DS Supplier
1130	Firm Point-to-Point Transmission Service		DS Supplier
1133	Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
1136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
1138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
1140	Non-Firm Point-to-Point Transmission Service		DS Supplier

1143	Non-Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
1147	Neptune Unscheduled Usage Billing Allocation		DS Supplier
1155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
1157	Linden Unscheduled Usage Billing Allocation		DS Supplier
1165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
1167	Hudson Unscheduled Usage Billing Allocation		DS Supplier
1200	Day-ahead Spot Market Energy		DS Supplier
1205	Balancing Spot Market Energy		DS Supplier
1210	Day-ahead Transmission Congestion		DS Supplier
1215	Balancing Transmission Congestion		DS Supplier
1216	Pseudo-Tie Balancing Congestion Refund		DS Supplier
1218	Planning Period Congestion Uplift		DS Supplier
1220	Day-ahead Transmission Losses		DS Supplier
1225	Balancing Transmission Losses		DS Supplier
1230	Inadvertent Interchange		DS Supplier
1240	Day-ahead Economic Load Response		DS Supplier
1241	Real-time Economic Load Response		DS Supplier
1242	Day-ahead Load Response Charge Allocation		DS Supplier
1243	Real-time Load Response Charge Allocation		DS Supplier

1245	Emergency Load Response		DS Supplier
1250	Meter Error Correction		DS Supplier
1260	Emergency Energy		DS Supplier
1301	PJM Scheduling, System Control and Dispatch Service – Control Area Administration		DS Supplier
1302	PJM Scheduling, System Control and Dispatch Service – FTR Administration		DS Supplier
1303	PJM Scheduling, System Control and Dispatch Service –Market Support		DS Supplier
1304	PJM Scheduling, System Control and Dispatch Service – Regulation Market Administration		DS Supplier
1305	PJM Scheduling, System Control and Dispatch Service – Capacity Resource/Obligation Mgmt.		DS Supplier
1306	PJM Scheduling, System Control and Dispatch Service – Advanced Second Control Center		DS Supplier
1307	PJM Scheduling, System Control and Dispatch Service – Market Support Offset		DS Supplier
1308	PJM Scheduling, System Control and Dispatch Service Refund – Control Area Administration		DS Supplier
1309	PJM Scheduling, System Control and Dispatch Service Refund – FTR Administration		DS Supplier
1310	PJM Scheduling, System Control and Dispatch Service Refund – Market Support		DS Supplier
1311	PJM Scheduling, System Control and Dispatch Service Refund –Regulation Market Administration		DS Supplier
1312	PJM Scheduling, System Control and Dispatch Service Refund – Capacity Resource/Obligation Mgmt.		DS Supplier
1313	PJM Settlement, Inc.		DS Supplier
1314	Market Monitoring Unit (MMU) Funding		DS Supplier
1315	FERC Annual Charge Recovery		DS Supplier
1316	Organization of PJM States, Inc. (OPSI) Funding		DS Supplier

1317	North American Electric Reliability Corporation (NERC)		DS Supplier
1318	Reliability First Corporation (RFC)		DS Supplier
1320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
1340	Regulation and Frequency Response Service		DS Supplier
1350	Energy Imbalance Service		DS Supplier
1360	Synchronized Reserve		DS Supplier
1362	Non-Synchronized Reserve		DS Supplier
1365	Day-ahead Scheduling Reserve		DS Supplier
1370	Day-ahead Operating Reserve		DS Supplier
1371	Day-ahead Operating Reserve for Load Response		DS Supplier
1375	Balancing Operating Reserve		DS Supplier
1376	Balancing Operating Reserve for Load Response		DS Supplier
1377	Synchronous Condensing		DS Supplier
1378	Reactive Services		DS Supplier
1380	Black Start Service		DS Supplier
1390	Fuel Cost Policy Penalty		DS Supplier
1400	Load Reconciliation for Spot Market Energy		DS Supplier
1410	Load Reconciliation for Transmission Congestion		DS Supplier
1420	Load Reconciliation for Transmission Losses		DS Supplier
1430	Load Reconciliation for Inadvertent Interchange		DS Supplier
1440	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		DS Supplier

1441	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		DS Supplier
1442	Load Reconciliation for Schedule 9-6 – Advanced Second Control Center		DS Supplier
1444	Load Reconciliation for Market Monitoring Unit Funding		DS Supplier
1445	Load Reconciliation for FERC Annual Charge Recovery		DS Supplier
1446	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		DS Supplier
1447	Load Reconciliation for North American Electric Reliability Corporation (NERC)		DS Supplier
1448	Load Reconciliation for Reliability First Corporation (RFC)		DS Supplier
1449	Load Reconciliation for Consumer Advocates of PJM States, Inc. (CAPS) Funding		DS Supplier
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1460	Load Reconciliation for Regulation and Frequency Response Service		DS Supplier
1470	Load Reconciliation for Synchronized Reserve		DS Supplier
1472	Load Reconciliation for Non-Synchronized Reserve		DS Supplier
1475	DASR Load Reconciliation		DS Supplier
1478	Load Reconciliation for Operating Reserve		DS Supplier
1480	Load Reconciliation for Synchronous Condensing		DS Supplier
1490	Load Reconciliation for Reactive Services		DS Supplier
1500	Financial Transmission Rights Auction		DS Supplier
1600	RPM Auction		DS Supplier
1610	Locational Reliability		DS Supplier
1611	CP Transitional Locational Reliability		DS Supplier
1650	Non-Unit Specific Capacity Transaction		DS Supplier

1660	Demand Resource and ILR Compliance Penalty		DS Supplier
1661	Capacity Resource Deficiency		DS Supplier
1662	Generation Resource Rating Test Failure		DS Supplier
1663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1664	Peak Season Maintenance Compliance Penalty		DS Supplier
1665	Peak-Hour Period Availability		DS Supplier
1666	Load Management Test Failure		DS Supplier
1670	FRR LSE Reliability		DS Supplier
1680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
1681	FRR LSE Capacity Resource Deficiency		DS Supplier
1682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
1683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
1685	FRR LSE Peak-Hour Period Availability		DS Supplier
1686	FRR LSE Load Management Test Failure		DS Supplier
1687	FRR LSE Schedule 9-5		DS Supplier
1688	FRR LSE Schedule 9-6		DS Supplier
1710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
1712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
1720	RTO Start-up Cost Recovery		DS Supplier
1730	Expansion Cost Recovery	EDC	
1900	Unscheduled Transmission Service		DS Supplier
1910	Ramapo Phase Angle Regulators		DS Supplier

1911	Michigan – Ontario Interface Phase Angle Regulators		DS Supplier
1920	Station Power		DS Supplier
1930	Generation Deactivation	EDC	
1932	Generation Deactivation Refund	EDC	
1950	Virginia Retail Administrative Fee		DS Supplier
1952	Deferred Tax Adjustment	EDC	
1955	Deferral Recovery		DS Supplier
1980	Miscellaneous Bilateral		DS Supplier
1995	PJM Annual Membership Fee		DS Supplier
1999	PJM Customer Payment Default		DS Supplier
ID#	**CREDITS**		
2100	Network Integration Transmission Service	EDC	
2101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
2102	Network Integration Transmission Service (exempt)	EDC	
2103	Underground Transmission Service	EDC	
2104	Network Integration Transmission Service Offset	EDC	
2106	Non-Zone Network Integration Transmission Service	EDC	
2108	Transmission Enhancement	EDC	
2109	MTEP Project Cost Recovery		DS Supplier
2110	Direct Assignment Facilities		DS Supplier
2120	Other Supporting Facilities		DS Supplier
2130	Firm Point-to-Point Transmission Service		DS Supplier
2132	Internal Firm Point-to-Point Transmission Service		DS Supplier

2133	Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
2136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
2138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
2140	Non-Firm Point-to-Point Transmission Service		DS Supplier
2142	Internal Non-Firm Point-to-Point Transmission Service		DS Supplier
2143	Non-Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
2155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
2165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
2210	Transmission Congestion		DS Supplier
2211	Day-ahead Transmission Congestion		DS Supplier
2215	Balancing Transmission Congestion		DS Supplier
2217	Planning Period Excess Congestion		DS Supplier
2218	Planning Period Congestion Uplift		DS Supplier
2220	Transmission Losses		DS Supplier
2240	Day-ahead Economic Load Response		DS Supplier
2241	Real-time Economic Load Response		DS Supplier
2245	Emergency Load Response		DS Supplier
2260	Emergency Energy		DS Supplier

2320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
2330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
2340	Regulation and Frequency Response Service		DS Supplier
2350	Energy Imbalance Service		DS Supplier
2360	Synchronized Reserve		DS Supplier
2362	Non-Synchronized Reserve		DS Supplier
2365	Day-ahead Scheduling Reserve		DS Supplier
2370	Day-ahead Operating Reserve		DS Supplier
2371	Day-ahead Operating Reserve for Load Response		DS Supplier
2375	Balancing Operating Reserve		DS Supplier
2376	Balancing Operating Reserve for Load Response		DS Supplier
2377	Synchronous Condensing		DS Supplier
2378	Reactive Services		DS Supplier
2380	Black Start Service		DS Supplier
2415	Balancing Transmission Congestion Load Reconciliation		DS Supplier
2420	Load Reconciliation for Transmission Losses		DS Supplier
2500	Financial Transmission Rights Auction		DS Supplier
2510	Auction Revenue Rights		DS Supplier
2600	RPM Auction		DS Supplier
2620	Interruptible Load for Reliability		DS Supplier
2630	Capacity Transfer Rights		DS Supplier
2640	Incremental Capacity Transfer Rights		DS Supplier
2650	Non-Unit Specific Capacity Transaction		DS Supplier

2660	Demand Resource and ILR Compliance Penalty		DS Supplier
2661	Capacity Deficiency Resource		DS Supplier
2662	Generation Resource Rating Test Failure		DS Supplier
2663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2664	Peak Season Maintenance Compliance Penalty		DS Supplier
2665	Peak-Hour Period Availability		DS Supplier
2666	Load Management Test Failure		DS Supplier
2670	FRR LSE Reliability Credit		DS Supplier
2680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
2681	FRR LSE Capacity Resource Deficiency		DS Supplier
2682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
2683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
2685	FRR LSE Peak-Hour Period Availability		DS Supplier
2686	FRR LSE Load Management Test Failure		DS Supplier
2687	FRR LSE Schedule 9-5		DS Supplier
2688	FRR LSE Schedule 9-6		DS Supplier
2710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
2712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
2720	RTO Start-up Cost Recovery		DS Supplier
2730	Expansion Cost Recovery	EDC	
2910	Ramapo Phase Angle Regulators		DS Supplier
2912	CT Lost Opportunity Cost Allocation		DS Supplier

2930	Generation Deactivation	EDC	
2932	Generation Deactivation Refund	EDC	
2950	Virginia Retail Administrative Fee		DS Supplier
2952	Deferred Tax Adjustment	EDC	
2955	Deferral Recovery		DS Supplier
2980	Miscellaneous Bilateral		DS Supplier
2996	Annual PJM Cell Tower		DS Supplier
2997	Annual PJM Building Rent		DS Supplier

APPENDIX E – DS SUPPLIER'S OBLIGATIONS FOR AEPS COMPLIANCE

With respect to the DS Supplier Responsibility Share, DS Supplier shall:

(1) Provide sufficient AECs for each Tranche, in accordance with the schedule provided below.

(2) Provide actual AECs that conform to all applicable PaPUC or other legal requirements in effect as of the date that the AECs are provided to the Company. DS Supplier shall be responsible for any incremental costs associated with ensuring that the AECs it provides to the Company conform to such requirements then in effect.

(3) Provide AECs on a six (6) month basis or at the end of any Delivery Period, if the Delivery Period is less than six (6) months, and shall be transferred to the Company within 30 days from the final day of any such six month period or Delivery Period; provided; however, that if the term of any Delivery Period includes two different AEPS reporting years, then DS Supplier shall provide the AECs required for the first AEPS reporting year by June 30th of each year.

(4) Pay any penalties, costs, charges, damages, or other fees assessed against the DS Supplier and/or the Company associated with the DS Supplier's non-performance with this Agreement or any other applicable requirements related to AEPS.

(5) Submit to the Company proof of compliance under this Agreement in such form and manner as may be required by the Company.

(6) Provide to the Company all information the Company may require to comply with the AEPS Act and its implementing regulations and other

requirements of law, including, but not limited to the price paid per AEC required by 73 Pa. C.S. § 1648.3(e)(8).

This Appendix E shall confirm the Alternative Energy Portfolio Standards Obligation of the Transaction agreed to on the Bid Proposal Due Date.

With respect to Transactions for Full Requirements Service, the DS Supplier shall deliver AECs conforming to all applicable requirements for the Delivery Period based on a percentage of the total MWh supplied by DS Supplier, in accordance with the following schedule:

Compliance Period	Tier 1	PV	Tier 2
6/1/2021 – 5/31/2022	7.5%	0.50%	10.0%

The percentages set forth above are those applicable for the first DS auction in DSP IX and may be revised for future DS Auctions to reflect changes in law or other applicable requirements. Unless the PaPUC or other authority with jurisdiction implements changes related to AEPS, compliance obligations for periods beyond 6/1/2021 to 5/31/2022 will remain at the 6/1/2021 to 5/31/2022 percentages. These are subject to revision if there are changes from the Pennsylvania AEPS Administrator.

For each compliance period during the Delivery Period, the number of AECs that a DS Supplier is obligated to provide may be reduced by a pre-determined number of AECs allocated to the DS Supplier ("Allocated AECs"). The number of Allocated AECs will be defined prior to the Transaction Date. Any Allocated AECs will not be transferred to the DS Supplier; but instead, the DS Supplier's AEC obligations will be reduced by a pro rata share of the Allocated AECs, and the Allocated AECs will remain the property of the Company.

The above amounts are estimates and will vary based on actual load served. DS Supplier will need to true-up, higher or lower, actual credits needed based on final reconciled settlement data from PJM.

EXHIBIT 1

TRANSACTION CONFIRMATION FOR FIXED PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	[INSERT CUSTOMER CLASS]
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price:	[INSERT AVERAGE PRICE] per MWh
	Tranche 1 at [INSERT] per MWH
	Tranche 2 at [INSERT] per MWH
	Tranche 3 at [INSERT] per MWH
	.
	.
	.
	Tranche [X] at [INSERT] per MWH

Alternative Energy Credit (AEC) Allocation (if any):

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

TRANSACTION CONFIRMATION FOR HOURLY PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	HPS-Eligible Class
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price Adder For Hourly Price Service:	[INSERT AVERAGE PRICE] per MWh
	Tranche 1 at [INSERT] per MWH
	Tranche 2 at [INSERT] per MWH

In addition to the DS Fixed Price Adder For Hourly Price Service above, the Statement prepared in accordance with Section 9.1(a) also will include DS Variable Payments based on the Company's billed Hourly Price Service formula rate designed to recover the costs of energy, capacity, ancillary services, and PJM administrative costs found in Rider No. 9 of the DS Tariff. The DS Variable Payments associated with serving the DS Supplier Responsibility Share of the DS Supply for HPS-Eligible Class are based on a) hourly energy charges provided at the day-ahead PJM locational marginal prices based on the customer's real time metered hourly load, plus energy-related ancillary services including PJM administrative charges, adjusted for losses, and b) capacity charges equal to the full PJM Reliability Pricing Model capacity price for the Duquesne Zone, and shall recover the charges associated with the customer's share of the Company's capacity obligation assigned by PJM, plus the charges for capacity based ancillary services. The PMEA/FMEA Adjustment Amount calculated in accordance with Section 9.1 (d) will include: any adjustments to account for changes in the hourly energy or capacity volumes used to calculate the energy, ancillary services, capacity and other charges. The DS Variable Payments to Hourly Price Service suppliers will not include Pennsylvania gross receipts taxes or the fixed retail administrative charge (other than the DS Fixed Price Adder For Hourly Price Service) included in the DS Tariff.

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT 2
FORM OF NOTICE

Any notices required under this Agreement shall be made as follows:

Buyer:	DS Supplier:
Duquesne Light Company	[INSERT]
All Notices:	**All Notices:**
Street: 411 Seventh Ave. City/State/Zip: Pittsburgh, PA 15219 Attn: Chief Financial Officer Facsimile: (412) 393-1190 Duns: 007915606 Federal Tax ID Number: 25-0451600	Street: City/State/Zip: Attn: Facsimile: Duns: Federal Tax ID Number:
Invoices: Attn: Supply Procurement – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	**Invoices:** Attn: Phone: Facsimile:
Scheduling:	**Scheduling:**
Attn: Scheduling – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	Attn: Phone: Facsimile:
Payments:	**Payments:**
Attn: Accounting – Jaime Bachota Phone: (412) 393-1122 Email: jbachota@duqlight.com	Attn: Phone: Facsimile:
Wire Transfer:	**Wire Transfer**
BNK: ABA: ACCT:	BNK: ABA: ACCT:

Credit and Collections:

Attn: Treasurer – James Milligan
Phone: (412) 393-1216
Email: jmilligan@duqlight.com

Credit and Collections:

Attn:
Phone:
Facsimile:

With additional Notices of an Event of Default to:

Attn: Legal Department – Tishekia Williams
Phone: (412) 393-1541
Email: twilliams@duqlight.com

With Additional Notices of an Event of Default to:

Attn:
Phone:
Facsimile:

EXHIBIT 3

PERFORMANCE ASSURANCE LETTER OF CREDIT

{TO BE ISSUED ON THE LETTERHEAD OF THE ISSUING BANK}

IRREVOCABLE LETTER OF CREDIT NO.

ISSUE DATE _____ EXPIRY DATE_____

APPLICANT
[NAME]
[ADDRESS]

BENEFICIARY
[NAME]
[ADDRESS]

CURRENCY AMOUNT
USD *********$

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT NO: _____ FOR THE ACCOUNT OF _____ ("APPLICANT") FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE US DOLLARS _____ AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON THE BANK OF _____ ("ISSUER") _____{ADDRESS}, EFFECTIVE _____ AND EXPIRING AT OUR COUNTERS AT _____ ON OR BEFORE _____OR ANY AUTOMATICALLY EXTENDED EXPIRY DATE, AS PROVIDED HEREIN. THIS LETTER OF CREDIT IS AVAILABLE IN ONE OR MORE DRAFTS UP TO THE AGGREGATE AMOUNT SET FORTH HEREIN.

THIS LETTER OF CREDIT IS PRESENTABLE AND PAYABLE AT OUR COUNTERS AND DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE HONORED UPON PRESENTATION TO ISSUER OF THE FOLLOWING STATEMENT:

> "I HEREBY CERTIFY THAT BENEFICIARY, DUQUESNE LIGHT COMPANY, IS ENTITLED TO DRAW THE AMOUNT OF THE ACCOMPANYING DRAFT UNDER LETTER OF CREDIT NO. _____, ISSUED BY _____ {ISSUER'S NAME} AND THAT SUCH DRAFT REPRESENTS AN AMOUNT DUE AND PAYABLE TO BENEFICIARY FROM _____ {APPLICANT'S NAME} FOR PERFORMANCE ASSURANCE RELATED TO THE DEFAULT SUPPLY MASTER AGREEMENT(S) DATED _____ BETWEEN BENEFICIARY AND APPLICANT."

THE AMOUNT WHICH MAY BE DRAWN BY BENEFICIARY UNDER THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF ANY DRAWINGS PAID THROUGH ISSUER REFERENCING THIS LETTER OF CREDIT NO. _____.

IF PRESENTATION OF ANY DRAWING IS MADE ON A BUSINESS DAY (AS HEREIN DEFINED) AND SUCH PRESENTATION IS MADE ON OR BEFORE 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE NEXT BUSINESS DAY. IF THE DRAWING IS RECEIVED AFTER 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE SECOND FOLLOWING BUSINESS DAY.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST 90 DAYS PRIOR TO ANY EXPIRATION DATE WE NOTIFY YOU AT THE ABOVE ADDRESS BY REGISTERED MAIL OR HAND DELIVERED COURIER THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH PERIOD.

THIS LETTER OF CREDIT MAY BE TERMINATED UPON BENEFICIARY'S RECEIPT OF FULL PAYMENT FROM APPLICANT AND ISSUER'S RECEIPT OF A WRITTEN RELEASE FROM BENEFICIARY RELEASING ISSUER FROM ITS OBLIGATIONS UNDER THIS LETTER OF CREDIT.

THE TERM "BUSINESS DAY" AS USED HEREIN MEANS ANY DAY OTHER THAN (I) A SATURDAY, (II) A SUNDAY, OR (III) A DAY ON WHICH BANKING INSTITUTIONS LOCATED IN THE CITY OF NEW YORK, NEW YORK ARE REQUIRED OR AUTHORIZED BY LAW TO BE CLOSED.

APPLICANT'S FILING OF A BANKRUPTCY, RECEIVERSHIP OR OTHER DEBTOR-RELIEF PETITION, AND/OR APPLICANT'S DISCHARGE THEREUNDER, SHALL IN NO WAY AFFECT THE LIABILITY OF ISSUER UNDER THIS LETTER OF CREDIT AND ISSUER SHALL ALWAYS REMAIN LIABLE TO BENEFICIARY FOR THE FULL AMOUNT OF APPLICANT'S OBLIGATIONS TO BENEFICIARYAS SET FORTH HEREIN NOT TO EXCEED THE AVAILABLE AMOUNT IN THIS LETTER OF CREDIT.

ADDITIONAL TERMS AND CONDITIONS:

1. ALL COMMISSIONS AND OTHER BANKING CHARGES WILL BE BORNE BY APPLICANT.

2. THIS LETTER OF CREDIT MAY BE TRANSFERRED OR ASSIGNED.

3. THIS LETTER OF CREDIT IS IRREVOCABLE.

4. THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (1998) OF THE INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") OR SUCH LATER REVISIONS(S) OF THE ISP AS MAY BE HEREAFTER ADOPTED. AS TO MATTERS NOT GOVERNED BY ISP98, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING, TO THE EXTENT NOT INCONSISTENT WITH

ISP98, THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THE STATE OF PENNSYLVANIA. THIS LETTER OF CREDIT MAY NOT BE AMENDED, CHANGED OR MODIFIED WITHOUT THE EXPRESS WRITTEN CONSENT OF BENEFICIARY AND ISSUER.

5. BENEFICIARY SHALL NOT BE DEEMED TO HAVE WAIVED ANY RIGHTS UNDER THIS LETTER OF CREDIT, UNLESS BENEFICIARY OR AN AUTHORIZED AGENT OF BENEFICIARY SHALL HAVE SIGNED A DATED WRITTEN WAIVER. NO SUCH WAIVER, UNLESS EXPRESSLY SO STATED THEREIN, SHALL BE EFFECTIVE AS TO ANY TRANSACTION THAT OCCURS SUBSEQUENT TO THE DATE OF THE WAIVER, NOR AS TO ANY CONTINUANCE OF A BREACH AFTER THE WAIVER.

6. A FAILURE TO MAKE ANY PARTIAL DRAWINGS AT ANY TIME SHALL NOT IMPAIR OR REDUCE THE AVAILABILITY OF THIS LETTER OF CREDIT IN ANY SUBSEQUENT PERIOD OR OUR OBLIGATION TO HONOR YOUR SUBSEQUENT DEMANDS FOR PAYMENT MADE IN ACCORDANCE WITH THE TERMS OF THIS LETTER OF CREDIT.

AUTHORIZED SIGNATURE: _____

TITLE: _____

PLEASE DIRECT ANY WRITTEN CORRESPONDENCE, INCLUDING DRAWING OR INQUIRIES TO:

[BANK NAME, ADDRESS AND PHONE NUMBER]

EXHIBIT 4

FORM OF GUARANTY

THIS GUARANTY AGREEMENT (this "Guaranty") is made and entered into as of this day of _____, by _____ ("Guarantor"), with an address at _____, in favor of Duquesne Light Company ("Creditor"), with an address at 411 Seventh Avenue, Pittsburgh, PA 15219, in consideration of the Default Supply Master Agreement(s) (the "DSMA(s)") between Creditor and _____ ("Seller") dated _____, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

WHEREAS, Guarantor is an _____ of Seller, and will therefore benefit by Seller entering into the DSMA with Creditor and Guarantor desires Creditor to enter into the DSMA with Seller and to extend credit to Seller thereunder.

WHEREAS, without this Guaranty, Creditor would not execute and deliver the DSMA or consummate the transactions contemplated thereby. Therefore, in consideration of the execution and delivery by Creditor of the DSMA and consummation of the transactions contemplated thereby, Guarantor has agreed to execute and deliver this Guaranty.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guaranty of Obligations.
   (a) Guarantor hereby irrevocably and unconditionally guarantees, as primary obligor and not a surety with effect from date hereof, the prompt and complete payment when due of all of Seller's payment obligations under the DSMA, whether on scheduled payment dates, when due upon demand, upon declaration of termination or otherwise, in accordance with the terms of the DSMA and giving effect to any applicable grace period, and all reasonable out-of-pocket costs and expenses incurred by Creditor in the enforcement of Guarantor's obligations or collection under this Guaranty, including reasonable attorney's fees and expenses (collectively, the "Obligations").

   (b) The limitations on liabilities of Seller set forth in Article 13 of the DSMA shall also apply to the liabilities of Guarantor hereunder.

2. Nature of Guaranty; Waivers.
   (a) This is a guaranty of payment and not of collection and Creditor shall not be required, as a condition of Guarantor's liability, to pursue any rights which may be available to it with respect to any other person who may be liable for the payment of the Obligations. This is not a performance guaranty and Guarantor is not obligated to provide power under the DSMA or this Guaranty.

(b) This Guaranty is an absolute, unconditional, irrevocable (subject to the provisions of Section 12 of this Guaranty) and continuing guaranty and will remain in full force and effect until all of the Obligations have been indefeasibly paid in full, or until the DSMA has been terminated, whichever comes later. This Guaranty will not be affected by any surrender, exchange, acceptance, compromise or release by Creditor of any other party, or any other guaranty or any security held by it for any of the Obligations, by any failure of Creditor to take any steps to perfect or maintain its lien or security interest in or to preserve its rights to any security or other collateral for any of the Obligations or any guaranty, or by any irregularity, unenforceability or invalidity of any of the Obligations (other than any irregularity, unenforceability or invalidity of any of the obligations under the DSMA resulting from the conduct of Creditor) or any part thereof.

(c) Except as to any claims, defenses, rights of set-off or to reductions of Seller in respect of its obligations under the DSMA (all of which are expressly reserved under this Guaranty), Guarantor's obligations hereunder shall not be affected, modified or impaired by any counterclaim, set-off, deduction or defense based upon any claim Guarantor may have against Seller or Creditor, including: (i) any change in the corporate existence (including its charter or other governing agreement, laws, rules, regulations or powers), structure or ownership of Seller or Guarantor; or (ii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Seller or its assets; or (iii) the invalidity or unenforceability in whole or in part of the DSMA; or (iv) any provision of applicable law or regulations purporting to prohibit payment by Seller of amounts to be paid by it under the DSMA (other than any law or regulation that eliminates or nullifies the obligations under the DSMA).

(d) Guarantor waives notice of acceptance of this Guaranty, diligence, presentment, notice of dishonor and protest and any requirement that at any time any person exhaust any right to take any action against Seller or their assets or any other guarantor or person; provided, however, that any failure of Creditor to give notice will not discharge, alter or diminish in any way Guarantor's obligations under this Guaranty. Guarantor waives all defenses based on suretyship or impairment of collateral or any other defenses that would constitute a legal or equitable discharge of Guarantor's obligations, except any claims or defenses of Seller in respect of its obligations under the DSMA.

(e) Creditor at any time and from time to time, without notice to or the consent of Guarantor, and without impairing or releasing, discharging or modifying Guarantor's liabilities hereunder, may (i) to the extent permitted by the DSMA, change the manner, place, time or terms of payment or performance of, or other terms relating to, any of the Obligations; (ii) to the extent permitted by the DSMA, renew, substitute, modify, amend or alter, or grant consents or waivers relating to any of the Obligations, or any other guaranties for any Obligations; (iii) settle, compromise or deal with any other person, including Seller, with respect to any Obligations in such manner as Creditor deems appropriate at its sole discretion; (iv) substitute, exchange or release any guaranty; or (v) take such actions and exercise such remedies hereunder as Creditor deems appropriate.

3. Representations and Warranties. Guarantor hereby represents and warrants that:

(a) it is a [limited liability company, corporation, limited partnership, general partnership] duly organized, validly existing and in good standing under the laws of the jurisdiction of its [formation, organization, incorporation] and has the [corporate power] [power] and authority to conduct the business in which it is currently engaged and enter into and perform its obligations under this Guaranty;

(b) it has the [corporate power] [power] and authority and the legal right to execute and deliver, and to perform its obligations under, this Guaranty, and has taken all necessary [corporate action] [action] to authorize its execution, delivery and performance of this Guaranty;

(c) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable in accordance with its terms, except as affected by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting the enforcement of Creditors' rights generally, general equitable principles and an implied covenant of good faith and fair dealing;

(d) the execution, delivery and performance of this Guaranty will not violate any provision of any requirement of law or contractual obligation of Guarantor (except to the extent that any such violation would not reasonably be expected to have a material adverse effect on Guarantor or this Guaranty);

(e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other person (including, without limitation, any stockholder or of Guarantor) is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty, other than any which have been obtained or made prior to the date hereof and remain in full force and effect; and

(f) no litigation, investigation or proceeding of or before any arbitrator or governmental authority is pending or, to the knowledge of Guarantor, threatened by or against Guarantor that would have a material adverse effect on this Guaranty.

4. Repayments or Recovery from Creditor. If any demand is made at any time upon Creditor for the repayment or recovery of any amount received by it in payment or on account of any of the Obligations, including but not limited to upon the bankruptcy, insolvency, dissolution or reorganization of Seller and if Creditor repays all or any part of such amount by reason of any judgment, decree or order of any court or administrative body or by reason of any settlement or compromise of any such demand, Guarantor (subject to Sections 2 (c) and (d) of this Guaranty) will be and remain liable hereunder for the amount so repaid or recovered to the same extent as if such amount had never been received originally by Creditor. The provisions of this section will be and remain effective notwithstanding any contrary action which may have been taken by Guarantor in reliance upon such payment, and any such contrary action so taken will be without prejudice to Creditor's rights hereunder and will be deemed to have been conditioned upon such payment having become final and irrevocable.

5. Enforceability of Obligations. No modification, limitation or discharge of the Obligations of Seller arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief

of debtors under federal or state law will affect, modify, limit or discharge Guarantor's liability in any manner whatsoever and this Guaranty will remain and continue in full force and effect and will be enforceable against Guarantor to the same extent and with the same force and effect as if any such proceeding had not been instituted. Guarantor waives all rights and benefits which might accrue to it by reason of any such proceeding and will be liable to the full extent hereunder, irrespective of any modification, limitation or discharge of the liability of Seller that may result from any such proceeding.

6. Postponement of Subrogation. Only to the extent that, at the relevant time, there are Obligations, or other amounts hereunder, that are then due and payable but unpaid, Guarantor postpones and subordinates in favor of Creditor any and all rights which Guarantor may have to (a) assert any claim against Seller based on subrogation rights with respect to payments made by Guarantor hereunder and (b) any realization on any property of Seller, including participation in any marshalling of Seller's assets. Upon payment of such due and unpaid Obligations, Creditor agrees that Guarantor shall be subrogated to the rights of Creditor against Seller to the extent of Guarantor's payment to Creditor.

7. Notices. All notices, demands, requests, consents, approvals and other communications required or permitted hereunder must be in writing and will be effective upon receipt. Such notices and other communications may be hand-delivered, sent by email transmission with confirmation of delivery and a copy sent by first-class mail, or sent by nationally recognized overnight courier service, to the addresses for Creditor and Guarantor set forth below or to such other address as one may give to the other in writing for such purpose:

All communications to Creditor shall be directed to:

Attn:
Phone:
Email:
With a copy to:

Phone:
Email:

or such other address as Creditor shall from time to time specify to Guarantor.

All communications to Guarantor shall be directed to:

Attn:
Phone:
Email:

or such other address as Guarantor shall from time to time specify to Creditor.

8. Preservation of Rights. Except as provided by any applicable statute of limitations, no delay or omission on Creditor's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will Creditor's action or inaction impair any such right or power. Creditor's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which Creditor may have under other agreements with Guarantor, at law or in equity.

9. Illegality. In case any one or more of the provisions contained in this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

10. Amendments. No modification, amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom, will be effective unless made in a writing signed by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Guarantor in any case will entitle Guarantor to any other or further notice or demand in the same, similar or other circumstance.

11. Entire Agreement. This Guaranty (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between Guarantor and Creditor with respect to the subject matter hereof.

12. Successors and Assigns. This Guaranty will be binding upon and inure to the benefit of Guarantor and Creditor and their respective successors and permitted assigns. Neither party may assign this Guaranty in whole or in part without the other's prior written consent, which consent will not be unreasonably withheld or delayed, except that Creditor may at any time assign this Guaranty without Guarantor's consent, in the same manner, on the same terms and to the same persons as Creditor assigns the DSMA in accordance with Section 163 of the DSMA, and except that this Section 12 shall not limit Guarantor's right to assign this Guaranty, along with substantially all of Guarantor's assets and business to a successor entity or Affiliate that assumes all obligations thereunder and (i) where the successor Guarantor's Lowest Credit Rating is equal to or greater than Guarantor's Lowest Credit Rating or where the successor Guarantor's Lowest Credit Rating is equal to or greater than BBB-, as rated by S&P or Fitch, or Baa3, as rated by Moody's, and (ii) Seller is in compliance the DSMA. The "Lowest Credit Rating" shall mean the lowest of the senior unsecured long-term debt ratings determined by Moody's Investor Services, Inc. (or its successor) ("Moody's"), the Standard & Poor's Rating Group, a division of McGraw-Hill, Inc., (or its successor) ("S&P"), or Fitch Investor Service, Inc. (or its successor) ("Fitch") immediately before such transfer and assumption. Upon any such delegation and assumption of obligations by a successor Guarantor, Guarantor shall be relieved of and fully discharged from all of its obligations hereunder, whether such obligations arose before or after the date of such delegation and assumption.

13. Interpretation. In this Guaranty, unless Creditor and Guarantor otherwise agree in writing, the singular includes the plural and the plural the singular; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; and references to sections or

exhibits are to those of this Guaranty unless otherwise indicated. Section headings in this Guaranty are included for convenience of reference only and shall not constitute a part of this Guaranty for any other purpose.

14. Governing Law.

(a) This Guaranty has been delivered to and accepted by the Creditor. THIS GUARANTY WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF CREDITOR AND GUARANTOR DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, EXCLUDING ITS CONFLICT OF LAWS RULES.

(b) Guarantor hereby irrevocably consents to the jurisdiction of the federal district court for the Western District of Pennsylvania or to the county court jurisdiction of the Allegheny County Court of Common Pleas; provided that nothing contained in this Guaranty will prevent Creditor from bringing any action, enforcing any award or judgment or exercising any rights against Guarantor individually, against any security or against any property of Guarantor within any other county, state or other foreign or domestic jurisdiction. Guarantor acknowledges and agrees that the venue provided above is the most convenient forum for both Creditor and Guarantor. Guarantor waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Guaranty.

15. WAIVER OF JURY TRIAL. GUARANTOR AND CREDITOR IRREVOCABLY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS GUARANTY, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS GUARANTY OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. GUARANTOR AND CREDITOR ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

16. Term. This Guaranty shall survive termination of the DSMA and remain in full force and effect until all amounts due hereunder, including all of the Obligations, have been paid or performed in full.

17. Stay of Acceleration Ineffective with Respect to Guarantor. If acceleration of the time for payment of any amount payable by Seller under the DSMA is stayed upon the insolvency, bankruptcy or reorganization of Seller, all such amounts otherwise subject to acceleration or required to be paid upon an early termination pursuant to the terms of the DSMA shall nonetheless be payable by Guarantor hereunder on written demand by Creditor.

Guarantor acknowledges that it has read and understood all the provisions of this Guaranty, and has been advised by counsel as necessary or appropriate.

ATTEST: [Guarantor]

_____ By: _____

Name: _____

Title: _____

PENNSYLVANIA UNIVERSAL

DEFAULT SUPPLIER MASTER AGREEMENT

by and between

Duquesne Light Company

and

[INSERT]

Dated [Month, Day, Year]

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PENNSYLVANIA DEFAULT SERVICE SUPPLIER MASTER AGREEMENT

THIS DEFAULT SERVICE SUPPLIER MASTER AGREEMENT, made and entered into this ____ day of [Month, Day, Year] (the "Agreement") by and between Duquesne Light Company (the "Company" and "Buyer"), a limited liability company and a public utility organized and existing under the laws of the Commonwealth of Pennsylvania and [INSERT] ("DS Supplier"), the Company and the DS Supplier hereinafter sometimes referred to collectively as the "Parties", or individually as a "Party",

WITNESSETH:

WHEREAS, the Company is an electric public utility engaged, inter alia, in providing retail electric service within its service territory located in the Commonwealth of Pennsylvania; and

WHEREAS, the Pennsylvania Public Utility Commission ("PaPUC" or "Commission") Orders issued pursuant to the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2801-2812, direct Buyer to supply electric service to Default Service Load within Buyer's Pennsylvania franchise service territory; and

WHEREAS, the PaPUC has found that, for periods further identified in Appendix C, it would serve the public interest for the Company to secure Default Service Supply ("DS Supply") through a competitive procurement process ("DS Solicitation") and the PaPUC has approved such a process; and

WHEREAS, the Company has conducted and completed a successful DS Solicitation for the provision of DS Supply, and the DS Supplier was one of the winning bidders in the DS Solicitation; and

WHEREAS, pursuant to the competitive bidding procedures of the DS Solicitation, the Company and the DS Supplier desire to enter into this Agreement setting forth their respective rights and obligations concerning the provision of DS Supply.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby covenant, promise and agree as follows:

ARTICLE 1: DEFINITIONS

Any capitalized or abbreviated term not elsewhere defined in this Agreement shall have the definition set forth in this Article.

Alternative Energy Credit or "AEC" – Shall have the meaning ascribed thereto in the AEPS Act, including any future modifications thereto.

AEPS Act – The Pennsylvania Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1-1648.8, including any future modifications thereto.

Affiliate – Means, with respect to any entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such entity. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

Allocated AECs – Shall mean the types and amounts of AECs specified on Appendix E.

Alternative Energy Portfolio Standards or "AEPS" – Standards requiring that a certain amount of electric energy sold to retail electric customers in the Commonwealth of Pennsylvania be composed of electricity generated from alternative energy sources, as measured by AECs, in accordance with the requirements of the AEPS Act and provisions of the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2804, 2812-14, ~~in effect on the Effective Date~~ including, without limitation, any subsequent increases in Tier I requirements under 66 Pa.C.S. § 2814.

Ancillary Services – Shall have the meaning ascribed thereto in the PJM Agreements.

Applicable Legal Authorities – Those federal and Pennsylvania statutes and administrative rules and regulations that govern the electric utility industry in Pennsylvania, as they may be amended from time to time.

Auction Revenue Rights or "ARR" – The current or any successor congestion management mechanisms as may be employed by PJM (whether set forth in the PJM Agreements or elsewhere) for the purpose of allocating financial congestion hedges or financial transmission auction revenue rights. As currently defined by PJM, ARRs are entitlements allocated annually by PJM which entitle the holder to receive an allocation of the revenues from the annual auction of financial transmission rights conducted by PJM pursuant to the PJM Agreements.

Bankruptcy Code – Those laws of the United States of America related to bankruptcy, codified and enacted as Title 11 of the United States Code, entitled "Bankruptcy" and found at 11 U.S.C. § 101 et seq., as such laws may be amended, modified, replaced or superseded from time to time.

Billing Month – Each calendar month during the term of this Agreement.

Business Day – Any day on which the Company's and PJM's corporate offices are open for business and commercial banks are not authorized or required to close in New York, New York.

Capacity – "Unforced Capacity" as set forth in the PJM Agreements, or any successor, measurement of the capacity obligation of a Load Serving Entity as may be employed in PJM (whether set forth in the PJM Agreements or elsewhere).

Capacity Proxy Price will be implemented for those portions of supply contracts that extend into a period for which, as of the day prior to the date of the Company's corresponding solicitation, PJM has not established a capacity price through an auction conducted by PJM in the accordance with PJM's Reliability Pricing Model ("RPM") ("Capacity Market Auction"). The CPP will be the average of the capacity prices from the last auctions of the previous two Capacity Market Auctions conducted by PJM.

Charge – Any fee, charge or other amount that is billable by the Company to the DS Supplier under this Agreement.

Company – Duquesne Light Company.

Costs – With respect to the Non-Defaulting Party, brokerage fees, commissions and other similar transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations and/or entering into new arrangements which replace this Agreement; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement.

Customer – Any person or entity who enters into a contractual agreement with the Company to receive retail electric service including, without limitation, all persons or entities taking service under a retail tariff, eligible to receive competitive electricity supply from an EGS or DS, respectively, in accordance with the Applicable Legal Authorities.

Damages – Financial compensation from the Defaulting Party to the Non-Defaulting Party associated with the occurrence of an Event of Default or an Early Termination of this Agreement. This compensation shall be assessed pursuant to Article 5 of this Agreement.

Default Allocation Assessment – Shall have the meaning ascribed to it under the PJM Agreements.

Defaulting Party – A Party to this Agreement that has caused or precipitated an Event of Default or an Early Termination of this Agreement.

Default Service or "DS" – Electric generation service that is provided at retail pursuant to the Applicable Legal Authorities under the Company's retail electric tariffs and under any other agreements or arrangements between the Company and Customers, to any Customer that is not being served by an EGS.

Default Service Supply or "DS Supply" – All necessary Energy, Capacity, AECs for AEPS Act compliance and/or any other alternative energy requirements imposed by law, Ancillary Services, all transmission and distribution losses and congestion and imbalance costs associated with the provision of such services, and such other services or products that the DS Supplier may be required, by PJM or any governmental body having jurisdiction, to provide in order to meet the DS Supplier Responsibility Share for serving DS Load under this Agreement and as detailed in Appendix C. For the avoidance of doubt, any reference in this Agreement to any other agreement for DS Supply shall include any agreement between the Parties for the provision of a product or service (e.g., Energy) to serve DS Load, even if such other agreement does not require delivery of additional products or services (e.g., Capacity).

Delivery Period – The delivery period specified in Appendix C.

Delivery Point – Means the applicable zone of the Company as designated by PJM.

DS Customer(s) – Retail customers who are provided Default Service pursuant to the terms of this Agreement, the Applicable Legal Authorities and the Company's retail tariffs.

DS Fixed Percentage – The percentage of DS Supply, as set forth in Appendix C.

DS Fixed Price – The price in dollars per MWh, as set forth in Appendix C hereto, as determined pursuant to the DS Solicitation.

DS Fixed Price Adder For Hourly Price Service – The fixed price adder for Hourly Price Service in dollars per MWh, as set forth in Appendix C hereto, as determined pursuant to the DS Solicitation.

DS Load – Means the total sales at the retail meter, plus any losses and Unaccounted For Energy (as defined by PJM), as reflected in PJM settlement volumes (including adjustments required by PJM for PJM's derating in conjunction with implementation of marginal losses as appropriate per PJM Agreements), expressed in MWh of retail customers in a particular class of DS Customers being served by Company pursuant to the PUC Orders, as such sales vary from hour to hour, in Company's Pennsylvania franchise service territory, as such territory exists on the Effective Date or may increase

or decrease due to de minimis geographic border changes to the service territory that exists on the Effective Date. The DS Load is net of any reduction in load as a result of energy efficiency and demand side response programs offered by Company, PJM, curtailment service providers, or other third parties, or any retail market programs. For avoidance of doubt, DS Load shall not include (i) the amount of load that would otherwise have been served in the absence of such energy efficiency or demand side response programs or retail market programs; or (ii) sales resulting from changes in the Company's Pennsylvania service territory which occur as a result of a merger, consolidation, or acquisition of another entity which has a franchised service territory in Pennsylvania or a result of a significant franchise territory swap with another entity which has a franchised service territory in Pennsylvania.

DS Solicitation – The competitive bidding processes, procedures and rules employed by the Company to competitively procure DS Supply for purposes of this Agreement.

DS Supplier – An entity that (i) has been selected through the DS Solicitation and has accepted the obligations and associated rights to provide DS Supply to the Company for retail customers in accordance with the Applicable Legal Authorities, (ii) has entered into this Agreement with the Company as a Party, and (iii) is a PJM Member and registered with PJM as a LSE.

DS Supplier Representative – Any officer, director, employee, consultant, contractor, or other agent or representative of the DS Supplier in connection with the DS Supplier's

activity under this Agreement. To the extent the DS Supplier is a division or group of a company, the term DS Supplier Representative does not include any person in that company who is not part of the DS Supplier division or group.

DS Supplier Responsibility Share – The fixed percentage share of the Company's DS Load for which the DS Supplier is responsible as set forth in Appendix C.

DS Tariffs – The Company's existing schedules of rates and services provided to retail customers as currently on file with the Commission and on the Company's website, as they may be amended from time to time.

DS Variable Payments – The variable supplier payments in dollars based on the Company's Hourly Price Service formula rate, as set forth in Appendix C hereto, associated with serving the DS Supplier Responsibility Share of the DS Supply.

Early Termination – Termination of this Agreement prior to the end of the term due to the occurrence of an Event of Default as specified in Article 5.2 of this Agreement and the declaration of Early Termination.

Early Termination Date – The date upon which an Early Termination becomes effective as specified in Article 5.2 of this Agreement.

Effective Date – The date designated on the cover page of this Agreement upon which the terms of this Agreement were agreed to by the Parties.

Electric Distribution Company or "EDC" – A public utility providing facilities for the transmission and distribution of electricity to retail customers in Pennsylvania.

Electric Generation Supplier or "EGS" – A person or entity that is duly certified by the Commission to offer and provide competitive electric supply to retail customers located in the Commonwealth of Pennsylvania.

Emergency – (i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of an electric system or the safety of persons or property; or (ii) a condition that requires implementation of Emergency Operations Procedures as defined in the PJM Agreements or PJM manuals; or (iii) any other condition or situation that the Company or PJM deems imminently likely to endanger life or property or to affect or impair the Company's electrical system or the electrical system(s) of other(s) to which the Company's electrical system is directly or indirectly connected (a "Connected Entity"). Such a condition or situation may include, but shall not be limited to, potential overloading of the Company's transmission and/or distribution circuits, PJM minimum generation ("light load") conditions, or unusual operating conditions on either the Company's or a Connected Entity's electrical system, or conditions such that the Company is unable to accept Energy from the DS Supplier without

jeopardizing the Company's electrical system or a Connected Entity's electrical system. Other additional emergencies can only be declared by PJM, FERC, or the PaPUC.

Energy – Three-phase, 60-cycle alternating current electric energy, expressed in units of kilowatt-hours or megawatt-hours.

Event of Default – A Party's breach of obligations under this Agreement as set forth in Article 5 of this Agreement.

FERC – The Federal Energy Regulatory Commission.

Final Monthly Energy Allocation or "FMEA" – A quantity of Energy which, for any Billing Month, is the PMEA adjusted for any billing or metering data received subsequent to the calculation of PMEA of which PJM is notified within 60 days.

Fixed Price Transaction – A Transaction Confirmation that is not an Hourly Price Transaction.

Force Majeure – Means an event or circumstance which prevents one Party from performing its obligations under one or more transactions, including but not limited to, riots or revolutions, demands or embargoes of the United States Government, fire, flood, drought, insurrection, epidemic, terrorist attack, and acts of God, which are not within the reasonable control of, or the results of the negligence of the affected Party and which, by

the exercise of due diligence, the Party is unable to mitigate or avoid or cause to be avoided. Notwithstanding the foregoing, under no circumstance shall an event of Force Majeure be based on: (i) the loss or failure of DS Supplier's supply; (ii) DS Supplier's ability to sell the DS Supply at a price greater than that received under any Transaction; (iii) curtailment by a utility transmitting DS Supply; (iv) the Company's ability to purchase the DS Supply at a price lower than paid under any Transaction; (v) any change in requirements of any governmental authority; or (vi) labor stoppage or lockout.

Forward Market Price – The price for On-peak Energy Forward Price and Off-peak Energy Forward Price as determined by averaging concurrent broker quotes obtained by the Company for the Market Price Hub as available.

Gains – With respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from an Early Termination of this Agreement, determined in a commercially reasonable manner.

Generator Attribute Tracking System or "GATS" – the system owned and operated by PJM Environmental Services, Inc. to provide reporting and tracking services to its subscribers in support of the AEPS Act, or any successor credit registry selected by the PaPUC. (As specified in Appendix E)

Guaranty – A guaranty, suretyship, hypothecation agreement, margins or security agreement or any other document in the form attached to this DS Supplier Master Agreement or other form approved by the Company.

Guarantor – Any party having the authority and agreeing to guarantee the DS Supplier's financial obligations under this Agreement, recognizing that such party shall be obligated to meet the Company's creditworthiness requirements specified in this Agreement for such DS Supplier.

Hourly Price Service – service provided to Hourly Price Service ("HPS")-Eligible Class pursuant to the Company's DS Tariffs, Retail Tariff, Rider No. 9.

Hourly Price Transaction – A Transaction Confirmation for Hourly Price Service, as shown on such confirmation.

Interest Index – The average Federal Funds Effective Rate for the period of time the funds are on deposit. The Federal Funds Effective Rate is published daily on the Federal Reserve website (http://www.federalreserve.gov/releases/h15/update/).

Kilowatt or "kW" – Unit of measurement of useful power equivalent to 1000 watts.

Kilowatt-hour or "kWh" – One kilowatt of electric power used over a period of one hour.

Load Serving Entity or "LSE" – An entity that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electricity to retail customers located within the PJM Control Area as that term is defined in the PJM Agreements or in successor, superseding or amended versions of the PJM Agreements that may take effect from time to time over the term of this Agreement. The DS Supplier, for purposes of this Agreement, is not a Load Serving Entity and nothing contained herein shall be deemed to cause the DS Supplier to be a Load Serving Entity.

Losses – With respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from an Early Termination of this Agreement, determined in a commercially reasonable manner.

Margin – The amount by which the Total Exposure Amount exceeds the DS Supplier's, or Guarantor's, credit limit as defined in Section 6.4.

Mark-to-Market ("MtM") Exposure Amount – Shall have the meaning ascribed to it in Section 6.3 of this Agreement.

Market Price Hub – refers to AEP Dayton Hub, a liquid pricing point located within PJM's geographic footprint, at pnode #34497127.

Maximum Credit Limit – The lesser of the applicable percentage of TNW or the applicable credit limit cap as specified in Section 6.4 of this Agreement.

Medium Commercial and Industrial Class – Group of Rate Schedules that comprise the Medium Commercial and Industrial Class for DS Supply and itemized in Appendix C.

Megawatt or MW – One thousand kilowatts.

Megawatt-hour or MWh – One megawatt of electric power used over a period of one hour.

Merger Event – When a DS Supplier consolidates or amalgamates with, or merges into or with, or transfers all or substantially all of its assets to another entity and either (i) the resulting entity fails to assume all of the obligations of such DS Supplier hereunder in the sole discretion of the Company or (ii) the benefits of any credit support provided pursuant to Article 6 of this Agreement fail to extend to the performance by such resulting, surviving or transferee entity of the DS Supplier's obligations hereunder, and the resulting entity or its guarantor fails to meet the creditworthiness requirements of this Agreement in the sole discretion of the Company.

Minimum Rating – A minimum senior unsecured debt rating as defined in Appendix A of this Agreement.

Minimum Transfer Amount – $100,000.

NERC – The North American Electric Reliability Corporation or its successor.

Network Integration Transmission Service or "NITS" – "Network Integration Transmission Service" under the PJM Agreements in effect as of the date of this Agreement, or its successor, superseding or amended versions of the PJM Agreements that may take effect from time to time over the term of this Agreement. In the event the PJM Agreements are modified such that "Network Integration Transmission Service" is no longer offered, Network Integration Transmission Service shall mean the type of transmission service offered under the PJM Agreements that is accorded the highest level of priority for scheduling and curtailment purposes.

Non-Defaulting Party – A Party to this Agreement who, at the time an Event of Default occurs, is not itself in default of this Agreement and has not otherwise caused or precipitated an Event of Default or Early Termination of this Agreement.

Off-Peak Energy Forward Price – Means the price for Off-Peak Hours for each billing month of the delivery period stated in terms of $/MWh as based on the most recent publicly available information and/or quotes from Reference Market Makers on forward energy transactions occurring at the Market Price Hub. In the event that the Market Price Hub is no longer available or no longer representative of a transparent trading hub, the Parties will negotiate in good faith to agree upon an alternate liquid price.

On-Peak Energy Forward Price – Means the price for On-Peak Hours for each billing month of the delivery period stated in terms of $/MWh as based on the most recent publicly available information and/or quotes from Reference Market Makers on forward energy transactions occurring at the Market Price Hub. In the event that the Market Price Hub is no longer representative of a transparent trading hub, the Parties will negotiate in good faith to agree upon an alternate liquid price.

PaPUC or Commission – The Pennsylvania Public Utility Commission or its successor.

PJM – PJM Interconnection L.L.C. or its successor.

PJM Agreements – The PJM OATT, PJM RAA, PJM OA and all other PJM agreements, procedures, manuals and documents applicable to the Transactions covered by or relating to this Agreement.

PJM Control Area – That certain Control Area encompassing electric systems in parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia, as may be modified from time to time, and which is recognized by the North American Electric Reliability Council as the "PJM Control Area".

PJM Member – A member in good standing of PJM that satisfies the requirements to conduct business with PJM.

PJM OA – The PJM Operating Agreement or the successor, superseding or amended version of the PJM Operating Agreement that may take effect from time to time.

PJM OATT – The PJM Open Access Transmission Tariff or the successor, superseding or amended version of the PJM Open Access Transmission Tariff that may take effect from time to time.

PJM OI – The PJM Office of Interconnection, the system operator for the PJM Control Area.

PJM RAA – The PJM Reliability Assurance Agreement or the successor, superseding or amended version of the PJM Reliability Assurance Agreement that may take effect from time to time.

PJM RPM Zonal Net Load Price - is the price charged by PJM to LSEs for capacity in the Company's PJM zone under the Reliability Pricing Model ("RPM") or its successor; and (ii) the "Capacity Proxy Price" ("CPP") for the Company shall be calculated as described in Section 9.1 (a), and expressed in dollars per MW-day.

PMEA/FMEA Adjustment Amount – For any Billing Month, the monetary amount due to the DS Supplier or the Company, as the case may be, in order to reconcile any difference between the PMEA used for the purpose of calculating estimated payments made to DS

Supplier for a given month and the FMEA used for calculating the final payments due to the DS Supplier for such month as more fully described in Article 9 hereof.

Preliminary Monthly Energy Allocation or "PMEA" – A quantity of Energy which, for any Billing Month, is the preliminary calculation of the DS Supplier's DS Supplier Responsibility Share.

Rate Schedule(s) – Shall mean the specified existing, and modified or successor customer rate schedule(s) in the electric service tariff of the Company filed with the Commission.

Reliability First Corporation or "RFC" – The approved regional NERC entity with responsibility for the Commonwealth of Pennsylvania.

Residential Class – Group of Rate Schedules that comprise the Residential Class for the DS Supply and itemized in Appendix C.

Rounding Amount – $100,000.

Settlement Amount – With respect to a Non-Defaulting Party, the net amount of the Losses or Gains, and Costs, expressed in U.S. Dollars, which such Party incurs as a result of Early Termination, as set forth in Section 5.4(a) of this Agreement. For the purposes of calculating the Termination Payment, the Settlement Amount shall be considered an amount due to the Non-Defaulting Party under this Agreement if the total of the Losses

and Costs exceeds the Gains and shall be considered an amount due to the Defaulting Party under this Agreement if the Gains exceed the total of the Losses and Costs.

Small Commercial and Industrial Class – Group of Rate Schedules that comprise the Small Commercial and Industrial Class for DS Supply and itemized in Appendix C.

Statement – A monthly report prepared by the Company for the DS Supplier indicating the amount due to the DS Supplier by the Company as compensation for DS Supply supplied to DS Customers by the DS Supplier during the current Billing Month, in accordance with DS Supplier's obligations under this Agreement.

Supply Day – Any calendar day during the term of this Agreement on which the DS Supplier is providing, or is obligated by this Agreement to provide, DS Supply to the Company.

Tangible Net Worth or "TNW" – Total assets less intangible assets and total liabilities. Intangible assets include benefits such as goodwill, patents, copyrights and trademarks.

Termination Payment – A payment resulting from an Early Termination that is calculated in accordance with Article 5.4.

Tier I AEC – Shall mean an AEC that will satisfy the non-solar Tier I requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Tier I (Solar) AEC – Shall mean an AEC generated by a solar photovoltaic energy source that will satisfy the Tier I solar photovoltaic requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Tier II AEC – Shall mean an AEC generated by a non-solar photovoltaic energy source that will satisfy the non-solar Tier II requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Total Exposure Amount – An amount calculated daily for the DS Supplier reflecting the total credit exposure to the Company and consisting of the sum of (i) the Mark-to-Market Exposure Amount arising under this Agreement; (ii) any amount(s) designated as the "Mark-to-Market Exposure Amount" arising under any other DS Supply agreements providing for "DS Supply" or similar default service; and (iii) the amount designated as the "credit exposure" under any other DS Supply agreements providing for DS Supply or similar default service; provided that in the event the amount calculated for any day is a negative number, it shall be deemed to be zero for such day.

Tranche – A fixed percentage share of the Company's DS Load for the Customer Group as indicated in any given Transaction Confirmation, as specified in Appendix C.

Transaction – Means a particular agreement by which the Company purchases and the DS Supplier sells DS Supply pursuant to this Agreement, the details of which are more fully set forth in Exhibit 1 – Transaction Confirmation.

Transaction Confirmation – Shall have the meaning ascribed to it in Appendix C and Exhibit 1 of this Agreement.

ARTICLE 2: GENERAL TERMS AND CONDITIONS

2.1 Capacity in Which Company Is Entering into this Agreement

The DS Supplier agrees and acknowledges that the Company is contracting for the provision of DS Supply from such DS Supplier for Customers receiving Default Service on the Company's electric system pursuant to the authorizations provided to the Company. The DS Supplier further agrees and acknowledges that the Company will administer and monitor the DS Supplier's performance in providing DS Supply under this Agreement and that the Company shall be entitled to enforce the DS Supplier's obligations related to the provision of DS Supply. The DS Supplier hereby permanently, expressly and irrevocably waives any claim that Company is not entitled to seek enforcement of this Agreement on behalf of Customers. It is the specific intention of the Parties hereto that Customers and Customer groups are not third party beneficiaries of this Agreement and that no Customer or Customer group shall seek enforcement of this Agreement against the DS Supplier on their own behalf, either independently or by joining in any legal proceeding brought by the Company.

The Parties acknowledge that the Agreement is a forward contract and, accordingly, the Parties hereto are entitled to the protections of Section 556 of the Bankruptcy Code. The Parties therefore agree that the Agreement may be terminated by either Party upon the commencement of a proceeding by the other Party under any chapter of the Bankruptcy Code in accordance with Article 5.2 of this Agreement.

2.2 Parties' Obligations

(a) Obligations of DS Supplier

The DS Supplier hereby agrees as follows:

(i) To provide service on a firm and continuous basis such that the supply delivered for the term of the Agreement meets the terms and conditions set forth in Appendix C;

(ii) To provide sufficient quantities of DS Supply on an instantaneous basis at all times and supplied to the Delivery Point to meet the DS Supplier Responsibility Share;

(iii) To procure those services provided by the PJM OI and to perform such functions as may be required by the PJM OI that are necessary for the delivery of DS Supply required hereunder;

(iv) To cooperate with the Company in any regulatory compliance efforts that may be required to maintain the ongoing legitimacy and enforceability of the terms of this Agreement and to fulfill any regulatory reporting requirement associated with the provision of DS Supply, before the PaPUC, FERC or any other regulatory body asserting jurisdiction;

(v) To pay to the Company the PMEA/FMEA Adjustment Amount for any Billing Month in which the PMEA exceeds the FMEA, as more fully described in Article 9 of this Agreement;

(vi) To accept assignment of and to fulfill all obligations of a LSE that are assigned to it by this Agreement;

(vii) To comply in a timely manner with all obligations under this Agreement imposed upon the DS Supplier; and

(viii) To comply with the AEPS requirements of the Company's Default Service Plan, as detailed in Appendix E.

(b) Obligations of the Company

The Company hereby agrees as follows:

(i) To pay to each DS Supplier every month an amount due, resulting from the calculations, as detailed in Article 9 of this Agreement, subject to the adjustments as expressed therein;

(ii) To pay to the DS Supplier the PMEA/FMEA Adjustment Amount for any Billing Month in which the FMEA exceeds the PMEA, as more fully described in Article 9 of this Agreement;

(iii) To provide to the DS Supplier its estimated aggregate load obligation (capacity MW value) for each Supply Day no less than five (5) calendar days prior to the day of delivery. Further, this information will be posted in the DS Supplier's specific PJM PowerMeter account, or successor system or process;

(iv) To comply in a timely manner with all obligations under this Agreement imposed upon the Company;

(v) To accept the delivery of DS Supply necessary to meet the DS Load;

(vi) To be responsible (as between the Company and the DS Supplier) for the provision of the Allocated AECs to satisfy AEPS requirements; and

(vii) To be the Load Serving Entity for supply purchased under this Agreement.

2.3 Congestion and Congestion Management

The DS Supplier is responsible for any congestion costs incurred to meet the DS Supplier Responsibility Share. The Company shall transfer or assign to the DS Supplier the Company's rights to Auction Revenue Rights (ARRs) to which the Company is entitled

as an LSE pursuant to the PJM Agreements, including the rights to ARRs, provided that such rights are related to the service being provided to meet the DS Supplier Responsibility Share and such rights are for the Delivery Period. All rights, liabilities and obligations associated with such ARRs will accrue and be assumed by the DS Supplier through the transfer or assignment from the Company to the DS Supplier including the responsibility and ability of the DS Supplier to request or nominate such ARRs when applicable and feasible. Should the conditions above not be met, the entity recognized by PJM as having the right to make the nominations will nominate such ARRs for the upcoming PJM planning period and such ARRs will be allocated to the DS Supplier in accordance with the PJM Agreements based upon its DS Supplier Responsibility Share.

2.4 PJM Services

The DS Supplier shall make all necessary arrangements for the delivery of DS Supply through the PJM OI. The Company will advise the PJM OI of the magnitude and location of each DS Supplier's actual DS Supplier Responsibility Share, as required by the PJM OI, for the purpose of calculating such DS Supplier's appropriate DS Supply requirements related to the provision of service under this Agreement by DS Supplier arising under the PJM Agreements. The DS Supplier shall remain responsible to PJM for the performance of its LSE obligations associated with the provision of DS Supply under this Agreement until the effective date of the transfer of such LSE obligations.

The Company shall generate and provide in writing to DS Supplier the PJM shortname(s) associated with supplier's unique contract type(s), as necessary. Unique shortname(s) may be generated for each differing contract type. DS Supplier shall complete all required forms and processing to PJM to create shortname(s) within the PJM

system.

For the period of time this Agreement is in effect, both the Company and DS Supplier shall have executed the PJM Declaration of Authority, and shall remain in effect during the Term of this Agreement. In the event PJM requires that the Declaration of Authority be amended after execution by the DS Supplier, DS Supplier agrees to execute a revised Declaration of Authority in accordance with PJM requirements.

2.5 PJM Agreement Modifications

(a) If the PJM Agreements are amended or modified so that any schedule or section reference herein to such agreements is changed, such schedule or section reference herein shall be deemed to automatically (and without any further action by the Parties) refer to the new or successive schedule or section in the PJM Agreements which replaces that originally referred to in this Agreement.

(b) If the applicable provisions of the PJM Agreements referenced herein, or any other PJM rules relating to the implementation of this Agreement, are changed materially from those in effect on the Effective Date, both Parties shall cooperate to make conforming changes to this Agreement to fulfill the purposes of this Agreement, including the DS Supplier's responsibility for changes in PJM products and pricing during the Term. DS Supplier bears the risk and responsibility of all charges resulting from any changes in PJM products and pricing during the term of this Agreement with the exception of (i) future PJM charges related solely to the Company providing network transmission service, and (ii) those charges identified as EDC responsibility in Appendix D, including for transition costs related to the elimination of through-and-out transmission rates.

2.6 PJM Member Default Cost Allocation

In the event PJM imposes a Default Allocation Assessment upon the Company relating to a default during the Term, the Company shall invoice DS Supplier, and DS Supplier shall pay an amount equal to the product of (i) DS Supplier Responsibility Share, and (ii) the Default Allocation Assessment.

2.7 Other Fines and Penalties

If fees, fines, penalties, or costs are claimed or assessed against the Company by any Applicable Legal Authority or PJM due to noncompliance by the DS Supplier with this Agreement, any other requirements of law, or the PJM Agreements, the DS Supplier shall indemnify and hold the Company harmless against any and all losses, liabilities, damages, and claims suffered or incurred by the Company, including claims for indemnity or contribution made by third parties against the Company, except to the extent the Company recovers any such losses, liabilities or damages through other provisions of this Agreement.

2.8 Communications and Data Exchange

The DS Supplier and the Company shall supply to each other in a thorough and timely manner all data, materials or other information that is specified in this Agreement, or that may otherwise reasonably be required by DS Supplier or by the Company in connection with the provision of DS Supply by the DS Supplier to DS Customers, if required.

The DS Supplier shall be equipped with the communications capabilities necessary to comply with the communications and data exchange standards that are set by and as may, from time to time, be modified by PJM, and shall exclusively bear the costs of

installing, maintaining, testing, and operating all required information technology systems that will enable it to send to and receive data from the Company and PJM and to satisfy its obligations under this Agreement, the PJM Agreements and all other relevant agreements.

2.9 Record Retention

The Company shall retain necessary records for the longer of two years or as required under applicable PaPUC requirements so as to permit DS Supplier to confirm the validity of payments due to DS Supplier hereunder; provided that if a DS Supplier has provided notice pursuant to this Agreement that it disputes the validity of any payments, the Company agrees that it shall retain all records related to such dispute until the dispute is finally resolved.

2.10 Verification

In the event of a good faith dispute regarding any invoice issued or payment due under this Agreement, and provided that a mutually acceptable confidentiality agreement is executed by the Parties, each Party will have the right to verify, at its sole expense, the accuracy of the invoice or the calculation of the payment due by obtaining copies of relevant portions of the books and records of the other Party.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES

3.1 DS Supplier's Representations and Warranties

The DS Supplier hereby represents, warrants and covenants to the Company on the Effective Date and throughout the term of this Agreement as follows:

(a) It is a corporation, partnership, limited liability company or other legal entity, duly organized, validly existing and in good standing under the laws of the

Commonwealth of Pennsylvania or, if another jurisdiction, under the laws of such jurisdiction and, in such case, is duly registered and authorized to do business in such other jurisdiction and the Commonwealth of Pennsylvania;

(b) It has all requisite power and authority to execute and deliver this Agreement and to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder, including satisfaction of all applicable FERC requirements;

(c) The execution and delivery of this Agreement and the performance of such DS Supplier's obligations hereunder have been duly authorized by all necessary action on the part of the DS Supplier and do not and will not conflict with, or constitute a breach of or default under, any of the terms, conditions, or provisions of the DS Supplier's certificate of incorporation or bylaws or other constituent instruments or any indenture, mortgage, other evidence of indebtedness, or other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the DS Supplier is a party or by which the DS Supplier or any of its properties is bound or subject;

(d) All necessary and appropriate action that is required on the DS Supplier's part to execute this Agreement has been completed;

(e) This Agreement is the legal, valid and binding obligation of the DS Supplier, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights in general or by general principles of equity;

(f) There are no actions at law, suits in equity, proceedings or claims pending

or, to the DS Supplier's knowledge, threatened against the DS Supplier before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the DS Supplier's performance of its obligations hereunder;

(g) It has entered into this Agreement with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(h) It is in good standing as an LSE in PJM, is a signatory to all applicable PJM Agreements, and is in compliance with, and will continue to comply with, all obligations, rules and regulations, as established and interpreted by the PJM OI, that are applicable to LSEs as defined by the PJM Agreements; provided that the DS Supplier shall not be obligated to become an LSE in PJM until the date it begins providing DS Supply;

(i) It has made its trading and investment decisions (including regarding the suitability thereof) based upon its own judgment and any advice from such advisors as it has deemed necessary and not in reliance upon any view expressed by the Company;

(j) It will comply with any and all information and data transfer protocols that may be adopted by the Company or that are set by, and from time to time modified by, the PaPUC; provided that DS Supplier shall be entitled to exercise its reserved right to challenge any such protocols in the appropriate forum;

(k) It is not Bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt or insolvent;

(l) There are no pending or, to its knowledge, threatened, actions, suits or proceedings against it or any of its Affiliates, or any legal proceedings before any

Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement;

(m) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

(n) It is not relying upon the advice or recommendations of the other Party in entering into this Agreement, it is capable of understanding, understands and accepts the terms, conditions and risks of this Agreement, and the other Party is not acting as a fiduciary for or advisor to it in respect of this Agreement; and

(o) It has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to provide or take delivery of DS Supply as required by this Agreement, and it is an "eligible contract participant" as defined in Section 1a(12) of the Commodity Exchange Act.

3.2 Company's Representations and Warranties

The Company hereby represents, warrants and covenants to the DS Supplier as follows:

(a) The Company is an electric utility duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;

(b) The Company has all requisite power and authority to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder;

(c) The execution and delivery of this Agreement and the performance of the Company's obligations hereunder have been duly authorized by all necessary action on the

part of the Company and do not and will not conflict with, constitute a breach of or default under, any of the terms, conditions, or provisions of the Company's certificate of incorporation or bylaws or any indenture, mortgage, other evidence of indebtedness, or other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Company is a party or by which the Company or any of its properties is bound or subject;

(d) All necessary and appropriate action that is required on the Company's part to execute this Agreement has been completed;

(e) This Agreement is the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights in general or by general principles of equity and the Commission's power under section 508 of the Public Utility Code, 66 Pa.C.S. § 508, to amend or modify the contracts of public utilities;

(f) The ability of the Company to pay any and all amounts due and payable under this Agreement, or upon any potential breach thereof, is not conditioned upon any governmental or administrative appropriation by the Commission, the Commonwealth of Pennsylvania or any other governmental authority;

(g) There are no actions at law, suits in equity, proceedings or claims pending or, to the Company's knowledge, threatened against the Company before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the Company's performance of its obligations under this Agreement;

(h) It has entered into this Agreement with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(i) The Company's performance under this Agreement is not contingent upon the performance of Customers or the ability of Customers to pay rates;

(j) The Company shall have sole responsibility for metering and billing with respect to Customers; and

(k) The Company shall be responsible for electric distribution services, and the DS Supplier shall not be responsible for distribution charges.

3.3 Survival of Obligations

All representations and warranties contained in this Article are of a continuing nature and shall be maintained during the term of this Agreement or until all amounts due hereunder, including all obligations, have been paid or performed in full. If a Party learns that any of the representations, warranties or covenants in this Agreement are no longer true during the term of this Agreement, the Party shall immediately notify the other Party via facsimile, with a hard copy of the notice delivered by overnight mail. Company, may, in its sole discretion, treat any such materially incorrect or misleading representation or warranty as an Event of Default hereunder.

ARTICLE 4: COMMENCEMENT AND TERMINATION OF AGREEMENT

4.1 Commencement and Termination

The term of this Agreement shall commence upon the Effective Date. Unless otherwise agreed upon by the Company and the DS Supplier, this Agreement shall continue in full force and effect from the Effective Date until the end of all Transaction(s) executed

under this Agreement, unless the Agreement is terminated prematurely pursuant to the provisions of this Agreement.

4.2 Termination of Right to Supply

The DS Supplier agrees that termination of this Agreement for reason of an Event of Default shall terminate any right of the DS Supplier to provide DS Supply and nullify any of the entitlements to which the DS Supplier became entitled as a result of being selected as a winning bidder in the DS Solicitation.

4.3 Survival of Obligations

Termination or expiration of this Agreement for any reason shall not relieve the Company or the DS Supplier of any obligation accrued or accruing prior to such termination. Applicable provisions of this Agreement shall continue in effect after termination to the extent necessary to provide for final billings, including, without limitation, Article 4 (Commencement and Termination of Agreement), Article 5 (Breach and Default), Article 11 (Dispute Resolution), Article 13 (Limitation of Remedies, Liability and Damages), Article 14 (Indemnification), and Article 16 (Miscellaneous Provisions).

4.4 Mutual Termination

The Company and the DS Supplier may agree at any time during the term of this Agreement to terminate their respective rights and obligations hereunder on such terms and under such conditions that they mutually deem to be appropriate as set forth in a mutual termination agreement acceptable in form and substance to the Company and the DS Supplier ("Mutual Termination Agreement"); provided that Company agrees that it shall enter into such a Mutual Termination Agreement, which will discharge the terminating DS

Supplier (the "Terminating DS Supplier") with respect to liabilities arising after the effective date of the Mutual Termination Agreement if the following conditions precedent are met: (i) the Terminating DS Supplier identifies a replacement DS Supplier willing to assume all obligations of the Terminating DS Supplier hereunder for the remaining term of this Agreement (the "Replacement DS Supplier"); (ii) the Replacement DS Supplier demonstrates its compliance with Article 6 of this Agreement, "Creditworthiness," as of the effective date of the Mutual Termination Agreement, that determination to be made in the sole discretion of Company; (iii) the Replacement DS Supplier executes a counterpart signature page to this Agreement and thereby becomes a Party under this Agreement, effective immediately following the effective date of the Mutual Termination Agreement; and (iv) the Terminating DS Supplier is not, to the belief or knowledge of the Company, subject to an Event of Default as of the effective date of the Mutual Termination Agreement or, if the Company believes that the Terminating DS Supplier may be subject to an Event of Default, either (a) the Company has determined that, as of the effective date of the Mutual Termination Agreement, it has not incurred any Damages as a result of the Event of Default or (b) if the Company has determined, as of the effective date of the Mutual Termination Agreement, that it may have incurred Damages as a result of the Event of Default, that the Replacement DS Supplier has agreed in writing to be responsible for the payment of such Damages or to otherwise cure the Event of Default, in either case to the satisfaction of the Company in its sole discretion.

ARTICLE 5: BREACH AND DEFAULT

5.1 Events of Default

An Event of Default under this Agreement shall occur if a Party (the "Defaulting

Party"):

(i) Is the subject of a voluntary bankruptcy, insolvency or similar proceeding;

(ii) Makes an assignment for the benefit of its creditors;

(iii) Applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;

(iv) Is dissolved (other than pursuant to a consolidation, amalgamation or merger) or is the subject of a Merger Event in the case of the DS Supplier;

(v) Has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets;

(vi) Has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(vii) In the case of a DS Supplier, PJM terminates the DS Supplier's ability to make purchases from PJM markets or PJM holds the Company responsible for the provision of DS Supply under this Agreement and PJM does not rescind such termination or assignment of responsibility within seven (7) Business Days;

(viii) Fails to comply with the creditworthiness requirements as set forth in Article 6 of this Agreement, including, without limitation, compliance with the creditworthiness requirements to cover the Margin calculated under Section 6.5 or post any Margin due under Section 6.5 of this Agreement, within the time frames set forth in this Agreement;

(ix) Is declared by PJM to be in default of any provision of any PJM Agreement,

which default prevents a Party's performance hereunder if such failure is not remedied within three (3) Business Days after written notice;

(x) Fails to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within two (2) Business Days after written notice;

(xi) Violates any federal, state or local code, regulation or statute applicable to the supply of DS Supply (or any constituent thereof such as Energy or AECs) in a manner that materially, and adversely, affects the Party's performance under this Agreement, including by way of failure to continually satisfy all applicable FERC requirements, or, in the case of the DS Supplier, by way of failure to maintain any other governmental approvals required for participation in the Pennsylvania retail Energy market, or defaults on any obligation or other failure to comply with PJM requirements under the PJM Agreements;

(xii) Is the subject of an involuntary bankruptcy or similar proceeding;

(xiii) Subject to Section 5.3(b) of this Agreement, in the case of the Company, fails to accept DS Supply properly tendered by the DS Supplier under this Agreement;

(xiv) Fails to perform any material covenant or obligation set forth in this Agreement, if such failure is not remedied within three (3) Business Days after written notice;

(xv) Makes a materially incorrect or misleading representation or warranty under this Agreement or under any response to the DS Solicitation; or

(xvi) Commits an act or makes an omission that constitutes an "Event of Default" under any other agreement(s) for the provision of DS Supply between the Company and the DS Supplier; and fails to remedy such condition, event or delinquency herein above described such that the other Party (the "Non-Defaulting Party") is completely made whole

with respect to such condition, event or delinquency, within three (3) Business Days of receipt of written notice thereof from such Non-Defaulting Party; provided, however, that an Event of Default shall be deemed to have occurred immediately, without any need for the provision of notice thereof by the Non-Defaulting Party and without any right of cure on the part of the Defaulting Party, in the event of the occurrence of a condition, event or delinquency described in subsections (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) above. Termination or modification of this Agreement by the PaPUC, other regulatory authority or court of law does not constitute an Event of Default under this Agreement.

(xvii) With respect to the DS Supplier's Guarantor, if any:

1. Representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated;

2. Guarantor fails to make, when due, any payment required or to perform any other material covenant or obligation in any guaranty made in connection with this Agreement and such failure shall not be remedied within two (2) Business Days after written notice;

3. Guarantor's guaranty fails to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of such Party under this Agreement without the written consent of the other Party; or

4. Guarantor repudiates, disaffirms, disclaims, or rejects, in whole or in part, or challenges the validity of any guaranty.

5.2 Rights upon Default

Upon and during the continuation of an Event of Default, the Non-Defaulting Party shall have the right to suspend performance, provided that such suspension shall not continue for longer than ten (10) Business Days. At any time during or subsequent to the temporary suspension of performance, the Non-Defaulting Party may proceed with the steps outlined in Article 5.7. In addition to any other remedies available at law or in equity to the Non-Defaulting Party, if an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right to implement all of the following remedies:

(i) Declare an Early Termination Date of this Agreement with respect to the obligations of the Defaulting Party without any liability or responsibility whatsoever except for obligations arising prior to the date of termination, by providing written notice to the Defaulting Party; provided, however, that this Agreement shall immediately terminate automatically and without notice in the case of any Event of Default in which a DS Supplier is the Defaulting Party occurring under subsections (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) of Article 5.1 of this Agreement and such date of automatic termination shall be deemed the Early Termination Date of this Agreement with respect to such Supplier; and

(ii) Receive Damages in accordance with Section 5.3 of this Agreement.

The Non-Defaulting Party shall be entitled to elect or pursue one or more of the above remedies.

5.3 Damages Resulting from an Event of Default

(a) DS Supplier's Failure to Supply DS Supply or Declaration of Early

Termination By Company: Damages resulting from (i) the DS Supplier's failure to (A) provide DS Supply in conformance with Article 2.2 hereof or (B) pay PJM for purchases of any products or services from PJM, or other failure to comply with PJM requirements, such that PJM holds the Company responsible for the provision of DS Supply to meet the DS Supplier's DS Supplier Responsibility Share under this Agreement or (ii) the occurrence of any Event of Default attributable to the DS Supplier resulting in Early Termination, shall include all Costs incurred by the Company, acting in a commercially reasonable manner consistent with any statutory or regulatory requirements imposed by the Applicable Legal Authorities, in obtaining replacement services and/or in obtaining a replacement supplier, which Costs exceed the amounts that would have been payable to the defaulting DS Supplier under this Agreement. Costs incurred by the Company for the purpose of calculating Damages hereunder will consist of:

(i) The cost of DS Supply allocated to the Company by the PJM OI due to the failure of the DS Supplier to meet obligations owing to the PJM OI in connection with its obligations under this Agreement;

(ii) The costs of DS Supply purchased by the Company to replace DS Supply that a DS Supplier was obligated to supply under this Agreement during the term hereof;

(iii) Administrative and legal costs associated with procuring replacement DS Supply; and

(iv) Financial hedging costs incurred by the Company on behalf of DS Customers as a result of having to procure DS Supply not provided by the DS Supplier.

The Parties further recognize and agree that the final calculation of Damages hereunder may not be known for some time since the level of such Damages may be

dependent upon the arrangements made by the Company to obtain replacement services or a replacement DS Supplier. The Company and the DS Supplier agree that, until the calculation of Damages under this provision is completed, the amount and payment to the Company of the Settlement Amount on behalf of DS Customers in the event of an Early Termination as set forth in Article 5.4 of this Agreement shall be immediately due and owing as an estimate of all Damages ultimately determined to be due and owing. After Damages have been finally determined under this Article 5.3, the amounts of Damages due and owing will be reconciled with payments already made by the DS Supplier under Section 5.4 of this Agreement.

(b) Failure by Company on Behalf of Customers to Accept DS Supply Properly Tendered by DS Supplier: Damages resulting from the failure of the Company on behalf of Customers to accept DS Supply properly tendered by the DS Supplier necessary to meet the DS Supplier Responsibility Share of DS Load under this Agreement shall consist of the positive difference (if any) between (i) the amounts that would have been payable to the DS Supplier hereunder had the Company accepted the DS Supply properly tendered by the DS Supplier necessary to meet the DS Supplier Responsibility Share of DS Load under this Agreement and (ii) the amount realized by the DS Supplier in disposing, in a commercially reasonable manner, of the DS Supply not accepted by the Company; provided, however, that the Company shall not be liable for any Damages if this Agreement is terminated, or modified so as to frustrate or effectively preclude Company's acceptance of the DS Supply, by the PaPUC, other regulatory authority or a court of law.

(c) Damages Resulting from Early Termination Due to an Event of Default Attributable to the Company: Damages resulting from Early Termination due to an

Event of Default attributable to the Company shall be as set forth in Section 5.4 of this Agreement. Damages calculated in accordance with said Article 5.4 shall be the exclusive remedy available to the DS Supplier in the event of Early Termination resulting from an Event of Default attributable to the Company.

(d) Damages Resulting from DS Supplier's Failure to Continuously Satisfy its Obligations Associated with the AEPS: Damages resulting from the DS Supplier's failure to continuously meet and satisfy all or any portion of its obligations under Section 2.2 (a)(viii) of this Agreement shall include, but not be limited to, the amount of all penalties (including Alternative Compliance Payments), costs associated with the procurement of additional AECs, etc., including, without limitation, interest and other charges, if any, levied against the Company related to AEPS regulations, due to such DS Supplier's conduct or inaction. DS Supplier has a specific obligation to provide the AECs conforming to PaPUC requirements and not money damages in substitution. Therefore, any such attempt to supply money damages instead of AECs may be treated as an event of default in the sole discretion of Company.

(e) Other Damages: Damages for Events of Default not specified above shall consist of the direct Damages incurred by the Non-Defaulting Party.

(f) Waiver of Event of Default: If an Event of Default has occurred and the Non-Defaulting Party is the Company, then unless the Event of Default was a failure by the DS Supplier to meet any or all of its DS Supply obligations, the Company may elect, at its sole discretion, to offer to waive the default on such terms and conditions as the Company, at its sole discretion, may deem appropriate to propose a special remedy. Any such special remedy can only be offered to the DS Supplier if it first is specifically

approved by the PaPUC in accordance with Commission Orders.

5.4 Declaration of an Early Termination Date and Calculation of Settlement Amount and Termination Payment

(a) Settlement Amount

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the Non-Defaulting Party shall have the right (i) to designate a day, no earlier than the day such notice is effective and no later than twenty (20) days after such notice is effective, as a date for Early Termination ("Early Termination Date") to accelerate all amounts owing between the Parties and to liquidate and terminate the undertakings set forth in this Agreement, (ii) to withhold any payments due to the Defaulting Party under this Agreement, and (iii) to suspend performance; provided, however, that an Early Termination Date shall be deemed to occur automatically and concurrently with the Event of Default, without any requirement for the provision of notice by the Non-Defaulting Party, with respect to an Event of Default under subsections (i), (ii), (iii), (iv), (v), (vi), (vii), and (viii) of Article 5.1 of this Agreement. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount with respect to the obligations under this Agreement.

"☐ The DS Supplier may, in its sole discretion, add the following subsection 5.4(a)(i) by checking this box. If DS Supplier does not check this box, subsection 5.4(a)(i) will be deemed to be excluded from this Agreement."

(i) For the purposes of such determination, the DS Supply provided for under this Agreement for the period following the Early Termination Date through the remainder of the term of this Agreement shall be deemed to be those quantity amounts that would have been delivered on an hourly basis, had this Agreement been in effect during the previous calendar year adjusted for such DS Load changes

as may have occurred since the previous calendar year.

(b) Net Out of Settlement Amounts

The Non-Defaulting Party shall calculate a Termination Payment by aggregating all Settlement Amounts due under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply into a single amount by netting out (a) all Settlement Amounts that are due or will become due to the Defaulting Party, plus at the option of the Non-Defaulting Party, any cash or other form of security then available to the Non-Defaulting Party and actually received, liquidated and retained by the Non-Defaulting Party, plus any or all other amounts due to the Defaulting Party under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply against (b) all Settlement Amounts that are due or will become due to the Non-Defaulting Party, plus any or all other amounts due to the Non-Defaulting Party under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply, so that all such amounts shall be netted out to a single liquidated amount; provided, however, that if the DS Supplier is the Defaulting Party and the Termination Payment is due to the DS Supplier, the Company shall be entitled to retain a commercially reasonable portion of the Termination Payment, which may be equal to the entire amount of the Termination Payment, as security for additional amounts that may be determined to be due and owing by the DS Supplier as Damages and further provided that any previously attached security interest of the Company in such retained amounts shall continue. The Termination Payment shall be due to or due from the Non-Defaulting Party as appropriate. If the Termination Payment has been retained by the Company as security for additional amounts that may be determined

to be due and owing by the DS Supplier, and if, upon making a final determination of Damages, the Termination Payment, or any portion thereof, is to be made to the DS Supplier, the Company will pay simple interest on the Termination Payment amount being made to the DS Supplier. Simple interest will be calculated at the lower of the Interest Index or six (6) percent per annum.

(c) Notice of Termination Payment

As soon as practicable after calculation of a Termination Payment, notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to or due from the Non-Defaulting Party. The notice shall include a written statement explaining in reasonable detail the calculation of such amount. Subject to Article 5.4(b) above, the Termination Payment shall be made by the Party that owes it within three (3) Business Days after such notice is effective.

(d) Disputes With Respect to Termination Payment

If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within three (3) Business Days of receipt of Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute; provided, however, that if the Termination Payment is due from the Defaulting Party, the Defaulting Party shall first transfer collateral to the Non-Defaulting Party in an amount equal to the Termination Payment, such collateral to be in a form acceptable to the Non-Defaulting Party as specified in the Termination Payment Dispute Notice.

(e) Multiple DS Supply Agreements

It is the intention of the Company and the DS Supplier that, in the event the DS Supplier is a party to other agreements with the Company for the provision of DS Supply that existed prior to the Effective Date of this Agreement or are entered into after the Effective Date of this Agreement, the Company will calculate a single Termination Payment applicable to all such agreements as set forth herein.

5.5 Step-up Provision

In the event the Company receives bids for less than all tranches, the Commission does not approve the results for all tranches, or a supplier defaults, the Company will execute the emergency contingency plan.

The Company may ask other winning DS Suppliers whether they wish to assume all or part of the delivery obligations on the same terms and price already established, but any DS Supplier shall not be obligated to assume any such step-up requests. Any agreement to make additional supply available shall be termed a "Step-Up," and is subject to compliance with the creditworthiness provisions of Article 6 of this Agreement and the DS Supplier's load cap as per the Company's approved default service procurement plan. If multiple wholesale suppliers are willing to Step-Up, then the Auction Manager would allocate a pro-rata share of the unsubscribed tranche(s) to each supplier based upon the percentage of load that each supplier won in the initial auction.

If the Wholesale supplier(s) are unwilling to "Step-Up" and fill the Unsubscribed Tranche(s) a separate procurement auction will be conducted by the Company's independent third-party Auction Manager. The purpose of this auction would be to solicit Wholesale suppliers and procure the supply deficiency.

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If these two options fail, the Company will procure default supply to fill the Unsubscribed Tranche(s) through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. The Company will submit to the Commission within fifteen (15) days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

~~The Company may ask other DS Suppliers whether they wish to assume all or part of the delivery obligations on the same terms and price contained herein, but any DS Supplier shall not be obligated to assume any such step-up requests. Any agreement to make additional supply available shall be termed a "Step-Up," and is subject to compliance with the creditworthiness provisions of Article 6 of this Agreement and the DS Supplier's load cap as per the Company's approved default service procurement plan. For the avoidance of doubt, in the event that the DS Supplier does not respond to the Company's Step-Up request within the relevant timeframe, then the DS Supplier shall be deemed to have rejected the Company's request in full.~~

5.6 Setoff of Payment Obligations of the Non-Defaulting Party

Any payment obligations of the Non-Defaulting Party to the Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply shall be set off: (i) first, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply that are unsecured and not subject to any Guaranty; (ii) second, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this

Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply that are unsecured, but which are subject to a Guaranty; and (iii) third, to satisfy any remaining payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply.

5.7 Preservation of Rights of Non-Defaulting Party

The rights of the Non-Defaulting Party under this Agreement, including without limitation Articles 5.4 and 5.7 of this Agreement, shall be supplemental to, and not in lieu of, any right of recoupment, lien, or set-off afforded by applicable law, and all such rights are expressly preserved for the benefit of the Non-Defaulting Party.

(a) Duty to Mitigate. Each Party agrees that it has a duty to mitigate damages and covenants that it will use commercially reasonable efforts to minimize any damages it may incur as a result of the other Party's failure to perform pursuant to this Agreement.

(b) Return of Auction Revenue Rights. When the DS Supplier is the Defaulting Party, the DS Supplier will make best efforts to facilitate the transfer or reassignment to the entity which is the replacement DS Supplier on the Early Termination Date, any and all of the replacement DS Supplier's rights to Auction Revenue Rights (ARRs) to which the replacement DS Supplier is entitled as a LSE pursuant to the PJM Agreements, which were transferred or assigned to the DS Supplier under Section 2.3 (Congestion and Congestion Management).

ARTICLE 6: CREDITWORTHINESS

6.1 Applicability

The DS Supplier agrees that it shall meet the creditworthiness requirements of this Article 6 at all times during the term of this Agreement and shall inform the Company immediately of any changes in its credit rating or financial condition. Without limitation of the foregoing, the DS Supplier shall, upon written request, affirmatively demonstrate to the Company, its compliance with the creditworthiness requirements set forth hereunder. The Company may establish less restrictive creditworthiness requirements under this Article 6 in a non-discriminatory manner.

6.2 Creditworthiness Determination

The DS Supplier may submit and maintain a security deposit in accordance with Section 6.4 of this Agreement in lieu of submitting to or being qualified under a creditworthiness evaluation. The DS Supplier shall have the opportunity to request that the Company re-evaluate its creditworthiness whenever an event occurs that the DS Supplier believes would improve the determination made by the Company of its creditworthiness. The Company's credit re-evaluation must be completed as soon as practicable but no longer than thirty (30) days after receiving a fully documented request. The Company must provide the rationale for its determination of the credit limit and any resulting security requirement. The Company must perform its credit re-evaluation and associated security calculation in a non-discriminatory manner. DS Supplier shall provide the Company and its agents unrestricted access to most recent audited financial statements; provided that if current audited financial statements are not available, the Company, in its sole discretion, may specify other types of financial statements that will be accepted.

6.3 Mark-to-Market Credit Exposure Methodology

To calculate the daily exposure for each DS Supplier, the MtM credit exposure methodology will be used. The "mark" for each Billing Month will be determined at the time the auction is completed based on the available Forward Market Prices, and for the remaining Billing Months, it will be derived based on historical data. At the time the auction is completed, the MtM credit exposure for each DS Supplier shall be equal to zero. Subsequently, the differences between the available Forward Market Prices on the valuation date and the "mark" prices for the corresponding Billing Months will be used to calculate the daily credit exposures for each DS Supplier. The total MtM credit exposure will be equal to 1.1 times the sum of the MtM credit exposures for each Billing Month. The methodology for calculation of the MtM credit exposure is illustrated in the example (using hypothetical numbers) set forth in Appendix B hereto.

6.4 Credit Limit

The following criteria constitute the Company's creditworthiness requirements for the DS Supplier, to cover the Total Exposure Amount. In all instances, the most current senior unsecured debt rating (or, if unavailable, the most current corporate issuer rating) will be used.

(i) For a DS Supplier to be granted an unsecured line of credit, the DS Supplier must be rated by at least two of the following rating agencies: S&P, Moody's, or Fitch. The methodology for determining the credit rating to use is set forth in Appendix A of this Agreement. The Maximum Credit Limit to cover the Total Exposure Amount will be determined based on the credit matrix table in Appendix A of this Agreement.

The DS Supplier will be required to post cash or a letter of credit in an acceptable

form as defined in Section 6.7 (b) of this Agreement (see standard format in Exhibit 4) for the Margin due the Company as set forth in Section 6.5 of this Agreement;

(ii) For a DS Supplier having a Guarantor, in the case of a Guarantor organized under the laws of the United States, the Guarantor (1) must be rated by at least two of the following rating agencies: S&P, Moody's, or Fitch, and (2) must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the Guarantor is rated by only two rating agencies, and the ratings are split, the rating will be established based on the methodology outlined in Appendix A of this Agreement. The Maximum Credit Limit to cover the Total Exposure Amount that could be provided through the Guaranty (see standard format in Exhibit 5) will be determined based on the credit matrix table for Guarantors in Appendix A. The DS Supplier will be granted a credit limit equal to the lesser of (i) the amount of the Guaranty as provided to the Company at the time this Agreement is executed as such amount may be modified in any amended or substitute Guaranty provided to the Company during the term of this Agreement, or (ii) the Supplier's Maximum Credit Limit. The DS Supplier, however, may not increase or substitute its Guaranty for the purpose of increasing its applicable credit limit during the time period after the Company has made a Margin call but before the DS Supplier has posted the required Margin. Notwithstanding anything herein to the contrary, the DS Supplier may increase the limit of its Guaranty after satisfying a Margin call from the Company and upon the Company's receipt of an amended or substitute Guaranty increasing the limit of the Guaranty, the DS Supplier may request a return of Margin in accordance with Section 6.5 of this Agreement. The DS Supplier will be required to post cash or a letter of credit in an acceptable form as defined in Section 6.7(b) of this

Agreement (see standard format in Exhibit 4) for the Margin due the Company as set forth in Section 6.5 of this Agreement; or

(iii) For a DS Supplier or Guarantor that has not been incorporated or otherwise formed under the laws of the United States and whose financial data is not denominated in United States currency and does not conform to generally accepted accounting principles ("GAAP") in the United States, the DS Supplier or Guarantor shall meet all requirements of Sections 6.4(i) and (ii) of this Agreement and shall supply the following additional information:

a. A legal opinion of counsel qualified to practice in the foreign jurisdiction in which the DS Supplier or Guarantor is incorporated or otherwise formed that this Agreement is, or upon completion of execution formalities will become, the binding obligation of the DS Supplier or Guarantor in the jurisdiction in which it has been incorporated or otherwise formed;

b. The sworn certificate of the corporate secretary (or similar officer) of such DS Supplier or Guarantor that the person executing this Agreement on behalf of the DS Supplier has the authority to execute the Agreement and that the governing board of the DS Supplier or Guarantor has approved the execution of this Agreement;

c. The sworn certificate of the corporate secretary (or similar officer) of such DS Supplier or Guarantor that the DS Supplier or Guarantor has been authorized by its governing board to enter into agreements of the same type as this Agreement; and

d. Such other documents and certificates as may be required by the Company in its sole discretion.

(iv) The posting of cash or a letter of credit as defined in Section 6.7 (b) below for the entire Total Exposure Amount as set forth in Section 6.5 of this Agreement.

6.5 Posting Margin and Return of Surplus Margin

(a) If at any time and from time to time during the term of this Agreement the Total Exposure Amount, rounded up by the Rounding amount, exceeds the DS Supplier's or the Guarantor's credit limit by the Minimum Transfer Amount (MTA), then the Company, on any Business Day, may request that the DS Supplier provide cash or a letter of credit in an acceptable form as defined in Article 6.7(b) of this Agreement (see standard format in Exhibit 4), in an amount equal to the Margin (less any Margin posted by the DS Supplier and held by the Company pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply).

If the DS Supplier receives written notice for Margin from the Company by 1:00 p.m. New York time on a Business Day, then the DS Supplier shall post Margin the next following Business Day, if posting cash, and by the second Business Day following the date of notice, if posting a letter of credit, unless the Company agrees in writing to extend the period to provide Margin. If the DS Supplier receives notice for Margin from the Company after 1:00 p.m. New York time on a Business Day, whether posting cash or a letter of credit, then the DS Supplier must post Margin the second Business Day following the date of notice unless the Company agrees in writing to extend the period to provide Margin. The Company will not unreasonably deny a request for a one-day extension of such period. In the event that the DS Supplier fails to post Margin when due in accordance

with this Article 6.5, then an Event of Default under Article 5 of this Agreement will be deemed to have occurred and the Company will be entitled to the remedies set forth in Article 5 of this Agreement.

(b) Surplus Margin being held by the Company that is not needed to satisfy the Total Exposure Amount, as determined above, will be returned to the DS Supplier upon receipt of a written request by the DS Supplier. Surplus Margin means cash or a letter of credit posted by the DS Supplier as a result of a request by the Company pursuant to Article 6.5(a) that exceeds the Total Exposure Amount less the DS Supplier's or the Guarantor's credit limit (rounded up by the Rounding Amount). If the resulting Surplus Margin amount is more than the Minimum Transfer Amount, it will be returned to the DS Supplier. If the DS Supplier posted cash and notice is received by 1:00 p.m. New York time on a Business Day, the surplus Margin will be returned by the next following Business Day and if the DS Supplier posted cash and notice is received by the Company after 1:00 p.m. New York time on a Business Day, the surplus Margin shall be returned by the second Business Day following the date of notice, unless the DS Supplier agrees in writing to extend the period to return the surplus Margin. If the DS Supplier posted a letter of credit, the surplus Margin shall be returned on the next Business Day following the Business Day on which the amendment to the letter of credit is received from the issuing bank, unless the DS Supplier agrees in writing to extend the period to return the surplus Margin. The DS Supplier will not unreasonably deny a request for a one-day extension of such period. In the event that the Company fails to return the surplus Margin when due in accordance with this Article, then an Event of Default under Article 5 of this Agreement will be deemed to have occurred and the DS Supplier will be entitled to the remedies set forth in Article 5 of this Agreement.

6.6 Grant of Security Interest/Remedies

To secure its obligations under this Agreement and to the extent that the DS Supplier posted Margin/collateral hereunder, the DS Supplier hereby grants to the Company a present and continuing security interest in, and lien on (and right of setoff against), and assignment of, all cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, the Company, and the DS Supplier and the Company agree to take such action as is reasonably required to perfect the secured Party's first priority security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default or an Early Termination Date, the Company may do any one or more of the following: (i) exercise any of the rights and remedies of the Company with respect to all collateral, including any such rights and remedies under law then in effect; (ii) exercise its rights of setoff against any and all property of the DS Supplier in the possession of the Company, whether held in connection with this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply; (iii) draw on any outstanding letter of credit issued for its benefit; and (iv) liquidate all security held by or for the benefit of the Company free from any claim or right of any nature whatsoever of the DS Supplier, including any equity or right of purchase or redemption by the DS Supplier. The Company shall apply the proceeds of the collateral realized upon the exercise of such rights or remedies to reduce the DS Supplier's obligation under this Agreement or any other agreement(s) between the Company and the DS Supplier for the

provision of DS Supply (the DS Supplier remaining liable for any amounts owing to the Company after such application), subject to the Company's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

All notices, demands or requests regarding credit requirements and credit related security or deposit transfers shall be in writing and shall be personally delivered or sent by overnight express mail, courier service or electronic mail transmission (with the original transmitted by any of the other aforementioned delivery methods, unless agreed to otherwise by the parties) addressed as follows:

If to a DS Supplier to:

Copy to:

If to the Company to: James H. Milligan, Treasurer
Duquesne Light Company
Mail Drop 7-3
411 Seventh Avenue, Pittsburgh, PA 15219
jmilligan@duqlight.com

Copy to: Energy Procurement
Mail Drop 15-1
Duquesne Light Company
411 Seventh Avenue, Pittsburgh, PA 15219
energysupply@duqlight.com

Notice received after the close of the Business Day shall be deemed received on the next Business Day; provided that notice by electronic mail transmission shall be deemed to have been received by the recipient if the recipient confirms receipt telephonically, in writing, or by responding in the same electronic mail conversation chain.

6.7 Security Instruments

At each DS Supplier's choice, the following are deemed to be acceptable methods for posting security, if required:

(a) Cash; or

(b) A standby irrevocable letter of credit acceptable to the Company, in its sole discretion, issued by a domestic bank (or a domestic branch of an international bank) or other domestic financial institution (or a domestic branch of an international financial institution) with a minimum "A-" senior unsecured debt rating (or, if unavailable, equivalent corporate issuer rating) from S&P or Fitch and "A3" from Moody's (see standard format in Exhibit 4). The letter of credit shall state that it shall renew automatically for successive one-year or shorter periods, until terminated upon at least ninety (90) days prior written notice from the issuing financial institution. If the Company receives notice from the issuing financial institution that the letter of credit is being cancelled, the DS Supplier will be required to provide a substitute letter of credit from an alternative bank satisfying the minimum requirements. The receipt of the substitute letter of credit must be effective as of the cancellation date and delivered to the Company thirty (30) days before the cancellation date of the original letter of credit. If the DS Supplier fails to supply a substitute letter of credit as required, then the Company will have the right to draw on the existing letter of credit and to hold the amount as Margin.

If the credit rating of a bank or other financial institution from which a DS Supplier has obtained a letter of credit falls below the levels specified in Article 6 of this Agreement, the DS Supplier shall have two (2) Business Days following written notice by the Company to obtain a suitable letter of credit from another bank or other financial institution that

meets those standards, unless such period is extended in writing by the Company. The Company shall have no obligation under this Agreement or otherwise to make or grant such extension.

6.8 Maintenance of Creditworthiness

(a) Reporting of Changes

The DS Supplier shall promptly notify the Company of any change in its credit rating or financial condition or that of its Guarantor. The DS Supplier or Guarantor shall also furnish evidence of an acceptable credit rating or financial condition upon the request of the Company.

(b) Change in Credit Standing

The Company will re-evaluate the creditworthiness of a DS Supplier whenever it becomes aware of an adverse change, through the provision of notice by the DS Supplier or otherwise, in the DS Supplier's or Guarantor's credit standing. If the lowest credit rating (whether senior unsecured debt rating or corporate issuer rating) used to determine the DS Supplier's Maximum Credit Limit or its credit limit adversely changes, the Company will require additional security from the DS Supplier in accordance with Sections 6.4 of this Agreement. The additional security must be in a form acceptable to the Company in its sole discretion, as specified in Article 6.7 of this Agreement and must be posted as set forth in Section 6.5 of this Agreement.

6.9 Calling on Security

The Company may call upon the security posted by the DS Supplier if the DS Supplier fails to pay amounts due to the Company pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply

after all of the following events occur:

(a) Written Notice of Default is provided to the DS Supplier; and

(b) Any applicable cure period associated with the written Notice of Default ends.

The foregoing notwithstanding, the security posted by the DS Supplier shall become due automatically without prior notice or right of cure in the case of any Event of Default arising under subsections (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) of Section 5.1 of this Agreement.

6.10 Interest on Cash Held by Company

The Company will pay simple interest calculated at the lower of the Interest Index or six (6) percent per annum on all cash held by the Company pursuant to this Agreement. Each Billing Month, the Company will prepare a statement of interest amounts due to the DS Supplier. The statement will be sent to the DS Supplier within three (3) Business Days after the end of the Billing Month via overnight mail or other expeditious means. The Company shall make interest payments on the first Business Day after the 5th day of each calendar month.

6.11 No Endorsement of DS Supplier

The Company's determination that a DS Supplier is creditworthy pursuant to the process set forth above, shall not be deemed to constitute an express or implied warranty or guarantee of any kind with respect to the financial or operational qualifications of the DS Supplier. The Company will treat all DS Suppliers in a non-discriminatory manner and shall provide no preference to any DS Supplier.

6.12 Multiple DS Supply Agreements

It is the intention of the Company and the DS Supplier that, in the event the DS Supplier is a party to other agreements with the Company for the provision of DS Supply that existed prior to the effective date of this Agreement or is entered into after the effective date of this Agreement, the Company will calculate the Margin applicable to all such agreements as set forth in Appendix A of this Agreement; provided, however, that if another agreement has a more stringent credit threshold, then the more stringent credit threshold shall apply. Each DS Supplier that is a party to such other agreements with the Company for the provision of DS Supply hereby agrees that such other agreements are deemed amended by this Agreement for the purpose of calculating the Margin as described herein.

ARTICLE 7: PROCEDURES FOR ENERGY SCHEDULING, CAPACITY RESOURCE SUBMISSION AND TRANSMISSION PROCUREMENT

7.1 Load Obligations

The Company and the DS Supplier acknowledge and agree that (1) the Company shall determine the DS Load, (2) the Company shall allocate the DS Supply obligation using the DS Supplier Responsibility Share, (3) the Company shall provide the DS Supplier's DS Supply obligation to PJM, and (4) the DS Supplier shall be responsible for meeting its DS Supply obligations as a LSE under the PJM Agreements.

7.2 Data Transmission

The procedures for transmitting load obligation data to PJM for DS Supplier's DS Load shall be as set forth by PJM.

7.3 Energy Scheduling

The Company is not obligated to provide any day ahead scheduling services. If the Company chooses to provide such services, the information provided is not guaranteed by the Company.

ARTICLE 8: THE ENERGY SETTLEMENT/RECONCILIATION PROCESS

8.1 Energy Settlement by PJM

The settlement process occurs at PJM to reflect the DS Supplier's actual Energy obligations in a supply/usage reconciliation process. The Energy obligations for each DS Supplier will be determined based on the DS Supplier Responsibility Share of the DS Load. The reconciled total DS Energy obligation will be based on the final total Energy loads for the Customers receiving DS service, including de-ration adjustments for marginal losses.

Any adjustments for billing and metering errors reported subsequent to the calculation of FMEA will be proportionally allocated by the Company to the DS Suppliers based on the respective DS Supplier Responsibility Share.

8.2 Energy Settlement by the Company

In the event that actual DS Customer consumption data is not available until after the PJM deadline for conducting the final settlement, the Company will conduct the settlement process with the DS Supplier. In the event PJM imposes penalties against the Company as a result of the DS Supplier's Transactions or failure to meet PJM requirements, such penalties shall be passed through by the Company to the DS Supplier as part of this settlement process. In addition, all other applicable charges from PJM, including any billing adjustments, will be appropriately allocated to the DS Supplier.

ARTICLE 9: BILLING AND PAYMENT

9.1 The Company Payment of Obligations to the DS Supplier

The Company shall pay all amounts due to the DS Supplier hereunder in accordance with the following provisions:

(a) Each Billing Month, the Company will prepare a Statement of amounts due to the DS Supplier.

- For Fixed Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month.
- For Hourly Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price Adder For Hourly Price Service multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month, plus the DS Variable Payments used to determine the PMEA for each hour of the Billing Month.

In the event a Capacity Proxy Price is implemented, Section 9.1 (a) of the SMA is replaced with the following:

- Each Billing Month the Company will prepare a Statement of amounts due to the DS Supplier. This Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy

requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown on the Transaction Confirmation(s) for each hour of the Billing Month, plus the aggregate amounts due based on the DS Variable Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Variable Percentage, if applicable, as shown on the Transaction Confirmation(s) for each hour of the Billing Month. For each Billing Month after the Capacity Proxy Price is known, the Companies will apply the Capacity Proxy Price true-up across the entire contract term. The calculation of the day weighted average capacity price adjustment for purposes of determining the true-up amount will reflect final unforced capacity (i.e., UCAP) quantity weighting. For example, for a 24-month contract term, the Companies will calculate the relevant 24-month average capacity price adjustment by appropriately weighting the amount of capacity (i.e., the final UCAP quantity) purchased by the supplier at each PJM capacity price.

(b) The Statement will be sent to the DS Supplier within eight (8) Business Days after the end of the Billing Month via overnight mail or other expeditious means.

(c) The Company shall make payment on the first Business Day after the 19th day of each calendar month.

(d) To the extent that the FMEA differs from the PMEA, the Company shall pay or charge the DS Supplier for the PMEA/FMEA Adjustment Amount within the PJM

deadline for conducting the final settlement.

(e) If each Party owes an amount to the other Party pursuant to this Agreement, including any related interest, payments or credits, the Parties may satisfy their respective obligations to each other by netting the aggregate amounts due to one Party against the aggregate amounts due to the other Party, with the Party, if any, owing the greater aggregate amount paying the other Party the difference between the amounts owed.

(f) Payments shall be subject to adjustment for any arithmetic errors, computation errors, meter reading errors, or other errors, provided that the errors become known within one (1) year of the termination of this Agreement.

(g) The Company shall make payments of funds payable to the DS Supplier by electronic transfer to a bank designated by the DS Supplier.

(h) If a good faith dispute arises between the Company and the DS Supplier regarding a Statement, the disputing Party shall be obligated to pay only the undisputed portion of the Statement, if any, and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the date of the Statement in dispute. Statement disputes shall be addressed promptly and in accordance with the dispute resolution procedures set forth in Article 11 of this Agreement. Upon resolution of a Statement dispute, any payments made to either Party will include simple interest on the payment at the lower of the Interest Index or six (6) percent per annum payable from the date that notice of a Statement dispute was received by the non-disputing Party.

(i) If payment is made to the DS Supplier after the due date shown on the Statement, a late fee will be added to the unpaid balance until the entire Statement is paid.

This late fee shall be the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) or (b) the maximum rate permitted by applicable law.

(j) If Seller does enter more than one transaction with Buyer, Buyer may provide a single invoice listing the relevant information detailed.

9.2 Billing for DS Supplier's Obligations to Other Parties

The Company shall have no responsibility for billing between the DS Supplier and PJM; the DS Supplier and any Energy or Capacity source; or the DS Supplier and any other third party. The Company will be solely responsible for billing DS Customers for Default Service.

9.3 The DS Supplier Payment of Obligations to the Company

The DS Supplier shall pay all Charges it incurs hereunder in accordance with the following provisions:

(a) Each Billing Month, the Company shall submit an invoice to the DS Supplier for all Charges owed by the DS Supplier under this Agreement. The DS Supplier shall make payment for Charges shown on the invoice. The due date will be on the first Business Day after the 19th day of each calendar month. The invoice will be sent to the DS Supplier within eight (8) Business Days after the end of the Billing Month via overnight mail or other expeditious means.

(b) Invoices shall be subject to adjustment for any arithmetic errors, computation errors, meter reading errors, or other errors, provided that the errors become

known within one (1) year of the termination of this Agreement.

(c) The DS Supplier shall make payments of funds payable to the Company by electronic transfer to a bank designated by the Company.

(d) If a good faith dispute arises between the Company and the DS Supplier regarding an invoice, the disputing Party shall pay only the undisputed portion of the invoice, if any, and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the due date of the invoice in dispute. Billing disputes shall be addressed promptly, and in accordance with the dispute resolution procedures set forth in Article 11 of this Agreement. Upon resolution of a billing dispute, any payments made to either Party will include simple interest on the payment at the lower of the Interest Index or six (6) percent per annum payable from the date that notice of a bill dispute was received by the non-disputing Party.

(e) If payment is made to the Company after the due date shown on the invoice, a late fee will be added to the unpaid balance until the entire invoice is paid. This late fee shall be the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) or (b) the maximum rate permitted by applicable law.

ARTICLE 10: SYSTEM OPERATION

The Parties shall adhere to any applicable operational requirements of PJM necessary to protect the integrity of the transmission system within the PJM Control Area and the transmission systems of interconnected control areas, and shall satisfy any and all PJM, RFC and NERC criteria, when applicable. The DS Supplier shall also adhere to any applicable operational requirements of the Company necessary to protect the integrity of the Company's local distribution system.

10.1 Disconnection and Curtailment by the Company

The Company shall have the right, without incurring any liability to the DS Suppliers, to disconnect (or otherwise curtail, interrupt or reduce deliveries from) the DS Suppliers or to disconnect (or otherwise curtail, interrupt or reduce deliveries to) any Customer whenever the Company determines in the exercise of its good faith discretion, or when the Company is directed by PJM, that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of the Company's facilities, or due to any other reason affecting the safe and reliable operation of the Company's or a Customer's facilities, including, without limitation, an Emergency, forced outage or potential overloading of the Company's transmission and/or distribution circuits, potential damage to any Customer's facilities or any risk of injury to persons or property.

10.2 Inadvertent Loss of Service to DS Customers

The Parties agree and acknowledge that service to DS Customers may be inadvertently lost due to storms, weather, accidents, breakage of equipment or other events beyond the reasonable control of the Company affecting the transmission and distribution

system of the Company. Neither Party will have any liability to the other Party for the occurrence of such events except for the Company's obligation to pursue steps for the resumption of the disrupted service as set forth in Section 10.3 below. In no event will an inadvertent loss of service affect a Party's obligation to make any payments then due or becoming due with respect to performance rendered prior to such inadvertent loss of service.

10.3 Good Faith Efforts

The Company shall use good faith efforts to minimize any curtailment, interruption or reduction in service to DS Customers to the extent reasonably practicable under the circumstances.

10.4 PJM Requirements

The DS Supplier acknowledges and agrees that, as a member of PJM, the Company is bound by all PJM operating instructions, policies and procedures as are currently set forth in the PJM Operating Manual, which are available through the Internet on the PJM Home Page (http://www.pjm.com), as may be revised from time to time, which are needed to maintain the integrity of the PJM system. The DS Supplier acknowledges and agrees that it will cooperate with the Company so that the Company will be in compliance with all PJM Emergency Operations Procedures, which include, but are not limited to, those procedures pertaining to minimum and maximum generation Emergencies, and measures requiring involuntary Customer participation, such as supply voltage reduction or full interruption of Customer load by either manual or automatic means.

10.5 Compliance with Governmental Directives

The DS Supplier also acknowledges and agrees that the Company may need to act

in response to governmental or civil authority directives which may affect DS Customer load. The DS Supplier agrees to cooperate with the Company in order to comply with said directives.

ARTICLE 11: DISPUTE RESOLUTION

11.1 Informal Resolution of Disputes

Before pursuing resolution of any dispute arising out of this Agreement (other than an Event of Default under Article 5.1(i)-(ix), (xii), or (xvi)), the disputing Party shall provide written notice to the other Party setting forth the nature of the dispute, the amount involved, if any, and the remedies sought. The Parties shall use good faith and reasonable commercial efforts to informally resolve such dispute. Such efforts shall last for a period of at least thirty (30) calendar days from the date that the notice of the dispute is first delivered from one Party to the other Party. Any amounts that are owed by one Party to the other Party as a result of resolution of a dispute pursuant to this Article 11.1 (Informal Resolution of Disputes), shall be paid within two (2) Business Days of such resolution and the payment shall include interest calculated at the Interest Index from the original due date through the date of payment.

11.2 Recourse to Agencies or Courts of Competent Jurisdiction

After the requirements of Article 11.1 (Informal Dispute Resolution) have been satisfied, all unresolved disputes, except as noted below, between the Parties shall be submitted to the appropriate authority. Nothing in this Agreement shall restrict the rights of either Party to file a complaint with the FERC under relevant provisions of the Federal Power Act ("FPA"), with the PaPUC under relevant provisions of the Applicable Legal Authorities, with the Allegheny County Court of Common Pleas or with the Western

District of Pennsylvania Federal Court. The Party's agreement hereunder is without prejudice to any Party's right to contest the jurisdiction of the agency or court to which a complaint is brought.

The Parties hereby acknowledge and agree that both Parties have negotiated and entered into this Agreement freely and in good faith and that the terms of this Agreement have not been affected in any way, either directly or indirectly, by (A) any fraud, duress, unfairness, or any inequity in the relative bargaining power of the Parties or (B) any manipulation, unlawful activity, disruption, anomaly, dysfunction, or other adverse market conditions of any type or description.

To the extent permitted by law and absent agreement to the contrary, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives its rights to argue before any governmental authority that any review, modification, or rescission of this Agreement should be considered under any standard of review other than the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), affirmed by *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington, et al.*, 554 U.S. 527 (2008) (the "Mobile-Sierra Doctrine").

ARTICLE 12: REGULATORY AUTHORIZATIONS AND JURISDICTION

12.1 Compliance with Applicable Legal Authorities

The Company and the DS Supplier are subject to, and shall comply with, all existing or future applicable federal, State and local laws, all existing or future duly-promulgated orders or other duly-authorized actions of PJM or of Applicable Legal

Authorities.

12.2 FERC Jurisdictional Matters

The inclusion herein of descriptions of procedures or processes utilized by PJM or otherwise subject to the jurisdiction of FERC is intended solely for informational purposes. If anything stated herein is found by the FERC to conflict with or be inconsistent with any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA or if any existing procedures or processes utilized by PJM are duly modified, the applicable FERC rule, regulation, order, determination or modification shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company and/or the DS Supplier, if applicable, shall use reasonable commercial efforts to secure, from time to time, all appropriate orders, approvals and determinations from the FERC necessary to support this Agreement.

12.3 Energy Efficiency, Conservation, and Retail Market Programs

DS Supplier acknowledges that DS Customers may participate in energy efficiency and conservation programs offered by the Company (required by Applicable Legal Authorities or otherwise offered by the Company whether voluntarily or not), by PJM, or by other third parties and, for the avoidance of doubt, any programs offered or conducted by the Company or other entities relating to or arising from the PaPUC's Investigation of Pennsylvania's Retail Electricity Market, PaPUC Docket No. I-2011-2237952 (including legislation enacted to address the Commission's Final Order in Docket No. I-2011-2237952), and that such participation may reduce or change the amount of DS Supply that DS Supplier is required to provide and the amount of monies it may receive under this

Agreement. The Company shall have no obligation whatsoever to DS Supplier with respect to the effect, if any, of such programs. DS Supplier is solely responsible for determining the effect, if any, of such programs on future load requirements.

ARTICLE 13: LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

13.1 Limitations on Liability

Except as set forth in this Agreement, there is no warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are disclaimed. The Parties confirm that the express remedies and measures of Damages provided in this Agreement satisfy the essential purposes hereof. For breach of any provision for which an express remedy or measure of Damages is provided, such express remedy or measure of Damages shall be the sole and exclusive remedy, the obligor's liability shall be limited as set forth in such provision and all other remedies or Damages at law or in equity are waived. If no remedy or measure of Damages is expressly provided herein, the obligor's liability shall be limited to direct actual Damages only, such direct actual Damages shall be the sole and exclusive remedy, and all other remedies or Damages at law or in equity are waived. Unless expressly herein provided, neither Party shall be liable for consequential, incidental, punitive, exemplary or indirect Damages, lost profits or other business interruption Damages, by statute, in tort or contract, under any indemnity provision or otherwise. It is the intent of the Parties that the limitations herein imposed on remedies and the measure of Damages be without regard to the cause or causes related thereto, including the negligence or any Party, whether such negligence by sole, joint or concurrent, or active or passive. To the extent any Damages required to be paid hereunder are liquidated, the Parties acknowledge that the Damages are difficult or impossible to determine, or otherwise

obtaining an adequate remedy is inconvenient and the Damages calculated hereunder constitute a reasonable approximation of the harm or loss.

13.2 Risk of Loss

Solely for purposes of determining risk of loss and for determining the indemnity obligations under Article 14 of this Agreement, the Company shall be deemed to have custody and control of the electric Energy delivered by the DS Supplier upon receipt thereof at the point of delivery identified in Appendix C and until delivery thereof at the retail electric meter of the Customer, and the DS Supplier shall be deemed to have custody and control of the DS Supply at all times prior to receipt thereof by the Company. The Party deemed to have custody and control of DS Supply shall be responsible for all loss or damage to property or injury or death to persons arising in connection with such DS Supply while in its custody and control and shall indemnify the other Parties with respect to same as set forth in Article 14 of this Agreement.

ARTICLE 14: INDEMNIFICATION

14.1 Indemnification

(a) Should the Company become the defendant in, or obligor for, any third party claims and/or liabilities for losses, penalties, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by or occur in connection with an act or omission of the DS Supplier with respect to an obligation arising under or in connection with this Agreement, or for which the DS Supplier has otherwise assumed liability under the terms of this Agreement, the DS Supplier shall defend (at the Company's option), indemnify and hold harmless the Company, its shareholders, board members, directors, officers and employees, from and against any and

all such third party claims and/or liabilities, and shall appoint counsel at DS Supplier's expense, subject to the approval of Company, to defend any such claims or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, penalties, expenses or damages were caused wholly or in part by the gross negligence or willful misconduct of the Company. The Company may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(b) Should the DS Supplier (the "Indemnified DS Supplier") become the defendant in, or obligor for, any third party claims and/or liabilities for losses, penalties, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by or occur in connection with an act or omission of the Company with respect to an obligation arising under or in connection with this Agreement, or for which the Company has otherwise assumed liability under the terms of this Agreement, the Company shall defend (at the option of the Indemnified DS Supplier), indemnify and hold harmless the Indemnified DS Supplier, its shareholders, board members, directors, officers and employees, from and against any and all such third party claims and/or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, penalties, expenses or damages were caused wholly or in part by the gross negligence or willful misconduct of the Indemnified DS Supplier. The Indemnified DS Supplier may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(c) If either Party intends to seek indemnification under Article 14.1(a) or 14.1(b), as applicable, from the other Party, the Party seeking indemnification shall give the other Party notice of such claim within ninety (90) days of the later of the

commencement of, or the Party's actual knowledge of, such claim or action. Such notice shall describe the claim in reasonable detail and shall indicate the amount, estimated if necessary, of the claim that has been, or may be, sustained by said Party. To the extent that the other Party will have been actually and materially prejudiced as a result of the failure to provide such notice, such notice will be a condition precedent to any liability of the other Party under the provisions for indemnification contained in this Agreement. Neither Party may settle or compromise any claim without the prior consent of the other Party; provided, however, said consent shall not be unreasonably withheld, conditioned or delayed.

14.2 Survives Agreement

The obligation of a Party to defend, indemnify, and hold harmless another Party under this Article shall survive termination of this Agreement and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for either Party under any statutory scheme, including any Worker's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

ARTICLE 15: FORCE MAJEURE

15.1 Force Majeure

Notwithstanding anything in this Agreement to the contrary, the Parties shall be excused from performing their respective obligations under this Agreement (other than the obligation to make payments with respect to performance prior to the event of Force Majeure) and shall not be liable for damages or otherwise due to their failure to perform, during any period that one Party is unable to perform due to an event of Force Majeure, provided that the Party declaring an event of Force Majeure shall: (i) act expeditiously to resume performance; (ii) exercise all commercially reasonable efforts to mitigate or limit

damages to the other Party; and (iii) fulfill the requirements set forth in Article 15.2 (Notification).

15.2 Notification

A Party unable to perform under this Agreement due to an event of Force Majeure shall: (i) provide prompt written notice of such event of Force Majeure to the other Party, which shall include an estimate of the expected duration of the Party's inability to perform due to the event of Force Majeure; and (ii) provide prompt notice to the other Party when performance resumes.

ARTICLE 16: MISCELLANEOUS PROVISIONS

16.1 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by overnight express mail or courier service. Notice may also be provided via e-mail or facsimile transmission (with the original transmitted by any of the other delivery methods specified in the previous sentence) addressed per the notification information for the DS Supplier and Company as set forth in Exhibit 2 hereto.

Such notices, demands or requests shall also be provided to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the Business Day shall be deemed received on the next Business Day.

16.2 No Prejudice of Rights

The failure of a Party to insist on any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder,

shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse.

16.3 Effect of Regulatory or Legislative Actions

(a) The Parties agree that the Company's obligations under this Agreement are contingent on, and limited by, the Company's ability to recover all costs incurred by it under this Agreement from its retail customers in full and on a current basis. If any statutes, rules, regulations, or orders are enacted, amended, entered, or revoked which have the effect of depriving the Company's full and current recovery of said costs, the Company may terminate this Agreement upon ten (10) days written notice. The Parties agree that any such termination shall not constitute an Event of Default under this Agreement.

(b) If any statutes, rules, regulations, or orders are enacted, amended, entered, or revoked which transfer the Company's obligation to procure or supply DS Supply to a third party(ies), this Agreement may be transferred to such third party(ies) in accordance with the provisions of Section 16.4 below. The Parties agree that any such transfer shall not constitute an Event of Default under this Agreement.

(c) In the event that this Agreement is terminated as a result of any of the reasons set forth in subsections (a) and (b) of Section 16.3 above, the Parties agree that the Company shall not be liable for any costs or damages incurred

or otherwise associated with (i) the transfer of the Company's obligation to obtain or provide DS Supply to third party, or (ii) the elimination of the Company's obligation to obtain or provide DS Supply from DS Supplier.

16.4 Assignment

Parties shall not assign any of their rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee and all necessary consents have been obtained. Any assignment in violation of this Section 16.4 shall be void; provided, however, the Company may assign any or all of its rights and obligations under this Agreement notwithstanding anything contained herein to the contrary, without the DS Supplier's consent, to any entity succeeding to all or substantially all of the assets of the Company, or to a third party in accordance with Section 16.3(b), if such assignee agrees, in writing, to be bound by all of the terms and conditions hereof and all necessary regulatory approvals are obtained. The DS Supplier may, with prior written notice to the Company but without obtaining the approval of the Company, assign the accounts, revenues or proceeds under this Agreement to a third party. The Company agrees that, following receipt of such notice of the assignment of accounts, revenues or proceeds and such other documentation that the Company may reasonably request, the Company will pay amounts becoming due to the assigning DS Supplier under this Agreement directly to the designated assignee; provided, however, that nothing herein shall enlarge or expand the rights of such designated assignee beyond the rights granted to the DS Supplier, and the right of such designated assignee to receive payments shall be subject to all defenses, offsets and claims of the Company arising

under this Agreement.

16.5 Governing Law and Venue

To the extent not subject to the jurisdiction of the FERC, questions including those concerning the formation, validity, interpretation, execution, amendment, termination and construction of this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law. Except for matters jurisdictional to FERC, the PUC or the appellate courts having jurisdiction over the PUC or FERC matters, all disputes hereunder shall be resolved in the Pennsylvania State court or Federal court of competent jurisdiction and within reasonably close proximity to the Company. Each Party hereby waives its respective rights to any jury trial with respect to any litigation arising under or in connection with this Agreement.

16.6 Regulatory Approvals

DS Supplier agrees to cooperate, to the fullest extent necessary, to obtain any and all required State, Federal or other regulatory approvals of the Agreement and/or Transaction Confirmations hereunder. The commencement of the Delivery Period and the obligations hereto are subject to (i) the receipt or waiver by Company of all Company required regulatory approvals, (ii) the receipt or waiver by DS Supplier of all DS Supplier required regulatory approvals, and (iii) Pennsylvania PUC approval.

16.7 Headings

The headings and subheadings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.

16.8 Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties hereto and nothing in this Agreement shall be construed to create any duty or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

16.9 General Miscellaneous Provisions

(a) This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties, or to impose any partnership obligation or liability upon any Party. No Party shall have any right, power, or authority to enter into any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

(b) Cancellation, expiration or Early Termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including warranties, remedies, promises of indemnity and confidentiality.

(c) Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof unless it materially changes the agreement of the Parties; provided that in such event the Parties shall use commercially reasonable efforts to amend this Agreement or any Transaction in order to give effect to the original intention of the Parties.

(d) Each of the Parties acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms. This Agreement is intended by the Parties as a final expression of their agreement. The Parties further agree that this Agreement is the complete and exclusive statement of agreement and supersedes all

proposals (oral or written), understandings, representations, conditions, warranties, covenants and all other communications between the Parties relating thereto. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Each Party further agrees that it will not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement or any Transaction.

16.10 Taxes

As between the Parties: (i) the DS Supplier is responsible for the payment of all taxes imposed by all present and future federal, state, municipal or other taxes imposed by any taxing authority on the wholesale sales of DS Supply under this Agreement; and (ii) the Company is responsible for the payment of all taxes imposed by all present and future federal, state, municipal or other taxes imposed by any taxing authority on retail sales of DS Supply under this Agreement. Should the DS Supplier be required to remit any Pennsylvania State Sales and Use Taxes directly to the applicable taxing authority, other than taxes previously collected by the DS Supplier on behalf of the Company, the Company will defend and indemnify the DS Supplier for such Sales and Use Taxes and will pay to the DS Supplier all such tax amounts upon demand. If any Transaction is exempt from the payment of any such taxes, the affected DS Supplier will, if requested, provide the Company with valid tax exemption certificates. Should the Company be required to remit any such taxes directly to any applicable taxing authority, other than taxes previously collected by the Company directly from the DS Supplier, the DS Supplier will defend and indemnify the Company and will pay to the Company all such tax amounts upon demand.

16.11 Audit

Each Party has the right on at least three (3) Business Days prior written notice, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made in accordance with Article 9 (Billing and Payment) and 9.1(i) (Interest on Unpaid Balances) of this Agreement.

16.12 Rules of Interpretation

The following principles shall be observed in the interpretation and construction of this Agreement:

(a) Unless otherwise stated, the terms "include" and "including" when used in this Agreement shall be interpreted to mean by way of example only and shall not be considered limiting in any way;

(b) All titles and headings used herein are for convenience and reference purposes only, do not constitute a part of this Agreement and shall be ignored in construing or interpreting the obligations of the parties under this Agreement;

(c) References to the singular include the plural and vice versa;

(d) References to Articles, Sections, Clauses and the Preamble are, unless the context indicates otherwise, references to Articles, Sections, Clauses and the Preamble of this Agreement;

(e) In carrying out its rights, obligations and duties under this Agreement, each Party shall have an obligation of good faith and fair dealing; and

(f) If any payment due under this Agreement would be, by operation of the terms and conditions of any provision hereof, due and payable on a day other than a Business Day, such payment shall be made on the next following Business Day.

16.13 Confidentiality

(a) Each Party shall hold in confidence and not release or disclose any document or information furnished by the other Party in connection with this Agreement, unless: (i) compelled to disclose such document or information by judicial, regulatory or administrative process or other provisions of law; (ii) such document or information is generally available to the public; (iii) such document or information was available to the receiving Party on a non-confidential basis; (iv) such document or information was available to the receiving Party on a non-confidential basis from a third-party, provided that the receiving Party does not know, and, by reasonable effort, could not know that such third-party is prohibited from transmitting the document or information to the receiving Party by a contractual, legal or fiduciary obligation; or (v) such disclosure is made to PJM or PaPUC and is necessary in order for the Transactions contemplated by this Agreement to be consummated or to otherwise comply with the provisions of this Agreement.

(b) Notwithstanding any other provision of this Section 16.12, a Party may disclose to its employees, representatives and agents all documents and information furnished by the other Party in connection with this Agreement, provided that such employees, representatives and agents have been advised of the confidentiality provisions

of this Section 16.12, and further provided that in no event shall a document or information be disclosed in violation of the standard of conduct requirements established by FERC.

(c) A Party receiving notice or otherwise concluding that any confidential document or information furnished by the other Party in connection with this Agreement is being sought under any provision of law, to the extent it is permitted to do so under any applicable law, shall: (i) promptly notify the other Party; and (ii) use reasonable efforts in cooperation with the other Party to seek confidential treatment of such confidential information.

(d) The Parties agree that monetary damages may be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 16.12. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party breaches or threatens to breach its obligations under this Article 16.12, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law.

16.14 Federal Acquisition Regulation

If any of the following clauses prescribed by the Federal Acquisition Regulation ("FAR"), 48 Code of Federal Regulations Chapter 1, should be deemed to apply to this Agreement, the DS Supplier shall comply with the requirements of such clause(s), and shall include the terms or substance of such clause(s) in its subcontracts, as and to the extent required by the FAR:

1) Clean Air and Water: § 52.223-2;

2) Contract Work Hours and Safety Standards Act-Overtime Compensation: § 52.222-4;

3) Equal Opportunity: § 52.222-26;

4) Affirmative Action for and Employment Reports on Special Disabled and Vietnam Era Veterans: § 52.222-35 and § 52.222-37;

5) Affirmative Action for Handicapped Workers: § 52.222-36; and

6) Utilization of Small Business Concerns and Small Disadvantaged Business Concerns and Small Business and Small Disadvantaged Business Subcontracting Plan: § 52.219-8 and § 52-219-9.

In case of a conflict between the provisions of the FAR and the balance of this Agreement, the requirements of the FAR shall prevail.

16.15 Binding Terms

This Agreement and the rates, terms and conditions herein shall remain in effect for the entire term hereof and each Party agrees not to seek any change to such rates, terms and conditions pursuant to the FPA, if the FPA is deemed to have jurisdiction over this Agreement, including on the grounds that they are not just and reasonable.

16.16 Amendment

This Agreement, including the appendices hereto, cannot be amended without the written agreement of all Parties prior to such amendment becoming effective. Except as provided in Appendix C, the rates, terms and conditions contained in this Agreement are not subject to change under Sections 205 or 206 of the Federal Power Act absent the mutual written agreement of the Parties. To the extent permitted by law and absent agreement to the contrary, each Party, for itself and its successors and assigns, hereby expressly and

irrevocably waives its rights to argue before any governmental authority that any review, modification, or rescission of this Agreement should be considered under any standard of review other than the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), affirmed by *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington, et al.*, 554 U.S. 527 (2008) (the "Mobile-Sierra Doctrine").

16.17 Counterparts

This Agreement may be executed in counterparts, each of which will be considered an original, but all of which shall constitute one instrument.

16.18 Successors

This Agreement and all of the provisions hereof are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

ATTEST:

_____

Title: _____

DUQUESNE LIGHT COMPANY

By:_____

Name: _____

Title: _____

ATTEST:

_____

Title: _____

[INSERT]

By: _____

Name: _____

Title: _____

APPENDIX A- MAXIMUM UNSECURED CREDIT

Credit Rating Matrix Tables for EDC's

EDC: Duquesne Light Company

Credit Rating of the DS Supplier			Maximum Credit Limit (calculated as the lesser of the percentage of TNW or the Credit Limit Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Credit Limit Cap
A- and above	A3 and above	A- and above	16%	$60,000,000
BBB +	Baa1	BBB +	10%	$40,000,000
BBB	Baa2	BBB	7%	$30,000,000
BBB-	Baa3	BBB-	3%	$20,000,000
Below BBB-	Below Baa3	Below BBB-	0%	$0

Credit Rating Determination Methodology

The DS Supplier or it Guarantor must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the DS Supplier or its Guarantor is rated by all three accepted rating agencies (S&P, Moody's and Fitch), and the ratings are split, the lowest rating will be used. **Minimum Rating –** The lowest credit rating for a DS Supplier, as set forth in this Appendix A, that can obtain unsecured credit.

APPENDIX B – METHODOLOGY FOR CALCULATION OF MARK TO MARKET (MTM) EXPOSURE

Parameters

In calculating the MtM Exposure for each Transaction, the following parameters are set on the Transaction Date:

1. On-Peak Initial Mark Price
2. Off-Peak Initial Mark Price
3. MW-Measure
4. On-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
5. Off-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
6. Number of awarded Tranches

In calculating the MtM Exposure for each Transaction, the following parameters are set each Business Day subsequent to the Transaction Date:

1) On-Peak Forward Price
2) Off-Peak Forward Price
3) Current Capacity PLC Per Bid Block
4) On-Peak Estimated Energy Quantity
5) Off-Peak Estimated Energy Quantity

Determination of On-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub On-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly On-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that On-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the On-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the On-Peak Forward Price for the given month may be updated based on the changes in On-Peak Forward Price quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Determination of Off-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub Off-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly Off-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from the average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that Off-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the Off-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the Off-Peak Forward Price for the given month may be updated based on the changes in Off-Peak Forward Price

quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Example of Disaggregating Aggregate Quotes

The following is an example of the process to be used for disaggregating Aggregate Quotes:

a. Aggregate Quote only available for January – March: $60/MWh.

b. Immediate Prior Calendar year quotes for January, February, and March as follows:

January: $42/MWh

February: $45/MWh

March: $40/MWh

c. Calculations as follows:

1. Calculate Average price in (b) = $42.33/MWh
2. Calculate monthly deviation from Average:

January: 99.2% ($42/$42.33)

February: 106.3% ($45/$42.33)

March: 94.5% ($40/$42.33)

3. Disaggregate the Aggregate Quote by applying percentages from c.(2) to the available aggregate quote:

January: $59.53 ($60 x 99.2%)

February: $63.78 ($60 x 106.3%)

March: $56.69 ($60 x 94.5%)

Mark-To-Market Example

Necessary Information from a Transaction Confirmation:

Delivery Period: June 1, 2011 - May 31, 2012

Bid Blocks: 3 (j)

Estimated Energy Quantity Per MW-Measure:

	On-Peak MWh (k)	Off-Peak MWh (l)
Jan	11800	8300
Feb	13000	9100
Mar	9100	6400
Apr	7200	5000
May	8800	6200
Jun	12900	9000
Jul	15200	10600
Aug	16000	11200
Sep	9500	6700
Oct	8300	5800
Nov	9800	6900
Dec	10900	7600

Business Day on which MtM is Calculated:	June 24, 2011
MW-Measure:	50.0 MW (m)
Current Capacity PLC Per Bid Block:	40.0 MW (n)
Percent of On-Peak Hours Remaining in Current Month:	18.2% (o)
Percent of Off-Peak Hours Remaining in Current Month:	21.7% (p)

MtM Exposure Calculation

	a	b	c	d	e=c-a	f=d-b	g=k*n/m*j*o	h=l*n/m*j*p	i=(e*g)+(f*h)
	On-Peak Initial Mark Price $/MWh	Off-Peak Initial Mark Price $/MWh	On-Peak Forward Price $/MWh	Off-Peak Forward Price $/MWh	Change In On-Peak Price $/MWh	Change In Off-Peak Price $/MWh	On-Peak Estimated Energy Quantity MWh	Off-Peak Estimated Energy Quantity MWh	MtM Exposure
Jun-11	57.04	27.95	58.48	28.65	1.44	0.70	5,629	4,696	$ 11,393
Jul-11	72.81	31.31	75.26	32.36	2.45	1.05	36,480	25,440	$ 116,088
Aug-11	72.81	34.23	74.28	34.91	1.47	0.68	38,400	26,880	$ 74,726
Sep-11	45.56	24.15	47.31	25.08	1.75	0.93	22,800	16,080	$ 54,854
Oct-11	43.23	23.34	46.09	24.89	2.86	1.55	19,920	13,920	$ 78,547
Nov-11	43.23	25.50	46.40	27.38	3.17	1.88	23,520	16,560	$ 105,691
Dec-11	43.23	26.36	44.86	27.36	1.63	1.00	26,160	18,240	$ 60,881
Jan-12	50.73	38.55	54.45	41.39	3.72	2.84	28,320	19,920	$ 161,923
Feb-12	50.73	39.06	53.61	41.29	2.88	2.23	31,200	21,840	$ 138,559
Mar-12	45.23	30.75	47.64	32.39	2.41	1.64	21,840	15,360	$ 77,825
Apr-12	45.23	25.78	48.01	27.36	2.78	1.58	17,280	12,000	$ 66,998
May-12	47.06	24.94	49.06	26.00	2.00	1.06	21,120	14,880	$ 58,013
									$ 1,005,499

CALCULATION OF MTM EXPOSURE FOR HOURLY PRICE TRANSACTIONS

The MtM Exposure for an Hourly Price Transaction shall be calculated as follows. During the first month of the term of a Transaction, the MtM Exposure shall be equal to Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche. Thereafter, the MtM Exposure shall be calculated on the first Business Day of each month during the term of a Transaction and shall be deemed equal to the product of: (i) Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche; (ii) the ratio of the Current Capacity PLC Per Tranche to the MW-Measure; (iii) the number of Tranches awarded to the DS Supplier per the Transaction Confirmation; and (iv) the ratio of the calendar days remaining in the Delivery Period to the total calendar days in the Delivery Period. The following definitions shall apply for the purposes of this calculation:

"Capacity Peak Load Contribution" or "Capacity PLC" means the aggregation of retail customer peak load contributions, as determined by the Buyer in accordance with the PJM Agreements and reported by Buyer to PJM pursuant to Buyer's retail load settlement process, and used by PJM in determining the DS Supplier's capacity obligation for each Transaction.

"Current Capacity PLC Per Tranche" is the Capacity PLC of a Tranche as of the Business Day the MtM Exposure is calculated for the Transaction.

"MW-Measure" means the Current Capacity PLC Per Tranche as of the Transaction Date.

APPENDIX C - DS SUPPLY SPECIFICATIONS

1) With respect to a Transaction, DS Supplier shall provide DS Supply on a firm and continuous basis. The terms of the Transaction shall be set forth in a Transaction Confirmation to this SMA, in a form as set forth in Exhibit 1. As used herein and in the Transaction Confirmation, Full Requirements Service shall mean all of the following necessary services or products that are required to supply the DS Responsibility Share for the DS Customers associated with the Transaction Confirmation, including: Energy, Capacity, transmission (except for Network Integration Transmission Service), Ancillary Services, Alternative Energy Credits for compliance with the AEPS Act, transmission and distribution system losses, congestion management costs, and such other products and services that are required except for distribution service.

2) The Transaction Confirmation shall, *inter alia*, specify the following terms with respect to a Transaction: (i) the Product (typically, Full Requirements Service); (ii) the DS Customer group associated with the applicable DS Load; (iii) the Delivery Point at which the DS Supplier shall deliver the DS Supply; (iv) the Delivery Period during which the DS Supplier shall deliver the DS Supply; (v) the number of Tranches; (vi) the DS Supplier Responsibility Share; (vii) for Fixed Price Transactions, the total number of AECs associated with each Tranche; and (viii) the DS Fixed Price or Fixed Price Adder, as applicable, for each Tranche.

3) The Company and DS Supplier shall be responsible for their respective PJM Billing Statement Line Item Credits and Charges associated with a Transaction as described in Appendix D, *Responsibilities for PJM Billing Line Items as Defined in Applicable PJM Agreement or Manual*. Company and DS Supplier agree to communicate

with PJM as may be necessary to ensure that PJM transfers all PJM Billing Statement Line Item Credits and Charges to the appropriate party.

4) The DS Supplier shall comply with all applicable requirements described in Appendix E, *DS Suppliers' Obligations For AEPS Compliance*.

5) Except as provided in Paragraph 1 above, DS Supplier bears the risk of any other changes in PJM products and pricing during the term of all Transactions under this Agreement. However, if there are any other new FERC-approved PJM transmission charges other than those referred to in Paragraph 1 above or other new PJM charges and costs, charged to network transmission customers, that DS Supplier believes the Company should recover through retail rates because they are directly related to the Company's obligations, then Company may file with the PaPUC a request for approval to recover such new costs. DS Supplier is required to intervene in any such proceeding before the PaPUC. Such new costs can only be charged to the Company to the extent that the PaPUC approves the Company's recovery of those costs. DS Supplier agrees to be bound by the decision of the PaPUC (subject to the normal rules for appeal of the decision of the PaPUC) and waives all claims concerning this issue before the FERC. Notwithstanding the foregoing, nothing in the Agreement shall preclude DS Supplier or Company from taking any position before the FERC regarding the creation and allocation of any such PJM charges.

DS Customer Group:

Each Transaction Confirmation shall be associated with DS Supply to one of the following DS Customer categories, or their successors, as defined in the DS Tariff:

Customer Group	Rate Schedule	Description
Residential & Lighting	RS	Residential Service
	RH	Residential Service Heating
	RA	Residential Service Add-On Heat Pump
	AL	Architectural Lighting Service
	SE	Street Lighting Energy
	SM	Street Lighting Municipal
	SH	Street Lighting Highway
	PAL	Private Area Lighting
Small Commercial & Industrial	GS	General Service Small
	GM < 25kW	General Service Medium – Demand less than 25kW
	GMH < 25kW	General Service Medium Heating – Demand less than 25kW
	UMS	Unmetered Service
Medium Commercial & Industrial	GM ≥ 25kW and < 200kW	General Service Medium – Demand equal to or greater than 25kW and less than 200kW
	GMH ≥ 25kW and < 200kW	General Service Medium Heating – Demand equal to or greater than 25kW and less than 200kW
HPS-Eligible	GM ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GMH ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GL	General Service Large
	GLH	General Service Heating
	L	Large Power Service
	HVPS	High Voltage Power Service

APPENDIX D – RESPONSIBILITIES FOR PJM BILLING LINE ITEMS AS DEFINED IN APPLICABLE PJM AGREEMENT OR MANUAL

		Responsible Party	
ID #	**PJM Billing Statement Line Items**	**EDC**	**DS Supplier**
ID#	**CHARGES**		
1000	Amount Due for Interest on Past Charges		DS Supplier
1100	Network Integration Transmission Service	EDC	
1101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
1102	Network Integration Transmission Service (exempt)	EDC	
1103	Underground Transmission Service	EDC	
1104	Network Integration Transmission Service Offset	EDC	
1108	Transmission Enhancement	EDC	
1109	MTEP Project Cost Recovery		DS Supplier
1110	Direct Assignment Facilities		DS Supplier
1115	Transmission Enhancement Settlement (EL05-121-009)	EDC	
1120	Other Supporting Facilities		DS Supplier
1130	Firm Point-to-Point Transmission Service		DS Supplier
1133	Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
1136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
1138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
1140	Non-Firm Point-to-Point Transmission Service		DS Supplier

1143	Non-Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
1147	Neptune Unscheduled Usage Billing Allocation		DS Supplier
1155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
1157	Linden Unscheduled Usage Billing Allocation		DS Supplier
1165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
1167	Hudson Unscheduled Usage Billing Allocation		DS Supplier
1200	Day-ahead Spot Market Energy		DS Supplier
1205	Balancing Spot Market Energy		DS Supplier
1210	Day-ahead Transmission Congestion		DS Supplier
1215	Balancing Transmission Congestion		DS Supplier
1216	Pseudo-Tie Balancing Congestion Refund		DS Supplier
1218	Planning Period Congestion Uplift		DS Supplier
1220	Day-ahead Transmission Losses		DS Supplier
1225	Balancing Transmission Losses		DS Supplier
1230	Inadvertent Interchange		DS Supplier
1240	Day-ahead Economic Load Response		DS Supplier
1241	Real-time Economic Load Response		DS Supplier
1242	Day-ahead Load Response Charge Allocation		DS Supplier
1243	Real-time Load Response Charge Allocation		DS Supplier

1245	Emergency Load Response		DS Supplier
1250	Meter Error Correction		DS Supplier
1260	Emergency Energy		DS Supplier
1301	PJM Scheduling, System Control and Dispatch Service – Control Area Administration		DS Supplier
1302	PJM Scheduling, System Control and Dispatch Service – FTR Administration		DS Supplier
1303	PJM Scheduling, System Control and Dispatch Service –Market Support		DS Supplier
1304	PJM Scheduling, System Control and Dispatch Service – Regulation Market Administration		DS Supplier
1305	PJM Scheduling, System Control and Dispatch Service – Capacity Resource/Obligation Mgmt.		DS Supplier
1306	PJM Scheduling, System Control and Dispatch Service – Advanced Second Control Center		DS Supplier
1307	PJM Scheduling, System Control and Dispatch Service – Market Support Offset		DS Supplier
1308	PJM Scheduling, System Control and Dispatch Service Refund – Control Area Administration		DS Supplier
1309	PJM Scheduling, System Control and Dispatch Service Refund – FTR Administration		DS Supplier
1310	PJM Scheduling, System Control and Dispatch Service Refund – Market Support		DS Supplier
1311	PJM Scheduling, System Control and Dispatch Service Refund –Regulation Market Administration		DS Supplier
1312	PJM Scheduling, System Control and Dispatch Service Refund – Capacity Resource/Obligation Mgmt.		DS Supplier
1313	PJM Settlement, Inc.		DS Supplier
1314	Market Monitoring Unit (MMU) Funding		DS Supplier
1315	FERC Annual Charge Recovery		DS Supplier
1316	Organization of PJM States, Inc. (OPSI) Funding		DS Supplier

1317	North American Electric Reliability Corporation (NERC)		DS Supplier
1318	Reliability First Corporation (RFC)		DS Supplier
1320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
1340	Regulation and Frequency Response Service		DS Supplier
1350	Energy Imbalance Service		DS Supplier
1360	Synchronized Reserve		DS Supplier
1362	Non-Synchronized Reserve		DS Supplier
1365	Day-ahead Scheduling Reserve		DS Supplier
1370	Day-ahead Operating Reserve		DS Supplier
1371	Day-ahead Operating Reserve for Load Response		DS Supplier
1375	Balancing Operating Reserve		DS Supplier
1376	Balancing Operating Reserve for Load Response		DS Supplier
1377	Synchronous Condensing		DS Supplier
1378	Reactive Services		DS Supplier
1380	Black Start Service		DS Supplier
1390	Fuel Cost Policy Penalty		DS Supplier
1400	Load Reconciliation for Spot Market Energy		DS Supplier
1410	Load Reconciliation for Transmission Congestion		DS Supplier
1420	Load Reconciliation for Transmission Losses		DS Supplier
1430	Load Reconciliation for Inadvertent Interchange		DS Supplier
1440	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		DS Supplier

1441	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		DS Supplier
1442	Load Reconciliation for Schedule 9-6 – Advanced Second Control Center		DS Supplier
1444	Load Reconciliation for Market Monitoring Unit Funding		DS Supplier
1445	Load Reconciliation for FERC Annual Charge Recovery		DS Supplier
1446	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		DS Supplier
1447	Load Reconciliation for North American Electric Reliability Corporation (NERC)		DS Supplier
1448	Load Reconciliation for Reliability First Corporation (RFC)		DS Supplier
1449	Load Reconciliation for Consumer Advocates of PJM States, Inc. (CAPS) Funding		DS Supplier
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1460	Load Reconciliation for Regulation and Frequency Response Service		DS Supplier
1470	Load Reconciliation for Synchronized Reserve		DS Supplier
1472	Load Reconciliation for Non-Synchronized Reserve		DS Supplier
1475	DASR Load Reconciliation		DS Supplier
1478	Load Reconciliation for Operating Reserve		DS Supplier
1480	Load Reconciliation for Synchronous Condensing		DS Supplier
1490	Load Reconciliation for Reactive Services		DS Supplier
1500	Financial Transmission Rights Auction		DS Supplier
1600	RPM Auction		DS Supplier
1610	Locational Reliability		DS Supplier
1611	CP Transitional Locational Reliability		DS Supplier
1650	Non-Unit Specific Capacity Transaction		DS Supplier

1660	Demand Resource and ILR Compliance Penalty		DS Supplier
1661	Capacity Resource Deficiency		DS Supplier
1662	Generation Resource Rating Test Failure		DS Supplier
1663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1664	Peak Season Maintenance Compliance Penalty		DS Supplier
1665	Peak-Hour Period Availability		DS Supplier
1666	Load Management Test Failure		DS Supplier
1670	FRR LSE Reliability		DS Supplier
1680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
1681	FRR LSE Capacity Resource Deficiency		DS Supplier
1682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
1683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
1685	FRR LSE Peak-Hour Period Availability		DS Supplier
1686	FRR LSE Load Management Test Failure		DS Supplier
1687	FRR LSE Schedule 9-5		DS Supplier
1688	FRR LSE Schedule 9-6		DS Supplier
1710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
1712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
1720	RTO Start-up Cost Recovery		DS Supplier
1730	Expansion Cost Recovery	EDC	
1900	Unscheduled Transmission Service		DS Supplier
1910	Ramapo Phase Angle Regulators		DS Supplier

1911	Michigan – Ontario Interface Phase Angle Regulators		DS Supplier
1920	Station Power		DS Supplier
1930	Generation Deactivation	EDC	
1932	Generation Deactivation Refund	EDC	
1950	Virginia Retail Administrative Fee		DS Supplier
1952	Deferred Tax Adjustment	EDC	
1955	Deferral Recovery		DS Supplier
1980	Miscellaneous Bilateral		DS Supplier
1995	PJM Annual Membership Fee		DS Supplier
1999	PJM Customer Payment Default		DS Supplier
ID#	**CREDITS**		
2100	Network Integration Transmission Service	EDC	
2101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
2102	Network Integration Transmission Service (exempt)	EDC	
2103	Underground Transmission Service	EDC	
2104	Network Integration Transmission Service Offset	EDC	
2106	Non-Zone Network Integration Transmission Service	EDC	
2108	Transmission Enhancement	EDC	
2109	MTEP Project Cost Recovery		DS Supplier
2110	Direct Assignment Facilities		DS Supplier
2120	Other Supporting Facilities		DS Supplier
2130	Firm Point-to-Point Transmission Service		DS Supplier
2132	Internal Firm Point-to-Point Transmission Service		DS Supplier

2133	Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
2136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
2138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
2140	Non-Firm Point-to-Point Transmission Service		DS Supplier
2142	Internal Non-Firm Point-to-Point Transmission Service		DS Supplier
2143	Non-Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
2155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
2165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
2210	Transmission Congestion		DS Supplier
2211	Day-ahead Transmission Congestion		DS Supplier
2215	Balancing Transmission Congestion		DS Supplier
2217	Planning Period Excess Congestion		DS Supplier
2218	Planning Period Congestion Uplift		DS Supplier
2220	Transmission Losses		DS Supplier
2240	Day-ahead Economic Load Response		DS Supplier
2241	Real-time Economic Load Response		DS Supplier
2245	Emergency Load Response		DS Supplier
2260	Emergency Energy		DS Supplier

2320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
2330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
2340	Regulation and Frequency Response Service		DS Supplier
2350	Energy Imbalance Service		DS Supplier
2360	Synchronized Reserve		DS Supplier
2362	Non-Synchronized Reserve		DS Supplier
2365	Day-ahead Scheduling Reserve		DS Supplier
2370	Day-ahead Operating Reserve		DS Supplier
2371	Day-ahead Operating Reserve for Load Response		DS Supplier
2375	Balancing Operating Reserve		DS Supplier
2376	Balancing Operating Reserve for Load Response		DS Supplier
2377	Synchronous Condensing		DS Supplier
2378	Reactive Services		DS Supplier
2380	Black Start Service		DS Supplier
2415	Balancing Transmission Congestion Load Reconciliation		DS Supplier
2420	Load Reconciliation for Transmission Losses		DS Supplier
2500	Financial Transmission Rights Auction		DS Supplier
2510	Auction Revenue Rights		DS Supplier
2600	RPM Auction		DS Supplier
2620	Interruptible Load for Reliability		DS Supplier
2630	Capacity Transfer Rights		DS Supplier
2640	Incremental Capacity Transfer Rights		DS Supplier
2650	Non-Unit Specific Capacity Transaction		DS Supplier

2660	Demand Resource and ILR Compliance Penalty		DS Supplier
2661	Capacity Deficiency Resource		DS Supplier
2662	Generation Resource Rating Test Failure		DS Supplier
2663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2664	Peak Season Maintenance Compliance Penalty		DS Supplier
2665	Peak-Hour Period Availability		DS Supplier
2666	Load Management Test Failure		DS Supplier
2670	FRR LSE Reliability Credit		DS Supplier
2680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
2681	FRR LSE Capacity Resource Deficiency		DS Supplier
2682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
2683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
2685	FRR LSE Peak-Hour Period Availability		DS Supplier
2686	FRR LSE Load Management Test Failure		DS Supplier
2687	FRR LSE Schedule 9-5		DS Supplier
2688	FRR LSE Schedule 9-6		DS Supplier
2710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
2712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
2720	RTO Start-up Cost Recovery		DS Supplier
2730	Expansion Cost Recovery	EDC	
2910	Ramapo Phase Angle Regulators		DS Supplier
2912	CT Lost Opportunity Cost Allocation		DS Supplier

2930	Generation Deactivation	EDC	
2932	Generation Deactivation Refund	EDC	
2950	Virginia Retail Administrative Fee		DS Supplier
2952	Deferred Tax Adjustment	EDC	
2955	Deferral Recovery		DS Supplier
2980	Miscellaneous Bilateral		DS Supplier
2996	Annual PJM Cell Tower		DS Supplier
2997	Annual PJM Building Rent		DS Supplier

APPENDIX E – DS SUPPLIER'S OBLIGATIONS FOR AEPS COMPLIANCE

With respect to the DS Supplier Responsibility Share, DS Supplier shall:

(1) Provide sufficient AECs for each Tranche, in accordance with the schedule provided below.

(2) Provide actual AECs that conform to all applicable PaPUC or other legal requirements in effect as of the date that the AECs are provided to the Company. DS Supplier shall be responsible for any incremental costs associated with ensuring that the AECs it provides to the Company conform to such requirements then in effect.

(3) Provide AECs on a six (6) month basis or at the end of any Delivery Period, if the Delivery Period is less than six (6) months, and shall be transferred to the Company within 30 days from the final day of any such six month period or Delivery Period; provided; however, that if the term of any Delivery Period includes two different AEPS reporting years, then DS Supplier shall provide the AECs required for the first AEPS reporting year by June 30th of each year.

(4) Pay any penalties, costs, charges, damages, or other fees assessed against the DS Supplier and/or the Company associated with the DS Supplier's non-performance with this Agreement or any other applicable requirements related to AEPS.

(5) Submit to the Company proof of compliance under this Agreement in such form and manner as may be required by the Company.

(6) Provide to the Company all information the Company may require to comply with the AEPS Act and its implementing regulations and other

requirements of law, including, but not limited to the price paid per AEC required by 73 Pa. C.S. § 1648.3(e)(8).

This Appendix E shall confirm the Alternative Energy Portfolio Standards Obligation of the Transaction agreed to on the Bid Proposal Due Date.

With respect to Transactions for Full Requirements Service, the DS Supplier shall deliver AECs conforming to all applicable requirements for the Delivery Period based on a percentage of the total MWh supplied by DS Supplier, in accordance with the following schedule:

Compliance Period	Tier 1	PV	Tier 2
6/1/2021 – 5/31/2022	7.5%	0.50%	10.0%

The percentages set forth above are those applicable for the first DS auction in DSP IX and may be revised for future DS Auctions to reflect changes in law or other applicable requirements. Unless the PaPUC or other authority with jurisdiction implements changes related to AEPS, compliance obligations for periods beyond 6/1/2021 to 5/31/2022 will remain at the 6/1/2021 to 5/31/2022 percentages. These are subject to revision if there are changes from the Pennsylvania AEPS Administrator.

For each compliance period during the Delivery Period, the number of AECs that a DS Supplier is obligated to provide may be reduced by a pre-determined number of AECs allocated to the DS Supplier ("Allocated AECs"). The number of Allocated AECs will be defined prior to the Transaction Date. Any Allocated AECs will not be transferred to the DS Supplier; but instead, the DS Supplier's AEC obligations will be reduced by a pro rata share of the Allocated AECs, and the Allocated AECs will remain the property of the Company.

The above amounts are estimates and will vary based on actual load served. DS Supplier will need to true-up, higher or lower, actual credits needed based on final reconciled settlement data from PJM.

EXHIBIT 1

TRANSACTION CONFIRMATION FOR FIXED PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	[INSERT CUSTOMER CLASS]
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price:	[INSERT AVERAGE PRICE] per MWh
	Tranche 1 at [INSERT] per MWH
	Tranche 2 at [INSERT] per MWH
	Tranche 3 at [INSERT] per MWH
	.
	.
	.
	Tranche [X] at [INSERT] per MWH

Alternative Energy Credit (AEC) Allocation (if any):

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

TRANSACTION CONFIRMATION FOR HOURLY PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	HPS-Eligible Class
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price Adder For Hourly Price Service:	[INSERT AVERAGE PRICE] per MWh Tranche 1 at [INSERT] per MWH Tranche 2 at [INSERT] per MWH

In addition to the DS Fixed Price Adder For Hourly Price Service above, the Statement prepared in accordance with Section 9.1(a) also will include DS Variable Payments based on the Company's billed Hourly Price Service formula rate designed to recover the costs of energy, capacity, ancillary services, and PJM administrative costs found in Rider No. 9 of the DS Tariff. The DS Variable Payments associated with serving the DS Supplier Responsibility Share of the DS Supply for HPS-Eligible Class are based on a) hourly energy charges provided at the day-ahead PJM locational marginal prices based on the customer's real time metered hourly load, plus energy-related ancillary services including PJM administrative charges, adjusted for losses, and b) capacity charges equal to the full PJM Reliability Pricing Model capacity price for the Duquesne Zone, and shall recover the charges associated with the customer's share of the Company's capacity obligation assigned by PJM, plus the charges for capacity based ancillary services. The PMEA/FMEA Adjustment Amount calculated in accordance with Section 9.1 (d) will include: any adjustments to account for changes in the hourly energy or capacity volumes used to calculate the energy, ancillary services, capacity and other charges. The DS Variable Payments to Hourly Price Service suppliers will not include Pennsylvania gross receipts taxes or the fixed retail administrative charge (other than the DS Fixed Price Adder For Hourly Price Service) included in the DS Tariff.

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT 2
FORM OF NOTICE

Any notices required under this Agreement shall be made as follows:

Buyer:	DS Supplier:
Duquesne Light Company	[INSERT]
All Notices:	**All Notices:**
Street: 411 Seventh Ave. City/State/Zip: Pittsburgh, PA 15219 Attn: Chief Financial Officer Facsimile: (412) 393-1190 Duns: 007915606 Federal Tax ID Number: 25-0451600	Street: City/State/Zip: Attn: Facsimile: Duns: Federal Tax ID Number:
Invoices: Attn: Supply Procurement – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	**Invoices:** Attn: Phone: Facsimile:
Scheduling:	**Scheduling:**
Attn: Scheduling – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	Attn: Phone: Facsimile:
Payments:	**Payments:**
Attn: Accounting – Jaime Bachota Phone: (412) 393-1122 Email: jbachota@duqlight.com	Attn: Phone: Facsimile:
Wire Transfer:	**Wire Transfer**
BNK: ABA: ACCT:	BNK: ABA: ACCT:

Credit and Collections:

Attn: Treasurer – James Milligan
Phone: (412) 393-1216
Email: jmilligan@duqlight.com

With additional Notices of an Event of Default to:

Attn: Legal Department – Tishekia Williams
Phone: (412) 393-1541
Email: twilliams@duqlight.com

Credit and Collections:

Attn:
Phone:
Facsimile:

With Additional Notices of an Event of Default to:

Attn:
Phone:
Facsimile:

EXHIBIT 3

PERFORMANCE ASSURANCE LETTER OF CREDIT

{TO BE ISSUED ON THE LETTERHEAD OF THE ISSUING BANK}

IRREVOCABLE LETTER OF CREDIT NO.

ISSUE DATE _____ EXPIRY DATE_____

APPLICANT
[NAME]
[ADDRESS]

BENEFICIARY
[NAME]
[ADDRESS]

CURRENCY	AMOUNT
USD	*********$

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT NO: _____ FOR THE ACCOUNT OF _____ ("APPLICANT") FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE US DOLLARS _____ AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON THE BANK OF _____ ("ISSUER") _____{ADDRESS}, EFFECTIVE _____ AND EXPIRING AT OUR COUNTERS AT _____ ON OR BEFORE _____OR ANY AUTOMATICALLY EXTENDED EXPIRY DATE, AS PROVIDED HEREIN. THIS LETTER OF CREDIT IS AVAILABLE IN ONE OR MORE DRAFTS UP TO THE AGGREGATE AMOUNT SET FORTH HEREIN.

THIS LETTER OF CREDIT IS PRESENTABLE AND PAYABLE AT OUR COUNTERS AND DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE HONORED UPON PRESENTATION TO ISSUER OF THE FOLLOWING STATEMENT:

> "I HEREBY CERTIFY THAT BENEFICIARY, DUQUESNE LIGHT COMPANY, IS ENTITLED TO DRAW THE AMOUNT OF THE ACCOMPANYING DRAFT UNDER LETTER OF CREDIT NO. _____, ISSUED BY _____ {ISSUER'S NAME} AND THAT SUCH DRAFT REPRESENTS AN AMOUNT DUE AND PAYABLE TO BENEFICIARY FROM _____ {APPLICANT'S NAME} FOR PERFORMANCE ASSURANCE RELATED TO THE DEFAULT SUPPLY MASTER AGREEMENT(S) DATED _____ BETWEEN BENEFICIARY AND APPLICANT."

THE AMOUNT WHICH MAY BE DRAWN BY BENEFICIARY UNDER THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF ANY DRAWINGS PAID THROUGH ISSUER REFERENCING THIS LETTER OF CREDIT NO. _____.

IF PRESENTATION OF ANY DRAWING IS MADE ON A BUSINESS DAY (AS HEREIN DEFINED) AND SUCH PRESENTATION IS MADE ON OR BEFORE 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE NEXT BUSINESS DAY. IF THE DRAWING IS RECEIVED AFTER 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE SECOND FOLLOWING BUSINESS DAY.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST 90 DAYS PRIOR TO ANY EXPIRATION DATE WE NOTIFY YOU AT THE ABOVE ADDRESS BY REGISTERED MAIL OR HAND DELIVERED COURIER THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH PERIOD.

THIS LETTER OF CREDIT MAY BE TERMINATED UPON BENEFICIARY'S RECEIPT OF FULL PAYMENT FROM APPLICANT AND ISSUER'S RECEIPT OF A WRITTEN RELEASE FROM BENEFICIARY RELEASING ISSUER FROM ITS OBLIGATIONS UNDER THIS LETTER OF CREDIT.

THE TERM "BUSINESS DAY" AS USED HEREIN MEANS ANY DAY OTHER THAN (I) A SATURDAY, (II) A SUNDAY, OR (III) A DAY ON WHICH BANKING INSTITUTIONS LOCATED IN THE CITY OF NEW YORK, NEW YORK ARE REQUIRED OR AUTHORIZED BY LAW TO BE CLOSED.

APPLICANT'S FILING OF A BANKRUPTCY, RECEIVERSHIP OR OTHER DEBTOR-RELIEF PETITION, AND/OR APPLICANT'S DISCHARGE THEREUNDER, SHALL IN NO WAY AFFECT THE LIABILITY OF ISSUER UNDER THIS LETTER OF CREDIT AND ISSUER SHALL ALWAYS REMAIN LIABLE TO BENEFICIARY FOR THE FULL AMOUNT OF APPLICANT'S OBLIGATIONS TO BENEFICIARYAS SET FORTH HEREIN NOT TO EXCEED THE AVAILABLE AMOUNT IN THIS LETTER OF CREDIT.

ADDITIONAL TERMS AND CONDITIONS:

1. ALL COMMISSIONS AND OTHER BANKING CHARGES WILL BE BORNE BY APPLICANT.

2. THIS LETTER OF CREDIT MAY BE TRANSFERRED OR ASSIGNED.

3. THIS LETTER OF CREDIT IS IRREVOCABLE.

4. THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (1998) OF THE INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") OR SUCH LATER REVISIONS(S) OF THE ISP AS MAY BE HEREAFTER ADOPTED. AS TO MATTERS NOT GOVERNED BY ISP98, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING, TO THE EXTENT NOT INCONSISTENT WITH

ISP98, THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THE STATE OF PENNSYLVANIA. THIS LETTER OF CREDIT MAY NOT BE AMENDED, CHANGED OR MODIFIED WITHOUT THE EXPRESS WRITTEN CONSENT OF BENEFICIARY AND ISSUER.

5. BENEFICIARY SHALL NOT BE DEEMED TO HAVE WAIVED ANY RIGHTS UNDER THIS LETTER OF CREDIT, UNLESS BENEFICIARY OR AN AUTHORIZED AGENT OF BENEFICIARY SHALL HAVE SIGNED A DATED WRITTEN WAIVER. NO SUCH WAIVER, UNLESS EXPRESSLY SO STATED THEREIN, SHALL BE EFFECTIVE AS TO ANY TRANSACTION THAT OCCURS SUBSEQUENT TO THE DATE OF THE WAIVER, NOR AS TO ANY CONTINUANCE OF A BREACH AFTER THE WAIVER.

6. A FAILURE TO MAKE ANY PARTIAL DRAWINGS AT ANY TIME SHALL NOT IMPAIR OR REDUCE THE AVAILABILITY OF THIS LETTER OF CREDIT IN ANY SUBSEQUENT PERIOD OR OUR OBLIGATION TO HONOR YOUR SUBSEQUENT DEMANDS FOR PAYMENT MADE IN ACCORDANCE WITH THE TERMS OF THIS LETTER OF CREDIT.

AUTHORIZED SIGNATURE: _____

TITLE: _____

PLEASE DIRECT ANY WRITTEN CORRESPONDENCE, INCLUDING DRAWING OR INQUIRIES TO:

[BANK NAME, ADDRESS AND PHONE NUMBER]

EXHIBIT 4

FORM OF GUARANTY

THIS GUARANTY AGREEMENT (this "Guaranty") is made and entered into as of this day of _____, by _____ ("Guarantor"), with an address at _____, in favor of Duquesne Light Company ("Creditor"), with an address at 411 Seventh Avenue, Pittsburgh, PA 15219, in consideration of the Default Supply Master Agreement(s) (the "DSMA(s)") between Creditor and _____ ("Seller") dated _____, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

WHEREAS, Guarantor is an _____ of Seller, and will therefore benefit by Seller entering into the DSMA with Creditor and Guarantor desires Creditor to enter into the DSMA with Seller and to extend credit to Seller thereunder.

WHEREAS, without this Guaranty, Creditor would not execute and deliver the DSMA or consummate the transactions contemplated thereby. Therefore, in consideration of the execution and delivery by Creditor of the DSMA and consummation of the transactions contemplated thereby, Guarantor has agreed to execute and deliver this Guaranty.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guaranty of Obligations.
   (a) Guarantor hereby irrevocably and unconditionally guarantees, as primary obligor and not a surety with effect from date hereof, the prompt and complete payment when due of all of Seller's payment obligations under the DSMA, whether on scheduled payment dates, when due upon demand, upon declaration of termination or otherwise, in accordance with the terms of the DSMA and giving effect to any applicable grace period, and all reasonable out-of-pocket costs and expenses incurred by Creditor in the enforcement of Guarantor's obligations or collection under this Guaranty, including reasonable attorney's fees and expenses (collectively, the "Obligations").

   (b) The limitations on liabilities of Seller set forth in Article 13 of the DSMA shall also apply to the liabilities of Guarantor hereunder.

2. Nature of Guaranty; Waivers.
   (a) This is a guaranty of payment and not of collection and Creditor shall not be required, as a condition of Guarantor's liability, to pursue any rights which may be available to it with respect to any other person who may be liable for the payment of the Obligations. This is not a performance guaranty and Guarantor is not obligated to provide power under the DSMA or this Guaranty.

(b) This Guaranty is an absolute, unconditional, irrevocable (subject to the provisions of Section 12 of this Guaranty) and continuing guaranty and will remain in full force and effect until all of the Obligations have been indefeasibly paid in full, or until the DSMA has been terminated, whichever comes later. This Guaranty will not be affected by any surrender, exchange, acceptance, compromise or release by Creditor of any other party, or any other guaranty or any security held by it for any of the Obligations, by any failure of Creditor to take any steps to perfect or maintain its lien or security interest in or to preserve its rights to any security or other collateral for any of the Obligations or any guaranty, or by any irregularity, unenforceability or invalidity of any of the Obligations (other than any irregularity, unenforceability or invalidity of any of the obligations under the DSMA resulting from the conduct of Creditor) or any part thereof.

(c) Except as to any claims, defenses, rights of set-off or to reductions of Seller in respect of its obligations under the DSMA (all of which are expressly reserved under this Guaranty), Guarantor's obligations hereunder shall not be affected, modified or impaired by any counterclaim, set-off, deduction or defense based upon any claim Guarantor may have against Seller or Creditor, including: (i) any change in the corporate existence (including its charter or other governing agreement, laws, rules, regulations or powers), structure or ownership of Seller or Guarantor; or (ii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Seller or its assets; or (iii) the invalidity or unenforceability in whole or in part of the DSMA; or (iv) any provision of applicable law or regulations purporting to prohibit payment by Seller of amounts to be paid by it under the DSMA (other than any law or regulation that eliminates or nullifies the obligations under the DSMA).

(d) Guarantor waives notice of acceptance of this Guaranty, diligence, presentment, notice of dishonor and protest and any requirement that at any time any person exhaust any right to take any action against Seller or their assets or any other guarantor or person; provided, however, that any failure of Creditor to give notice will not discharge, alter or diminish in any way Guarantor's obligations under this Guaranty. Guarantor waives all defenses based on suretyship or impairment of collateral or any other defenses that would constitute a legal or equitable discharge of Guarantor's obligations, except any claims or defenses of Seller in respect of its obligations under the DSMA.

(e) Creditor at any time and from time to time, without notice to or the consent of Guarantor, and without impairing or releasing, discharging or modifying Guarantor's liabilities hereunder, may (i) to the extent permitted by the DSMA, change the manner, place, time or terms of payment or performance of, or other terms relating to, any of the Obligations; (ii) to the extent permitted by the DSMA, renew, substitute, modify, amend or alter, or grant consents or waivers relating to any of the Obligations, or any other guaranties for any Obligations; (iii) settle, compromise or deal with any other person, including Seller, with respect to any Obligations in such manner as Creditor deems appropriate at its sole discretion; (iv) substitute, exchange or release any guaranty; or (v) take such actions and exercise such remedies hereunder as Creditor deems appropriate.

3. Representations and Warranties. Guarantor hereby represents and warrants that:

(a) it is a [limited liability company, corporation, limited partnership, general partnership] duly organized, validly existing and in good standing under the laws of the jurisdiction of its [formation, organization, incorporation] and has the [corporate power] [power] and authority to conduct the business in which it is currently engaged and enter into and perform its obligations under this Guaranty;

(b) it has the [corporate power] [power] and authority and the legal right to execute and deliver, and to perform its obligations under, this Guaranty, and has taken all necessary [corporate action] [action] to authorize its execution, delivery and performance of this Guaranty;

(c) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable in accordance with its terms, except as affected by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting the enforcement of Creditors' rights generally, general equitable principles and an implied covenant of good faith and fair dealing;

(d) the execution, delivery and performance of this Guaranty will not violate any provision of any requirement of law or contractual obligation of Guarantor (except to the extent that any such violation would not reasonably be expected to have a material adverse effect on Guarantor or this Guaranty);

(e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other person (including, without limitation, any stockholder or of Guarantor) is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty, other than any which have been obtained or made prior to the date hereof and remain in full force and effect; and

(f) no litigation, investigation or proceeding of or before any arbitrator or governmental authority is pending or, to the knowledge of Guarantor, threatened by or against Guarantor that would have a material adverse effect on this Guaranty.

4. Repayments or Recovery from Creditor. If any demand is made at any time upon Creditor for the repayment or recovery of any amount received by it in payment or on account of any of the Obligations, including but not limited to upon the bankruptcy, insolvency, dissolution or reorganization of Seller and if Creditor repays all or any part of such amount by reason of any judgment, decree or order of any court or administrative body or by reason of any settlement or compromise of any such demand, Guarantor (subject to Sections 2 (c) and (d) of this Guaranty) will be and remain liable hereunder for the amount so repaid or recovered to the same extent as if such amount had never been received originally by Creditor. The provisions of this section will be and remain effective notwithstanding any contrary action which may have been taken by Guarantor in reliance upon such payment, and any such contrary action so taken will be without prejudice to Creditor's rights hereunder and will be deemed to have been conditioned upon such payment having become final and irrevocable.

5. Enforceability of Obligations. No modification, limitation or discharge of the Obligations of Seller arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief

of debtors under federal or state law will affect, modify, limit or discharge Guarantor's liability in any manner whatsoever and this Guaranty will remain and continue in full force and effect and will be enforceable against Guarantor to the same extent and with the same force and effect as if any such proceeding had not been instituted. Guarantor waives all rights and benefits which might accrue to it by reason of any such proceeding and will be liable to the full extent hereunder, irrespective of any modification, limitation or discharge of the liability of Seller that may result from any such proceeding.

6. Postponement of Subrogation. Only to the extent that, at the relevant time, there are Obligations, or other amounts hereunder, that are then due and payable but unpaid, Guarantor postpones and subordinates in favor of Creditor any and all rights which Guarantor may have to (a) assert any claim against Seller based on subrogation rights with respect to payments made by Guarantor hereunder and (b) any realization on any property of Seller, including participation in any marshalling of Seller's assets. Upon payment of such due and unpaid Obligations, Creditor agrees that Guarantor shall be subrogated to the rights of Creditor against Seller to the extent of Guarantor's payment to Creditor.

7. Notices. All notices, demands, requests, consents, approvals and other communications required or permitted hereunder must be in writing and will be effective upon receipt. Such notices and other communications may be hand-delivered, sent by email transmission with confirmation of delivery and a copy sent by first-class mail, or sent by nationally recognized overnight courier service, to the addresses for Creditor and Guarantor set forth below or to such other address as one may give to the other in writing for such purpose:

All communications to Creditor shall be directed to:

Attn:
Phone:
Email:
With a copy to:

Phone:
Email:

or such other address as Creditor shall from time to time specify to Guarantor.

All communications to Guarantor shall be directed to:

Attn:
Phone:
Email:

or such other address as Guarantor shall from time to time specify to Creditor.

8. Preservation of Rights. Except as provided by any applicable statute of limitations, no delay or omission on Creditor's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will Creditor's action or inaction impair any such right or power. Creditor's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which Creditor may have under other agreements with Guarantor, at law or in equity.

9. Illegality. In case any one or more of the provisions contained in this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

10. Amendments. No modification, amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom, will be effective unless made in a writing signed by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Guarantor in any case will entitle Guarantor to any other or further notice or demand in the same, similar or other circumstance.

11. Entire Agreement. This Guaranty (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between Guarantor and Creditor with respect to the subject matter hereof.

12. Successors and Assigns. This Guaranty will be binding upon and inure to the benefit of Guarantor and Creditor and their respective successors and permitted assigns. Neither party may assign this Guaranty in whole or in part without the other's prior written consent, which consent will not be unreasonably withheld or delayed, except that Creditor may at any time assign this Guaranty without Guarantor's consent, in the same manner, on the same terms and to the same persons as Creditor assigns the DSMA in accordance with Section 163 of the DSMA, and except that this Section 12 shall not limit Guarantor's right to assign this Guaranty, along with substantially all of Guarantor's assets and business to a successor entity or Affiliate that assumes all obligations thereunder and (i) where the successor Guarantor's Lowest Credit Rating is equal to or greater than Guarantor's Lowest Credit Rating or where the successor Guarantor's Lowest Credit Rating is equal to or greater than BBB-, as rated by S&P or Fitch, or Baa3, as rated by Moody's, and (ii) Seller is in compliance the DSMA. The "Lowest Credit Rating" shall mean the lowest of the senior unsecured long-term debt ratings determined by Moody's Investor Services, Inc. (or its successor) ("Moody's"), the Standard & Poor's Rating Group, a division of McGraw-Hill, Inc., (or its successor) ("S&P"), or Fitch Investor Service, Inc. (or its successor) ("Fitch") immediately before such transfer and assumption. Upon any such delegation and assumption of obligations by a successor Guarantor, Guarantor shall be relieved of and fully discharged from all of its obligations hereunder, whether such obligations arose before or after the date of such delegation and assumption.

13. Interpretation. In this Guaranty, unless Creditor and Guarantor otherwise agree in writing, the singular includes the plural and the plural the singular; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; and references to sections or

exhibits are to those of this Guaranty unless otherwise indicated. Section headings in this Guaranty are included for convenience of reference only and shall not constitute a part of this Guaranty for any other purpose.

14. Governing Law.

(a) This Guaranty has been delivered to and accepted by the Creditor. THIS GUARANTY WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF CREDITOR AND GUARANTOR DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, EXCLUDING ITS CONFLICT OF LAWS RULES.

(b) Guarantor hereby irrevocably consents to the jurisdiction of the federal district court for the Western District of Pennsylvania or to the county court jurisdiction of the Allegheny County Court of Common Pleas; provided that nothing contained in this Guaranty will prevent Creditor from bringing any action, enforcing any award or judgment or exercising any rights against Guarantor individually, against any security or against any property of Guarantor within any other county, state or other foreign or domestic jurisdiction. Guarantor acknowledges and agrees that the venue provided above is the most convenient forum for both Creditor and Guarantor. Guarantor waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Guaranty.

15. WAIVER OF JURY TRIAL. GUARANTOR AND CREDITOR IRREVOCABLY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS GUARANTY, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS GUARANTY OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. GUARANTOR AND CREDITOR ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

16. Term. This Guaranty shall survive termination of the DSMA and remain in full force and effect until all amounts due hereunder, including all of the Obligations, have been paid or performed in full.

17. Stay of Acceleration Ineffective with Respect to Guarantor. If acceleration of the time for payment of any amount payable by Seller under the DSMA is stayed upon the insolvency, bankruptcy or reorganization of Seller, all such amounts otherwise subject to acceleration or required to be paid upon an early termination pursuant to the terms of the DSMA shall nonetheless be payable by Guarantor hereunder on written demand by Creditor.

Guarantor acknowledges that it has read and understood all the provisions of this Guaranty, and has been advised by counsel as necessary or appropriate.

ATTEST: [Guarantor]

_____ By: _____

Name: _____

Title: _____

DUQUESNE LIGHT STATEMENT NO. 1

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company	**:**	
For Approval Of Default Service Plan	**:**	**Docket No. P-2024-_____**
For The Period June 1, 2025 Through	**:**	
May 31, 2029	**:**	

DIRECT TESTIMONY OF
C. JAMES DAVIS

Dated: April 19, 2024

I. INTRODUCTION

Q. Please state your full name, business affiliation and address.

A. My name is C. James Davis. I am the Director – Rates, Energy Procurement, and Federal/RTO Affairs for Duquesne Light Company ("Duquesne Light" or the "Company"). My business address is 411 Seventh Avenue, Pittsburgh, PA 15219.

Q. Please describe your professional and educational background.

A. I graduated from St. Vincent College with a Bachelor of Arts degree in Computer Science in 1989 and Duquesne University with a Master of Business Administration in 1995. Prior to joining Duquesne Light, I had more than 24 years of diversified experience in the utility industry working for Allegheny Energy and FirstEnergy. I have held positions in Risk Management, Finance, Portfolio Management, Generation Dispatch, and Commodity Operations.

Q. Please describe your current responsibilities as the Director of Rates, Energy Procurement and Federal/RTO Affairs.

A. I am responsible for the oversight and direction of the Company's Rates & Tariff Services Department, Supply Procurement and RTO Settlement activities, as well as Federal and RTO affairs. In this role, I am responsible for the planning, development and direction of Duquesne Light's filing in this Default Service proceeding.

Q. Have you previously testified before the Commission or other regulatory agencies?

A. Yes, I testified in the 2016 Petition of Duquesne Light Company for Approval of a Distribution System Improvement Charge at Docket No. P-2016-2540046, in the Company's Petition for a Default Service Plan for the period of June 1, 2017 through May 31, 2021 at Docket No. P-2016-2543140, in the Company's 2018 and 2021 base rate proceedings at Docket No. R-2018-3000124 and R-2021-3024750, in the Peoples Natural Gas 2018 base rate proceeding at Docket No. R-2018-3006818, and in the Company's Petition for a Default Service Plan for the period of June 1, 2021 through May 31, 2025 at Docket No. P-2020-3019522. I am also testifying in the Company's current base rate proceeding at Docket No. R-2024-3046523.

Q. What is the purpose of your direct testimony?

A. First, I introduce the Company's witnesses who provide more detail about specific aspects of Duquesne Light's plan for default service for the period from June 1, 2025 through May 31, 2029 ("Default Service Plan," "DSP X," or "Plan"). Second, I describe Duquesne Light's default service obligations, and I explain how the Company currently satisfies those obligations under its ninth default service plan ("DSP IX"). Third, I provide an overview of Duquesne Light's proposed DSP X Plan for default service. Fourth, I discuss the Company's proposed Green Tariff. Fifth, I provide a status on the company's Commission approved Solar Procurement Pilot. Finally, I discuss Duquesne Light's other retail market initiatives, including the Standard Offer Customer Referral Program ("SOP").

Q. Please introduce the testimony of Duquesne Light's other DSP X witnesses.

A. In addition to my direct testimony, Duquesne Light is submitting the testimony of four other witnesses.

- In Duquesne Light Statement No. 2, John Peoples, Duquesne Light's Manager of Energy Supply, discusses the power procurement methods and products to be used to supply default service for each customer class, including the Supplier Master Agreement and the Supplier Service Tariff to be used in these procurements. He also evaluates the consistency of the Plan's procurement methods with certain requirements of Act 129.
- In Duquesne Light Statement No. 3, Scott G. Fisher, Partner at The NorthBridge Group, reviews the performance of the basic default service model used by Duquesne Light, and explains how the Company's proposed Plan satisfies the requirements of Act 129 by incorporating a prudent mix of contracts designed to ensure least cost to customers over time, taking into account the benefits of price stability, and by including prudent steps necessary to obtain least cost generation supply.
- In Duquesne Light Statement No. 4, David B. Ogden, Duquesne Light's Manager of Rates and Tariff Services, describes the proposed default service rates and changes to the associated Retail and EGS Coordination Tariffs. Mr. Ogden also describes the Company's proposed Electric Vehicle Time-of-Use ("EV-TOU") rates.
- In Duquesne Light Statement No. 5, Sarah J. Olexsak, Duquesne Light's Senior Manager, Transportation Electrification, explains how the Company will implement the Company's proposed Electric Vehicle Time-of-Use Pilot Program ("EV-TOU").
-

II. OVERVIEW OF DUQUESNE LIGHT'S DEFAULT SERVICE OBLIGATIONS AND CURRENT DSP IX PLAN

Q. Please describe Duquesne Light's default service obligations.

A. Duquesne Light is obligated to provide electric supply service to all customers within its service territory who do not select an electric generation supplier ("EGS") or who return to default service after being served by an EGS that becomes unable or unwilling to serve. By law, Duquesne Light is required to file a plan with the Pennsylvania Public Utility Commission (the "Commission") which sets forth how the Company will meet its default service obligations, including a strategy for procuring generation supply, a schedule for implementation, and a rate design to recover the Company's reasonable costs.

Q. How does Duquesne Light currently meet its default service obligations?

A. On April 20, 2020, Duquesne Light filed a petition with the Commission for approval of a default service program for the period from June 1, 2021 through May 31, 2025. On October 13, 2020, Duquesne Light filed a Joint Petition for Approval of Unopposed Partial Settlement with various parties (collectively the Joint Petitioners), expressing agreement on the petition. On January 14, 2021, the Commission entered an Order approving Duquesne Light's default service plan as modified by the Joint Petition for Approval of Unopposed Partial Settlement. The EV-TOU Stipulation, the SOP Stipulation, and the CAP Shopping Stipulation were also approved, as modified, in the Order.. The resultant approved plan, which currently is in effect, is referred to as "DSP IX."

Pursuant to Public Utility Code, 66 Pa. C.S. §§ 2807(3.1)-(3.4), under DSP IX, Duquesne Light procures a "prudent mix" of contracts designed to obtain electric supply at the "least cost over time." Under DSP IX, Duquesne Light procures default service supply separately for four different customer classes. The principal procurement features of DSP IX include

the use of fixed-price full requirements supply contracts for smaller customers, and procurement of supply for larger customers based on PJM Interconnection, LLC ("PJM") hourly spot market prices. DSP IX also includes tailored contract lengths for each customer class. Solicitations for the full-requirements contracts occur within three months before the commencement of their delivery periods.

Q. Does Duquesne Light have other obligations under DSP IX?

A. Yes. Consistent with its procurement obligations and its approved plan, Duquesne Light uses standardized documents and procedures approved by the Commission when conducting its default service supply procurements. In addition, in accordance with the Commission's direction in its Retail Markets Investigation,[1] Duquesne Light has undertaken a wide range of initiatives to support retail competition.

Q. Has Duquesne Light satisfied its obligations?

A. Yes. Duquesne Light has satisfied all of its obligations to date under DSP IX, including its fundamental obligation, as default service provider, to provide adequate and reliable default service to default service customers at least cost over time. In addition, Duquesne Light continues to provide its "Standard Offer" customer referral program in which default service residential and small C&I customers contacting Duquesne Light's customer service center are given the option to select among a group of EGSs who have voluntarily chosen to offer customers a 12-month contract priced at 7% below Duquesne Light's default service rate at the time of the offer.

[1] *Investigation of Pennsylvania's Retail Electricity Market: End State of Default Service*, Docket No. I-2011-2237952, Order entered February 15, 2013.

III. OVERVIEW OF DUQUESNE LIGHT'S PROPOSED DSP X PLAN

Q. What were Duquesne Light's primary policy considerations when developing its proposed Default Service Plan?

A. Duquesne Light developed its Plan to satisfy Act 129, which amended Section 2807(e)(3) of the Public Utility Code, 66 Pa. C.S. § 2807(e)(3), with respect to, among other things, power procurement for default service providers. In developing its Plan to satisfy Act 129, the Company was guided by the Second Default Service Rulemaking Order, which the Commission entered to provide guidance with respect to the interpretation of Act 129's requirements.[2] In summary, in their testimony, Duquesne Light's witnesses describe the Company's proposed DSP X Plan and how it is aligned with legislative and regulatory requirements and associated policy considerations.

Q. Please provide an overview of Duquesne Light's DSP X Plan.

A. The Default Service Plan is a comprehensive program under which Duquesne Light will provide default service to its customers from June 1, 2025 through May 31, 2029. Duquesne Light has grouped its default service customers into four primary customer classes, which are the same customer class groupings used in its currently effective default service plan: Residential & Lighting,[3] Small Commercial & Industrial ("Small C&I"),[4]

[2] *Default Service and Retail Electric Markets*, Docket No. L-2009-2095604 (Order entered October 4, 2011) ("Second Default Service Rulemaking Order").

[3] Residential customers are those served under rate schedules RS, RH and RA. Lighting customers are those served under rate schedules AL, SE, SM, SH, and PAL.

[4] Small C&I customers are those with average monthly metered demands less than 25 kW served under rate schedules GS/GM, GMH and UMS.

Medium Commercial & Industrial <200kW ("Medium C&I <200kW"),[5] and HPS-Eligible.[6] The Plan includes default service offerings tailored to the needs of each customer class, it complies with the requirements of Act 129, and it includes concrete steps to support retail competition. The Default Service Plan also builds upon the foundation established in previous Commission-approved plans, which have facilitated and supported the competitive retail market over a sustained period of time, while offering stable and reasonable rates for small customers who do not elect to receive service from an EGS.

Q. Please provide an overview of the proposed default service supply product portfolios, and the general methodology to set supply rates, for each of Duquesne Light's customer classes under DSP X.

A. In his direct testimony, Mr. Peoples provides a detailed description of the proposed mix of supply products, the procurement approach, and the schedule for implementation. Furthermore, Mr. Ogden's direct testimony outlines the methodology to establish default service supply rates for each customer class. An overview of these aspects of the Plan is as follows:

- The HPS-Eligible customer class, consisting of Large C&I customers and Medium C&I ≥200kW customers, will continue to be offered default service supply rates that are based on hourly spot market energy prices. Customers also will continue to be charged a pass through of PJM capacity and ancillary services costs as well as the administrative costs of providing hourly price service ("HPS"). The

[5] Medium C&I <200kW customers are those served under rate schedules GS/GM and GMH with average monthly metered demands that are at least 25 kW but less than 200kW.

[6] HPS-Eligible customers are those who are eligible for Rider No. 9 – Day-Ahead HPS. They include Medium C&I ≥200kW customers (customers served under rate schedules GS/GM and GMH with average monthly metered demands that are at least 200 kW) and Large C&I customers (customers served under rate schedules GL, GLH, L, and HVPS).

Company proposes to continue to procure the supply for this service through a competitive auction process.

- Medium C&I <200kW customers will continue to be offered default service supply rates that adjust quarterly based on fixed-price full requirements contracts. However, we are revising the procurement process to include tranches of six- and twelve-month duration as further described in Mr. People's direct testimony.
- Small C&I customers will continue to be offered default service supply rates that adjust every six months based on fixed-price full requirements contracts with twelve-month and twenty-four-month, overlapping delivery periods. The contracts will be procured within three months before the commencement of their delivery periods. Default service supply for the Small C&I customers will be obtained through competitive auctions, with winning bidders selected on the basis of lowest price.
- Residential & Lighting customers will continue to be offered default service supply rates that adjust every six months based on fixed-price full requirements contracts with twelve-month and twenty-four-month, overlapping delivery periods. The contracts will be procured within three months before the commencement of their delivery periods. Default service supply for the Residential & Lighting customers will be obtained through competitive auctions, with winning bidders selected on the basis of lowest price.

Q. What changes is Duquesne Light proposing in DSP X for each customer class as compared to the Company's existing plan in effect for DSP IX?

A. The major changes are summarized below:

- **Medium C&I Procurement Schedule** – Duquesne Light is proposing to modify the Medium C&I procurement schedule as Mr. Peoples discusses further in his direct testimony.
- **EV-TOU Pilot Program** – Duquesne Light is continuing with an EV-TOU supply rate for Residential, Small C&I and Medium C&I <200kW customers,[7] on a pilot basis with some modifications to the peak, off-peak, and super off-peak time periods as well as an additional option for a residential EV only TOU supply rate vs the whole home option offered currently. Ms. Olexsak in her direct testimony discusses this program in greater detail, and Mr. Ogden describes in his direct testimony the process for determining the EV-TOU supply rates.
- **Green Tariff Pilot**– As I describe later in my testimony, Duquesne Light is proposing to offer a Green Tariff Pilot that is an opt-in program that affords customers the opportunity to have an additional seven percent of their generation supply supported by Pennsylvania carbon neutral resources.

Q. Does Duquesne Light's proposed DSP X include products with delivery periods that extend beyond May 31, 2029 (the end of the DSP X period)?

A. Yes, some of the supply products for the Residential & Lighting and Small C&I customer classes extend beyond the DSP X period. As explained by Mr. Fisher in his direct testimony, this preserves the option for a fairly seamless continuation of the laddered procurement cycle as Duquesne Light transitions from DSP X to DSP XI. Mr. Fisher also

[7] EV-TOU service under the Pilot Program will be offered to Residential, Small C&I, and Medium C&I <200kW customers eligible for Rider No. 8 who own or lease a plug-in battery electric vehicle or a plug-in hybrid electric vehicle (collectively "EV") or offer charging infrastructure to employees or visitors. Customers eligible for Rider No. 9 – HPS will not be eligible for the EV-TOU Pilot Program. Unmetered accounts on Rider No. 8 also are not eligible for EV-TOU Pilot Program.

explains that these contracts also avoid subjecting Residential & Lighting and Small C&I customers to a "hard stop" with regard to their supply products at the end of the DSP X period, which could expose customers to magnified risks and rate instability. Furthermore, having contracts that extend beyond the default service period is consistent with the approach approved by the Commission in DSP VI, DSP VII, DSP VIII and DSP IX. It should be noted that the solicitations for these products are not scheduled until September 2027, so there is a significant amount of time before new supply commitments extending beyond the DSP X period are made should legislative or regulatory developments require changes to the supply product mix.

Q. Is Duquesne Light proposing to use the same default service SMA for DSP X that it is using for DSP IX?

A. As explained by Mr. Peoples in his direct testimony, the Company will continue to use the SMA template that was developed by the Procurement Collaboration Working Group, with minor revisions summarized by Mr. Peoples. The proposed Supply Master Agreement is attached to the direct testimony of Mr. Peoples.

Q. Does Duquesne Light's DSP X proposal include a contingency plan in case a supply solicitation fails to attract a sufficient number of qualified bids, the Commission does not approve the submitted bids, or a winning bidder defaults on its obligations?

A. Yes. Mr. Peoples describes the Company's contingency plan in his direct testimony.

Q. How will Duquesne Light recover its default service supply costs?

A. In his direct testimony, Mr. Ogden explains how all costs associated with default service supply procurement will be recovered.

Q. What programs is Duquesne Light proposing to support retail market competition in DSP X?

A. Duquesne Light is proposing several programs to support retail market competition:

- **Standard Offer Customer Referral Program ("SOP").** Duquesne Light will continue to offer default service customers that contact the Company that they can receive their supply from participating EGSs at rates that will be 7% below the current Price to Compare ("PTC"). However, the Company believes that the Commission should revisit the SOP program given that over ten years has passed since its inception and Duquesne Light has experienced disruptions in the ability to offer SOP during a seven month period of elevated prices and price volatility.

- **Purchase of Receivables Plan.** Duquesne Light will continue its Purchase of Receivables ("POR") plan, with the same rules and conditions to those in the current plan. Under this Plan, Duquesne Light purchases the accounts receivables, without recourse, associated with EGS sales of retail electric commodity service to Residential, Small C&I, and Medium C&I <200kW customers at a small discount and then reimburses EGSs for their customer billings regardless of whether payment is received by Duquesne Light from customers.

- **Bill Ready.** Duquesne Light will continue a Bill Ready program. The Bill Ready program will facilitate the EGS development of tailored products for customers.

In addition, as discussed by Mr. Fisher in his direct testimony, Duquesne Light's Plan will support the competitive retail market in other ways, including by its use of competitive solicitations for fixed-price full requirements products. As Mr. Fisher explains, fixed-price full requirements default service supply products help to provide a more transparent price-to-compare benchmark against which customers can compare competing retail offers. Furthermore, the competitive solicitations for the fixed-price full requirements supply products ensure that EGSs will compete against market-based default service rates.

IV. Green Tariff Pilot Program

Q. Please describe Duquesne Light's proposed Green Tariff pilot program.

A. Duquesne Light is proposing a Green Tariff for residential customers who remain on default service and affirmatively elect to increase their carbon-free electricity ("CFE") supply above the requirements under the Pennsylvania Alternative Energy Portfolio Standards ("AEPS"). Twenty-five percent (25%) of a Green Tariff customer's annual consumption would be supplied by alternative energy and/or CFE. Duquesne Light is proposing this pilot program partly in response to a customer survey conducted by the Company that indicated that thirty-six percent (36%) of residential customers were interested in procuring more clean energy. Customers could begin to enroll in the pilot program starting in DSP X.

Q. What are the objectives of the Green Tariff?

A. The Green Tariff is designed to provide a voluntary option for default service customers to increase the portion of their electricity supply from Pennsylvania clean energy resources. The Company is proposing a structure that provides this voluntary option to customers while meeting several other important objectives, including:

- Mitigate the impact on electricity suppliers participating in default service auctions,
- Expand market opportunities for EGSs and/or third parties to offer green product services to residential customers,
- Minimize the impact on non-Green Tariff participants, and
- Provide a customer-friendly design to increase the likelihood of success of the pilot program

The Company's proposed pilot program is intended to inform how default service customers and suppliers could further support on a voluntary basis the expansion of clean energy supply within its service area.

Q. Who would be eligible to enroll in the Green Tariff?

A. Residential customers who receive Duquesne Light's default service would be eligible to participate in the pilot program up to a cap of 5,000 customers. Customers could elect to enroll in the Green Tariff on a first-come, first-served basis. CAP customers are not eligible for the program.

Q. What supply would qualify as CFE in the Green Tariff?

A. Duquesne Light would require the provider of this service to procure and retire energy attribute certificates ("EAC") associated with carbon-free generation located within Pennsylvania. For purposes of the Green Tariff, the Company would follow the U.S. government's definition of CFE in its implementing instructions for federal electricity procurement, where CFE is electrical energy produced from resources that generate no carbon emissions. CFE could include marine energy, solar, wind, hydrokinetic (including tidal, wave, current, and thermal), geothermal, hydroelectric, nuclear, renewably sourced hydrogen, and electrical energy generation from fossil resources to the extent there is active capture and storage of carbon emissions that meets the EPA's requirements.

Q. How would the Green Tariff impact the obligations of Duquesne Light's default service suppliers?

A. The default service suppliers' obligations, including their Pennsylvania AEPS requirements, would remain the same regardless of the extent to which default service customers elect to enroll in the Green Tariff. From a default service supplier's standpoint, Green Tariff customers would be treated like other default service customers.

Q. How would the Green Tariff interact with Pennsylvania AEPS?

A. The Green Tariff would be in addition to or "on top of" the AEPS. An additional seven percent (7%) of the participating Green Tariff customer's annual consumption would be matched with CFE sourced within Pennsylvania. This would be in addition to the Pennsylvania AEPS requirements of eight percent (8%) for Tier I resources and ten percent (10%) for Tier II resources that are provided by Duquesne Light's wholesale default service suppliers. As a result, twenty-five percent (25%) of a Green Tariff customer's annual consumption would be subject to either the current AEPS (18%) requirements or the supplemental (7%) CFE purchases.

Q. Would there be any special restrictions on customer enrollment in and exit from the Green Tariff?

A. No, customers could enroll in the Green Tariff subject to the enrollment cap. Customers could exit the Green Tariff and receive regular default service or switch to an EGS at any time in accordance with current switching rules. The Company wants to encourage customers to participate in this pilot program and provide flexibility for customers to enroll and exit as desired.

Q. How would the Green Tariff expand market opportunities for EGSs and/or third parties to offer green product services to residential customers?

A. Duquesne Light will auction the right to supply the EACs under the Green Tariff, and EGSs and other third parties would be allowed to bid for that right, subject to applicable qualification requirements. EGSs already can market supply services, including green products, directly to retail customers, yet many residential customers remain on default service. The Green Tariff will allow EGSs and/or third-party suppliers to offer green services to default service customers who may be reluctant to leave utility default service for whatever reason. EGSs will still be able to separately market combined supply and clean energy attributes directly to customers. The Company's Green Tariff is designed to allow EGSs and/or third-party suppliers and aggregators an opportunity to reach customers that they may not otherwise be able to serve.

Q. How will the Green Tariff rate be determined?

A. Electricity supply costs will continue to be based on Duquesne Light's default service auction process. In addition, Duquesne Light will conduct an auction annually for each DSP planning year where qualified EGSs and/or third-party suppliers will bid a fixed cost per kWh to procure EACs on behalf of customers who enroll in the Green Tariff. The bid price would reflect the costs and risks associated with providing this service. The winning Green Tariff provider of EACs will be determined solely on price and will be paid the per unit price that they bid.

Q. How often will the Green Tariff rate change?

A. The cost of additional EACs required under the Green Tariff will be fixed on a per kWh basis for each DSP planning year. Rate changes for the other electricity supply costs will match the rate changes for all residential default service customers.

Q. Will the winning provider of EACs be identified on default service customer bills who participate in the Green Tariff?

A. Yes, Duquesne Light will list the name of the provider on customer bills who participate in the Green Tariff.

Q. How will the costs of the Green Tariff be recovered?

A. The EAC costs of the Green Tariff, a non-basic service, will be recovered from participating Green Tariff customers, while administrative costs associated with the Green Tariff will be recovered from all default service customers. Mr. Ogden describes the cost recovery mechanism of the EAC's as well as the administrative costs associated with the Green Tariff in his direct testimony.

Q. What does Duquesne Light seek to learn from this pilot?

A. Duquesne Light seeks to learn the extent to which residential default service customers are willing to affirmatively opt-in to a service option that is potentially supplied to a higher degree by clean energy resources. The Company also seeks to learn the extent to which EGSs and/or third-party providers are willing to participate in an auction process to provide EACs at a fixed price on an annual basis. Finally, Duquesne Light wants to better understand the costs of procuring additional clean energy supply sourced within

Pennsylvania and whether such clean energy supply could be offered on a voluntary basis to customers who remain on default service for whatever reason.

V. STATUS OF THE COMPANY'S COMMISSION APPROVED SOLAR PROCUREMENT PLAN UNDER DSP IX

Q. Please provide a status of the Company's solar procurement plan approved in DSP IX.

A. The Company's held its initial solicitation for a solar purchase power agreement ("PPA") on December 6, 2021. The Company and the winner of the solicitation entered into negotiations of final terms of the PPA. The Company subsequently filed a Petition at Docket No. P-2020-3019522 on April 1, 2022, seeking approval of the PPA and received an order accepting the PPA on May 20, 2022. However, after receiving the order, the developer notified the Company that it was having difficulty obtaining surface mineral rights. The Company and the developer, after many attempts to resolve the surface mineral rights issue mutually agreed to terminate the PPA. The Company notified the Commission of the termination on June 23, 2023. On September 6, 2023, the Company held a second solicitation for a solar PPA. A developer was recommended by the independent auction monitor and final PPA negotiations are ongoing with the new developer. The Company expects to file a Petition seeking approval of the solar PPA before the conclusion of DSP IX. In the event that the Company is not able to execute a contract prior to the expiration of the DSP IX plan, the Company requests that the Commission's approval of the Solar PPA in the DSP IX proceeding extend to the DSP X program.

VI. STANDARD OFFER PROGRAM

Q. Please provide an overview of the Company's Standard Offer Program

A. The Company's SOP was initially implemented as part of its Default Service Plan VI. The SOP targets residential and small C&I customers who are not served by an Electric Generation Supplier ("EGS") and who contact the Company with four types of calls. Specifically, customers who contact the Company: 1) to initiate or move service, 2) to discuss choice questions, 3) to resolve high bill concerns, or 4) to inquire about the SOP, are provided information regarding participation in the Company's SOP. After the customer's specific inquiry is resolved, Duquesne Light's customer service representative ("CSR") offers the customer the opportunity to participate in the SOP Program. In the January 14,2021 order, The Company was granted approval to outsource the administration of the SOP; aligning administration of the program with other EDCs in Pennsylvania. The Company developed customer education scripts consistent with the practice of Pennsylvania's EDCs that utilize third party SOP administrators, Allconnect. The Company agreed to monitor Allconnect's adherence to the script to ensure compliance and to provide a report at the midpoint of DSP IX[8] . Customers who enroll with an EGS through SOP have the option of choosing a fixed price 7% below the Company's then-effective price to compare ("PTC") for a period of twelve months. Customers can leave the SOP at any time during these twelve months without penalty.

Q. Please describe the results of the SOP in DSP IX.

A. The Company's current DSP IX began June 1, 2021. From that date through January 31, 2024, the Company had 7,462 residential referrals and 6,751 residential enrollments, for a

[8]Default Service Plan IX Standard Offer Program Call Monitoring Report was filed with the PA PUC at Docket No. P-2020-3019522, pursuant to the Joint Stipulation of Duquesne Light Company, The Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania, and The Office of Consumer Advocate, approved by the PA PUC, by Order entered January 14, 2021 at Docket No. P-2020-3019522.

90% referral-to-enrollment rate. The number of EGSs participating in the SOP has fluctuated somewhat during this period, with 0 to 8 EGSs participating in the SOP for the residential class in any given month. The Company's SOP for small commercial customers has seen a lack of customer participation. From June 1, 2021, through January 31, 2024. In 2024, the Company had zero small commercial referrals and zero small commercial enrollments.

Q. How is the SOP administered?

A. The Company uses Allconnect, a third-party administrator, to offer the SOP.

Q. What are the Company's costs of administering the SOP and how are costs recovered?

A. The Company does not incur costs for administration of the SOP. The Company is invoiced by the third-party vendor at a cost of $30 per enrollment and then passes through its costs to participating suppliers at that same rate of $30 per enrollment.

Q. How does the Company propose to modify its SOP in DSP X?

A. The Company does not propose modifications to the current program.

Q. Does this conclude your direct testimony?

A. Yes, it does.

DUQUESNE LIGHT AMENDED STATEMENT NO. 2

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company For Approval Of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : : :	**Docket No. P-2024-_____**

TESTIMONY OF
JOHN A. PEOPLES

Dated: April 19, 2024

I. INTRODUCTION

Q. Please state your full name, business affiliation and address.

A. My name is John A. Peoples. I am the Manager of Energy Procurements and Settlements at Duquesne Light Company ("Duquesne Light" or "Company"). My business address is 411 7th Avenue, Pittsburgh PA 15219.

Q. Please describe your professional and educational background.

A. I received a Bachelor of Arts and Science with a major in Accounting and a major in Business from Washington and Jefferson College in 1992. I completed a Master of Business Administration from Duquesne University with a concentration in Marketing in 1994. I have been in the energy business since 1994.

Prior to joining the Company I held management positions with unregulated national energy suppliers. I took a position at Consolidated Natural Gas (CNG) where I managed the CNG default customer portfolio for their various utilities. I have worked for Detroit Edison, Green Mountain Energy, Strategic Energy, and Direct Energy Business. While at these companies I had responsibilities for managing a portfolio of energy customers on a physical and financial basis.

I began my career at the Company in 2014 as the Supervisor of Energy Supply. Over the last ten plus years, I have held supervisory and managerial roles regarding the procurement and management of default supply for the Company. I have been responsible for managing Duquesne Light's default service power portfolio since April 2015, which was a year into

the Company's seventh default service plan ("DSP VII"). I provided testimony and managed the Company's eighth and ninth default service plans ("DSP VIII") & ("DSP IX"). I have organized the competitive solicitations for default procurement and have performed subsequent tasks related to the execution of the default service supply contracts with the winning suppliers.

Q. Please describe your current responsibilities.

A. My current role is Manager of Procurements and Settlements, I am responsible for overseeing the Company's Default Service Plan and the auctions that procure fixed price / full requirement power for the Company's default service customers. In addition, it is my responsibility to validate and settle Duquesne Light accounts against PJM power submissions. I also am responsible for voting responsibilities at the Company at PJM.

Q. Have you previously testified before the Pennsylvania Public Utility Commission?

A. Yes. I have testified in the Company's Default Service Plan ("DSP VIII") at Docket No. P-2016-2543140 and the Company's Default Service Plan ("DSP IX") at Docket No. P-2020-3019522.

Q. What is the purpose of your Direct Testimony?

A. The purpose of my testimony is to address the following items regarding the Company's proposed tenth default service plan ("DSP X"):

1. Describe the proposed default service supply procurement plan for Residential and Lighting, Small Commercial and Industrial ("C&I"), Medium C&I, and Large C&I customers obtained through competitive auctions.

2. Describe the changes to the default service supply procurement plan for the Company's Medium C&I customers.

Q. Are you sponsoring any exhibits as part of your Direct Testimony?

A. Yes, I am sponsoring three exhibits.

Exhibit JP-1 Overview of Supply Products and Auction Schedule by Procurement Class

Exhibit JP-2 Number of Load Tranches and Supplier Load Caps

Exhibit JP-3 Supplier Master Agreement

Q. Please explain how these exhibits were prepared.

A. All of the above referenced exhibits were prepared by me or under my supervision.

Q. How is your testimony organized?

A. Section I is an introduction. Section II provides an overview of the Plan with regard to its power procurement methods and supply product portfolios. Section III includes a review of how the Plan satisfies certain provisions of Act 129. Section IV discusses the Supplier

Master Agreement. Section V discusses the status of DSP IX approved Solar Procurement in a PPA for Default Supply customers.

II. OVERVIEW OF DUQUESNE LIGHT'S DSP X PROCUREMENT PLAN

Q. Please summarize Duquesne Light's proposed supply procurement plan for default service customers.

A. The DSP X procurement plan provides for 100% of default service power supply needs during the 48-month period from June 1, 2025, through May 31, 2029. As in previous DSP plans, portfolios of supply products will be separately procured for each of four different customer classes: Residential & Lighting, Small Commercial & Industrial ("Small C&I"), Medium Commercial & Industrial <200kW ("Medium C&I <200kW"), and hourly price service eligible ("HPS-Eligible"). Default service supply for each of the customer classes will be procured through competitive solicitations for full requirements, load-following products. For the Residential & Lighting, Small C&I, and Medium C&I <200kW classes, the pricing of the products will be fixed on a dollars per megawatt-hour basis. The pricing of the products for the HPS-Eligible class will be based on day-ahead hourly market prices. A depiction of the procurement products and the timeline for procurement is shown in Exhibit JP-1, and Figure 1 below summarizes the different classes' supply product portfolios.

Exhibit JP- 1: Overview of Supply Portfolio by Customer Class

Residential & Lighting	Small C&I (< 25 kW)	Medium C&I <200kW (≥ 25 kW and < 200 kW)[1]	HPS-Eligible (≥ 200 kW)[2]
• Six-month fixed default service supply rates • Continue procurement of 50% of supply from one-year and 50% of supply from two-year full requirements supply products with overlapping delivery periods • Products are procured every six months within three months of start of delivery	• Six-month fixed default service supply rates • Continue procurement of 50% of supply from one-year and 50% of supply from two-year full requirements supply products with overlapping delivery periods • Products are procured every six months within three months of start of delivery	• Three-month fixed default service supply rates • Procurement of 50% of supply from one-year supply products with overlapping delivery periods, and 50% of supply from six-month full requirements supply products with three-month pricing and no overlapping delivery periods • Products are procured every six months within three months of start of delivery	• Hourly price default service supply rates • Continue to procure supply through an auction every twelve months within three months of start of delivery • Winning suppliers are paid their fixed bid price plus their share of the associated (day-ahead hourly) energy, capacity, and ancillary service charges billed pursuant to Rider No. 9.
• Approximately 32% of total system load	• Approximately 7% of total system load	• Approximately 12% of total system load	• Approximately 49% of total system load

[1] Duquesne Light lowered the threshold for customers who are not offered default service rates based on day-ahead hourly market prices from < 300 kW to < 200 kW on June 1, 2019.

[2] Duquesne Light lowered the threshold for customers who are offered default service rates based on day-ahead hourly market prices from ≥ 300 kW to ≥ 200 kW on June 1, 2019.

Residential & Lighting and Small C&I

Q. Please describe Duquesne Light's proposed default supply procurement plan for Residential & Lighting and Small C&I customers.

A. DSP X will continue the basic procurement strategy for the Residential & Lighting and Small C&I classes that was established in DSP VIII and DSP IX. Specifically, the supply portfolios for these customer classes will consist of a combination of twelve-month and twenty-four-month products, with delivery periods overlapping on a semiannual basis. Accordingly, the default service rates for these classes will change twice annually, once on June 1st and once on December 1st. Residential & Lighting default service supply will be split into 48 equal tranches, each representing approximately 2.08333% of the total Residential & Lighting class default service load in each hour. The Small C&I default service supply will be split into eight tranches consisting of twelve-month and twenty-four-month products, each representing 12.5% of the total Small C&I default service load in each hour. These products' delivery periods will also overlap on a semiannual basis.

Q Are there supply portfolio changes that Duquesne Light is proposing for Residential & Lighting and Small C&I customers in DSP X as compared to its existing DSP IX Plan?

A. No.

Q. Why is the proposed procurement plan for Small C&I customers the same as for Residential & Lighting customers?

A. As in DSP VIII and DSP IX, the Company's proposed procurement plan for Small C&I customers is the same for Residential & Lighting customers because both classes have somewhat similar levels of customer switching and market sophistication. Therefore, it is reasonable to implement the same procurement approach for both classes. However, the

supply product portfolios for these two classes are kept separate to safeguard against unnecessary cost shifting between customers. To increase bidder participation in the solicitations, the supply solicitations for these customer classes will be conducted simultaneously. This also allows for costs to be efficiently managed.

Q. Mr. Peoples, Duquesne Light's Commission-approved DSP IX Plan included supply products for Residential & Lighting and Small C&I customers with delivery periods that extend into the DSP X period (sometimes referred to as "overhang" products). In its DSP X Plan, is the Company proposing any overhang products with delivery periods that extend beyond the DSP X period?

A. Yes. Like the previous four Commission-approved default service plans, DSP X includes products that will continue or overhang into the next default service period for Residential & Lighting and Small C&I customers that will provide price stability benefits to these small customers. These products will avoid subjecting these customers to a "hard stop" with regard to their supply products at the end of the DSP X period. By so doing, the Company will avoid the need to replace all of the default service supply for these customer classes in a short period of time at the end of the DSP X period, a situation which could expose customers to magnified risks and rate instability. Furthermore, the Company's Plan to include some overhang products involves considerable procurement flexibility, as the first solicitation for any overhang products is not scheduled until September 2027, so there is a significant amount of time before new supply commitments extending beyond the DSP X period are made, should changes need to be made to the supply product mix due to legislative

or regulatory mandates. In the meantime, these solicitations remain scheduled because they allow for the option for a fairly seamless continuation of the laddered procurement cycle as Duquesne Light transitions from DSP X to DSP XI.

Q. Does the Company's procurement plan include supplier load caps for Residential & Lighting and Small C&I default service supply?

A. Yes, the Company proposes to maintain a supplier load cap approved by the Commission for DSP VIII and DSP IX. Specifically, a given supplier in a given auction cannot be awarded more than 50% of the Residential & Lighting and Small C&I supply tranches solicited on that auction date, rounded up to the nearest integer number of tranches. See Exhibit JP-2.

Medium C&I <200kW

Q. Are there any modifications to the Default Service Plan for the next 4 years?

A. Yes. The changes are explained in the answer to the next question. Mr. Fisher explains the rationale for this change in his testimony.

Q. Please describe Duquesne Light's proposed default supply procurement plan for Medium C&I <200kW customers.

A. Duquesne Light proposes to switch from the current approach of soliciting three-month FPFR products in quarterly solicitations to a new approach for the Medium C&I <200kW customer class. In the new approach, all of the default service supply for the Medium C&I

<200kW customer class still will be procured in the form of FPFR products, but all of the supply will be procured in solicitations held semi-annually, at the same times as the supply solicitations for the Residential & Lighting and Small C&I customer classes. Consistent with the procurement approach for the Residential & Lighting and Small C&I customer classes, the delivery period for Medium C&I <200kW customer class default service supply products solicited in the first scheduled solicitation of a given calendar year will begin on June 1 of that calendar year, and the delivery period for Medium C&I <200kW customer class default service supply products solicited in the second scheduled solicitation of a given calendar year will begin on December 1 of that calendar year.

Half of the default service supply for the Medium C&I <200kW customer class will be procured in the form of 12-month FPFR products and half will be procured in the form of six-month FPFR products with three-month pricing. For the half of the supply that is procured in the form of 12-month FPFR products, 50% of that supply (i.e., 25% of the total supply for the customer class) will be procured in each solicitation; therefore, the 12-month FPFR product delivery periods will overlap on a semiannual basis. For the half of the supply that is procured in the form of six-month FPFR products, 100% of that supply (i.e., 50% of the total supply for the customer class) will be procured in each solicitation; therefore, there will be no overlap of the six-month FPFR supply products across the solicitations.

Q. How will the auction process provide for separate three-month pricing for each six-month product?

A. The auction will still incorporate a descending-clock price format, and the price that will be used in the auction will reflect pricing for the entire six-month delivery period. However, to provide for separate prices for the first and second three-month periods, a few steps will be taken. First, prior to the auction, Duquesne Light will provide indicative load-weighting factors for the two three-month periods of the six-month product, calculated based on historical load proportions for the same calendar periods in previous years. For example, for illustrative purposes, the indicative load weighting factors could be 60% for the first three-month period, and 40% for the second three-month period. Next, still prior to the auction, each bidder will state its price ratio for the two three-month periods of the six-month product, should the bidder be awarded a six-month product. For example, for illustrative purposes, if a bidder specifies a price ratio of 1.2, then if that bidder is awarded a six-month product, the price that bidder is paid in the first three-month period will be 20% higher than the price that bidder is paid in the second three-month period. Once those two steps are complete, the auction will be run as usual based on a single descending price for the product. For the six-month product, that price will represent the weighted-average price (that is, weighted by the indicative load-weighting factors). For illustrative purposes, suppose a given bidder is a winner of a six-month product at an auction clearing price of $50/MWh, suppose the indicative load-weighting factors are 60% and 40%, and suppose that bidder specified a price ratio of 1.2. That bidder would be paid $50 x 1.2 / [60%x1.2+40%x1] = $53.57/MWh in the first three-month period and $50 x 1 / [60%x1.2+40%x1] = $44.64/MWh in the second three-month period. Just as is the case for Duquesne Light's other FPFR default service supply products, these prices will be fixed for that winning

bidder's share of the actual load in the applicable periods; in other words, the indicative load-weighting factors no longer have any application after the auction is held and auction winners are determined.

Q. Does the Company's procurement plan include supplier load caps for Medium C&I <200kW default service supply?

A. No. The Company will continue the practice approved by the Commission for DSP IX of not imposing a supplier load cap for the Medium C&I <200kW tranches.

HPS-Eligible

Q. Please describe the Company's proposed default service supply procurement plan for HPS-Eligible customers.

A. The HPS-Eligible customer class includes non-residential customers with average monthly metered demands greater than or equal to 200 kW. HPS-Eligible customers will continue to be offered default service rates based on day-ahead hourly PJM energy market prices. Customers also will continue to be charged a pass through of PJM capacity and ancillary services costs as well as the administrative costs of providing hourly price service.

Q. Is Duquesne Light proposing any changes with respect to its HPS-Eligible customer default service plan?

A. No. This plan will maintain the DSP IX plan for the HPS-Eligible default service product.

Q. Does the Company's procurement plan include supplier load caps for HPS-Eligible default service supply?

A. No. The Company will continue the practice approved by the Commission for DSP IX of not imposing a supplier load cap for the HPS-Eligible tranches. Since the default service supply products for HPS-Eligible customers are based on day-ahead hourly market prices, the potential impact of a supplier default is reduced, so there is a reduced need for load caps to guard against the exposure resulting from a large supplier defaulting on its obligation.

Solicitations

Q. Is Duquesne Light proposing to engage a third-party to assist in the auction processes to obtain supply for the HPS-Eligible, Medium C&I <200kW, Small C&I, and Residential & Lighting customer classes?

A. Yes. Consistent with past practices, Duquesne Light proposes to engage an independent third party to monitor and conduct the competitive solicitations, including qualifying bidders, conducting bidder information sessions, receiving, and evaluating all bids, determining winning bidders, and reporting to the Commission. This will help ensure the bid process is fair and independently monitored, and that all information is provided to bidders in a non-discriminatory fashion. In DSP X, the independent evaluator will continue to assist in the auction process for all customer classes.

Q Does Duquesne Light have a contingency plan to obtain supply for the HPS-Eligible, Medium C&I <200kW, Small C&I, and Residential & Lighting customer classes?

A. Yes. In the event the Company receives bids for less than all tranches, the Commission does not approve the results for all tranches, or a supplier defaults, the Company will execute the emergency contingency plan.

The Company may ask other winning DS Suppliers whether they wish to assume all or part of the delivery obligations on the same terms and price already established, but any DS Supplier shall not be obligated to assume any such step-up requests. Any agreement to make additional supply available shall be termed a "Step-Up," and is subject to compliance with the creditworthiness provisions of Article 6 of this Agreement and the DS Supplier's load cap as per the Company's approved default service procurement plan. If multiple wholesale suppliers are willing to Step-Up, then the Auction Manager would allocate a pro-rata share of the unsubscribed tranche(s) to each supplier based upon the percentage of load that each supplier won in the initial auction.

If the Wholesale supplier(s) are unwilling to "Step-Up" and fill the Unsubscribed Tranche(s) a separate procurement auction will be conducted by the Company's independent third-party Auction Manager. The purpose of this auction would be to solicit Wholesale suppliers and procure the supply deficiency.

If these two options fail, the Company will procure default supply to fill the Unsubscribed Tranche(s) through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. The Company will submit to the Commission within fifteen (15) days after any such occurrence an emergency plan to handle

any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

Q Does Duquesne Light manage the PLC and NSPL values for some HPS-Eligible, Medium C&I <200kW, Small C&I, and Residential & Lighting customer classes by using monthly summary usage data?

A. Duquesne Light uses monthly summary data to determine the PLCs/NSPL values for some accounts when interval usage data is unavailable or when monthly summary data is more practical to use. The cost and impact on IT systems to process interval usage data for every Duquesne Light customer would be significant. The Company strives to use interval usage data for all commercial and industrial customers. In order to implement a change to the Company's system to accommodate more interval usage data for a broader group, to include all residential customers, the Company would need to complete further analysis.

III. THE DEFAULT SERVICE PLAN SATISFIES ACT 129 REQUIREMENTS

Q. Mr. Peoples, have you reviewed Act 129's provisions regarding default service procurement?

A. Yes, I have. The Act amended Section 2807(e)(3) of the Public Utility Code (66 Pa. C.S. §2807(e)(3)) by adding requirements to be applied to default service procurement. These provisions include the use of "competitive procurement processes" to obtain a "prudent mix" of contracts that is designed to ensure "adequate and reliable service" at the "least cost to customers over time." In approving a default service provider's plan, the Commission is

required to make specific findings that "the default service provider's plan includes prudent steps necessary to negotiate favorable generation supply contracts... [and] includes prudent steps necessary to obtain least cost generation supply contracts on a long-term, short-term and spot market basis." The Act also specifies that the Commission shall make a finding that "neither the default service provider nor its affiliated interest has withheld from the market any generation supply in a manner that violates federal law." The Act also gives the default service provider the right to recover on a full and current basis all reasonable costs incurred under a Commission-approved competitive procurement plan.

Q Do you believe that Duquesne Light's proposed DSP X incorporates a prudent mix of contracts, and includes prudent steps necessary to obtain least cost generation supply contracts, as required by Section 2807(e)(3.4) and Section 2807(e)(3.7) of the Act?

A. Yes, in his direct testimony, Duquesne Light witness Mr. Fisher explains that DSP X satisfies these requirements.

IV. SUPPLIER MASTER AGREEMENT

Q. Is Duquesne Light proposing to use the same default service SMA for DSP X that it is using for DSP IX?

A. The Company will continue to use the SMA template that was developed by the Procurement Collaboration Working Group. There have been minor clarifications made to the SMA which are identified in a redline version of the SMA.

Q How is the SMA structured?

A. The main body of the SMA consists of a uniform template. Individual EDCs, such as Duquesne Light, specify unique requirements associated with their default service supply in appendices to the SMA. Such requirements relate to supply product term length and size, credit ratings and unsecured credit thresholds, mark-to-market calculations, delivery points, responsibility for various PJM line-item charges, and AEPS compliance.

Q. Will wholesale suppliers be allowed to propose modifications to the SMA once it is approved?

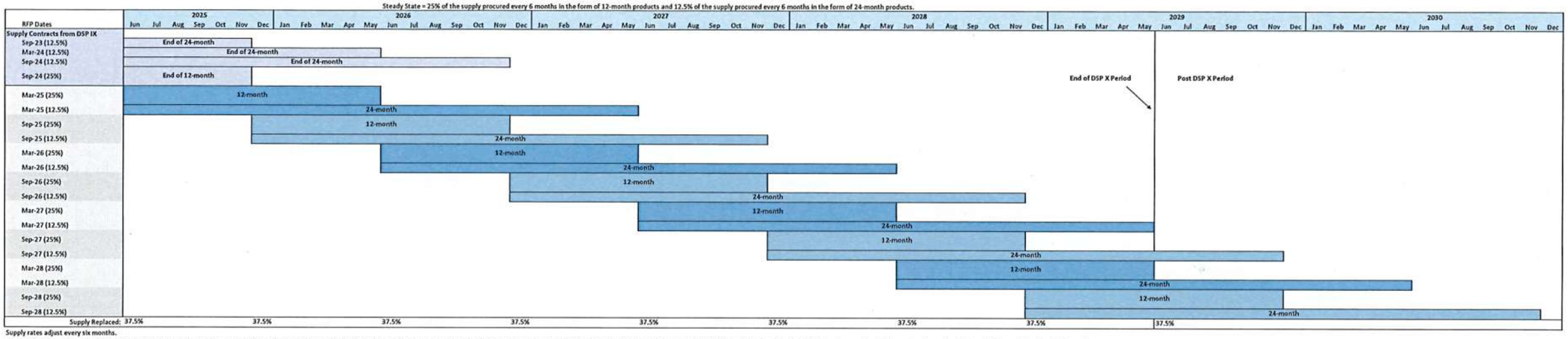
A. No, they will not. Each supplier will have the same rights and obligations when supplying default service load. Using an identical SMA across all suppliers allows for a competitive bidding process in which winning suppliers are determined solely based on lowest price.

Q. Does this conclude your testimony?

A. Yes.

EXHIBIT 1

DSP X Plan for the Residential & Lighting Class

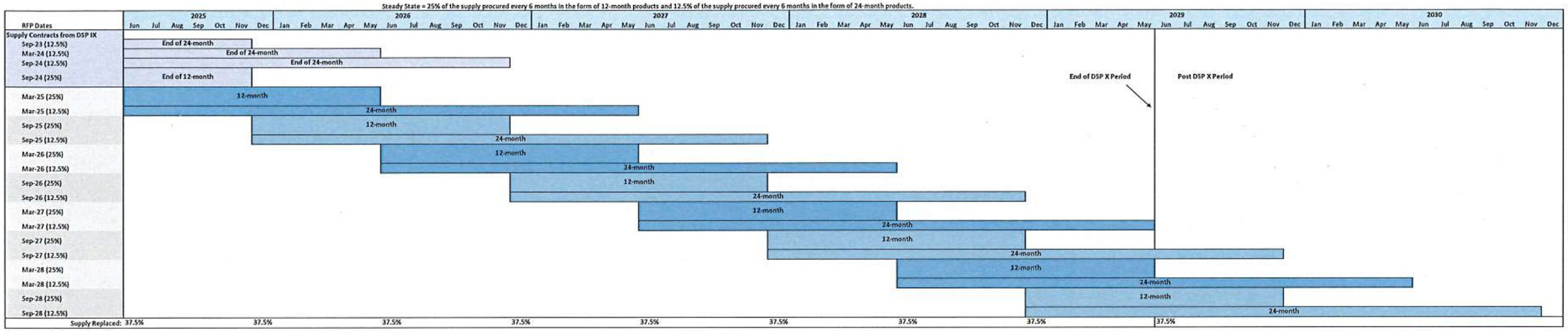


Supply rates adjust every six months.

If the PaPUC at any time decides that DLC no longer will be the default service provider after the DSP IX period, then DLC will file a petition to amend the DSP IX plan so that no yet-to-be solicited products extend beyond the date in which DLC terminates its role as the default service provider. Existing contracts previously signed with a supplier will not be altered.

DSP X Plan for the Small C&I Class (<25 kW)

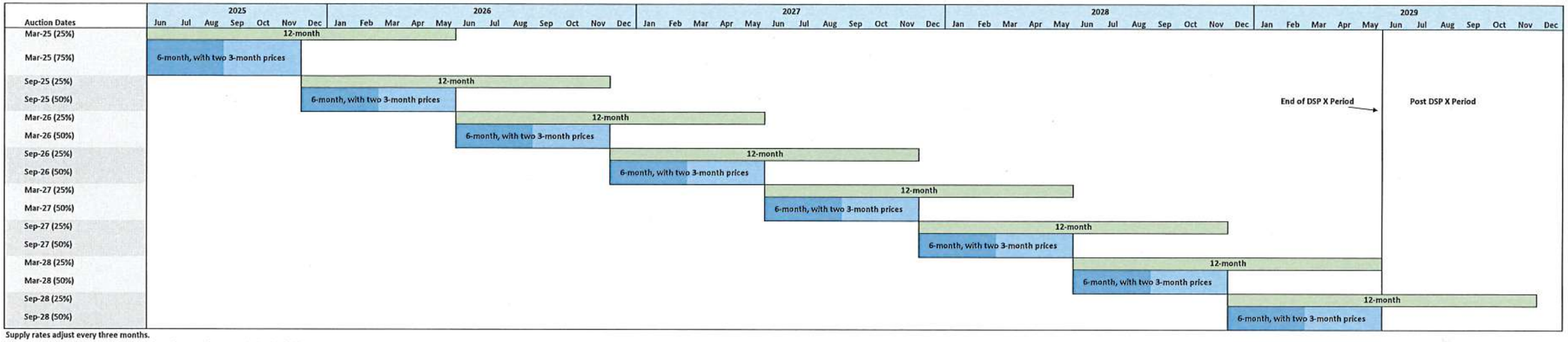
Steady State = 25% of the supply procured every 6 months in the form of 12-month products and 12.5% of the supply procured every 6 months in the form of 24-month products.



Supply rates adjust every six months.

If the PaPUC at any time decides that DLC no longer will be the default service provider after the DSP IX period, then DLC will file a petition to amend the DSP IX plan so that no yet-to-be solicited products extend beyond the date in which DLC terminates its role as the default service provider. Existing contracts previously signed with a supplier will not be altered.

DSP X Plan for the Medium C&I <200kW Class



Supply rates adjust every three months.

The two 3-month prices for each 6-month product tranche are set by having bidders submit bid prices for each of the two 3-month periods of the given 6-month product.

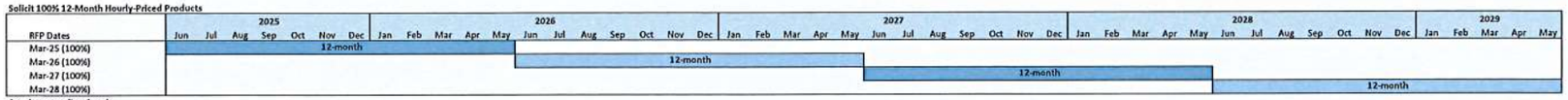
Load factors (determined only for bid evaluation purposes), known to the bidders, are applied to the two bid prices of a given bid to calculate a weighted-average price for bid evaluation purposes only.

The bids with the lowest calculated weighted-average prices are selected.

Winning bidders are paid their two 3-month prices.

DSP X Plan for the Large C&I and Medium C&I (≥ 200 kW)

Solicit 100% 12-Month Hourly-Priced Products



Supply rates adjust hourly.

EXHIBIT 2

DSP X RFP Schedule

RFP Date	Class	Tranches	Amount	Term	Delivery Period
Mar-25	Residential	12	25.0%	12 Months	June 2025 – May 2026
		6	12.5%	24 Months	June 2025 – May 2027
	Small C&I	2	25.0%	12 Months	June 2025 – May 2026
		1	12.5%	24 Months	June 2025 – May 2027
	Medium C&I	3	75%	6 Months	June 2025 – November 2025
		1	25%	12 Months	June 2025 – May 2026
	Large C&I	2	100%	12 Months	June 2025 – May 2026
Sep-25	Residential	12	25.0%	12 Months	December 2025 – November 2026
		6	12.5%	24 Months	December 2025 – November 2027
	Small C&I	2	25.0%	12 Months	December 2025 – November 2026
		1	12.5%	24 Months	December 2025 – November 2027
	Medium C&I	2	50%	6 Months	December 2025 – May 2026
		1	25%	12 Months	December 2025 – November 2026
Mar-26	Residential	12	25.0%	12 Months	June 2026 – May 2027
		6	12.5%	24 Months	June 2026 – May 2028
	Small C&I	2	25.0%	12 Months	June 2026 – May 2027
		1	12.5%	24 Months	June 2026 – May 2028
	Medium C&I	2	50%	6 Months	June 2026 – November 2026
		1	25%	12 Months	June 2026 – May 2027
	Large C&I	2	100%	12 Months	June 2026 – May 2027
Sep-26	Residential	12	25.0%	12 Months	December 2026 – November 2027
		6	12.5%	24 Months	December 2026 – November 2028
	Small C&I	2	25.0%	12 Months	December 2026 – November 2027
		1	12.5%	24 Months	December 2026 – November 2028
	Medium C&I	2	50%	6 Months	December 2026 – May 2027
		1	25%	12 Months	December 2026 – November 2027
Mar-27	Residential	12	25.0%	12 Months	June 2027 – May 2028
		6	12.5%	24 Months	June 2027 – May 2029
	Small C&I	2	25.0%	12 Months	June 2027 – May 2028
		1	12.5%	24 Months	June 2027 – May 2029
	Medium C&I	2	50%	6 Months	June 2027 – November 2027
		1	25%	12 Months	June 2027 – May 2028
	Large C&I	2	100%	12 Months	June 2027 – May 2028
Sep-27	Residential	12	25.0%	12 Months	December 2027 – November 2028
		6	12.5%	24 Months	December 2027 – November 2029
	Small C&I	2	25.0%	12 Months	December 2027 – November 2028
		1	12.5%	24 Months	December 2027 – November 2029
	Medium C&I	2	50%	6 Months	December 2027 – May 2028
		1	25%	12 Months	December 2027 – November 2028
Mar-28	Residential	12	25.0%	12 Months	June 2028 – May 2029
		6	12.5%	24 Months	June 2028 – May 2030
	Small C&I	2	25.0%	12 Months	June 2028 – May 2029
		1	12.5%	24 Months	June 2028 – May 2030
	Medium C&I	2	50%	6 Months	June 2028 – November 2028
		1	25%	12 Months	June 2028 – May 2029
	Large C&I	2	100%	12 Months	June 2028 – May 2029
Sep-28	Residential	12	25.0%	12 Months	December 2028 – November 2029
		6	12.5%	24 Months	December 2028 – November 2030
	Small C&I	2	25.0%	12 Months	December 2028 – November 2029
		1	12.5%	24 Months	December 2028 – November 2030
	Medium C&I	2	50%	6 Months	December 2028 – May 2029
		1	25%	12 Months	December 2028 – November 2029

DSP X Tranches and Supplier Load Caps

Total Number of Tranches Solicited					
RFP Date	Residential	Small C&I	Medium C&I	Large C&I	Total
March 2025	18	3	4	2	27
September 2025	18	3	3		24
March 2026	18	3	3	2	26
September 2026	18	3	3		24
March 2027	18	3	3	2	26
September 2027	18	3	3		24
March 2028	18	3	3	2	26
September 2028	18	3	3		24

Supplier Load Cap (Number of Tranches)					
RFP Date	Residential	Small C&I	Medium C&I	Large C&I	Total
March 2025	9	2	4	2	17
September 2025	9	2	3		14
March 2026	9	2	3	2	16
September 2026	9	2	3		14
March 2027	9	2	3	2	16
September 2027	9	2	3		14
March 2028	9	2	3	2	16
September 2028	9	2	3		14

The supplier load cap to serve Residential and Small C&I customers in a given RFP will be maintained equal to 50% of the number of tranches solicited on that RFP date, rounded up to the nearest integer number of tranches. The Company will continue the practice of removing the supplier load cap for the Medium C&I and Large C&I solicitations.

EXHIBIT 3

PENNSYLVANIA UNIVERSAL

DEFAULT SUPPLIER MASTER AGREEMENT

by and between

Duquesne Light Company

and

[INSERT]

Dated [Month, Day, Year]

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PENNSYLVANIA DEFAULT SERVICE SUPPLIER MASTER AGREEMENT

THIS DEFAULT SERVICE SUPPLIER MASTER AGREEMENT, made and entered into this ____ day of [Month, Day, Year] (the "Agreement") by and between Duquesne Light Company (the "Company" and "Buyer"), a limited liability company and a public utility organized and existing under the laws of the Commonwealth of Pennsylvania and [INSERT] ("DS Supplier"), the Company and the DS Supplier hereinafter sometimes referred to collectively as the "Parties", or individually as a "Party",

WITNESSETH:

WHEREAS, the Company is an electric public utility engaged, inter alia, in providing retail electric service within its service territory located in the Commonwealth of Pennsylvania; and

WHEREAS, the Pennsylvania Public Utility Commission ("PaPUC" or "Commission") Orders issued pursuant to the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2801-2812, direct Buyer to supply electric service to Default Service Load within Buyer's Pennsylvania franchise service territory; and

WHEREAS, the PaPUC has found that, for periods further identified in Appendix C, it would serve the public interest for the Company to secure Default Service Supply ("DS Supply") through a competitive procurement process ("DS Solicitation") and the PaPUC has approved such a process; and

WHEREAS, the Company has conducted and completed a successful DS Solicitation for the provision of DS Supply, and the DS Supplier was one of the winning bidders in the DS Solicitation; and

WHEREAS, pursuant to the competitive bidding procedures of the DS Solicitation, the Company and the DS Supplier desire to enter into this Agreement setting forth their respective rights and obligations concerning the provision of DS Supply.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby covenant, promise and agree as follows:

ARTICLE 1: DEFINITIONS

Any capitalized or abbreviated term not elsewhere defined in this Agreement shall have the definition set forth in this Article.

Alternative Energy Credit or "AEC" – Shall have the meaning ascribed thereto in the AEPS Act, including any future modifications thereto.

AEPS Act – The Pennsylvania Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1-1648.8, including any future modifications thereto.

Affiliate – Means, with respect to any entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such entity. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

Allocated AECs – Shall mean the types and amounts of AECs specified on Appendix E.

Alternative Energy Portfolio Standards or "AEPS" – Standards requiring that a certain amount of electric energy sold to retail electric customers in the Commonwealth of Pennsylvania be composed of electricity generated from alternative energy sources, as measured by AECs, in accordance with the requirements of the AEPS Act and provisions of the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2804, 2812-14, including, without limitation, any subsequent increases in Tier I requirements under 66 Pa.C.S. § 2814.

Ancillary Services – Shall have the meaning ascribed thereto in the PJM Agreements.

Applicable Legal Authorities – Those federal and Pennsylvania statutes and administrative rules and regulations that govern the electric utility industry in Pennsylvania, as they may be amended from time to time.

Auction Revenue Rights or "ARR" – The current or any successor congestion management mechanisms as may be employed by PJM (whether set forth in the PJM Agreements or elsewhere) for the purpose of allocating financial congestion hedges or financial transmission auction revenue rights. As currently defined by PJM, ARRs are entitlements allocated annually by PJM which entitle the holder to receive an allocation of the revenues from the annual auction of financial transmission rights conducted by PJM pursuant to the PJM Agreements.

Bankruptcy Code – Those laws of the United States of America related to bankruptcy, codified and enacted as Title 11 of the United States Code, entitled "Bankruptcy" and found at 11 U.S.C. § 101 et seq., as such laws may be amended, modified, replaced or superseded from time to time.

Billing Month – Each calendar month during the term of this Agreement.

Business Day – Any day on which the Company's and PJM's corporate offices are open for business and commercial banks are not authorized or required to close in New York, New York.

Capacity – "Unforced Capacity" as set forth in the PJM Agreements, or any successor, measurement of the capacity obligation of a Load Serving Entity as may be employed in PJM (whether set forth in the PJM Agreements or elsewhere).

Capacity Proxy Price will be implemented for those portions of supply contracts that extend into a period for which, as of the day prior to the date of the Company's corresponding solicitation, PJM has not established a capacity price through an auction conducted by PJM in the accordance with PJM's Reliability Pricing Model ("RPM") ("Capacity Market Auction"). The CPP will be the average of the capacity prices from the last auctions of the previous two Capacity Market Auctions conducted by PJM.

Charge – Any fee, charge or other amount that is billable by the Company to the DS Supplier under this Agreement.

Company – Duquesne Light Company.

Costs – With respect to the Non-Defaulting Party, brokerage fees, commissions and other similar transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations and/or entering into new arrangements which replace this Agreement; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement.

Customer – Any person or entity who enters into a contractual agreement with the Company to receive retail electric service including, without limitation, all persons or entities taking service under a retail tariff, eligible to receive competitive electricity supply from an EGS or DS, respectively, in accordance with the Applicable Legal Authorities.

Damages – Financial compensation from the Defaulting Party to the Non-Defaulting Party associated with the occurrence of an Event of Default or an Early Termination of this Agreement. This compensation shall be assessed pursuant to Article 5 of this Agreement.

Default Allocation Assessment – Shall have the meaning ascribed to it under the PJM Agreements.

Defaulting Party – A Party to this Agreement that has caused or precipitated an Event of Default or an Early Termination of this Agreement.

Default Service or "DS" – Electric generation service that is provided at retail pursuant to the Applicable Legal Authorities under the Company's retail electric tariffs and under any other agreements or arrangements between the Company and Customers, to any Customer that is not being served by an EGS.

Default Service Supply or "DS Supply" – All necessary Energy, Capacity, AECs for AEPS Act compliance and/or any other alternative energy requirements imposed by law, Ancillary Services, all transmission and distribution losses and congestion and imbalance costs associated with the provision of such services, and such other services or products that the DS Supplier may be required, by PJM or any governmental body having jurisdiction, to provide in order to meet the DS Supplier Responsibility Share for serving DS Load under this Agreement and as detailed in Appendix C. For the avoidance of doubt, any reference in this Agreement to any other agreement for DS Supply shall include any agreement between the Parties for the provision of a product or service (e.g., Energy) to serve DS Load, even if such other agreement does not require delivery of additional products or services (e.g., Capacity).

Delivery Period – The delivery period specified in Appendix C.

Delivery Point – Means the applicable zone of the Company as designated by PJM.

DS Customer(s) – Retail customers who are provided Default Service pursuant to the terms of this Agreement, the Applicable Legal Authorities and the Company's retail tariffs.

DS Fixed Percentage – The percentage of DS Supply, as set forth in Appendix C.

DS Fixed Price – The price in dollars per MWh, as set forth in Appendix C hereto, as determined pursuant to the DS Solicitation.

DS Fixed Price Adder For Hourly Price Service – The fixed price adder for Hourly Price Service in dollars per MWh, as set forth in Appendix C hereto, as determined pursuant to the DS Solicitation.

DS Load – Means the total sales at the retail meter, plus any losses and Unaccounted For Energy (as defined by PJM), as reflected in PJM settlement volumes (including adjustments required by PJM for PJM's derating in conjunction with implementation of marginal losses as appropriate per PJM Agreements), expressed in MWh of retail customers in a particular class of DS Customers being served by Company pursuant to the PUC Orders, as such sales vary from hour to hour, in Company's Pennsylvania franchise service territory, as such territory exists on the Effective Date or may increase

or decrease due to de minimis geographic border changes to the service territory that exists on the Effective Date. The DS Load is net of any reduction in load as a result of energy efficiency and demand side response programs offered by Company, PJM, curtailment service providers, or other third parties, or any retail market programs. For avoidance of doubt, DS Load shall not include (i) the amount of load that would otherwise have been served in the absence of such energy efficiency or demand side response programs or retail market programs; or (ii) sales resulting from changes in the Company's Pennsylvania service territory which occur as a result of a merger, consolidation, or acquisition of another entity which has a franchised service territory in Pennsylvania or a result of a significant franchise territory swap with another entity which has a franchised service territory in Pennsylvania.

DS Solicitation – The competitive bidding processes, procedures and rules employed by the Company to competitively procure DS Supply for purposes of this Agreement.

DS Supplier – An entity that (i) has been selected through the DS Solicitation and has accepted the obligations and associated rights to provide DS Supply to the Company for retail customers in accordance with the Applicable Legal Authorities, (ii) has entered into this Agreement with the Company as a Party, and (iii) is a PJM Member and registered with PJM as a LSE.

DS Supplier Representative – Any officer, director, employee, consultant, contractor, or other agent or representative of the DS Supplier in connection with the DS Supplier's

activity under this Agreement. To the extent the DS Supplier is a division or group of a company, the term DS Supplier Representative does not include any person in that company who is not part of the DS Supplier division or group.

DS Supplier Responsibility Share – The fixed percentage share of the Company's DS Load for which the DS Supplier is responsible as set forth in Appendix C.

DS Tariffs – The Company's existing schedules of rates and services provided to retail customers as currently on file with the Commission and on the Company's website, as they may be amended from time to time.

DS Variable Payments – The variable supplier payments in dollars based on the Company's Hourly Price Service formula rate, as set forth in Appendix C hereto, associated with serving the DS Supplier Responsibility Share of the DS Supply.

Early Termination – Termination of this Agreement prior to the end of the term due to the occurrence of an Event of Default as specified in Article 5.2 of this Agreement and the declaration of Early Termination.

Early Termination Date – The date upon which an Early Termination becomes effective as specified in Article 5.2 of this Agreement.

Effective Date – The date designated on the cover page of this Agreement upon which the terms of this Agreement were agreed to by the Parties.

Electric Distribution Company or "EDC" – A public utility providing facilities for the transmission and distribution of electricity to retail customers in Pennsylvania.

Electric Generation Supplier or "EGS" – A person or entity that is duly certified by the Commission to offer and provide competitive electric supply to retail customers located in the Commonwealth of Pennsylvania.

Emergency – (i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of an electric system or the safety of persons or property; or (ii) a condition that requires implementation of Emergency Operations Procedures as defined in the PJM Agreements or PJM manuals; or (iii) any other condition or situation that the Company or PJM deems imminently likely to endanger life or property or to affect or impair the Company's electrical system or the electrical system(s) of other(s) to which the Company's electrical system is directly or indirectly connected (a "Connected Entity"). Such a condition or situation may include, but shall not be limited to, potential overloading of the Company's transmission and/or distribution circuits, PJM minimum generation ("light load") conditions, or unusual operating conditions on either the Company's or a Connected Entity's electrical system, or conditions such that the Company is unable to accept Energy from the DS Supplier without

jeopardizing the Company's electrical system or a Connected Entity's electrical system. Other additional emergencies can only be declared by PJM, FERC, or the PaPUC.

Energy – Three-phase, 60-cycle alternating current electric energy, expressed in units of kilowatt-hours or megawatt-hours.

Event of Default – A Party's breach of obligations under this Agreement as set forth in Article 5 of this Agreement.

FERC – The Federal Energy Regulatory Commission.

Final Monthly Energy Allocation or "FMEA" – A quantity of Energy which, for any Billing Month, is the PMEA adjusted for any billing or metering data received subsequent to the calculation of PMEA of which PJM is notified within 60 days.

Fixed Price Transaction – A Transaction Confirmation that is not an Hourly Price Transaction.

Force Majeure – Means an event or circumstance which prevents one Party from performing its obligations under one or more transactions, including but not limited to, riots or revolutions, demands or embargoes of the United States Government, fire, flood, drought, insurrection, epidemic, terrorist attack, and acts of God, which are not within the reasonable control of, or the results of the negligence of the affected Party and which, by

the exercise of due diligence, the Party is unable to mitigate or avoid or cause to be avoided. Notwithstanding the foregoing, under no circumstance shall an event of Force Majeure be based on: (i) the loss or failure of DS Supplier's supply; (ii) DS Supplier's ability to sell the DS Supply at a price greater than that received under any Transaction; (iii) curtailment by a utility transmitting DS Supply; (iv) the Company's ability to purchase the DS Supply at a price lower than paid under any Transaction; (v) any change in requirements of any governmental authority; or (vi) labor stoppage or lockout.

Forward Market Price – The price for On-peak Energy Forward Price and Off-peak Energy Forward Price as determined by averaging concurrent broker quotes obtained by the Company for the Market Price Hub as available.

Gains – With respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from an Early Termination of this Agreement, determined in a commercially reasonable manner.

Generator Attribute Tracking System or "GATS" – the system owned and operated by PJM Environmental Services, Inc. to provide reporting and tracking services to its subscribers in support of the AEPS Act, or any successor credit registry selected by the PaPUC. (As specified in Appendix E)

Guaranty – A guaranty, suretyship, hypothecation agreement, margins or security agreement or any other document in the form attached to this DS Supplier Master Agreement or other form approved by the Company.

Guarantor – Any party having the authority and agreeing to guarantee the DS Supplier's financial obligations under this Agreement, recognizing that such party shall be obligated to meet the Company's creditworthiness requirements specified in this Agreement for such DS Supplier.

Hourly Price Service – service provided to Hourly Price Service ("HPS")-Eligible Class pursuant to the Company's DS Tariffs, Retail Tariff, Rider No. 9.

Hourly Price Transaction – A Transaction Confirmation for Hourly Price Service, as shown on such confirmation.

Interest Index – The average Federal Funds Effective Rate for the period of time the funds are on deposit. The Federal Funds Effective Rate is published daily on the Federal Reserve website (http://www.federalreserve.gov/releases/h15/update/).

Kilowatt or "kW" – Unit of measurement of useful power equivalent to 1000 watts.

Kilowatt-hour or "kWh" – One kilowatt of electric power used over a period of one hour.

Load Serving Entity or "LSE" – An entity that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electricity to retail customers located within the PJM Control Area as that term is defined in the PJM Agreements or in successor, superseding or amended versions of the PJM Agreements that may take effect from time to time over the term of this Agreement. The DS Supplier, for purposes of this Agreement, is not a Load Serving Entity and nothing contained herein shall be deemed to cause the DS Supplier to be a Load Serving Entity.

Losses – With respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from an Early Termination of this Agreement, determined in a commercially reasonable manner.

Margin – The amount by which the Total Exposure Amount exceeds the DS Supplier's, or Guarantor's, credit limit as defined in Section 6.4.

Mark-to-Market ("MtM") Exposure Amount – Shall have the meaning ascribed to it in Section 6.3 of this Agreement.

Market Price Hub – refers to AEP Dayton Hub, a liquid pricing point located within PJM's geographic footprint, at pnode #34497127.

Maximum Credit Limit – The lesser of the applicable percentage of TNW or the applicable credit limit cap as specified in Section 6.4 of this Agreement.

Medium Commercial and Industrial Class – Group of Rate Schedules that comprise the Medium Commercial and Industrial Class for DS Supply and itemized in Appendix C.

Megawatt or MW – One thousand kilowatts.

Megawatt-hour or MWh – One megawatt of electric power used over a period of one hour.

Merger Event – When a DS Supplier consolidates or amalgamates with, or merges into or with, or transfers all or substantially all of its assets to another entity and either (i) the resulting entity fails to assume all of the obligations of such DS Supplier hereunder in the sole discretion of the Company or (ii) the benefits of any credit support provided pursuant to Article 6 of this Agreement fail to extend to the performance by such resulting, surviving or transferee entity of the DS Supplier's obligations hereunder, and the resulting entity or its guarantor fails to meet the creditworthiness requirements of this Agreement in the sole discretion of the Company.

Minimum Rating – A minimum senior unsecured debt rating as defined in Appendix A of this Agreement.

Minimum Transfer Amount – $100,000.

NERC – The North American Electric Reliability Corporation or its successor.

Network Integration Transmission Service or "NITS" – "Network Integration Transmission Service" under the PJM Agreements in effect as of the date of this Agreement, or its successor, superseding or amended versions of the PJM Agreements that may take effect from time to time over the term of this Agreement. In the event the PJM Agreements are modified such that "Network Integration Transmission Service" is no longer offered, Network Integration Transmission Service shall mean the type of transmission service offered under the PJM Agreements that is accorded the highest level of priority for scheduling and curtailment purposes.

Non-Defaulting Party – A Party to this Agreement who, at the time an Event of Default occurs, is not itself in default of this Agreement and has not otherwise caused or precipitated an Event of Default or Early Termination of this Agreement.

Off-Peak Energy Forward Price – Means the price for Off-Peak Hours for each billing month of the delivery period stated in terms of $/MWh as based on the most recent publicly available information and/or quotes from Reference Market Makers on forward energy transactions occurring at the Market Price Hub. In the event that the Market Price Hub is no longer available or no longer representative of a transparent trading hub, the Parties will negotiate in good faith to agree upon an alternate liquid price.

On-Peak Energy Forward Price – Means the price for On-Peak Hours for each billing month of the delivery period stated in terms of $/MWh as based on the most recent publicly available information and/or quotes from Reference Market Makers on forward energy transactions occurring at the Market Price Hub. In the event that the Market Price Hub is no longer representative of a transparent trading hub, the Parties will negotiate in good faith to agree upon an alternate liquid price.

PaPUC or Commission – The Pennsylvania Public Utility Commission or its successor.

PJM – PJM Interconnection L.L.C. or its successor.

PJM Agreements – The PJM OATT, PJM RAA, PJM OA and all other PJM agreements, procedures, manuals and documents applicable to the Transactions covered by or relating to this Agreement.

PJM Control Area – That certain Control Area encompassing electric systems in parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia, as may be modified from time to time, and which is recognized by the North American Electric Reliability Council as the "PJM Control Area".

PJM Member – A member in good standing of PJM that satisfies the requirements to conduct business with PJM.

PJM OA – The PJM Operating Agreement or the successor, superseding or amended version of the PJM Operating Agreement that may take effect from time to time.

PJM OATT – The PJM Open Access Transmission Tariff or the successor, superseding or amended version of the PJM Open Access Transmission Tariff that may take effect from time to time.

PJM OI – The PJM Office of Interconnection, the system operator for the PJM Control Area.

PJM RAA – The PJM Reliability Assurance Agreement or the successor, superseding or amended version of the PJM Reliability Assurance Agreement that may take effect from time to time.

PJM RPM Zonal Net Load Price - is the price charged by PJM to LSEs for capacity in the Company's PJM zone under the Reliability Pricing Model ("RPM") or its successor; and (ii) the "Capacity Proxy Price" ("CPP") for the Company shall be calculated as described in Section 9.1 (a), and expressed in dollars per MW-day.

PMEA/FMEA Adjustment Amount – For any Billing Month, the monetary amount due to the DS Supplier or the Company, as the case may be, in order to reconcile any difference between the PMEA used for the purpose of calculating estimated payments made to DS

Supplier for a given month and the FMEA used for calculating the final payments due to the DS Supplier for such month as more fully described in Article 9 hereof.

Preliminary Monthly Energy Allocation or "PMEA" – A quantity of Energy which, for any Billing Month, is the preliminary calculation of the DS Supplier's DS Supplier Responsibility Share.

Rate Schedule(s) – Shall mean the specified existing, and modified or successor customer rate schedule(s) in the electric service tariff of the Company filed with the Commission.

Reliability First Corporation or "RFC" – The approved regional NERC entity with responsibility for the Commonwealth of Pennsylvania.

Residential Class – Group of Rate Schedules that comprise the Residential Class for the DS Supply and itemized in Appendix C.

Rounding Amount – $100,000.

Settlement Amount – With respect to a Non-Defaulting Party, the net amount of the Losses or Gains, and Costs, expressed in U.S. Dollars, which such Party incurs as a result of Early Termination, as set forth in Section 5.4(a) of this Agreement. For the purposes of calculating the Termination Payment, the Settlement Amount shall be considered an amount due to the Non-Defaulting Party under this Agreement if the total of the Losses

and Costs exceeds the Gains and shall be considered an amount due to the Defaulting Party under this Agreement if the Gains exceed the total of the Losses and Costs.

Small Commercial and Industrial Class – Group of Rate Schedules that comprise the Small Commercial and Industrial Class for DS Supply and itemized in Appendix C.

Statement – A monthly report prepared by the Company for the DS Supplier indicating the amount due to the DS Supplier by the Company as compensation for DS Supply supplied to DS Customers by the DS Supplier during the current Billing Month, in accordance with DS Supplier's obligations under this Agreement.

Supply Day – Any calendar day during the term of this Agreement on which the DS Supplier is providing, or is obligated by this Agreement to provide, DS Supply to the Company.

Tangible Net Worth or "TNW" – Total assets less intangible assets and total liabilities. Intangible assets include benefits such as goodwill, patents, copyrights and trademarks.

Termination Payment – A payment resulting from an Early Termination that is calculated in accordance with Article 5.4.

Tier I AEC – Shall mean an AEC that will satisfy the non-solar Tier I requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Tier I (Solar) AEC – Shall mean an AEC generated by a solar photovoltaic energy source that will satisfy the Tier I solar photovoltaic requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Tier II AEC – Shall mean an AEC generated by a non-solar photovoltaic energy source that will satisfy the non-solar Tier II requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Total Exposure Amount – An amount calculated daily for the DS Supplier reflecting the total credit exposure to the Company and consisting of the sum of (i) the Mark-to-Market Exposure Amount arising under this Agreement; (ii) any amount(s) designated as the "Mark-to-Market Exposure Amount" arising under any other DS Supply agreements providing for "DS Supply" or similar default service; and (iii) the amount designated as the "credit exposure" under any other DS Supply agreements providing for DS Supply or similar default service; provided that in the event the amount calculated for any day is a negative number, it shall be deemed to be zero for such day.

Tranche – A fixed percentage share of the Company's DS Load for the Customer Group as indicated in any given Transaction Confirmation, as specified in Appendix C.

Transaction – Means a particular agreement by which the Company purchases and the DS Supplier sells DS Supply pursuant to this Agreement, the details of which are more fully set forth in Exhibit 1 – Transaction Confirmation.

Transaction Confirmation – Shall have the meaning ascribed to it in Appendix C and Exhibit 1 of this Agreement.

ARTICLE 2: GENERAL TERMS AND CONDITIONS

2.1 Capacity in Which Company Is Entering into this Agreement

The DS Supplier agrees and acknowledges that the Company is contracting for the provision of DS Supply from such DS Supplier for Customers receiving Default Service on the Company's electric system pursuant to the authorizations provided to the Company. The DS Supplier further agrees and acknowledges that the Company will administer and monitor the DS Supplier's performance in providing DS Supply under this Agreement and that the Company shall be entitled to enforce the DS Supplier's obligations related to the provision of DS Supply. The DS Supplier hereby permanently, expressly and irrevocably waives any claim that Company is not entitled to seek enforcement of this Agreement on behalf of Customers. It is the specific intention of the Parties hereto that Customers and Customer groups are not third party beneficiaries of this Agreement and that no Customer or Customer group shall seek enforcement of this Agreement against the DS Supplier on their own behalf, either independently or by joining in any legal proceeding brought by the Company.

The Parties acknowledge that the Agreement is a forward contract and, accordingly, the Parties hereto are entitled to the protections of Section 556 of the Bankruptcy Code. The Parties therefore agree that the Agreement may be terminated by either Party upon the commencement of a proceeding by the other Party under any chapter of the Bankruptcy Code in accordance with Article 5.2 of this Agreement.

2.2 Parties' Obligations

(a) Obligations of DS Supplier

The DS Supplier hereby agrees as follows:

(i) To provide service on a firm and continuous basis such that the supply delivered for the term of the Agreement meets the terms and conditions set forth in Appendix C;

(ii) To provide sufficient quantities of DS Supply on an instantaneous basis at all times and supplied to the Delivery Point to meet the DS Supplier Responsibility Share;

(iii) To procure those services provided by the PJM OI and to perform such functions as may be required by the PJM OI that are necessary for the delivery of DS Supply required hereunder;

(iv) To cooperate with the Company in any regulatory compliance efforts that may be required to maintain the ongoing legitimacy and enforceability of the terms of this Agreement and to fulfill any regulatory reporting requirement associated with the provision of DS Supply, before the PaPUC, FERC or any other regulatory body asserting jurisdiction;

(v) To pay to the Company the PMEA/FMEA Adjustment Amount for any Billing Month in which the PMEA exceeds the FMEA, as more fully described in Article 9 of this Agreement;

(vi) To accept assignment of and to fulfill all obligations of a LSE that are assigned to it by this Agreement;

(vii) To comply in a timely manner with all obligations under this Agreement imposed upon the DS Supplier; and

(viii) To comply with the AEPS requirements of the Company's Default Service Plan, as detailed in Appendix E.

(b) Obligations of the Company

The Company hereby agrees as follows:

(i) To pay to each DS Supplier every month an amount due, resulting from the calculations, as detailed in Article 9 of this Agreement, subject to the adjustments as expressed therein;

(ii) To pay to the DS Supplier the PMEA/FMEA Adjustment Amount for any Billing Month in which the FMEA exceeds the PMEA, as more fully described in Article 9 of this Agreement;

(iii) To provide to the DS Supplier its estimated aggregate load obligation (capacity MW value) for each Supply Day no less than five (5) calendar days prior to the day of delivery. Further, this information will be posted in the DS Supplier's specific PJM PowerMeter account, or successor system or process;

(iv) To comply in a timely manner with all obligations under this Agreement imposed upon the Company;

(v) To accept the delivery of DS Supply necessary to meet the DS Load;

(vi) To be responsible (as between the Company and the DS Supplier) for the provision of the Allocated AECs to satisfy AEPS requirements; and

(vii) To be the Load Serving Entity for supply purchased under this Agreement.

2.3 Congestion and Congestion Management

The DS Supplier is responsible for any congestion costs incurred to meet the DS Supplier Responsibility Share. The Company shall transfer or assign to the DS Supplier the Company's rights to Auction Revenue Rights (ARRs) to which the Company is entitled

as an LSE pursuant to the PJM Agreements, including the rights to ARRs, provided that such rights are related to the service being provided to meet the DS Supplier Responsibility Share and such rights are for the Delivery Period. All rights, liabilities and obligations associated with such ARRs will accrue and be assumed by the DS Supplier through the transfer or assignment from the Company to the DS Supplier including the responsibility and ability of the DS Supplier to request or nominate such ARRs when applicable and feasible. Should the conditions above not be met, the entity recognized by PJM as having the right to make the nominations will nominate such ARRs for the upcoming PJM planning period and such ARRs will be allocated to the DS Supplier in accordance with the PJM Agreements based upon its DS Supplier Responsibility Share.

2.4 PJM Services

The DS Supplier shall make all necessary arrangements for the delivery of DS Supply through the PJM OI. The Company will advise the PJM OI of the magnitude and location of each DS Supplier's actual DS Supplier Responsibility Share, as required by the PJM OI, for the purpose of calculating such DS Supplier's appropriate DS Supply requirements related to the provision of service under this Agreement by DS Supplier arising under the PJM Agreements. The DS Supplier shall remain responsible to PJM for the performance of its LSE obligations associated with the provision of DS Supply under this Agreement until the effective date of the transfer of such LSE obligations.

The Company shall generate and provide in writing to DS Supplier the PJM shortname(s) associated with supplier's unique contract type(s), as necessary. Unique shortname(s) may be generated for each differing contract type. DS Supplier shall complete all required forms and processing to PJM to create shortname(s) within the PJM

system.

For the period of time this Agreement is in effect, both the Company and DS Supplier shall have executed the PJM Declaration of Authority, and shall remain in effect during the Term of this Agreement. In the event PJM requires that the Declaration of Authority be amended after execution by the DS Supplier, DS Supplier agrees to execute a revised Declaration of Authority in accordance with PJM requirements.

2.5 PJM Agreement Modifications

(a) If the PJM Agreements are amended or modified so that any schedule or section reference herein to such agreements is changed, such schedule or section reference herein shall be deemed to automatically (and without any further action by the Parties) refer to the new or successive schedule or section in the PJM Agreements which replaces that originally referred to in this Agreement.

(b) If the applicable provisions of the PJM Agreements referenced herein, or any other PJM rules relating to the implementation of this Agreement, are changed materially from those in effect on the Effective Date, both Parties shall cooperate to make conforming changes to this Agreement to fulfill the purposes of this Agreement, including the DS Supplier's responsibility for changes in PJM products and pricing during the Term. DS Supplier bears the risk and responsibility of all charges resulting from any changes in PJM products and pricing during the term of this Agreement with the exception of (i) future PJM charges related solely to the Company providing network transmission service, and (ii) those charges identified as EDC responsibility in Appendix D, including for transition costs related to the elimination of through-and-out transmission rates.

2.6 PJM Member Default Cost Allocation

In the event PJM imposes a Default Allocation Assessment upon the Company relating to a default during the Term, the Company shall invoice DS Supplier, and DS Supplier shall pay an amount equal to the product of (i) DS Supplier Responsibility Share, and (ii) the Default Allocation Assessment.

2.7 Other Fines and Penalties

If fees, fines, penalties, or costs are claimed or assessed against the Company by any Applicable Legal Authority or PJM due to noncompliance by the DS Supplier with this Agreement, any other requirements of law, or the PJM Agreements, the DS Supplier shall indemnify and hold the Company harmless against any and all losses, liabilities, damages, and claims suffered or incurred by the Company, including claims for indemnity or contribution made by third parties against the Company, except to the extent the Company recovers any such losses, liabilities or damages through other provisions of this Agreement.

2.8 Communications and Data Exchange

The DS Supplier and the Company shall supply to each other in a thorough and timely manner all data, materials or other information that is specified in this Agreement, or that may otherwise reasonably be required by DS Supplier or by the Company in connection with the provision of DS Supply by the DS Supplier to DS Customers, if required.

The DS Supplier shall be equipped with the communications capabilities necessary to comply with the communications and data exchange standards that are set by and as may, from time to time, be modified by PJM, and shall exclusively bear the costs of

installing, maintaining, testing, and operating all required information technology systems that will enable it to send to and receive data from the Company and PJM and to satisfy its obligations under this Agreement, the PJM Agreements and all other relevant agreements.

2.9 Record Retention

The Company shall retain necessary records for the longer of two years or as required under applicable PaPUC requirements so as to permit DS Supplier to confirm the validity of payments due to DS Supplier hereunder; provided that if a DS Supplier has provided notice pursuant to this Agreement that it disputes the validity of any payments, the Company agrees that it shall retain all records related to such dispute until the dispute is finally resolved.

2.10 Verification

In the event of a good faith dispute regarding any invoice issued or payment due under this Agreement, and provided that a mutually acceptable confidentiality agreement is executed by the Parties, each Party will have the right to verify, at its sole expense, the accuracy of the invoice or the calculation of the payment due by obtaining copies of relevant portions of the books and records of the other Party.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES

3.1 DS Supplier's Representations and Warranties

The DS Supplier hereby represents, warrants and covenants to the Company on the Effective Date and throughout the term of this Agreement as follows:

(a) It is a corporation, partnership, limited liability company or other legal entity, duly organized, validly existing and in good standing under the laws of the

Commonwealth of Pennsylvania or, if another jurisdiction, under the laws of such jurisdiction and, in such case, is duly registered and authorized to do business in such other jurisdiction and the Commonwealth of Pennsylvania;

(b) It has all requisite power and authority to execute and deliver this Agreement and to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder, including satisfaction of all applicable FERC requirements;

(c) The execution and delivery of this Agreement and the performance of such DS Supplier's obligations hereunder have been duly authorized by all necessary action on the part of the DS Supplier and do not and will not conflict with, or constitute a breach of or default under, any of the terms, conditions, or provisions of the DS Supplier's certificate of incorporation or bylaws or other constituent instruments or any indenture, mortgage, other evidence of indebtedness, or other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the DS Supplier is a party or by which the DS Supplier or any of its properties is bound or subject;

(d) All necessary and appropriate action that is required on the DS Supplier's part to execute this Agreement has been completed;

(e) This Agreement is the legal, valid and binding obligation of the DS Supplier, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights in general or by general principles of equity;

(f) There are no actions at law, suits in equity, proceedings or claims pending

or, to the DS Supplier's knowledge, threatened against the DS Supplier before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the DS Supplier's performance of its obligations hereunder;

(g) It has entered into this Agreement with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(h) It is in good standing as an LSE in PJM, is a signatory to all applicable PJM Agreements, and is in compliance with, and will continue to comply with, all obligations, rules and regulations, as established and interpreted by the PJM OI, that are applicable to LSEs as defined by the PJM Agreements; provided that the DS Supplier shall not be obligated to become an LSE in PJM until the date it begins providing DS Supply;

(i) It has made its trading and investment decisions (including regarding the suitability thereof) based upon its own judgment and any advice from such advisors as it has deemed necessary and not in reliance upon any view expressed by the Company;

(j) It will comply with any and all information and data transfer protocols that may be adopted by the Company or that are set by, and from time to time modified by, the PaPUC; provided that DS Supplier shall be entitled to exercise its reserved right to challenge any such protocols in the appropriate forum;

(k) It is not Bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt or insolvent;

(l) There are no pending or, to its knowledge, threatened, actions, suits or proceedings against it or any of its Affiliates, or any legal proceedings before any

Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement;

(m) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

(n) It is not relying upon the advice or recommendations of the other Party in entering into this Agreement, it is capable of understanding, understands and accepts the terms, conditions and risks of this Agreement, and the other Party is not acting as a fiduciary for or advisor to it in respect of this Agreement; and

(o) It has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to provide or take delivery of DS Supply as required by this Agreement, and it is an "eligible contract participant" as defined in Section 1a(12) of the Commodity Exchange Act.

3.2 Company's Representations and Warranties

The Company hereby represents, warrants and covenants to the DS Supplier as follows:

(a) The Company is an electric utility duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;

(b) The Company has all requisite power and authority to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder;

(c) The execution and delivery of this Agreement and the performance of the Company's obligations hereunder have been duly authorized by all necessary action on the

part of the Company and do not and will not conflict with, constitute a breach of or default under, any of the terms, conditions, or provisions of the Company's certificate of incorporation or bylaws or any indenture, mortgage, other evidence of indebtedness, or other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Company is a party or by which the Company or any of its properties is bound or subject;

(d) All necessary and appropriate action that is required on the Company's part to execute this Agreement has been completed;

(e) This Agreement is the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights in general or by general principles of equity and the Commission's power under section 508 of the Public Utility Code, 66 Pa.C.S. § 508, to amend or modify the contracts of public utilities;

(f) The ability of the Company to pay any and all amounts due and payable under this Agreement, or upon any potential breach thereof, is not conditioned upon any governmental or administrative appropriation by the Commission, the Commonwealth of Pennsylvania or any other governmental authority;

(g) There are no actions at law, suits in equity, proceedings or claims pending or, to the Company's knowledge, threatened against the Company before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the Company's performance of its obligations under this Agreement;

(h) It has entered into this Agreement with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(i) The Company's performance under this Agreement is not contingent upon the performance of Customers or the ability of Customers to pay rates;

(j) The Company shall have sole responsibility for metering and billing with respect to Customers; and

(k) The Company shall be responsible for electric distribution services, and the DS Supplier shall not be responsible for distribution charges.

3.3 Survival of Obligations

All representations and warranties contained in this Article are of a continuing nature and shall be maintained during the term of this Agreement or until all amounts due hereunder, including all obligations, have been paid or performed in full. If a Party learns that any of the representations, warranties or covenants in this Agreement are no longer true during the term of this Agreement, the Party shall immediately notify the other Party via facsimile, with a hard copy of the notice delivered by overnight mail. Company, may, in its sole discretion, treat any such materially incorrect or misleading representation or warranty as an Event of Default hereunder.

ARTICLE 4: COMMENCEMENT AND TERMINATION OF AGREEMENT

4.1 Commencement and Termination

The term of this Agreement shall commence upon the Effective Date. Unless otherwise agreed upon by the Company and the DS Supplier, this Agreement shall continue in full force and effect from the Effective Date until the end of all Transaction(s) executed

under this Agreement, unless the Agreement is terminated prematurely pursuant to the provisions of this Agreement.

4.2 Termination of Right to Supply

The DS Supplier agrees that termination of this Agreement for reason of an Event of Default shall terminate any right of the DS Supplier to provide DS Supply and nullify any of the entitlements to which the DS Supplier became entitled as a result of being selected as a winning bidder in the DS Solicitation.

4.3 Survival of Obligations

Termination or expiration of this Agreement for any reason shall not relieve the Company or the DS Supplier of any obligation accrued or accruing prior to such termination. Applicable provisions of this Agreement shall continue in effect after termination to the extent necessary to provide for final billings, including, without limitation, Article 4 (Commencement and Termination of Agreement), Article 5 (Breach and Default), Article 11 (Dispute Resolution), Article 13 (Limitation of Remedies, Liability and Damages), Article 14 (Indemnification), and Article 16 (Miscellaneous Provisions).

4.4 Mutual Termination

The Company and the DS Supplier may agree at any time during the term of this Agreement to terminate their respective rights and obligations hereunder on such terms and under such conditions that they mutually deem to be appropriate as set forth in a mutual termination agreement acceptable in form and substance to the Company and the DS Supplier ("Mutual Termination Agreement"); provided that Company agrees that it shall enter into such a Mutual Termination Agreement, which will discharge the terminating DS

Supplier (the "Terminating DS Supplier") with respect to liabilities arising after the effective date of the Mutual Termination Agreement if the following conditions precedent are met: (i) the Terminating DS Supplier identifies a replacement DS Supplier willing to assume all obligations of the Terminating DS Supplier hereunder for the remaining term of this Agreement (the "Replacement DS Supplier"); (ii) the Replacement DS Supplier demonstrates its compliance with Article 6 of this Agreement, "Creditworthiness," as of the effective date of the Mutual Termination Agreement, that determination to be made in the sole discretion of Company; (iii) the Replacement DS Supplier executes a counterpart signature page to this Agreement and thereby becomes a Party under this Agreement, effective immediately following the effective date of the Mutual Termination Agreement; and (iv) the Terminating DS Supplier is not, to the belief or knowledge of the Company, subject to an Event of Default as of the effective date of the Mutual Termination Agreement or, if the Company believes that the Terminating DS Supplier may be subject to an Event of Default, either (a) the Company has determined that, as of the effective date of the Mutual Termination Agreement, it has not incurred any Damages as a result of the Event of Default or (b) if the Company has determined, as of the effective date of the Mutual Termination Agreement, that it may have incurred Damages as a result of the Event of Default, that the Replacement DS Supplier has agreed in writing to be responsible for the payment of such Damages or to otherwise cure the Event of Default, in either case to the satisfaction of the Company in its sole discretion.

ARTICLE 5: BREACH AND DEFAULT

5.1 Events of Default

An Event of Default under this Agreement shall occur if a Party (the "Defaulting

Party"):

(i) Is the subject of a voluntary bankruptcy, insolvency or similar proceeding;

(ii) Makes an assignment for the benefit of its creditors;

(iii) Applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;

(iv) Is dissolved (other than pursuant to a consolidation, amalgamation or merger) or is the subject of a Merger Event in the case of the DS Supplier;

(v) Has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets;

(vi) Has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(vii) In the case of a DS Supplier, PJM terminates the DS Supplier's ability to make purchases from PJM markets or PJM holds the Company responsible for the provision of DS Supply under this Agreement and PJM does not rescind such termination or assignment of responsibility within seven (7) Business Days;

(viii) Fails to comply with the creditworthiness requirements as set forth in Article 6 of this Agreement, including, without limitation, compliance with the creditworthiness requirements to cover the Margin calculated under Section 6.5 or post any Margin due under Section 6.5 of this Agreement, within the time frames set forth in this Agreement;

(ix) Is declared by PJM to be in default of any provision of any PJM Agreement,

which default prevents a Party's performance hereunder if such failure is not remedied within three (3) Business Days after written notice;

(x) Fails to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within two (2) Business Days after written notice;

(xi) Violates any federal, state or local code, regulation or statute applicable to the supply of DS Supply (or any constituent thereof such as Energy or AECs) in a manner that materially, and adversely, affects the Party's performance under this Agreement, including by way of failure to continually satisfy all applicable FERC requirements, or, in the case of the DS Supplier, by way of failure to maintain any other governmental approvals required for participation in the Pennsylvania retail Energy market, or defaults on any obligation or other failure to comply with PJM requirements under the PJM Agreements;

(xii) Is the subject of an involuntary bankruptcy or similar proceeding;

(xiii) Subject to Section 5.3(b) of this Agreement, in the case of the Company, fails to accept DS Supply properly tendered by the DS Supplier under this Agreement;

(xiv) Fails to perform any material covenant or obligation set forth in this Agreement, if such failure is not remedied within three (3) Business Days after written notice;

(xv) Makes a materially incorrect or misleading representation or warranty under this Agreement or under any response to the DS Solicitation; or

(xvi) Commits an act or makes an omission that constitutes an "Event of Default" under any other agreement(s) for the provision of DS Supply between the Company and the DS Supplier; and fails to remedy such condition, event or delinquency herein above described such that the other Party (the "Non-Defaulting Party") is completely made whole

with respect to such condition, event or delinquency, within three (3) Business Days of receipt of written notice thereof from such Non-Defaulting Party; provided, however, that an Event of Default shall be deemed to have occurred immediately, without any need for the provision of notice thereof by the Non-Defaulting Party and without any right of cure on the part of the Defaulting Party, in the event of the occurrence of a condition, event or delinquency described in subsections (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) above. Termination or modification of this Agreement by the PaPUC, other regulatory authority or court of law does not constitute an Event of Default under this Agreement.

(xvii) With respect to the DS Supplier's Guarantor, if any:

1. Representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated;

2. Guarantor fails to make, when due, any payment required or to perform any other material covenant or obligation in any guaranty made in connection with this Agreement and such failure shall not be remedied within two (2) Business Days after written notice;

3. Guarantor's guaranty fails to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of such Party under this Agreement without the written consent of the other Party; or

4. Guarantor repudiates, disaffirms, disclaims, or rejects, in whole or in part, or challenges the validity of any guaranty.

5.2 Rights upon Default

Upon and during the continuation of an Event of Default, the Non-Defaulting Party shall have the right to suspend performance, provided that such suspension shall not continue for longer than ten (10) Business Days. At any time during or subsequent to the temporary suspension of performance, the Non-Defaulting Party may proceed with the steps outlined in Article 5.7. In addition to any other remedies available at law or in equity to the Non-Defaulting Party, if an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right to implement all of the following remedies:

(i) Declare an Early Termination Date of this Agreement with respect to the obligations of the Defaulting Party without any liability or responsibility whatsoever except for obligations arising prior to the date of termination, by providing written notice to the Defaulting Party; provided, however, that this Agreement shall immediately terminate automatically and without notice in the case of any Event of Default in which a DS Supplier is the Defaulting Party occurring under subsections (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) of Article 5.1 of this Agreement and such date of automatic termination shall be deemed the Early Termination Date of this Agreement with respect to such Supplier; and

(ii) Receive Damages in accordance with Section 5.3 of this Agreement.

The Non-Defaulting Party shall be entitled to elect or pursue one or more of the above remedies.

5.3 Damages Resulting from an Event of Default

(a) DS Supplier's Failure to Supply DS Supply or Declaration of Early

Termination By Company: Damages resulting from (i) the DS Supplier's failure to (A) provide DS Supply in conformance with Article 2.2 hereof or (B) pay PJM for purchases of any products or services from PJM, or other failure to comply with PJM requirements, such that PJM holds the Company responsible for the provision of DS Supply to meet the DS Supplier's DS Supplier Responsibility Share under this Agreement or (ii) the occurrence of any Event of Default attributable to the DS Supplier resulting in Early Termination, shall include all Costs incurred by the Company, acting in a commercially reasonable manner consistent with any statutory or regulatory requirements imposed by the Applicable Legal Authorities, in obtaining replacement services and/or in obtaining a replacement supplier, which Costs exceed the amounts that would have been payable to the defaulting DS Supplier under this Agreement. Costs incurred by the Company for the purpose of calculating Damages hereunder will consist of:

(i) The cost of DS Supply allocated to the Company by the PJM OI due to the failure of the DS Supplier to meet obligations owing to the PJM OI in connection with its obligations under this Agreement;

(ii) The costs of DS Supply purchased by the Company to replace DS Supply that a DS Supplier was obligated to supply under this Agreement during the term hereof;

(iii) Administrative and legal costs associated with procuring replacement DS Supply; and

(iv) Financial hedging costs incurred by the Company on behalf of DS Customers as a result of having to procure DS Supply not provided by the DS Supplier.

The Parties further recognize and agree that the final calculation of Damages hereunder may not be known for some time since the level of such Damages may be

dependent upon the arrangements made by the Company to obtain replacement services or a replacement DS Supplier. The Company and the DS Supplier agree that, until the calculation of Damages under this provision is completed, the amount and payment to the Company of the Settlement Amount on behalf of DS Customers in the event of an Early Termination as set forth in Article 5.4 of this Agreement shall be immediately due and owing as an estimate of all Damages ultimately determined to be due and owing. After Damages have been finally determined under this Article 5.3, the amounts of Damages due and owing will be reconciled with payments already made by the DS Supplier under Section 5.4 of this Agreement.

(b) Failure by Company on Behalf of Customers to Accept DS Supply Properly Tendered by DS Supplier: Damages resulting from the failure of the Company on behalf of Customers to accept DS Supply properly tendered by the DS Supplier necessary to meet the DS Supplier Responsibility Share of DS Load under this Agreement shall consist of the positive difference (if any) between (i) the amounts that would have been payable to the DS Supplier hereunder had the Company accepted the DS Supply properly tendered by the DS Supplier necessary to meet the DS Supplier Responsibility Share of DS Load under this Agreement and (ii) the amount realized by the DS Supplier in disposing, in a commercially reasonable manner, of the DS Supply not accepted by the Company; provided, however, that the Company shall not be liable for any Damages if this Agreement is terminated, or modified so as to frustrate or effectively preclude Company's acceptance of the DS Supply, by the PaPUC, other regulatory authority or a court of law.

(c) Damages Resulting from Early Termination Due to an Event of Default Attributable to the Company: Damages resulting from Early Termination due to an

Event of Default attributable to the Company shall be as set forth in Section 5.4 of this Agreement. Damages calculated in accordance with said Article 5.4 shall be the exclusive remedy available to the DS Supplier in the event of Early Termination resulting from an Event of Default attributable to the Company.

(d) Damages Resulting from DS Supplier's Failure to Continuously Satisfy its Obligations Associated with the AEPS: Damages resulting from the DS Supplier's failure to continuously meet and satisfy all or any portion of its obligations under Section 2.2 (a)(viii) of this Agreement shall include, but not be limited to, the amount of all penalties (including Alternative Compliance Payments), costs associated with the procurement of additional AECs, etc., including, without limitation, interest and other charges, if any, levied against the Company related to AEPS regulations, due to such DS Supplier's conduct or inaction. DS Supplier has a specific obligation to provide the AECs conforming to PaPUC requirements and not money damages in substitution. Therefore, any such attempt to supply money damages instead of AECs may be treated as an event of default in the sole discretion of Company.

(e) Other Damages: Damages for Events of Default not specified above shall consist of the direct Damages incurred by the Non-Defaulting Party.

(f) Waiver of Event of Default: If an Event of Default has occurred and the Non-Defaulting Party is the Company, then unless the Event of Default was a failure by the DS Supplier to meet any or all of its DS Supply obligations, the Company may elect, at its sole discretion, to offer to waive the default on such terms and conditions as the Company, at its sole discretion, may deem appropriate to propose a special remedy. Any such special remedy can only be offered to the DS Supplier if it first is specifically

approved by the PaPUC in accordance with Commission Orders.

5.4 Declaration of an Early Termination Date and Calculation of Settlement Amount and Termination Payment

(a) Settlement Amount

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the Non-Defaulting Party shall have the right (i) to designate a day, no earlier than the day such notice is effective and no later than twenty (20) days after such notice is effective, as a date for Early Termination ("Early Termination Date") to accelerate all amounts owing between the Parties and to liquidate and terminate the undertakings set forth in this Agreement, (ii) to withhold any payments due to the Defaulting Party under this Agreement, and (iii) to suspend performance; provided, however, that an Early Termination Date shall be deemed to occur automatically and concurrently with the Event of Default, without any requirement for the provision of notice by the Non-Defaulting Party, with respect to an Event of Default under subsections (i), (ii), (iii), (iv), (v), (vi), (vii), and (viii) of Article 5.1 of this Agreement. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount with respect to the obligations under this Agreement.

"☐ The DS Supplier may, in its sole discretion, add the following subsection 5.4(a)(i) by checking this box. If DS Supplier does not check this box, subsection 5.4(a)(i) will be deemed to be excluded from this Agreement."

(i) For the purposes of such determination, the DS Supply provided for under this Agreement for the period following the Early Termination Date through the remainder of the term of this Agreement shall be deemed to be those quantity amounts that would have been delivered on an hourly basis, had this Agreement been in effect during the previous calendar year adjusted for such DS Load changes

as may have occurred since the previous calendar year.

(b) Net Out of Settlement Amounts

The Non-Defaulting Party shall calculate a Termination Payment by aggregating all Settlement Amounts due under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply into a single amount by netting out (a) all Settlement Amounts that are due or will become due to the Defaulting Party, plus at the option of the Non-Defaulting Party, any cash or other form of security then available to the Non-Defaulting Party and actually received, liquidated and retained by the Non-Defaulting Party, plus any or all other amounts due to the Defaulting Party under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply against (b) all Settlement Amounts that are due or will become due to the Non-Defaulting Party, plus any or all other amounts due to the Non-Defaulting Party under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply, so that all such amounts shall be netted out to a single liquidated amount; provided, however, that if the DS Supplier is the Defaulting Party and the Termination Payment is due to the DS Supplier, the Company shall be entitled to retain a commercially reasonable portion of the Termination Payment, which may be equal to the entire amount of the Termination Payment, as security for additional amounts that may be determined to be due and owing by the DS Supplier as Damages and further provided that any previously attached security interest of the Company in such retained amounts shall continue. The Termination Payment shall be due to or due from the Non-Defaulting Party as appropriate. If the Termination Payment has been retained by the Company as security for additional amounts that may be determined

to be due and owing by the DS Supplier, and if, upon making a final determination of Damages, the Termination Payment, or any portion thereof, is to be made to the DS Supplier, the Company will pay simple interest on the Termination Payment amount being made to the DS Supplier. Simple interest will be calculated at the lower of the Interest Index or six (6) percent per annum.

(c) Notice of Termination Payment

As soon as practicable after calculation of a Termination Payment, notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to or due from the Non-Defaulting Party. The notice shall include a written statement explaining in reasonable detail the calculation of such amount. Subject to Article 5.4(b) above, the Termination Payment shall be made by the Party that owes it within three (3) Business Days after such notice is effective.

(d) Disputes With Respect to Termination Payment

If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within three (3) Business Days of receipt of Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute; provided, however, that if the Termination Payment is due from the Defaulting Party, the Defaulting Party shall first transfer collateral to the Non-Defaulting Party in an amount equal to the Termination Payment, such collateral to be in a form acceptable to the Non-Defaulting Party as specified in the Termination Payment Dispute Notice.

(e) Multiple DS Supply Agreements

It is the intention of the Company and the DS Supplier that, in the event the DS Supplier is a party to other agreements with the Company for the provision of DS Supply that existed prior to the Effective Date of this Agreement or are entered into after the Effective Date of this Agreement, the Company will calculate a single Termination Payment applicable to all such agreements as set forth herein.

5.5 Step-up Provision

In the event the Company receives bids for less than all tranches, the Commission does not approve the results for all tranches, or a supplier defaults, the Company will execute the emergency contingency plan.

The Company may ask other winning DS Suppliers whether they wish to assume all or part of the delivery obligations on the same terms and price already established, but any DS Supplier shall not be obligated to assume any such step-up requests. Any agreement to make additional supply available shall be termed a "Step-Up," and is subject to compliance with the creditworthiness provisions of Article 6 of this Agreement and the DS Supplier's load cap as per the Company's approved default service procurement plan. If multiple wholesale suppliers are willing to Step-Up, then the Auction Manager would allocate a pro-rata share of the unsubscribed tranche(s) to each supplier based upon the percentage of load that each supplier won in the initial auction.

If the Wholesale supplier(s) are unwilling to "Step-Up" and fill the Unsubscribed Tranche(s) a separate procurement auction will be conducted by the Company's independent third-party Auction Manager. The purpose of this auction would be to solicit Wholesale suppliers and procure the supply deficiency.

If these two options fail, the Company will procure default supply to fill the Unsubscribed Tranche(s) through purchases in the PJM spot markets until such time that a different contingency

plan is approved by the Commission. The Company will submit to the Commission within fifteen (15) days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

5.6 Setoff of Payment Obligations of the Non-Defaulting Party

Any payment obligations of the Non-Defaulting Party to the Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply shall be set off: (i) first, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply that are unsecured and not subject to any Guaranty; (ii) second, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply that are unsecured, but which are subject to a Guaranty; and (iii) third, to satisfy any remaining payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply.

5.7 Preservation of Rights of Non-Defaulting Party

The rights of the Non-Defaulting Party under this Agreement, including without limitation Articles 5.4 and 5.7 of this Agreement, shall be supplemental to, and not in lieu of, any right of recoupment, lien, or set-off afforded by applicable law, and all such rights are expressly preserved for the benefit of the Non-Defaulting Party.

(a) Duty to Mitigate. Each Party agrees that it has a duty to mitigate damages and covenants that it will use commercially reasonable efforts to minimize any damages it may incur as a result of the other Party's failure to perform pursuant to this Agreement.

(b) Return of Auction Revenue Rights. When the DS Supplier is the Defaulting Party, the DS Supplier will make best efforts to facilitate the transfer or reassignment to the entity which is the replacement DS Supplier on the Early Termination Date, any and all of the replacement DS Supplier's rights to Auction Revenue Rights (ARRs) to which the replacement DS Supplier is entitled as a LSE pursuant to the PJM Agreements, which were transferred or assigned to the DS Supplier under Section 2.3 (Congestion and Congestion Management).

ARTICLE 6: CREDITWORTHINESS

6.1 Applicability

The DS Supplier agrees that it shall meet the creditworthiness requirements of this Article 6 at all times during the term of this Agreement and shall inform the Company immediately of any changes in its credit rating or financial condition. Without limitation of the foregoing, the DS Supplier shall, upon written request, affirmatively demonstrate to the Company, its compliance with the creditworthiness requirements set forth hereunder. The Company may establish less restrictive creditworthiness requirements under this Article 6 in a non-discriminatory manner.

6.2 Creditworthiness Determination

The DS Supplier may submit and maintain a security deposit in accordance with

Section 6.4 of this Agreement in lieu of submitting to or being qualified under a creditworthiness evaluation. The DS Supplier shall have the opportunity to request that the Company re-evaluate its creditworthiness whenever an event occurs that the DS Supplier believes would improve the determination made by the Company of its creditworthiness. The Company's credit re-evaluation must be completed as soon as practicable but no longer than thirty (30) days after receiving a fully documented request. The Company must provide the rationale for its determination of the credit limit and any resulting security requirement. The Company must perform its credit re-evaluation and associated security calculation in a non-discriminatory manner. DS Supplier shall provide the Company and its agents unrestricted access to most recent audited financial statements; provided that if current audited financial statements are not available, the Company, in its sole discretion, may specify other types of financial statements that will be accepted.

6.3 Mark-to-Market Credit Exposure Methodology

To calculate the daily exposure for each DS Supplier, the MtM credit exposure methodology will be used. The "mark" for each Billing Month will be determined at the time the auction is completed based on the available Forward Market Prices, and for the remaining Billing Months, it will be derived based on historical data. At the time the auction is completed, the MtM credit exposure for each DS Supplier shall be equal to zero. Subsequently, the differences between the available Forward Market Prices on the valuation date and the "mark" prices for the corresponding Billing Months will be used to calculate the daily credit exposures for each DS Supplier. The total MtM credit exposure will be equal to 1.1 times the sum of the MtM credit exposures for each Billing Month. The methodology for calculation of the MtM credit exposure is illustrated in the example

(using hypothetical numbers) set forth in Appendix B hereto.

6.4 Credit Limit

The following criteria constitute the Company's creditworthiness requirements for the DS Supplier, to cover the Total Exposure Amount. In all instances, the most current senior unsecured debt rating (or, if unavailable, the most current corporate issuer rating) will be used.

(i) For a DS Supplier to be granted an unsecured line of credit, the DS Supplier must be rated by at least two of the following rating agencies: S&P, Moody's, or Fitch. The methodology for determining the credit rating to use is set forth in Appendix A of this Agreement. The Maximum Credit Limit to cover the Total Exposure Amount will be determined based on the credit matrix table in Appendix A of this Agreement.

The DS Supplier will be required to post cash or a letter of credit in an acceptable form as defined in Section 6.7 (b) of this Agreement (see standard format in Exhibit 4) for the Margin due the Company as set forth in Section 6.5 of this Agreement;

(ii) For a DS Supplier having a Guarantor, in the case of a Guarantor organized under the laws of the United States, the Guarantor (1) must be rated by at least two of the following rating agencies: S&P, Moody's, or Fitch, and (2) must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the Guarantor is rated by only two rating agencies, and the ratings are split, the rating will be established based on the methodology outlined in Appendix A of this Agreement. The Maximum Credit Limit to cover the Total Exposure Amount that could be provided through the Guaranty (see standard format in Exhibit 5) will be determined based on the credit matrix table for Guarantors in Appendix A. The DS Supplier will be

granted a credit limit equal to the lesser of (i) the amount of the Guaranty as provided to the Company at the time this Agreement is executed as such amount may be modified in any amended or substitute Guaranty provided to the Company during the term of this Agreement, or (ii) the Supplier's Maximum Credit Limit. The DS Supplier, however, may not increase or substitute its Guaranty for the purpose of increasing its applicable credit limit during the time period after the Company has made a Margin call but before the DS Supplier has posted the required Margin. Notwithstanding anything herein to the contrary, the DS Supplier may increase the limit of its Guaranty after satisfying a Margin call from the Company and upon the Company's receipt of an amended or substitute Guaranty increasing the limit of the Guaranty, the DS Supplier may request a return of Margin in accordance with Section 6.5 of this Agreement. The DS Supplier will be required to post cash or a letter of credit in an acceptable form as defined in Section 6.7(b) of this Agreement (see standard format in Exhibit 4) for the Margin due the Company as set forth in Section 6.5 of this Agreement; or

(iii) For a DS Supplier or Guarantor that has not been incorporated or otherwise formed under the laws of the United States and whose financial data is not denominated in United States currency and does not conform to generally accepted accounting principles ("GAAP") in the United States, the DS Supplier or Guarantor shall meet all requirements of Sections 6.4(i) and (ii) of this Agreement and shall supply the following additional information:

a. A legal opinion of counsel qualified to practice in the foreign jurisdiction in which the DS Supplier or Guarantor is incorporated or otherwise formed that this Agreement is, or upon completion of

execution formalities will become, the binding obligation of the DS Supplier or Guarantor in the jurisdiction in which it has been incorporated or otherwise formed;

b. The sworn certificate of the corporate secretary (or similar officer) of such DS Supplier or Guarantor that the person executing this Agreement on behalf of the DS Supplier has the authority to execute the Agreement and that the governing board of the DS Supplier or Guarantor has approved the execution of this Agreement;

c. The sworn certificate of the corporate secretary (or similar officer) of such DS Supplier or Guarantor that the DS Supplier or Guarantor has been authorized by its governing board to enter into agreements of the same type as this Agreement; and

d. Such other documents and certificates as may be required by the Company in its sole discretion.

(iv) The posting of cash or a letter of credit as defined in Section 6.7 (b) below for the entire Total Exposure Amount as set forth in Section 6.5 of this Agreement.

6.5 Posting Margin and Return of Surplus Margin

(a) If at any time and from time to time during the term of this Agreement the Total Exposure Amount, rounded up by the Rounding amount, exceeds the DS Supplier's or the Guarantor's credit limit by the Minimum Transfer Amount (MTA), then the Company, on any Business Day, may request that the DS Supplier provide cash or a letter of credit in an acceptable form as defined in Article 6.7(b) of this Agreement (see standard format in Exhibit 4), in an amount equal to the Margin (less any Margin posted by the DS

Supplier and held by the Company pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply).

If the DS Supplier receives written notice for Margin from the Company by 1:00 p.m. New York time on a Business Day, then the DS Supplier shall post Margin the next following Business Day, if posting cash, and by the second Business Day following the date of notice, if posting a letter of credit, unless the Company agrees in writing to extend the period to provide Margin. If the DS Supplier receives notice for Margin from the Company after 1:00 p.m. New York time on a Business Day, whether posting cash or a letter of credit, then the DS Supplier must post Margin the second Business Day following the date of notice unless the Company agrees in writing to extend the period to provide Margin. The Company will not unreasonably deny a request for a one-day extension of such period. In the event that the DS Supplier fails to post Margin when due in accordance with this Article 6.5, then an Event of Default under Article 5 of this Agreement will be deemed to have occurred and the Company will be entitled to the remedies set forth in Article 5 of this Agreement.

(b) Surplus Margin being held by the Company that is not needed to satisfy the Total Exposure Amount, as determined above, will be returned to the DS Supplier upon receipt of a written request by the DS Supplier. Surplus Margin means cash or a letter of credit posted by the DS Supplier as a result of a request by the Company pursuant to Article 6.5(a) that exceeds the Total Exposure Amount less the DS Supplier's or the Guarantor's credit limit (rounded up by the Rounding Amount). If the resulting Surplus Margin amount is more than the Minimum Transfer Amount, it will be returned to the DS Supplier. If the DS Supplier posted cash and notice is received by 1:00 p.m. New York time on a Business

Day, the surplus Margin will be returned by the next following Business Day and if the DS Supplier posted cash and notice is received by the Company after 1:00 p.m. New York time on a Business Day, the surplus Margin shall be returned by the second Business Day following the date of notice, unless the DS Supplier agrees in writing to extend the period to return the surplus Margin. If the DS Supplier posted a letter of credit, the surplus Margin shall be returned on the next Business Day following the Business Day on which the amendment to the letter of credit is received from the issuing bank, unless the DS Supplier agrees in writing to extend the period to return the surplus Margin. The DS Supplier will not unreasonably deny a request for a one-day extension of such period. In the event that the Company fails to return the surplus Margin when due in accordance with this Article, then an Event of Default under Article 5 of this Agreement will be deemed to have occurred and the DS Supplier will be entitled to the remedies set forth in Article 5 of this Agreement.

6.6 Grant of Security Interest/Remedies

To secure its obligations under this Agreement and to the extent that the DS Supplier posted Margin/collateral hereunder, the DS Supplier hereby grants to the Company a present and continuing security interest in, and lien on (and right of setoff against), and assignment of, all cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, the Company, and the DS Supplier and the Company agree to take such action as is reasonably required to perfect the secured Party's first priority security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default

or an Early Termination Date, the Company may do any one or more of the following: (i) exercise any of the rights and remedies of the Company with respect to all collateral, including any such rights and remedies under law then in effect; (ii) exercise its rights of setoff against any and all property of the DS Supplier in the possession of the Company, whether held in connection with this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply; (iii) draw on any outstanding letter of credit issued for its benefit; and (iv) liquidate all security held by or for the benefit of the Company free from any claim or right of any nature whatsoever of the DS Supplier, including any equity or right of purchase or redemption by the DS Supplier. The Company shall apply the proceeds of the collateral realized upon the exercise of such rights or remedies to reduce the DS Supplier's obligation under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply (the DS Supplier remaining liable for any amounts owing to the Company after such application), subject to the Company's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

All notices, demands or requests regarding credit requirements and credit related security or deposit transfers shall be in writing and shall be personally delivered or sent by overnight express mail, courier service or electronic mail transmission (with the original transmitted by any of the other aforementioned delivery methods, unless agreed to otherwise by the parties) addressed as follows:

If to a DS Supplier to:

Copy to:

If to the Company to: James H. Milligan, Treasurer
Duquesne Light Company
Mail Drop 7-3
411 Seventh Avenue, Pittsburgh, PA 15219
jmilligan@duqlight.com

Copy to: Energy Procurement
Mail Drop 15-1
Duquesne Light Company
411 Seventh Avenue, Pittsburgh, PA 15219
energysupply@duqlight.com

Notice received after the close of the Business Day shall be deemed received on the next Business Day; provided that notice by electronic mail transmission shall be deemed to have been received by the recipient if the recipient confirms receipt telephonically, in writing, or by responding in the same electronic mail conversation chain.

6.7 Security Instruments

At each DS Supplier's choice, the following are deemed to be acceptable methods for posting security, if required:

(a) Cash; or

(b) A standby irrevocable letter of credit acceptable to the Company, in its sole discretion, issued by a domestic bank (or a domestic branch of an international bank) or other domestic financial institution (or a domestic branch of an international financial institution) with a minimum "A-" senior unsecured debt rating (or, if unavailable, equivalent corporate issuer rating) from S&P or Fitch and "A3" from Moody's (see standard format in Exhibit 4). The letter of credit shall state that it shall renew automatically for successive one-year or shorter periods, until terminated upon at least

ninety (90) days prior written notice from the issuing financial institution. If the Company receives notice from the issuing financial institution that the letter of credit is being cancelled, the DS Supplier will be required to provide a substitute letter of credit from an alternative bank satisfying the minimum requirements. The receipt of the substitute letter of credit must be effective as of the cancellation date and delivered to the Company thirty (30) days before the cancellation date of the original letter of credit. If the DS Supplier fails to supply a substitute letter of credit as required, then the Company will have the right to draw on the existing letter of credit and to hold the amount as Margin.

If the credit rating of a bank or other financial institution from which a DS Supplier has obtained a letter of credit falls below the levels specified in Article 6 of this Agreement, the DS Supplier shall have two (2) Business Days following written notice by the Company to obtain a suitable letter of credit from another bank or other financial institution that meets those standards, unless such period is extended in writing by the Company. The Company shall have no obligation under this Agreement or otherwise to make or grant such extension.

6.8 Maintenance of Creditworthiness

(a) Reporting of Changes

The DS Supplier shall promptly notify the Company of any change in its credit rating or financial condition or that of its Guarantor. The DS Supplier or Guarantor shall also furnish evidence of an acceptable credit rating or financial condition upon the request of the Company.

(b) Change in Credit Standing

The Company will re-evaluate the creditworthiness of a DS Supplier whenever it

becomes aware of an adverse change, through the provision of notice by the DS Supplier or otherwise, in the DS Supplier's or Guarantor's credit standing. If the lowest credit rating (whether senior unsecured debt rating or corporate issuer rating) used to determine the DS Supplier's Maximum Credit Limit or its credit limit adversely changes, the Company will require additional security from the DS Supplier in accordance with Sections 6.4 of this Agreement. The additional security must be in a form acceptable to the Company in its sole discretion, as specified in Article 6.7 of this Agreement and must be posted as set forth in Section 6.5 of this Agreement.

6.9 Calling on Security

The Company may call upon the security posted by the DS Supplier if the DS Supplier fails to pay amounts due to the Company pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply after all of the following events occur:

(a) Written Notice of Default is provided to the DS Supplier; and

(b) Any applicable cure period associated with the written Notice of Default ends.

The foregoing notwithstanding, the security posted by the DS Supplier shall become due automatically without prior notice or right of cure in the case of any Event of Default arising under subsections (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) of Section 5.1 of this Agreement.

6.10 Interest on Cash Held by Company

The Company will pay simple interest calculated at the lower of the Interest Index or six (6) percent per annum on all cash held by the Company pursuant to this Agreement.

Each Billing Month, the Company will prepare a statement of interest amounts due to the DS Supplier. The statement will be sent to the DS Supplier within three (3) Business Days after the end of the Billing Month via overnight mail or other expeditious means. The Company shall make interest payments on the first Business Day after the 5th day of each calendar month.

6.11 No Endorsement of DS Supplier

The Company's determination that a DS Supplier is creditworthy pursuant to the process set forth above, shall not be deemed to constitute an express or implied warranty or guarantee of any kind with respect to the financial or operational qualifications of the DS Supplier. The Company will treat all DS Suppliers in a non-discriminatory manner and shall provide no preference to any DS Supplier.

6.12 Multiple DS Supply Agreements

It is the intention of the Company and the DS Supplier that, in the event the DS Supplier is a party to other agreements with the Company for the provision of DS Supply that existed prior to the effective date of this Agreement or is entered into after the effective date of this Agreement, the Company will calculate the Margin applicable to all such agreements as set forth in Appendix A of this Agreement; provided, however, that if another agreement has a more stringent credit threshold, then the more stringent credit threshold shall apply. Each DS Supplier that is a party to such other agreements with the Company for the provision of DS Supply hereby agrees that such other agreements are deemed amended by this Agreement for the purpose of calculating the Margin as described herein.

ARTICLE 7: PROCEDURES FOR ENERGY SCHEDULING, CAPACITY RESOURCE SUBMISSION AND TRANSMISSION PROCUREMENT

7.1 Load Obligations

The Company and the DS Supplier acknowledge and agree that (1) the Company shall determine the DS Load, (2) the Company shall allocate the DS Supply obligation using the DS Supplier Responsibility Share, (3) the Company shall provide the DS Supplier's DS Supply obligation to PJM, and (4) the DS Supplier shall be responsible for meeting its DS Supply obligations as a LSE under the PJM Agreements.

7.2 Data Transmission

The procedures for transmitting load obligation data to PJM for DS Supplier's DS Load shall be as set forth by PJM.

7.3 Energy Scheduling

The Company is not obligated to provide any day ahead scheduling services. If the Company chooses to provide such services, the information provided is not guaranteed by the Company.

ARTICLE 8: THE ENERGY SETTLEMENT/RECONCILIATION PROCESS

8.1 Energy Settlement by PJM

The settlement process occurs at PJM to reflect the DS Supplier's actual Energy obligations in a supply/usage reconciliation process. The Energy obligations for each DS Supplier will be determined based on the DS Supplier Responsibility Share of the DS Load. The reconciled total DS Energy obligation will be based on the final total Energy loads for the Customers receiving DS service, including de-ration adjustments for marginal losses.

Any adjustments for billing and metering errors reported subsequent to the calculation of FMEA will be proportionally allocated by the Company to the DS Suppliers based on the respective DS Supplier Responsibility Share.

8.2 Energy Settlement by the Company

In the event that actual DS Customer consumption data is not available until after the PJM deadline for conducting the final settlement, the Company will conduct the settlement process with the DS Supplier. In the event PJM imposes penalties against the Company as a result of the DS Supplier's Transactions or failure to meet PJM requirements, such penalties shall be passed through by the Company to the DS Supplier as part of this settlement process. In addition, all other applicable charges from PJM, including any billing adjustments, will be appropriately allocated to the DS Supplier.

ARTICLE 9: BILLING AND PAYMENT

9.1 The Company Payment of Obligations to the DS Supplier

The Company shall pay all amounts due to the DS Supplier hereunder in accordance with the following provisions:

(a) Each Billing Month, the Company will prepare a Statement of amounts due to the DS Supplier.

- For Fixed Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month.
- For Hourly Price Transactions, this Statement will show the aggregate

amounts due based on the DS Fixed Price Adder For Hourly Price Service multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month, plus the DS Variable Payments used to determine the PMEA for each hour of the Billing Month.

In the event a Capacity Proxy Price is implemented, Section 9.1 (a) of the SMA is replaced with the following:

- Each Billing Month the Company will prepare a Statement of amounts due to the DS Supplier. This Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown on the Transaction Confirmation(s) for each hour of the Billing Month, plus the aggregate amounts due based on the DS Variable Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Variable Percentage, if applicable, as shown on the Transaction Confirmation(s) for each hour of the Billing Month. For each Billing Month after the Capacity Proxy Price is known, the Companies will apply the Capacity Proxy Price true-up across the entire contract term. The calculation of the day weighted average capacity price adjustment for purposes of determining the true-up amount will reflect final unforced capacity (i.e., UCAP) quantity weighting. For example, for a

24-month contract term, the Companies will calculate the relevant 24-month average capacity price adjustment by appropriately weighting the amount of capacity (i.e., the final UCAP quantity) purchased by the supplier at each PJM capacity price.

(b) The Statement will be sent to the DS Supplier within eight (8) Business Days after the end of the Billing Month via overnight mail or other expeditious means.

(c) The Company shall make payment on the first Business Day after the 19th day of each calendar month.

(d) To the extent that the FMEA differs from the PMEA, the Company shall pay or charge the DS Supplier for the PMEA/FMEA Adjustment Amount within the PJM deadline for conducting the final settlement.

(e) If each Party owes an amount to the other Party pursuant to this Agreement, including any related interest, payments or credits, the Parties may satisfy their respective obligations to each other by netting the aggregate amounts due to one Party against the aggregate amounts due to the other Party, with the Party, if any, owing the greater aggregate amount paying the other Party the difference between the amounts owed.

(f) Payments shall be subject to adjustment for any arithmetic errors, computation errors, meter reading errors, or other errors, provided that the errors become known within one (1) year of the termination of this Agreement.

(g) The Company shall make payments of funds payable to the DS Supplier by electronic transfer to a bank designated by the DS Supplier.

(h) If a good faith dispute arises between the Company and the DS Supplier regarding a Statement, the disputing Party shall be obligated to pay only the undisputed portion of the Statement, if any, and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the date of the Statement in dispute. Statement disputes shall be addressed promptly and in accordance with the dispute resolution procedures set forth in Article 11 of this Agreement. Upon resolution of a Statement dispute, any payments made to either Party will include simple interest on the payment at the lower of the Interest Index or six (6) percent per annum payable from the date that notice of a Statement dispute was received by the non-disputing Party.

(i) If payment is made to the DS Supplier after the due date shown on the Statement, a late fee will be added to the unpaid balance until the entire Statement is paid. This late fee shall be the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) or (b) the maximum rate permitted by applicable law.

(j) If Seller does enter more than one transaction with Buyer, Buyer may provide a single invoice listing the relevant information detailed.

9.2 Billing for DS Supplier's Obligations to Other Parties

The Company shall have no responsibility for billing between the DS Supplier and PJM; the DS Supplier and any Energy or Capacity source; or the DS Supplier and any other third party. The Company will be solely responsible for billing DS Customers for Default

Service.

9.3 The DS Supplier Payment of Obligations to the Company

The DS Supplier shall pay all Charges it incurs hereunder in accordance with the following provisions:

(a) Each Billing Month, the Company shall submit an invoice to the DS Supplier for all Charges owed by the DS Supplier under this Agreement. The DS Supplier shall make payment for Charges shown on the invoice. The due date will be on the first Business Day after the 19th day of each calendar month. The invoice will be sent to the DS Supplier within eight (8) Business Days after the end of the Billing Month via overnight mail or other expeditious means.

(b) Invoices shall be subject to adjustment for any arithmetic errors, computation errors, meter reading errors, or other errors, provided that the errors become known within one (1) year of the termination of this Agreement.

(c) The DS Supplier shall make payments of funds payable to the Company by electronic transfer to a bank designated by the Company.

(d) If a good faith dispute arises between the Company and the DS Supplier regarding an invoice, the disputing Party shall pay only the undisputed portion of the invoice, if any, and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the due date of the invoice in dispute. Billing disputes shall be addressed promptly, and in accordance with the dispute resolution procedures set forth in Article 11 of this Agreement. Upon resolution of a billing dispute, any payments made to either Party will include simple interest on the payment at the lower of the Interest Index or six (6) percent

per annum payable from the date that notice of a bill dispute was received by the non-disputing Party.

(e) If payment is made to the Company after the due date shown on the invoice, a late fee will be added to the unpaid balance until the entire invoice is paid. This late fee shall be the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) or (b) the maximum rate permitted by applicable law.

ARTICLE 10: SYSTEM OPERATION

The Parties shall adhere to any applicable operational requirements of PJM necessary to protect the integrity of the transmission system within the PJM Control Area and the transmission systems of interconnected control areas, and shall satisfy any and all PJM, RFC and NERC criteria, when applicable. The DS Supplier shall also adhere to any applicable operational requirements of the Company necessary to protect the integrity of the Company's local distribution system.

10.1 Disconnection and Curtailment by the Company

The Company shall have the right, without incurring any liability to the DS Suppliers, to disconnect (or otherwise curtail, interrupt or reduce deliveries from) the DS Suppliers or to disconnect (or otherwise curtail, interrupt or reduce deliveries to) any Customer whenever the Company determines in the exercise of its good faith discretion, or when the Company is directed by PJM, that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of the Company's facilities, or due to any other

reason affecting the safe and reliable operation of the Company's or a Customer's facilities, including, without limitation, an Emergency, forced outage or potential overloading of the Company's transmission and/or distribution circuits, potential damage to any Customer's facilities or any risk of injury to persons or property.

10.2 Inadvertent Loss of Service to DS Customers

The Parties agree and acknowledge that service to DS Customers may be inadvertently lost due to storms, weather, accidents, breakage of equipment or other events beyond the reasonable control of the Company affecting the transmission and distribution system of the Company. Neither Party will have any liability to the other Party for the occurrence of such events except for the Company's obligation to pursue steps for the resumption of the disrupted service as set forth in Section 10.3 below. In no event will an inadvertent loss of service affect a Party's obligation to make any payments then due or becoming due with respect to performance rendered prior to such inadvertent loss of service.

10.3 Good Faith Efforts

The Company shall use good faith efforts to minimize any curtailment, interruption or reduction in service to DS Customers to the extent reasonably practicable under the circumstances.

10.4 PJM Requirements

The DS Supplier acknowledges and agrees that, as a member of PJM, the Company is bound by all PJM operating instructions, policies and procedures as are currently set forth in the PJM Operating Manual, which are available through the Internet on the PJM Home Page (http://www.pjm.com), as may be revised from time to time, which are needed

to maintain the integrity of the PJM system. The DS Supplier acknowledges and agrees that it will cooperate with the Company so that the Company will be in compliance with all PJM Emergency Operations Procedures, which include, but are not limited to, those procedures pertaining to minimum and maximum generation Emergencies, and measures requiring involuntary Customer participation, such as supply voltage reduction or full interruption of Customer load by either manual or automatic means.

10.5 Compliance with Governmental Directives

The DS Supplier also acknowledges and agrees that the Company may need to act in response to governmental or civil authority directives which may affect DS Customer load. The DS Supplier agrees to cooperate with the Company in order to comply with said directives.

ARTICLE 11: DISPUTE RESOLUTION

11.1 Informal Resolution of Disputes

Before pursuing resolution of any dispute arising out of this Agreement (other than an Event of Default under Article 5.1(i)-(ix), (xii), or (xvi)), the disputing Party shall provide written notice to the other Party setting forth the nature of the dispute, the amount involved, if any, and the remedies sought. The Parties shall use good faith and reasonable commercial efforts to informally resolve such dispute. Such efforts shall last for a period of at least thirty (30) calendar days from the date that the notice of the dispute is first delivered from one Party to the other Party. Any amounts that are owed by one Party to the other Party as a result of resolution of a dispute pursuant to this Article 11.1 (Informal Resolution of Disputes), shall be paid within two (2) Business Days of such resolution and the payment shall include interest calculated at the Interest Index from the original due date

through the date of payment.

11.2 Recourse to Agencies or Courts of Competent Jurisdiction

After the requirements of Article 11.1 (Informal Dispute Resolution) have been satisfied, all unresolved disputes, except as noted below, between the Parties shall be submitted to the appropriate authority. Nothing in this Agreement shall restrict the rights of either Party to file a complaint with the FERC under relevant provisions of the Federal Power Act ("FPA"), with the PaPUC under relevant provisions of the Applicable Legal Authorities, with the Allegheny County Court of Common Pleas or with the Western District of Pennsylvania Federal Court. The Party's agreement hereunder is without prejudice to any Party's right to contest the jurisdiction of the agency or court to which a complaint is brought.

The Parties hereby acknowledge and agree that both Parties have negotiated and entered into this Agreement freely and in good faith and that the terms of this Agreement have not been affected in any way, either directly or indirectly, by (A) any fraud, duress, unfairness, or any inequity in the relative bargaining power of the Parties or (B) any manipulation, unlawful activity, disruption, anomaly, dysfunction, or other adverse market conditions of any type or description.

To the extent permitted by law and absent agreement to the contrary, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives its rights to argue before any governmental authority that any review, modification, or rescission of this Agreement should be considered under any standard of review other than the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S.

348 (1956), affirmed by *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington, et al.*, 554 U.S. 527 (2008) (the "Mobile-Sierra Doctrine").

ARTICLE 12: REGULATORY AUTHORIZATIONS AND JURISDICTION

12.1 Compliance with Applicable Legal Authorities

The Company and the DS Supplier are subject to, and shall comply with, all existing or future applicable federal, State and local laws, all existing or future duly-promulgated orders or other duly-authorized actions of PJM or of Applicable Legal Authorities.

12.2 FERC Jurisdictional Matters

The inclusion herein of descriptions of procedures or processes utilized by PJM or otherwise subject to the jurisdiction of FERC is intended solely for informational purposes. If anything stated herein is found by the FERC to conflict with or be inconsistent with any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA or if any existing procedures or processes utilized by PJM are duly modified, the applicable FERC rule, regulation, order, determination or modification shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company and/or the DS Supplier, if applicable, shall use reasonable commercial efforts to secure, from time to time, all appropriate orders, approvals and determinations from the FERC necessary to support this Agreement.

12.3 Energy Efficiency, Conservation, and Retail Market Programs

DS Supplier acknowledges that DS Customers may participate in energy efficiency and conservation programs offered by the Company (required by Applicable Legal Authorities or otherwise offered by the Company whether voluntarily or not), by PJM, or by other third parties and, for the avoidance of doubt, any programs offered or conducted by the Company or other entities relating to or arising from the PaPUC's Investigation of Pennsylvania's Retail Electricity Market, PaPUC Docket No. I-2011-2237952 (including legislation enacted to address the Commission's Final Order in Docket No. I-2011-2237952), and that such participation may reduce or change the amount of DS Supply that DS Supplier is required to provide and the amount of monies it may receive under this Agreement. The Company shall have no obligation whatsoever to DS Supplier with respect to the effect, if any, of such programs. DS Supplier is solely responsible for determining the effect, if any, of such programs on future load requirements.

ARTICLE 13: LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

13.1 Limitations on Liability

Except as set forth in this Agreement, there is no warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are disclaimed. The Parties confirm that the express remedies and measures of Damages provided in this Agreement satisfy the essential purposes hereof. For breach of any provision for which an express remedy or measure of Damages is provided, such express remedy or measure of Damages shall be the sole and exclusive remedy, the obligor's liability shall be limited as set forth in such provision and all other remedies or Damages at law or in equity are waived. If no remedy or measure of Damages is expressly provided herein, the obligor's liability

shall be limited to direct actual Damages only, such direct actual Damages shall be the sole and exclusive remedy, and all other remedies or Damages at law or in equity are waived. Unless expressly herein provided, neither Party shall be liable for consequential, incidental, punitive, exemplary or indirect Damages, lost profits or other business interruption Damages, by statute, in tort or contract, under any indemnity provision or otherwise. It is the intent of the Parties that the limitations herein imposed on remedies and the measure of Damages be without regard to the cause or causes related thereto, including the negligence or any Party, whether such negligence by sole, joint or concurrent, or active or passive. To the extent any Damages required to be paid hereunder are liquidated, the Parties acknowledge that the Damages are difficult or impossible to determine, or otherwise obtaining an adequate remedy is inconvenient and the Damages calculated hereunder constitute a reasonable approximation of the harm or loss.

13.2 Risk of Loss

Solely for purposes of determining risk of loss and for determining the indemnity obligations under Article 14 of this Agreement, the Company shall be deemed to have custody and control of the electric Energy delivered by the DS Supplier upon receipt thereof at the point of delivery identified in Appendix C and until delivery thereof at the retail electric meter of the Customer, and the DS Supplier shall be deemed to have custody and control of the DS Supply at all times prior to receipt thereof by the Company. The Party deemed to have custody and control of DS Supply shall be responsible for all loss or damage to property or injury or death to persons arising in connection with such DS Supply while in its custody and control and shall indemnify the other Parties with respect to same as set forth in Article 14 of this Agreement.

ARTICLE 14: INDEMNIFICATION

14.1 Indemnification

(a) Should the Company become the defendant in, or obligor for, any third party claims and/or liabilities for losses, penalties, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by or occur in connection with an act or omission of the DS Supplier with respect to an obligation arising under or in connection with this Agreement, or for which the DS Supplier has otherwise assumed liability under the terms of this Agreement, the DS Supplier shall defend (at the Company's option), indemnify and hold harmless the Company, its shareholders, board members, directors, officers and employees, from and against any and all such third party claims and/or liabilities, and shall appoint counsel at DS Supplier's expense, subject to the approval of Company, to defend any such claims or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, penalties, expenses or damages were caused wholly or in part by the gross negligence or willful misconduct of the Company. The Company may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(b) Should the DS Supplier (the "Indemnified DS Supplier") become the defendant in, or obligor for, any third party claims and/or liabilities for losses, penalties, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by or occur in connection with an act or omission of the Company with respect to an obligation arising under or in connection with this Agreement, or for which the Company has otherwise assumed liability under the terms of this Agreement, the Company shall defend (at the option of the Indemnified DS

Supplier), indemnify and hold harmless the Indemnified DS Supplier, its shareholders, board members, directors, officers and employees, from and against any and all such third party claims and/or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, penalties, expenses or damages were caused wholly or in part by the gross negligence or willful misconduct of the Indemnified DS Supplier. The Indemnified DS Supplier may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(c) If either Party intends to seek indemnification under Article 14.1(a) or 14.1(b), as applicable, from the other Party, the Party seeking indemnification shall give the other Party notice of such claim within ninety (90) days of the later of the commencement of, or the Party's actual knowledge of, such claim or action. Such notice shall describe the claim in reasonable detail and shall indicate the amount, estimated if necessary, of the claim that has been, or may be, sustained by said Party. To the extent that the other Party will have been actually and materially prejudiced as a result of the failure to provide such notice, such notice will be a condition precedent to any liability of the other Party under the provisions for indemnification contained in this Agreement. Neither Party may settle or compromise any claim without the prior consent of the other Party; provided, however, said consent shall not be unreasonably withheld, conditioned or delayed.

14.2 Survives Agreement

The obligation of a Party to defend, indemnify, and hold harmless another Party under this Article shall survive termination of this Agreement and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for either Party under any statutory scheme, including any Worker's

Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

ARTICLE 15: FORCE MAJEURE

15.1 Force Majeure

Notwithstanding anything in this Agreement to the contrary, the Parties shall be excused from performing their respective obligations under this Agreement (other than the obligation to make payments with respect to performance prior to the event of Force Majeure) and shall not be liable for damages or otherwise due to their failure to perform, during any period that one Party is unable to perform due to an event of Force Majeure, provided that the Party declaring an event of Force Majeure shall: (i) act expeditiously to resume performance; (ii) exercise all commercially reasonable efforts to mitigate or limit damages to the other Party; and (iii) fulfill the requirements set forth in Article 15.2 (Notification).

15.2 Notification

A Party unable to perform under this Agreement due to an event of Force Majeure shall: (i) provide prompt written notice of such event of Force Majeure to the other Party, which shall include an estimate of the expected duration of the Party's inability to perform due to the event of Force Majeure; and (ii) provide prompt notice to the other Party when performance resumes.

ARTICLE 16: MISCELLANEOUS PROVISIONS

16.1 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by overnight express mail or courier service. Notice may also be provided via e-mail or

facsimile transmission (with the original transmitted by any of the other delivery methods specified in the previous sentence) addressed per the notification information for the DS Supplier and Company as set forth in Exhibit 2 hereto.

Such notices, demands or requests shall also be provided to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the Business Day shall be deemed received on the next Business Day.

16.2 No Prejudice of Rights

The failure of a Party to insist on any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse.

16.3 Effect of Regulatory or Legislative Actions

(a) The Parties agree that the Company's obligations under this Agreement are contingent on, and limited by, the Company's ability to recover all costs incurred by it under this Agreement from its retail customers in full and on a current basis. If any statutes, rules, regulations, or orders are enacted, amended, entered, or revoked which have the effect of depriving the Company's full and current recovery of said costs, the Company may terminate this Agreement upon ten (10) days written notice. The Parties agree that any such termination shall not constitute an Event of Default

under this Agreement.

(b) If any statutes, rules, regulations, or orders are enacted, amended, entered, or revoked which transfer the Company's obligation to procure or supply DS Supply to a third party(ies), this Agreement may be transferred to such third party(ies) in accordance with the provisions of Section 16.4 below. The Parties agree that any such transfer shall not constitute an Event of Default under this Agreement.

(c) In the event that this Agreement is terminated as a result of any of the reasons set forth in subsections (a) and (b) of Section 16.3 above, the Parties agree that the Company shall not be liable for any costs or damages incurred or otherwise associated with (i) the transfer of the Company's obligation to obtain or provide DS Supply to third party, or (ii) the elimination of the Company's obligation to obtain or provide DS Supply from DS Supplier.

16.4 Assignment

Parties shall not assign any of their rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee and all necessary consents have been obtained. Any assignment in violation of this Section 16.4 shall be void; provided, however, the Company may assign any or all of its rights and obligations under this Agreement notwithstanding anything contained herein to the contrary, without the DS Supplier's consent, to any entity succeeding to all or substantially all of the assets of the Company, or to a third party in accordance with Section 16.3(b), if such assignee agrees, in writing, to be bound by all of

the terms and conditions hereof and all necessary regulatory approvals are obtained. The DS Supplier may, with prior written notice to the Company but without obtaining the approval of the Company, assign the accounts, revenues or proceeds under this Agreement to a third party. The Company agrees that, following receipt of such notice of the assignment of accounts, revenues or proceeds and such other documentation that the Company may reasonably request, the Company will pay amounts becoming due to the assigning DS Supplier under this Agreement directly to the designated assignee; provided, however, that nothing herein shall enlarge or expand the rights of such designated assignee beyond the rights granted to the DS Supplier, and the right of such designated assignee to receive payments shall be subject to all defenses, offsets and claims of the Company arising under this Agreement.

16.5 Governing Law and Venue

To the extent not subject to the jurisdiction of the FERC, questions including those concerning the formation, validity, interpretation, execution, amendment, termination and construction of this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law. Except for matters jurisdictional to FERC, the PUC or the appellate courts having jurisdiction over the PUC or FERC matters, all disputes hereunder shall be resolved in the Pennsylvania State court or Federal court of competent jurisdiction and within reasonably close proximity to the Company. Each Party hereby waives its respective rights to any jury trial with respect to any litigation arising under or in connection with this Agreement.

16.6 Regulatory Approvals

DS Supplier agrees to cooperate, to the fullest extent necessary, to obtain any and

all required State, Federal or other regulatory approvals of the Agreement and/or Transaction Confirmations hereunder. The commencement of the Delivery Period and the obligations hereto are subject to (i) the receipt or waiver by Company of all Company required regulatory approvals, (ii) the receipt or waiver by DS Supplier of all DS Supplier required regulatory approvals, and (iii) Pennsylvania PUC approval.

16.7 Headings

The headings and subheadings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.

16.8 Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties hereto and nothing in this Agreement shall be construed to create any duty or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

16.9 General Miscellaneous Provisions

(a) This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties, or to impose any partnership obligation or liability upon any Party. No Party shall have any right, power, or authority to enter into any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

(b) Cancellation, expiration or Early Termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including warranties, remedies, promises of indemnity and confidentiality.

(c) Should any provision of this Agreement be held invalid or unenforceable,

such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof unless it materially changes the agreement of the Parties; provided that in such event the Parties shall use commercially reasonable efforts to amend this Agreement or any Transaction in order to give effect to the original intention of the Parties.

(d) Each of the Parties acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms. This Agreement is intended by the Parties as a final expression of their agreement. The Parties further agree that this Agreement is the complete and exclusive statement of agreement and supersedes all proposals (oral or written), understandings, representations, conditions, warranties, covenants and all other communications between the Parties relating thereto. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Each Party further agrees that it will not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement or any Transaction.

16.10 Taxes

As between the Parties: (i) the DS Supplier is responsible for the payment of all taxes imposed by all present and future federal, state, municipal or other taxes imposed by any taxing authority on the wholesale sales of DS Supply under this Agreement; and (ii) the Company is responsible for the payment of all taxes imposed by all present and future federal, state, municipal or other taxes imposed by any taxing authority on retail sales of DS Supply under this Agreement. Should the DS Supplier be required to remit any

Pennsylvania State Sales and Use Taxes directly to the applicable taxing authority, other than taxes previously collected by the DS Supplier on behalf of the Company, the Company will defend and indemnify the DS Supplier for such Sales and Use Taxes and will pay to the DS Supplier all such tax amounts upon demand. If any Transaction is exempt from the payment of any such taxes, the affected DS Supplier will, if requested, provide the Company with valid tax exemption certificates. Should the Company be required to remit any such taxes directly to any applicable taxing authority, other than taxes previously collected by the Company directly from the DS Supplier, the DS Supplier will defend and indemnify the Company and will pay to the Company all such tax amounts upon demand.

16.11 Audit

Each Party has the right on at least three (3) Business Days prior written notice, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made in accordance with Article 9 (Billing and Payment) and 9.1(i) (Interest on Unpaid Balances) of this Agreement.

16.12 Rules of Interpretation

The following principles shall be observed in the interpretation and construction of this Agreement:

(a) Unless otherwise stated, the terms “include” and “including” when used in this Agreement shall be interpreted to mean by way of example only and shall not be considered limiting in any way;

(b) All titles and headings used herein are for convenience and reference purposes only, do not constitute a part of this Agreement and shall be ignored in construing or interpreting the obligations of the parties under this Agreement;

(c) References to the singular include the plural and vice versa;

(d) References to Articles, Sections, Clauses and the Preamble are, unless the context indicates otherwise, references to Articles, Sections, Clauses and the Preamble of this Agreement;

(e) In carrying out its rights, obligations and duties under this Agreement, each Party shall have an obligation of good faith and fair dealing; and

(f) If any payment due under this Agreement would be, by operation of the terms and conditions of any provision hereof, due and payable on a day other than a Business Day, such payment shall be made on the next following Business Day.

16.13 Confidentiality

(a) Each Party shall hold in confidence and not release or disclose any document or information furnished by the other Party in connection with this Agreement, unless: (i) compelled to disclose such document or information by judicial, regulatory or administrative process or other provisions of law; (ii) such document or information is generally available to the public; (iii) such document or information was available to the receiving Party on a non-confidential basis; (iv) such document or information was

available to the receiving Party on a non-confidential basis from a third-party, provided that the receiving Party does not know, and, by reasonable effort, could not know that such third-party is prohibited from transmitting the document or information to the receiving Party by a contractual, legal or fiduciary obligation; or (v) such disclosure is made to PJM or PaPUC and is necessary in order for the Transactions contemplated by this Agreement to be consummated or to otherwise comply with the provisions of this Agreement.

(b) Notwithstanding any other provision of this Section 16.12, a Party may disclose to its employees, representatives and agents all documents and information furnished by the other Party in connection with this Agreement, provided that such employees, representatives and agents have been advised of the confidentiality provisions of this Section 16.12, and further provided that in no event shall a document or information be disclosed in violation of the standard of conduct requirements established by FERC.

(c) A Party receiving notice or otherwise concluding that any confidential document or information furnished by the other Party in connection with this Agreement is being sought under any provision of law, to the extent it is permitted to do so under any applicable law, shall: (i) promptly notify the other Party; and (ii) use reasonable efforts in cooperation with the other Party to seek confidential treatment of such confidential information.

(d) The Parties agree that monetary damages may be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 16.12. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party breaches or threatens to breach its obligations under this Article 16.12, which equitable relief shall be granted without bond or proof of

damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law.

16.14 Federal Acquisition Regulation

If any of the following clauses prescribed by the Federal Acquisition Regulation ("FAR"), 48 Code of Federal Regulations Chapter 1, should be deemed to apply to this Agreement, the DS Supplier shall comply with the requirements of such clause(s), and shall include the terms or substance of such clause(s) in its subcontracts, as and to the extent required by the FAR:

1) Clean Air and Water: § 52.223-2;
2) Contract Work Hours and Safety Standards Act-Overtime Compensation: § 52.222-4;
3) Equal Opportunity: § 52.222-26;
4) Affirmative Action for and Employment Reports on Special Disabled and Vietnam Era Veterans: § 52.222-35 and § 52.222-37;
5) Affirmative Action for Handicapped Workers: § 52.222-36; and
6) Utilization of Small Business Concerns and Small Disadvantaged Business Concerns and Small Business and Small Disadvantaged Business Subcontracting Plan: § 52.219-8 and § 52-219-9.

In case of a conflict between the provisions of the FAR and the balance of this Agreement, the requirements of the FAR shall prevail.

16.15 Binding Terms

This Agreement and the rates, terms and conditions herein shall remain in effect for the entire term hereof and each Party agrees not to seek any change to such rates, terms

and conditions pursuant to the FPA, if the FPA is deemed to have jurisdiction over this Agreement, including on the grounds that they are not just and reasonable.

16.16 Amendment

This Agreement, including the appendices hereto, cannot be amended without the written agreement of all Parties prior to such amendment becoming effective. Except as provided in Appendix C, the rates, terms and conditions contained in this Agreement are not subject to change under Sections 205 or 206 of the Federal Power Act absent the mutual written agreement of the Parties. To the extent permitted by law and absent agreement to the contrary, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives its rights to argue before any governmental authority that any review, modification, or rescission of this Agreement should be considered under any standard of review other than the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), affirmed by *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington, et al.*, 554 U.S. 527 (2008) (the "Mobile-Sierra Doctrine").

16.17 Counterparts

This Agreement may be executed in counterparts, each of which will be considered an original, but all of which shall constitute one instrument.

16.18 Successors

This Agreement and all of the provisions hereof are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

ATTEST:	**DUQUESNE LIGHT COMPANY**
_____	By:_____
Title: _____	Name: _____
	Title: _____
ATTEST:	**[INSERT]**
_____	By: _____
Title: _____	Name: _____
	Title: _____

APPENDIX A- MAXIMUM UNSECURED CREDIT

Credit Rating Matrix Tables for EDC's

EDC: Duquesne Light Company

Credit Rating of the DS Supplier			Maximum Credit Limit (calculated as the lesser of the percentage of TNW or the Credit Limit Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Credit Limit Cap
A- and above	A3 and above	A- and above	16%	$60,000,000
BBB +	Baa1	BBB +	10%	$40,000,000
BBB	Baa2	BBB	7%	$30,000,000
BBB-	Baa3	BBB-	3%	$20,000,000
Below BBB-	Below Baa3	Below BBB-	0%	$0

Credit Rating Determination Methodology

The DS Supplier or it Guarantor must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the DS Supplier or its Guarantor is rated by all three accepted rating agencies (S&P, Moody's and Fitch), and the ratings are split, the lowest rating will be used. **Minimum Rating –** The lowest credit rating for a DS Supplier, as set forth in this Appendix A, that can obtain unsecured credit.

APPENDIX B – METHODOLOGY FOR CALCULATION OF MARK TO MARKET (MTM) EXPOSURE

Parameters

In calculating the MtM Exposure for each Transaction, the following parameters are set on the Transaction Date:

1. On-Peak Initial Mark Price
2. Off-Peak Initial Mark Price
3. MW-Measure
4. On-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
5. Off-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
6. Number of awarded Tranches

In calculating the MtM Exposure for each Transaction, the following parameters are set each Business Day subsequent to the Transaction Date:

1) On-Peak Forward Price
2) Off-Peak Forward Price
3) Current Capacity PLC Per Bid Block
4) On-Peak Estimated Energy Quantity
5) Off-Peak Estimated Energy Quantity

Determination of On-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub On-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly On-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that On-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the On-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the On-Peak Forward Price for the given month may be updated based on the changes in On-Peak Forward Price quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Determination of Off-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub Off-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly Off-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from the average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that Off-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the Off-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the Off-Peak Forward Price for the given month may be updated based on the changes in Off-Peak Forward Price

quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Example of Disaggregating Aggregate Quotes

The following is an example of the process to be used for disaggregating Aggregate Quotes:

a. Aggregate Quote only available for January – March: $60/MWh.

b. Immediate Prior Calendar year quotes for January, February, and March as follows:

January: $42/MWh

February: $45/MWh

March: $40/MWh

c. Calculations as follows:

1. Calculate Average price in (b) = $42.33/MWh
2. Calculate monthly deviation from Average:

   January: 99.2% ($42/$42.33)

   February: 106.3% ($45/$42.33)

   March: 94.5% ($40/$42.33)

3. Disaggregate the Aggregate Quote by applying percentages from c.(2) to the available aggregate quote:

   January: $59.53 ($60 x 99.2%)

   February: $63.78 ($60 x 106.3%)

   March: $56.69 ($60 x 94.5%)

Mark-To-Market Example

Necessary Information from a Transaction Confirmation:		
Delivery Period:	June 1, 2011 - May 31, 2012	
Bid Blocks:	3	(j)
Estimated Energy Quantity Per MW-Measure:		
	On-Peak MWh (k)	Off-Peak MWh (l)
Jan	11800	8300
Feb	13000	9100
Mar	9100	6400
Apr	7200	5000
May	8800	6200
Jun	12900	9000
Jul	15200	10600
Aug	16000	11200
Sep	9500	6700
Oct	8300	5800
Nov	9800	6900
Dec	10900	7600

Business Day on which MtM is Calculated:	June 24, 2011
MW-Measure:	50.0 MW (m)
Current Capacity PLC Per Bid Block:	40.0 MW (n)
Percent of On-Peak Hours Remaining in Current Month:	18.2% (o)
Percent of Off-Peak Hours Remaining in Current Month:	21.7% (p)

MtM Exposure Calculation

	a	b	c	d	e=c-a	f=d-b	g=k*n/m*j*o	h=l*n/m*j*p	i=(e*g)+(f*h)
	On-Peak Initial Mark Price $/MWh	Off-Peak Initial Mark Price $/MWh	On-Peak Forward Price $/MWh	Off-Peak Forward Price $/MWh	Change In On-Peak Price $/MWh	Change In Off-Peak Price $/MWh	On-Peak Estimated Energy Quantity MWh	Off-Peak Estimated Energy Quantity MWh	MtM Exposure
Jun-11	57.04	27.95	58.48	28.65	1.44	0.70	5,629	4,696	$ 11,393
Jul-11	72.81	31.31	75.26	32.36	2.45	1.05	36,480	25,440	$ 116,088
Aug-11	72.81	34.23	74.28	34.91	1.47	0.68	38,400	26,880	$ 74,726
Sep-11	45.56	24.15	47.31	25.08	1.75	0.93	22,800	16,080	$ 54,854
Oct-11	43.23	23.34	46.09	24.89	2.86	1.55	19,920	13,920	$ 78,547
Nov-11	43.23	25.50	46.40	27.38	3.17	1.88	23,520	16,560	$ 105,691
Dec-11	43.23	26.36	44.86	27.36	1.63	1.00	26,160	18,240	$ 60,881
Jan-12	50.73	38.55	54.45	41.39	3.72	2.84	28,320	19,920	$ 161,923
Feb-12	50.73	39.06	53.61	41.29	2.88	2.23	31,200	21,840	$ 138,559
Mar-12	45.23	30.75	47.64	32.39	2.41	1.64	21,840	15,360	$ 77,825
Apr-12	45.23	25.78	48.01	27.36	2.78	1.58	17,280	12,000	$ 66,998
May-12	47.06	24.94	49.06	26.00	2.00	1.06	21,120	14,880	$ 58,013
									$ 1,005,499

CALCULATION OF MTM EXPOSURE FOR HOURLY PRICE TRANSACTIONS

The MtM Exposure for an Hourly Price Transaction shall be calculated as follows. During the first month of the term of a Transaction, the MtM Exposure shall be equal to Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche. Thereafter, the MtM Exposure shall be calculated on the first Business Day of each month during the term of a Transaction and shall be deemed equal to the product of: (i) Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche; (ii) the ratio of the Current Capacity PLC Per Tranche to the MW-Measure; (iii) the number of Tranches awarded to the DS Supplier per the Transaction Confirmation; and (iv) the ratio of the calendar days remaining in the Delivery Period to the total calendar days in the Delivery Period. The following definitions shall apply for the purposes of this calculation:

"Capacity Peak Load Contribution" or "Capacity PLC" means the aggregation of retail customer peak load contributions, as determined by the Buyer in accordance with the PJM Agreements and reported by Buyer to PJM pursuant to Buyer's retail load settlement process, and used by PJM in determining the DS Supplier's capacity obligation for each Transaction.

"Current Capacity PLC Per Tranche" is the Capacity PLC of a Tranche as of the Business Day the MtM Exposure is calculated for the Transaction.

"MW-Measure" means the Current Capacity PLC Per Tranche as of the Transaction Date.

APPENDIX C - DS SUPPLY SPECIFICATIONS

1) With respect to a Transaction, DS Supplier shall provide DS Supply on a firm and continuous basis. The terms of the Transaction shall be set forth in a Transaction Confirmation to this SMA, in a form as set forth in Exhibit 1. As used herein and in the Transaction Confirmation, Full Requirements Service shall mean all of the following necessary services or products that are required to supply the DS Responsibility Share for the DS Customers associated with the Transaction Confirmation, including: Energy, Capacity, transmission (except for Network Integration Transmission Service), Ancillary Services, Alternative Energy Credits for compliance with the AEPS Act, transmission and distribution system losses, congestion management costs, and such other products and services that are required except for distribution service.

2) The Transaction Confirmation shall, *inter alia*, specify the following terms with respect to a Transaction: (i) the Product (typically, Full Requirements Service); (ii) the DS Customer group associated with the applicable DS Load; (iii) the Delivery Point at which the DS Supplier shall deliver the DS Supply; (iv) the Delivery Period during which the DS Supplier shall deliver the DS Supply; (v) the number of Tranches; (vi) the DS Supplier Responsibility Share; (vii) for Fixed Price Transactions, the total number of AECs associated with each Tranche; and (viii) the DS Fixed Price or Fixed Price Adder, as applicable, for each Tranche.

3) The Company and DS Supplier shall be responsible for their respective PJM Billing Statement Line Item Credits and Charges associated with a Transaction as described in Appendix D, *Responsibilities for PJM Billing Line Items as Defined in Applicable PJM Agreement or Manual*. Company and DS Supplier agree to communicate

with PJM as may be necessary to ensure that PJM transfers all PJM Billing Statement Line Item Credits and Charges to the appropriate party.

4) The DS Supplier shall comply with all applicable requirements described in Appendix E, *DS Suppliers' Obligations For AEPS Compliance*.

5) Except as provided in Paragraph 1 above, DS Supplier bears the risk of any other changes in PJM products and pricing during the term of all Transactions under this Agreement. However, if there are any other new FERC-approved PJM transmission charges other than those referred to in Paragraph 1 above or other new PJM charges and costs, charged to network transmission customers, that DS Supplier believes the Company should recover through retail rates because they are directly related to the Company's obligations, then Company may file with the PaPUC a request for approval to recover such new costs. DS Supplier is required to intervene in any such proceeding before the PaPUC. Such new costs can only be charged to the Company to the extent that the PaPUC approves the Company's recovery of those costs. DS Supplier agrees to be bound by the decision of the PaPUC (subject to the normal rules for appeal of the decision of the PaPUC) and waives all claims concerning this issue before the FERC. Notwithstanding the foregoing, nothing in the Agreement shall preclude DS Supplier or Company from taking any position before the FERC regarding the creation and allocation of any such PJM charges.

DS Customer Group:

Each Transaction Confirmation shall be associated with DS Supply to one of the following DS Customer categories, or their successors, as defined in the DS Tariff:

Customer Group	Rate Schedule	Description
Residential & Lighting	RS	Residential Service
	RH	Residential Service Heating
	RA	Residential Service Add-On Heat Pump
	AL	Architectural Lighting Service
	SE	Street Lighting Energy
	SM	Street Lighting Municipal
	SH	Street Lighting Highway
	PAL	Private Area Lighting
Small Commercial & Industrial	GS	General Service Small
	GM < 25kW	General Service Medium – Demand less than 25kW
	GMH < 25kW	General Service Medium Heating – Demand less than 25kW
	UMS	Unmetered Service
Medium Commercial & Industrial	GM ≥ 25kW and < 200kW	General Service Medium – Demand equal to or greater than 25kW and less than 200kW
	GMH ≥ 25kW and < 200kW	General Service Medium Heating – Demand equal to or greater than 25kW and less than 200kW
HPS-Eligible	GM ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GMH ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GL	General Service Large
	GLH	General Service Heating
	L	Large Power Service
	HVPS	High Voltage Power Service

APPENDIX D – RESPONSIBILITIES FOR PJM BILLING LINE ITEMS AS DEFINED IN APPLICABLE PJM AGREEMENT OR MANUAL

		Responsible Party	
ID #	**PJM Billing Statement Line Items**	**EDC**	**DS Supplier**
ID#	**CHARGES**		
1000	Amount Due for Interest on Past Charges		DS Supplier
1100	Network Integration Transmission Service	EDC	
1101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
1102	Network Integration Transmission Service (exempt)	EDC	
1103	Underground Transmission Service	EDC	
1104	Network Integration Transmission Service Offset	EDC	
1108	Transmission Enhancement	EDC	
1109	MTEP Project Cost Recovery		DS Supplier
1110	Direct Assignment Facilities		DS Supplier
1115	Transmission Enhancement Settlement (EL05-121-009)	EDC	
1120	Other Supporting Facilities		DS Supplier
1130	Firm Point-to-Point Transmission Service		DS Supplier
1133	Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
1136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
1138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
1140	Non-Firm Point-to-Point Transmission Service		DS Supplier

1143	Non-Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
1147	Neptune Unscheduled Usage Billing Allocation		DS Supplier
1155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
1157	Linden Unscheduled Usage Billing Allocation		DS Supplier
1165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
1167	Hudson Unscheduled Usage Billing Allocation		DS Supplier
1200	Day-ahead Spot Market Energy		DS Supplier
1205	Balancing Spot Market Energy		DS Supplier
1210	Day-ahead Transmission Congestion		DS Supplier
1215	Balancing Transmission Congestion		DS Supplier
1216	Pseudo-Tie Balancing Congestion Refund		DS Supplier
1218	Planning Period Congestion Uplift		DS Supplier
1220	Day-ahead Transmission Losses		DS Supplier
1225	Balancing Transmission Losses		DS Supplier
1230	Inadvertent Interchange		DS Supplier
1240	Day-ahead Economic Load Response		DS Supplier
1241	Real-time Economic Load Response		DS Supplier
1242	Day-ahead Load Response Charge Allocation		DS Supplier
1243	Real-time Load Response Charge Allocation		DS Supplier

1245	Emergency Load Response		DS Supplier
1250	Meter Error Correction		DS Supplier
1260	Emergency Energy		DS Supplier
1301	PJM Scheduling, System Control and Dispatch Service – Control Area Administration		DS Supplier
1302	PJM Scheduling, System Control and Dispatch Service – FTR Administration		DS Supplier
1303	PJM Scheduling, System Control and Dispatch Service –Market Support		DS Supplier
1304	PJM Scheduling, System Control and Dispatch Service – Regulation Market Administration		DS Supplier
1305	PJM Scheduling, System Control and Dispatch Service – Capacity Resource/Obligation Mgmt.		DS Supplier
1306	PJM Scheduling, System Control and Dispatch Service – Advanced Second Control Center		DS Supplier
1307	PJM Scheduling, System Control and Dispatch Service – Market Support Offset		DS Supplier
1308	PJM Scheduling, System Control and Dispatch Service Refund – Control Area Administration		DS Supplier
1309	PJM Scheduling, System Control and Dispatch Service Refund – FTR Administration		DS Supplier
1310	PJM Scheduling, System Control and Dispatch Service Refund – Market Support		DS Supplier
1311	PJM Scheduling, System Control and Dispatch Service Refund –Regulation Market Administration		DS Supplier
1312	PJM Scheduling, System Control and Dispatch Service Refund – Capacity Resource/Obligation Mgmt.		DS Supplier
1313	PJM Settlement, Inc.		DS Supplier
1314	Market Monitoring Unit (MMU) Funding		DS Supplier
1315	FERC Annual Charge Recovery		DS Supplier
1316	Organization of PJM States, Inc. (OPSI) Funding		DS Supplier

1317	North American Electric Reliability Corporation (NERC)		DS Supplier
1318	Reliability First Corporation (RFC)		DS Supplier
1320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
1340	Regulation and Frequency Response Service		DS Supplier
1350	Energy Imbalance Service		DS Supplier
1360	Synchronized Reserve		DS Supplier
1362	Non-Synchronized Reserve		DS Supplier
1365	Day-ahead Scheduling Reserve		DS Supplier
1370	Day-ahead Operating Reserve		DS Supplier
1371	Day-ahead Operating Reserve for Load Response		DS Supplier
1375	Balancing Operating Reserve		DS Supplier
1376	Balancing Operating Reserve for Load Response		DS Supplier
1377	Synchronous Condensing		DS Supplier
1378	Reactive Services		DS Supplier
1380	Black Start Service		DS Supplier
1390	Fuel Cost Policy Penalty		DS Supplier
1400	Load Reconciliation for Spot Market Energy		DS Supplier
1410	Load Reconciliation for Transmission Congestion		DS Supplier
1420	Load Reconciliation for Transmission Losses		DS Supplier
1430	Load Reconciliation for Inadvertent Interchange		DS Supplier
1440	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		DS Supplier

1441	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		DS Supplier
1442	Load Reconciliation for Schedule 9-6 – Advanced Second Control Center		DS Supplier
1444	Load Reconciliation for Market Monitoring Unit Funding		DS Supplier
1445	Load Reconciliation for FERC Annual Charge Recovery		DS Supplier
1446	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		DS Supplier
1447	Load Reconciliation for North American Electric Reliability Corporation (NERC)		DS Supplier
1448	Load Reconciliation for Reliability First Corporation (RFC)		DS Supplier
1449	Load Reconciliation for Consumer Advocates of PJM States, Inc. (CAPS) Funding		DS Supplier
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1460	Load Reconciliation for Regulation and Frequency Response Service		DS Supplier
1470	Load Reconciliation for Synchronized Reserve		DS Supplier
1472	Load Reconciliation for Non-Synchronized Reserve		DS Supplier
1475	DASR Load Reconciliation		DS Supplier
1478	Load Reconciliation for Operating Reserve		DS Supplier
1480	Load Reconciliation for Synchronous Condensing		DS Supplier
1490	Load Reconciliation for Reactive Services		DS Supplier
1500	Financial Transmission Rights Auction		DS Supplier
1600	RPM Auction		DS Supplier
1610	Locational Reliability		DS Supplier
1611	CP Transitional Locational Reliability		DS Supplier
1650	Non-Unit Specific Capacity Transaction		DS Supplier

1660	Demand Resource and ILR Compliance Penalty		DS Supplier
1661	Capacity Resource Deficiency		DS Supplier
1662	Generation Resource Rating Test Failure		DS Supplier
1663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1664	Peak Season Maintenance Compliance Penalty		DS Supplier
1665	Peak-Hour Period Availability		DS Supplier
1666	Load Management Test Failure		DS Supplier
1670	FRR LSE Reliability		DS Supplier
1680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
1681	FRR LSE Capacity Resource Deficiency		DS Supplier
1682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
1683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
1685	FRR LSE Peak-Hour Period Availability		DS Supplier
1686	FRR LSE Load Management Test Failure		DS Supplier
1687	FRR LSE Schedule 9-5		DS Supplier
1688	FRR LSE Schedule 9-6		DS Supplier
1710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
1712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
1720	RTO Start-up Cost Recovery		DS Supplier
1730	Expansion Cost Recovery	EDC	
1900	Unscheduled Transmission Service		DS Supplier
1910	Ramapo Phase Angle Regulators		DS Supplier

1911	Michigan – Ontario Interface Phase Angle Regulators		DS Supplier
1920	Station Power		DS Supplier
1930	Generation Deactivation	EDC	
1932	Generation Deactivation Refund	EDC	
1950	Virginia Retail Administrative Fee		DS Supplier
1952	Deferred Tax Adjustment	EDC	
1955	Deferral Recovery		DS Supplier
1980	Miscellaneous Bilateral		DS Supplier
1995	PJM Annual Membership Fee		DS Supplier
1999	PJM Customer Payment Default		DS Supplier
ID#	**CREDITS**		
2100	Network Integration Transmission Service	EDC	
2101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
2102	Network Integration Transmission Service (exempt)	EDC	
2103	Underground Transmission Service	EDC	
2104	Network Integration Transmission Service Offset	EDC	
2106	Non-Zone Network Integration Transmission Service	EDC	
2108	Transmission Enhancement	EDC	
2109	MTEP Project Cost Recovery		DS Supplier
2110	Direct Assignment Facilities		DS Supplier
2120	Other Supporting Facilities		DS Supplier
2130	Firm Point-to-Point Transmission Service		DS Supplier
2132	Internal Firm Point-to-Point Transmission Service		DS Supplier

2133	Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
2136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
2138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
2140	Non-Firm Point-to-Point Transmission Service		DS Supplier
2142	Internal Non-Firm Point-to-Point Transmission Service		DS Supplier
2143	Non-Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
2155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
2165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
2210	Transmission Congestion		DS Supplier
2211	Day-ahead Transmission Congestion		DS Supplier
2215	Balancing Transmission Congestion		DS Supplier
2217	Planning Period Excess Congestion		DS Supplier
2218	Planning Period Congestion Uplift		DS Supplier
2220	Transmission Losses		DS Supplier
2240	Day-ahead Economic Load Response		DS Supplier
2241	Real-time Economic Load Response		DS Supplier
2245	Emergency Load Response		DS Supplier
2260	Emergency Energy		DS Supplier

2320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
2330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
2340	Regulation and Frequency Response Service		DS Supplier
2350	Energy Imbalance Service		DS Supplier
2360	Synchronized Reserve		DS Supplier
2362	Non-Synchronized Reserve		DS Supplier
2365	Day-ahead Scheduling Reserve		DS Supplier
2370	Day-ahead Operating Reserve		DS Supplier
2371	Day-ahead Operating Reserve for Load Response		DS Supplier
2375	Balancing Operating Reserve		DS Supplier
2376	Balancing Operating Reserve for Load Response		DS Supplier
2377	Synchronous Condensing		DS Supplier
2378	Reactive Services		DS Supplier
2380	Black Start Service		DS Supplier
2415	Balancing Transmission Congestion Load Reconciliation		DS Supplier
2420	Load Reconciliation for Transmission Losses		DS Supplier
2500	Financial Transmission Rights Auction		DS Supplier
2510	Auction Revenue Rights		DS Supplier
2600	RPM Auction		DS Supplier
2620	Interruptible Load for Reliability		DS Supplier
2630	Capacity Transfer Rights		DS Supplier
2640	Incremental Capacity Transfer Rights		DS Supplier
2650	Non-Unit Specific Capacity Transaction		DS Supplier

2660	Demand Resource and ILR Compliance Penalty		DS Supplier
2661	Capacity Deficiency Resource		DS Supplier
2662	Generation Resource Rating Test Failure		DS Supplier
2663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2664	Peak Season Maintenance Compliance Penalty		DS Supplier
2665	Peak-Hour Period Availability		DS Supplier
2666	Load Management Test Failure		DS Supplier
2670	FRR LSE Reliability Credit		DS Supplier
2680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
2681	FRR LSE Capacity Resource Deficiency		DS Supplier
2682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
2683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
2685	FRR LSE Peak-Hour Period Availability		DS Supplier
2686	FRR LSE Load Management Test Failure		DS Supplier
2687	FRR LSE Schedule 9-5		DS Supplier
2688	FRR LSE Schedule 9-6		DS Supplier
2710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
2712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
2720	RTO Start-up Cost Recovery		DS Supplier
2730	Expansion Cost Recovery	EDC	
2910	Ramapo Phase Angle Regulators		DS Supplier
2912	CT Lost Opportunity Cost Allocation		DS Supplier

2930	Generation Deactivation	EDC	
2932	Generation Deactivation Refund	EDC	
2950	Virginia Retail Administrative Fee		DS Supplier
2952	Deferred Tax Adjustment	EDC	
2955	Deferral Recovery		DS Supplier
2980	Miscellaneous Bilateral		DS Supplier
2996	Annual PJM Cell Tower		DS Supplier
2997	Annual PJM Building Rent		DS Supplier

APPENDIX E – DS SUPPLIER'S OBLIGATIONS FOR AEPS COMPLIANCE

With respect to the DS Supplier Responsibility Share, DS Supplier shall:

(1) Provide sufficient AECs for each Tranche, in accordance with the schedule provided below.

(2) Provide actual AECs that conform to all applicable PaPUC or other legal requirements in effect as of the date that the AECs are provided to the Company. DS Supplier shall be responsible for any incremental costs associated with ensuring that the AECs it provides to the Company conform to such requirements then in effect.

(3) Provide AECs on a six (6) month basis or at the end of any Delivery Period, if the Delivery Period is less than six (6) months, and shall be transferred to the Company within 30 days from the final day of any such six month period or Delivery Period; provided; however, that if the term of any Delivery Period includes two different AEPS reporting years, then DS Supplier shall provide the AECs required for the first AEPS reporting year by June 30th of each year.

(4) Pay any penalties, costs, charges, damages, or other fees assessed against the DS Supplier and/or the Company associated with the DS Supplier's non-performance with this Agreement or any other applicable requirements related to AEPS.

(5) Submit to the Company proof of compliance under this Agreement in such form and manner as may be required by the Company.

(6) Provide to the Company all information the Company may require to comply with the AEPS Act and its implementing regulations and other

requirements of law, including, but not limited to the price paid per AEC required by 73 Pa. C.S. § 1648.3(e)(8).

This Appendix E shall confirm the Alternative Energy Portfolio Standards Obligation of the Transaction agreed to on the Bid Proposal Due Date.

With respect to Transactions for Full Requirements Service, the DS Supplier shall deliver AECs conforming to all applicable requirements for the Delivery Period based on a percentage of the total MWh supplied by DS Supplier, in accordance with the following schedule:

Compliance Period	Tier 1	PV	Tier 2
6/1/2021 – 5/31/2022	7.5%	0.50%	10.0%

The percentages set forth above are those applicable for the first DS auction in DSP IX and may be revised for future DS Auctions to reflect changes in law or other applicable requirements. Unless the PaPUC or other authority with jurisdiction implements changes related to AEPS, compliance obligations for periods beyond 6/1/2021 to 5/31/2022 will remain at the 6/1/2021 to 5/31/2022 percentages. These are subject to revision if there are changes from the Pennsylvania AEPS Administrator.

For each compliance period during the Delivery Period, the number of AECs that a DS Supplier is obligated to provide may be reduced by a pre-determined number of AECs allocated to the DS Supplier ("Allocated AECs"). The number of Allocated AECs will be defined prior to the Transaction Date. Any Allocated AECs will not be transferred to the DS Supplier; but instead, the DS Supplier's AEC obligations will be reduced by a pro rata share of the Allocated AECs, and the Allocated AECs will remain the property of the Company.

The above amounts are estimates and will vary based on actual load served. DS Supplier will need to true-up, higher or lower, actual credits needed based on final reconciled settlement data from PJM.

EXHIBIT 1

TRANSACTION CONFIRMATION FOR FIXED PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	[INSERT CUSTOMER CLASS]
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price:	[INSERT AVERAGE PRICE] per MWh
	Tranche 1 at [INSERT] per MWH
	Tranche 2 at [INSERT] per MWH
	Tranche 3 at [INSERT] per MWH
	.
	.
	.
	Tranche [X] at [INSERT] per MWH

Alternative Energy Credit (AEC) Allocation (if any):

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

TRANSACTION CONFIRMATION FOR HOURLY PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	HPS-Eligible Class
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price Adder For Hourly Price Service:	[INSERT AVERAGE PRICE] per MWh
	Tranche 1 at [INSERT] per MWH
	Tranche 2 at [INSERT] per MWH

In addition to the DS Fixed Price Adder For Hourly Price Service above, the Statement prepared in accordance with Section 9.1(a) also will include DS Variable Payments based on the Company's billed Hourly Price Service formula rate designed to recover the costs of energy, capacity, ancillary services, and PJM administrative costs found in Rider No. 9 of the DS Tariff. The DS Variable Payments associated with serving the DS Supplier Responsibility Share of the DS Supply for HPS-Eligible Class are based on a) hourly energy charges provided at the day-ahead PJM locational marginal prices based on the customer's real time metered hourly load, plus energy-related ancillary services including PJM administrative charges, adjusted for losses, and b) capacity charges equal to the full PJM Reliability Pricing Model capacity price for the Duquesne Zone, and shall recover the charges associated with the customer's share of the Company's capacity obligation assigned by PJM, plus the charges for capacity based ancillary services. The PMEA/FMEA Adjustment Amount calculated in accordance with Section 9.1 (d) will include: any adjustments to account for changes in the hourly energy or capacity volumes used to calculate the energy, ancillary services, capacity and other charges. The DS Variable Payments to Hourly Price Service suppliers will not include Pennsylvania gross receipts taxes or the fixed retail administrative charge (other than the DS Fixed Price Adder For Hourly Price Service) included in the DS Tariff.

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT 2
FORM OF NOTICE

Any notices required under this Agreement shall be made as follows:

Buyer:	DS Supplier:
Duquesne Light Company	[INSERT]
All Notices:	**All Notices:**
Street: 411 Seventh Ave. City/State/Zip: Pittsburgh, PA 15219 Attn: Chief Financial Officer Facsimile: (412) 393-1190 Duns: 007915606 Federal Tax ID Number: 25-0451600	Street: City/State/Zip: Attn: Facsimile: Duns: Federal Tax ID Number:
Invoices: Attn: Supply Procurement – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	**Invoices:** Attn: Phone: Facsimile:
Scheduling:	**Scheduling:**
Attn: Scheduling – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	Attn: Phone: Facsimile:
Payments:	**Payments:**
Attn: Accounting – Jaime Bachota Phone: (412) 393-1122 Email: jbachota@duqlight.com	Attn: Phone: Facsimile:
Wire Transfer:	**Wire Transfer**
BNK: ABA: ACCT:	BNK: ABA: ACCT:

Credit and Collections:

Attn: Treasurer – James Milligan
Phone: (412) 393-1216
Email: jmilligan@duqlight.com

Credit and Collections:

Attn:
Phone:
Facsimile:

With additional Notices of an Event of Default to:

Attn: Legal Department – Tishekia Williams
Phone: (412) 393-1541
Email: twilliams@duqlight.com

With Additional Notices of an Event of Default to:

Attn:
Phone:
Facsimile:

EXHIBIT 3

PERFORMANCE ASSURANCE LETTER OF CREDIT

{TO BE ISSUED ON THE LETTERHEAD OF THE ISSUING BANK}

IRREVOCABLE LETTER OF CREDIT NO.

ISSUE DATE _____ EXPIRY DATE_____

APPLICANT
[NAME]
[ADDRESS]

BENEFICIARY
[NAME]
[ADDRESS]

CURRENCY AMOUNT
USD *********$

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT NO: _____ FOR THE ACCOUNT OF _____ ("APPLICANT") FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE US DOLLARS _____ AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON THE BANK OF _____ ("ISSUER") _____{ADDRESS}, EFFECTIVE _____ AND EXPIRING AT OUR COUNTERS AT _____ ON OR BEFORE _____OR ANY AUTOMATICALLY EXTENDED EXPIRY DATE, AS PROVIDED HEREIN. THIS LETTER OF CREDIT IS AVAILABLE IN ONE OR MORE DRAFTS UP TO THE AGGREGATE AMOUNT SET FORTH HEREIN.

THIS LETTER OF CREDIT IS PRESENTABLE AND PAYABLE AT OUR COUNTERS AND DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE HONORED UPON PRESENTATION TO ISSUER OF THE FOLLOWING STATEMENT:

> "I HEREBY CERTIFY THAT BENEFICIARY, DUQUESNE LIGHT COMPANY, IS ENTITLED TO DRAW THE AMOUNT OF THE ACCOMPANYING DRAFT UNDER LETTER OF CREDIT NO. _____, ISSUED BY _____ {ISSUER'S NAME} AND THAT SUCH DRAFT REPRESENTS AN AMOUNT DUE AND PAYABLE TO BENEFICIARY FROM _____ {APPLICANT'S NAME} FOR PERFORMANCE ASSURANCE RELATED TO THE DEFAULT SUPPLY MASTER AGREEMENT(S) DATED _____ BETWEEN BENEFICIARY AND APPLICANT."

THE AMOUNT WHICH MAY BE DRAWN BY BENEFICIARY UNDER THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF ANY DRAWINGS PAID THROUGH ISSUER REFERENCING THIS LETTER OF CREDIT NO. _____.

IF PRESENTATION OF ANY DRAWING IS MADE ON A BUSINESS DAY (AS HEREIN DEFINED) AND SUCH PRESENTATION IS MADE ON OR BEFORE 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE NEXT BUSINESS DAY. IF THE DRAWING IS RECEIVED AFTER 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE SECOND FOLLOWING BUSINESS DAY.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST 90 DAYS PRIOR TO ANY EXPIRATION DATE WE NOTIFY YOU AT THE ABOVE ADDRESS BY REGISTERED MAIL OR HAND DELIVERED COURIER THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH PERIOD.

THIS LETTER OF CREDIT MAY BE TERMINATED UPON BENEFICIARY'S RECEIPT OF FULL PAYMENT FROM APPLICANT AND ISSUER'S RECEIPT OF A WRITTEN RELEASE FROM BENEFICIARY RELEASING ISSUER FROM ITS OBLIGATIONS UNDER THIS LETTER OF CREDIT.

THE TERM "BUSINESS DAY" AS USED HEREIN MEANS ANY DAY OTHER THAN (I) A SATURDAY, (II) A SUNDAY, OR (III) A DAY ON WHICH BANKING INSTITUTIONS LOCATED IN THE CITY OF NEW YORK, NEW YORK ARE REQUIRED OR AUTHORIZED BY LAW TO BE CLOSED.

APPLICANT'S FILING OF A BANKRUPTCY, RECEIVERSHIP OR OTHER DEBTOR-RELIEF PETITION, AND/OR APPLICANT'S DISCHARGE THEREUNDER, SHALL IN NO WAY AFFECT THE LIABILITY OF ISSUER UNDER THIS LETTER OF CREDIT AND ISSUER SHALL ALWAYS REMAIN LIABLE TO BENEFICIARY FOR THE FULL AMOUNT OF APPLICANT'S OBLIGATIONS TO BENEFICIARYAS SET FORTH HEREIN NOT TO EXCEED THE AVAILABLE AMOUNT IN THIS LETTER OF CREDIT.

ADDITIONAL TERMS AND CONDITIONS:

1. ALL COMMISSIONS AND OTHER BANKING CHARGES WILL BE BORNE BY APPLICANT.

2. THIS LETTER OF CREDIT MAY BE TRANSFERRED OR ASSIGNED.

3. THIS LETTER OF CREDIT IS IRREVOCABLE.

4. THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (1998) OF THE INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") OR SUCH LATER REVISIONS(S) OF THE ISP AS MAY BE HEREAFTER ADOPTED. AS TO MATTERS NOT GOVERNED BY ISP98, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING, TO THE EXTENT NOT INCONSISTENT WITH

ISP98, THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THE STATE OF PENNSYLVANIA. THIS LETTER OF CREDIT MAY NOT BE AMENDED, CHANGED OR MODIFIED WITHOUT THE EXPRESS WRITTEN CONSENT OF BENEFICIARY AND ISSUER.

5. BENEFICIARY SHALL NOT BE DEEMED TO HAVE WAIVED ANY RIGHTS UNDER THIS LETTER OF CREDIT, UNLESS BENEFICIARY OR AN AUTHORIZED AGENT OF BENEFICIARY SHALL HAVE SIGNED A DATED WRITTEN WAIVER. NO SUCH WAIVER, UNLESS EXPRESSLY SO STATED THEREIN, SHALL BE EFFECTIVE AS TO ANY TRANSACTION THAT OCCURS SUBSEQUENT TO THE DATE OF THE WAIVER, NOR AS TO ANY CONTINUANCE OF A BREACH AFTER THE WAIVER.

6. A FAILURE TO MAKE ANY PARTIAL DRAWINGS AT ANY TIME SHALL NOT IMPAIR OR REDUCE THE AVAILABILITY OF THIS LETTER OF CREDIT IN ANY SUBSEQUENT PERIOD OR OUR OBLIGATION TO HONOR YOUR SUBSEQUENT DEMANDS FOR PAYMENT MADE IN ACCORDANCE WITH THE TERMS OF THIS LETTER OF CREDIT.

AUTHORIZED SIGNATURE: _____

TITLE: _____

PLEASE DIRECT ANY WRITTEN CORRESPONDENCE, INCLUDING DRAWING OR INQUIRIES TO:

[BANK NAME, ADDRESS AND PHONE NUMBER]

EXHIBIT 4

FORM OF GUARANTY

THIS GUARANTY AGREEMENT (this "Guaranty") is made and entered into as of this day of _____, by _____ ("Guarantor"), with an address at _____, in favor of Duquesne Light Company ("Creditor"), with an address at 411 Seventh Avenue, Pittsburgh, PA 15219, in consideration of the Default Supply Master Agreement(s) (the "DSMA(s)") between Creditor and _____ ("Seller") dated _____, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

WHEREAS, Guarantor is an _____ of Seller, and will therefore benefit by Seller entering into the DSMA with Creditor and Guarantor desires Creditor to enter into the DSMA with Seller and to extend credit to Seller thereunder.

WHEREAS, without this Guaranty, Creditor would not execute and deliver the DSMA or consummate the transactions contemplated thereby. Therefore, in consideration of the execution and delivery by Creditor of the DSMA and consummation of the transactions contemplated thereby, Guarantor has agreed to execute and deliver this Guaranty.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guaranty of Obligations.
   (a) Guarantor hereby irrevocably and unconditionally guarantees, as primary obligor and not a surety with effect from date hereof, the prompt and complete payment when due of all of Seller's payment obligations under the DSMA, whether on scheduled payment dates, when due upon demand, upon declaration of termination or otherwise, in accordance with the terms of the DSMA and giving effect to any applicable grace period, and all reasonable out-of-pocket costs and expenses incurred by Creditor in the enforcement of Guarantor's obligations or collection under this Guaranty, including reasonable attorney's fees and expenses (collectively, the "Obligations").

   (b) The limitations on liabilities of Seller set forth in Article 13 of the DSMA shall also apply to the liabilities of Guarantor hereunder.

2. Nature of Guaranty; Waivers.
   (a) This is a guaranty of payment and not of collection and Creditor shall not be required, as a condition of Guarantor's liability, to pursue any rights which may be available to it with respect to any other person who may be liable for the payment of the Obligations. This is not a performance guaranty and Guarantor is not obligated to provide power under the DSMA or this Guaranty.

(b) This Guaranty is an absolute, unconditional, irrevocable (subject to the provisions of Section 12 of this Guaranty) and continuing guaranty and will remain in full force and effect until all of the Obligations have been indefeasibly paid in full, or until the DSMA has been terminated, whichever comes later. This Guaranty will not be affected by any surrender, exchange, acceptance, compromise or release by Creditor of any other party, or any other guaranty or any security held by it for any of the Obligations, by any failure of Creditor to take any steps to perfect or maintain its lien or security interest in or to preserve its rights to any security or other collateral for any of the Obligations or any guaranty, or by any irregularity, unenforceability or invalidity of any of the Obligations (other than any irregularity, unenforceability or invalidity of any of the obligations under the DSMA resulting from the conduct of Creditor) or any part thereof.

(c) Except as to any claims, defenses, rights of set-off or to reductions of Seller in respect of its obligations under the DSMA (all of which are expressly reserved under this Guaranty), Guarantor's obligations hereunder shall not be affected, modified or impaired by any counterclaim, set-off, deduction or defense based upon any claim Guarantor may have against Seller or Creditor, including: (i) any change in the corporate existence (including its charter or other governing agreement, laws, rules, regulations or powers), structure or ownership of Seller or Guarantor; or (ii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Seller or its assets; or (iii) the invalidity or unenforceability in whole or in part of the DSMA; or (iv) any provision of applicable law or regulations purporting to prohibit payment by Seller of amounts to be paid by it under the DSMA (other than any law or regulation that eliminates or nullifies the obligations under the DSMA).

(d) Guarantor waives notice of acceptance of this Guaranty, diligence, presentment, notice of dishonor and protest and any requirement that at any time any person exhaust any right to take any action against Seller or their assets or any other guarantor or person; provided, however, that any failure of Creditor to give notice will not discharge, alter or diminish in any way Guarantor's obligations under this Guaranty. Guarantor waives all defenses based on suretyship or impairment of collateral or any other defenses that would constitute a legal or equitable discharge of Guarantor's obligations, except any claims or defenses of Seller in respect of its obligations under the DSMA.

(e) Creditor at any time and from time to time, without notice to or the consent of Guarantor, and without impairing or releasing, discharging or modifying Guarantor's liabilities hereunder, may (i) to the extent permitted by the DSMA, change the manner, place, time or terms of payment or performance of, or other terms relating to, any of the Obligations; (ii) to the extent permitted by the DSMA, renew, substitute, modify, amend or alter, or grant consents or waivers relating to any of the Obligations, or any other guaranties for any Obligations; (iii) settle, compromise or deal with any other person, including Seller, with respect to any Obligations in such manner as Creditor deems appropriate at its sole discretion; (iv) substitute, exchange or release any guaranty; or (v) take such actions and exercise such remedies hereunder as Creditor deems appropriate.

3. Representations and Warranties. Guarantor hereby represents and warrants that:

(a) it is a [limited liability company, corporation, limited partnership, general partnership] duly organized, validly existing and in good standing under the laws of the jurisdiction of its [formation, organization, incorporation] and has the [corporate power] [power] and authority to conduct the business in which it is currently engaged and enter into and perform its obligations under this Guaranty;

(b) it has the [corporate power] [power] and authority and the legal right to execute and deliver, and to perform its obligations under, this Guaranty, and has taken all necessary [corporate action] [action] to authorize its execution, delivery and performance of this Guaranty;

(c) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable in accordance with its terms, except as affected by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting the enforcement of Creditors' rights generally, general equitable principles and an implied covenant of good faith and fair dealing;

(d) the execution, delivery and performance of this Guaranty will not violate any provision of any requirement of law or contractual obligation of Guarantor (except to the extent that any such violation would not reasonably be expected to have a material adverse effect on Guarantor or this Guaranty);

(e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other person (including, without limitation, any stockholder or of Guarantor) is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty, other than any which have been obtained or made prior to the date hereof and remain in full force and effect; and

(f) no litigation, investigation or proceeding of or before any arbitrator or governmental authority is pending or, to the knowledge of Guarantor, threatened by or against Guarantor that would have a material adverse effect on this Guaranty.

4. Repayments or Recovery from Creditor. If any demand is made at any time upon Creditor for the repayment or recovery of any amount received by it in payment or on account of any of the Obligations, including but not limited to upon the bankruptcy, insolvency, dissolution or reorganization of Seller and if Creditor repays all or any part of such amount by reason of any judgment, decree or order of any court or administrative body or by reason of any settlement or compromise of any such demand, Guarantor (subject to Sections 2 (c) and (d) of this Guaranty) will be and remain liable hereunder for the amount so repaid or recovered to the same extent as if such amount had never been received originally by Creditor. The provisions of this section will be and remain effective notwithstanding any contrary action which may have been taken by Guarantor in reliance upon such payment, and any such contrary action so taken will be without prejudice to Creditor's rights hereunder and will be deemed to have been conditioned upon such payment having become final and irrevocable.

5. Enforceability of Obligations. No modification, limitation or discharge of the Obligations of Seller arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief

of debtors under federal or state law will affect, modify, limit or discharge Guarantor's liability in any manner whatsoever and this Guaranty will remain and continue in full force and effect and will be enforceable against Guarantor to the same extent and with the same force and effect as if any such proceeding had not been instituted. Guarantor waives all rights and benefits which might accrue to it by reason of any such proceeding and will be liable to the full extent hereunder, irrespective of any modification, limitation or discharge of the liability of Seller that may result from any such proceeding.

6. Postponement of Subrogation. Only to the extent that, at the relevant time, there are Obligations, or other amounts hereunder, that are then due and payable but unpaid, Guarantor postpones and subordinates in favor of Creditor any and all rights which Guarantor may have to (a) assert any claim against Seller based on subrogation rights with respect to payments made by Guarantor hereunder and (b) any realization on any property of Seller, including participation in any marshalling of Seller's assets. Upon payment of such due and unpaid Obligations, Creditor agrees that Guarantor shall be subrogated to the rights of Creditor against Seller to the extent of Guarantor's payment to Creditor.

7. Notices. All notices, demands, requests, consents, approvals and other communications required or permitted hereunder must be in writing and will be effective upon receipt. Such notices and other communications may be hand-delivered, sent by email transmission with confirmation of delivery and a copy sent by first-class mail, or sent by nationally recognized overnight courier service, to the addresses for Creditor and Guarantor set forth below or to such other address as one may give to the other in writing for such purpose:

All communications to Creditor shall be directed to:

Attn:
Phone:
Email:
With a copy to:

Phone:
Email:

or such other address as Creditor shall from time to time specify to Guarantor.

All communications to Guarantor shall be directed to:

Attn:
Phone:
Email:

or such other address as Guarantor shall from time to time specify to Creditor.

8. Preservation of Rights. Except as provided by any applicable statute of limitations, no delay or omission on Creditor's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will Creditor's action or inaction impair any such right or power. Creditor's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which Creditor may have under other agreements with Guarantor, at law or in equity.

9. Illegality. In case any one or more of the provisions contained in this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

10. Amendments. No modification, amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom, will be effective unless made in a writing signed by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Guarantor in any case will entitle Guarantor to any other or further notice or demand in the same, similar or other circumstance.

11. Entire Agreement. This Guaranty (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between Guarantor and Creditor with respect to the subject matter hereof.

12. Successors and Assigns. This Guaranty will be binding upon and inure to the benefit of Guarantor and Creditor and their respective successors and permitted assigns. Neither party may assign this Guaranty in whole or in part without the other's prior written consent, which consent will not be unreasonably withheld or delayed, except that Creditor may at any time assign this Guaranty without Guarantor's consent, in the same manner, on the same terms and to the same persons as Creditor assigns the DSMA in accordance with Section 163 of the DSMA, and except that this Section 12 shall not limit Guarantor's right to assign this Guaranty, along with substantially all of Guarantor's assets and business to a successor entity or Affiliate that assumes all obligations thereunder and (i) where the successor Guarantor's Lowest Credit Rating is equal to or greater than Guarantor's Lowest Credit Rating or where the successor Guarantor's Lowest Credit Rating is equal to or greater than BBB-, as rated by S&P or Fitch, or Baa3, as rated by Moody's, and (ii) Seller is in compliance the DSMA. The "Lowest Credit Rating" shall mean the lowest of the senior unsecured long-term debt ratings determined by Moody's Investor Services, Inc. (or its successor) ("Moody's"), the Standard & Poor's Rating Group, a division of McGraw-Hill, Inc., (or its successor) ("S&P"), or Fitch Investor Service, Inc. (or its successor) ("Fitch") immediately before such transfer and assumption. Upon any such delegation and assumption of obligations by a successor Guarantor, Guarantor shall be relieved of and fully discharged from all of its obligations hereunder, whether such obligations arose before or after the date of such delegation and assumption.

13. Interpretation. In this Guaranty, unless Creditor and Guarantor otherwise agree in writing, the singular includes the plural and the plural the singular; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; and references to sections or

exhibits are to those of this Guaranty unless otherwise indicated. Section headings in this Guaranty are included for convenience of reference only and shall not constitute a part of this Guaranty for any other purpose.

14. Governing Law.

(a) This Guaranty has been delivered to and accepted by the Creditor. THIS GUARANTY WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF CREDITOR AND GUARANTOR DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, EXCLUDING ITS CONFLICT OF LAWS RULES.

(b) Guarantor hereby irrevocably consents to the jurisdiction of the federal district court for the Western District of Pennsylvania or to the county court jurisdiction of the Allegheny County Court of Common Pleas; provided that nothing contained in this Guaranty will prevent Creditor from bringing any action, enforcing any award or judgment or exercising any rights against Guarantor individually, against any security or against any property of Guarantor within any other county, state or other foreign or domestic jurisdiction. Guarantor acknowledges and agrees that the venue provided above is the most convenient forum for both Creditor and Guarantor. Guarantor waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Guaranty.

15. WAIVER OF JURY TRIAL. GUARANTOR AND CREDITOR IRREVOCABLY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS GUARANTY, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS GUARANTY OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. GUARANTOR AND CREDITOR ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

16. Term. This Guaranty shall survive termination of the DSMA and remain in full force and effect until all amounts due hereunder, including all of the Obligations, have been paid or performed in full.

17. Stay of Acceleration Ineffective with Respect to Guarantor. If acceleration of the time for payment of any amount payable by Seller under the DSMA is stayed upon the insolvency, bankruptcy or reorganization of Seller, all such amounts otherwise subject to acceleration or required to be paid upon an early termination pursuant to the terms of the DSMA shall nonetheless be payable by Guarantor hereunder on written demand by Creditor.

Guarantor acknowledges that it has read and understood all the provisions of this Guaranty, and has been advised by counsel as necessary or appropriate.

ATTEST: [Guarantor]

_____ By: _____

Name: _____

Title: _____

PENNSYLVANIA UNIVERSAL

DEFAULT SUPPLIER MASTER AGREEMENT

by and between

Duquesne Light Company

and

[INSERT]

Dated [Month, Day, Year]

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PENNSYLVANIA DEFAULT SERVICE SUPPLIER MASTER AGREEMENT

THIS DEFAULT SERVICE SUPPLIER MASTER AGREEMENT, made and entered into this ____ day of [Month, Day, Year] (the "Agreement") by and between Duquesne Light Company (the "Company" and "Buyer"), a limited liability company and a public utility organized and existing under the laws of the Commonwealth of Pennsylvania and [INSERT] ("DS Supplier"), the Company and the DS Supplier hereinafter sometimes referred to collectively as the "Parties", or individually as a "Party",

WITNESSETH:

WHEREAS, the Company is an electric public utility engaged, inter alia, in providing retail electric service within its service territory located in the Commonwealth of Pennsylvania; and

WHEREAS, the Pennsylvania Public Utility Commission ("PaPUC" or "Commission") Orders issued pursuant to the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2801-2812, direct Buyer to supply electric service to Default Service Load within Buyer's Pennsylvania franchise service territory; and

WHEREAS, the PaPUC has found that, for periods further identified in Appendix C, it would serve the public interest for the Company to secure Default Service Supply ("DS Supply") through a competitive procurement process ("DS Solicitation") and the PaPUC has approved such a process; and

WHEREAS, the Company has conducted and completed a successful DS Solicitation for the provision of DS Supply, and the DS Supplier was one of the winning bidders in the DS Solicitation; and

WHEREAS, pursuant to the competitive bidding procedures of the DS Solicitation, the Company and the DS Supplier desire to enter into this Agreement setting forth their respective rights and obligations concerning the provision of DS Supply.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby covenant, promise and agree as follows:

ARTICLE 1: DEFINITIONS

Any capitalized or abbreviated term not elsewhere defined in this Agreement shall have the definition set forth in this Article.

Alternative Energy Credit or "AEC" – Shall have the meaning ascribed thereto in the AEPS Act, including any future modifications thereto.

AEPS Act – The Pennsylvania Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1648.1-1648.8, including any future modifications thereto.

Affiliate – Means, with respect to any entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such entity. For this purpose, "control" means the direct or indirect ownership of fifty percent (50%) or more of the outstanding capital stock or other equity interests having ordinary voting power.

Allocated AECs – Shall mean the types and amounts of AECs specified on Appendix E.

Alternative Energy Portfolio Standards or "AEPS" – Standards requiring that a certain amount of electric energy sold to retail electric customers in the Commonwealth of Pennsylvania be composed of electricity generated from alternative energy sources, as measured by AECs, in accordance with the requirements of the AEPS Act and provisions of the Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §§ 2804, 2812-14, ~~in effect on the Effective Date~~ including, without limitation, any subsequent increases in Tier I requirements under 66 Pa.C.S. § 2814.

Ancillary Services – Shall have the meaning ascribed thereto in the PJM Agreements.

Applicable Legal Authorities – Those federal and Pennsylvania statutes and administrative rules and regulations that govern the electric utility industry in Pennsylvania, as they may be amended from time to time.

Auction Revenue Rights or "ARR" – The current or any successor congestion management mechanisms as may be employed by PJM (whether set forth in the PJM Agreements or elsewhere) for the purpose of allocating financial congestion hedges or financial transmission auction revenue rights. As currently defined by PJM, ARRs are entitlements allocated annually by PJM which entitle the holder to receive an allocation of the revenues from the annual auction of financial transmission rights conducted by PJM pursuant to the PJM Agreements.

Bankruptcy Code – Those laws of the United States of America related to bankruptcy, codified and enacted as Title 11 of the United States Code, entitled "Bankruptcy" and found at 11 U.S.C. § 101 et seq., as such laws may be amended, modified, replaced or superseded from time to time.

Billing Month – Each calendar month during the term of this Agreement.

Business Day – Any day on which the Company's and PJM's corporate offices are open for business and commercial banks are not authorized or required to close in New York, New York.

Capacity – "Unforced Capacity" as set forth in the PJM Agreements, or any successor, measurement of the capacity obligation of a Load Serving Entity as may be employed in PJM (whether set forth in the PJM Agreements or elsewhere).

Capacity Proxy Price will be implemented for those portions of supply contracts that extend into a period for which, as of the day prior to the date of the Company's corresponding solicitation, PJM has not established a capacity price through an auction conducted by PJM in the accordance with PJM's Reliability Pricing Model ("RPM") ("Capacity Market Auction"). The CPP will be the average of the capacity prices from the last auctions of the previous two Capacity Market Auctions conducted by PJM.

Charge – Any fee, charge or other amount that is billable by the Company to the DS Supplier under this Agreement.

Company – Duquesne Light Company.

Costs – With respect to the Non-Defaulting Party, brokerage fees, commissions and other similar transaction costs and expenses reasonably incurred by such Party either in terminating any arrangement pursuant to which it has hedged its obligations and/or entering into new arrangements which replace this Agreement; and all reasonable attorneys' fees and expenses incurred by the Non-Defaulting Party in connection with the termination of this Agreement.

Customer – Any person or entity who enters into a contractual agreement with the Company to receive retail electric service including, without limitation, all persons or entities taking service under a retail tariff, eligible to receive competitive electricity supply from an EGS or DS, respectively, in accordance with the Applicable Legal Authorities.

Damages – Financial compensation from the Defaulting Party to the Non-Defaulting Party associated with the occurrence of an Event of Default or an Early Termination of this Agreement. This compensation shall be assessed pursuant to Article 5 of this Agreement.

Default Allocation Assessment – Shall have the meaning ascribed to it under the PJM Agreements.

Defaulting Party – A Party to this Agreement that has caused or precipitated an Event of Default or an Early Termination of this Agreement.

Default Service or "DS" – Electric generation service that is provided at retail pursuant to the Applicable Legal Authorities under the Company's retail electric tariffs and under any other agreements or arrangements between the Company and Customers, to any Customer that is not being served by an EGS.

Default Service Supply or "DS Supply" – All necessary Energy, Capacity, AECs for AEPS Act compliance and/or any other alternative energy requirements imposed by law, Ancillary Services, all transmission and distribution losses and congestion and imbalance costs associated with the provision of such services, and such other services or products that the DS Supplier may be required, by PJM or any governmental body having jurisdiction, to provide in order to meet the DS Supplier Responsibility Share for serving DS Load under this Agreement and as detailed in Appendix C. For the avoidance of doubt, any reference in this Agreement to any other agreement for DS Supply shall include any agreement between the Parties for the provision of a product or service (e.g., Energy) to serve DS Load, even if such other agreement does not require delivery of additional products or services (e.g., Capacity).

Delivery Period – The delivery period specified in Appendix C.

Delivery Point – Means the applicable zone of the Company as designated by PJM.

DS Customer(s) – Retail customers who are provided Default Service pursuant to the terms of this Agreement, the Applicable Legal Authorities and the Company's retail tariffs.

DS Fixed Percentage – The percentage of DS Supply, as set forth in Appendix C.

DS Fixed Price – The price in dollars per MWh, as set forth in Appendix C hereto, as determined pursuant to the DS Solicitation.

DS Fixed Price Adder For Hourly Price Service – The fixed price adder for Hourly Price Service in dollars per MWh, as set forth in Appendix C hereto, as determined pursuant to the DS Solicitation.

DS Load – Means the total sales at the retail meter, plus any losses and Unaccounted For Energy (as defined by PJM), as reflected in PJM settlement volumes (including adjustments required by PJM for PJM's derating in conjunction with implementation of marginal losses as appropriate per PJM Agreements), expressed in MWh of retail customers in a particular class of DS Customers being served by Company pursuant to the PUC Orders, as such sales vary from hour to hour, in Company's Pennsylvania franchise service territory, as such territory exists on the Effective Date or may increase

or decrease due to de minimis geographic border changes to the service territory that exists on the Effective Date. The DS Load is net of any reduction in load as a result of energy efficiency and demand side response programs offered by Company, PJM, curtailment service providers, or other third parties, or any retail market programs. For avoidance of doubt, DS Load shall not include (i) the amount of load that would otherwise have been served in the absence of such energy efficiency or demand side response programs or retail market programs; or (ii) sales resulting from changes in the Company's Pennsylvania service territory which occur as a result of a merger, consolidation, or acquisition of another entity which has a franchised service territory in Pennsylvania or a result of a significant franchise territory swap with another entity which has a franchised service territory in Pennsylvania.

DS Solicitation – The competitive bidding processes, procedures and rules employed by the Company to competitively procure DS Supply for purposes of this Agreement.

DS Supplier – An entity that (i) has been selected through the DS Solicitation and has accepted the obligations and associated rights to provide DS Supply to the Company for retail customers in accordance with the Applicable Legal Authorities, (ii) has entered into this Agreement with the Company as a Party, and (iii) is a PJM Member and registered with PJM as a LSE.

DS Supplier Representative – Any officer, director, employee, consultant, contractor, or other agent or representative of the DS Supplier in connection with the DS Supplier's

activity under this Agreement. To the extent the DS Supplier is a division or group of a company, the term DS Supplier Representative does not include any person in that company who is not part of the DS Supplier division or group.

DS Supplier Responsibility Share – The fixed percentage share of the Company's DS Load for which the DS Supplier is responsible as set forth in Appendix C.

DS Tariffs – The Company's existing schedules of rates and services provided to retail customers as currently on file with the Commission and on the Company's website, as they may be amended from time to time.

DS Variable Payments – The variable supplier payments in dollars based on the Company's Hourly Price Service formula rate, as set forth in Appendix C hereto, associated with serving the DS Supplier Responsibility Share of the DS Supply.

Early Termination – Termination of this Agreement prior to the end of the term due to the occurrence of an Event of Default as specified in Article 5.2 of this Agreement and the declaration of Early Termination.

Early Termination Date – The date upon which an Early Termination becomes effective as specified in Article 5.2 of this Agreement.

Effective Date – The date designated on the cover page of this Agreement upon which the terms of this Agreement were agreed to by the Parties.

Electric Distribution Company or "EDC" – A public utility providing facilities for the transmission and distribution of electricity to retail customers in Pennsylvania.

Electric Generation Supplier or "EGS" – A person or entity that is duly certified by the Commission to offer and provide competitive electric supply to retail customers located in the Commonwealth of Pennsylvania.

Emergency – (i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of an electric system or the safety of persons or property; or (ii) a condition that requires implementation of Emergency Operations Procedures as defined in the PJM Agreements or PJM manuals; or (iii) any other condition or situation that the Company or PJM deems imminently likely to endanger life or property or to affect or impair the Company's electrical system or the electrical system(s) of other(s) to which the Company's electrical system is directly or indirectly connected (a "Connected Entity"). Such a condition or situation may include, but shall not be limited to, potential overloading of the Company's transmission and/or distribution circuits, PJM minimum generation ("light load") conditions, or unusual operating conditions on either the Company's or a Connected Entity's electrical system, or conditions such that the Company is unable to accept Energy from the DS Supplier without

jeopardizing the Company's electrical system or a Connected Entity's electrical system. Other additional emergencies can only be declared by PJM, FERC, or the PaPUC.

Energy – Three-phase, 60-cycle alternating current electric energy, expressed in units of kilowatt-hours or megawatt-hours.

Event of Default – A Party's breach of obligations under this Agreement as set forth in Article 5 of this Agreement.

FERC – The Federal Energy Regulatory Commission.

Final Monthly Energy Allocation or "FMEA" – A quantity of Energy which, for any Billing Month, is the PMEA adjusted for any billing or metering data received subsequent to the calculation of PMEA of which PJM is notified within 60 days.

Fixed Price Transaction – A Transaction Confirmation that is not an Hourly Price Transaction.

Force Majeure – Means an event or circumstance which prevents one Party from performing its obligations under one or more transactions, including but not limited to, riots or revolutions, demands or embargoes of the United States Government, fire, flood, drought, insurrection, epidemic, terrorist attack, and acts of God, which are not within the reasonable control of, or the results of the negligence of the affected Party and which, by

the exercise of due diligence, the Party is unable to mitigate or avoid or cause to be avoided. Notwithstanding the foregoing, under no circumstance shall an event of Force Majeure be based on: (i) the loss or failure of DS Supplier's supply; (ii) DS Supplier's ability to sell the DS Supply at a price greater than that received under any Transaction; (iii) curtailment by a utility transmitting DS Supply; (iv) the Company's ability to purchase the DS Supply at a price lower than paid under any Transaction; (v) any change in requirements of any governmental authority; or (vi) labor stoppage or lockout.

Forward Market Price – The price for On-peak Energy Forward Price and Off-peak Energy Forward Price as determined by averaging concurrent broker quotes obtained by the Company for the Market Price Hub as available.

Gains – With respect to any Party, an amount equal to the present value of the economic benefit to it, if any (exclusive of Costs), resulting from an Early Termination of this Agreement, determined in a commercially reasonable manner.

Generator Attribute Tracking System or "GATS" – the system owned and operated by PJM Environmental Services, Inc. to provide reporting and tracking services to its subscribers in support of the AEPS Act, or any successor credit registry selected by the PaPUC. (As specified in Appendix E)

Guaranty – A guaranty, suretyship, hypothecation agreement, margins or security agreement or any other document in the form attached to this DS Supplier Master Agreement or other form approved by the Company.

Guarantor – Any party having the authority and agreeing to guarantee the DS Supplier's financial obligations under this Agreement, recognizing that such party shall be obligated to meet the Company's creditworthiness requirements specified in this Agreement for such DS Supplier.

Hourly Price Service – service provided to Hourly Price Service ("HPS")-Eligible Class pursuant to the Company's DS Tariffs, Retail Tariff, Rider No. 9.

Hourly Price Transaction – A Transaction Confirmation for Hourly Price Service, as shown on such confirmation.

Interest Index – The average Federal Funds Effective Rate for the period of time the funds are on deposit. The Federal Funds Effective Rate is published daily on the Federal Reserve website (http://www.federalreserve.gov/releases/h15/update/).

Kilowatt or "kW" – Unit of measurement of useful power equivalent to 1000 watts.

Kilowatt-hour or "kWh" – One kilowatt of electric power used over a period of one hour.

Load Serving Entity or "LSE" – An entity that has been granted the authority or has an obligation pursuant to state or local law, regulation or franchise to sell electricity to retail customers located within the PJM Control Area as that term is defined in the PJM Agreements or in successor, superseding or amended versions of the PJM Agreements that may take effect from time to time over the term of this Agreement. The DS Supplier, for purposes of this Agreement, is not a Load Serving Entity and nothing contained herein shall be deemed to cause the DS Supplier to be a Load Serving Entity.

Losses – With respect to any Party, an amount equal to the present value of the economic loss to it, if any (exclusive of Costs), resulting from an Early Termination of this Agreement, determined in a commercially reasonable manner.

Margin – The amount by which the Total Exposure Amount exceeds the DS Supplier's, or Guarantor's, credit limit as defined in Section 6.4.

Mark-to-Market ("MtM") Exposure Amount – Shall have the meaning ascribed to it in Section 6.3 of this Agreement.

Market Price Hub – refers to AEP Dayton Hub, a liquid pricing point located within PJM's geographic footprint, at pnode #34497127.

Maximum Credit Limit – The lesser of the applicable percentage of TNW or the applicable credit limit cap as specified in Section 6.4 of this Agreement.

Medium Commercial and Industrial Class – Group of Rate Schedules that comprise the Medium Commercial and Industrial Class for DS Supply and itemized in Appendix C.

Megawatt or MW – One thousand kilowatts.

Megawatt-hour or MWh – One megawatt of electric power used over a period of one hour.

Merger Event – When a DS Supplier consolidates or amalgamates with, or merges into or with, or transfers all or substantially all of its assets to another entity and either (i) the resulting entity fails to assume all of the obligations of such DS Supplier hereunder in the sole discretion of the Company or (ii) the benefits of any credit support provided pursuant to Article 6 of this Agreement fail to extend to the performance by such resulting, surviving or transferee entity of the DS Supplier's obligations hereunder, and the resulting entity or its guarantor fails to meet the creditworthiness requirements of this Agreement in the sole discretion of the Company.

Minimum Rating – A minimum senior unsecured debt rating as defined in Appendix A of this Agreement.

Minimum Transfer Amount – $100,000.

NERC – The North American Electric Reliability Corporation or its successor.

Network Integration Transmission Service or "NITS" – "Network Integration Transmission Service" under the PJM Agreements in effect as of the date of this Agreement, or its successor, superseding or amended versions of the PJM Agreements that may take effect from time to time over the term of this Agreement. In the event the PJM Agreements are modified such that "Network Integration Transmission Service" is no longer offered, Network Integration Transmission Service shall mean the type of transmission service offered under the PJM Agreements that is accorded the highest level of priority for scheduling and curtailment purposes.

Non-Defaulting Party – A Party to this Agreement who, at the time an Event of Default occurs, is not itself in default of this Agreement and has not otherwise caused or precipitated an Event of Default or Early Termination of this Agreement.

Off-Peak Energy Forward Price – Means the price for Off-Peak Hours for each billing month of the delivery period stated in terms of $/MWh as based on the most recent publicly available information and/or quotes from Reference Market Makers on forward energy transactions occurring at the Market Price Hub. In the event that the Market Price Hub is no longer available or no longer representative of a transparent trading hub, the Parties will negotiate in good faith to agree upon an alternate liquid price.

On-Peak Energy Forward Price – Means the price for On-Peak Hours for each billing month of the delivery period stated in terms of $/MWh as based on the most recent publicly available information and/or quotes from Reference Market Makers on forward energy transactions occurring at the Market Price Hub. In the event that the Market Price Hub is no longer representative of a transparent trading hub, the Parties will negotiate in good faith to agree upon an alternate liquid price.

PaPUC or Commission – The Pennsylvania Public Utility Commission or its successor.

PJM – PJM Interconnection L.L.C. or its successor.

PJM Agreements – The PJM OATT, PJM RAA, PJM OA and all other PJM agreements, procedures, manuals and documents applicable to the Transactions covered by or relating to this Agreement.

PJM Control Area – That certain Control Area encompassing electric systems in parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and the District of Columbia, as may be modified from time to time, and which is recognized by the North American Electric Reliability Council as the "PJM Control Area".

PJM Member – A member in good standing of PJM that satisfies the requirements to conduct business with PJM.

PJM OA – The PJM Operating Agreement or the successor, superseding or amended version of the PJM Operating Agreement that may take effect from time to time.

PJM OATT – The PJM Open Access Transmission Tariff or the successor, superseding or amended version of the PJM Open Access Transmission Tariff that may take effect from time to time.

PJM OI – The PJM Office of Interconnection, the system operator for the PJM Control Area.

PJM RAA – The PJM Reliability Assurance Agreement or the successor, superseding or amended version of the PJM Reliability Assurance Agreement that may take effect from time to time.

PJM RPM Zonal Net Load Price - is the price charged by PJM to LSEs for capacity in the Company's PJM zone under the Reliability Pricing Model ("RPM") or its successor; and (ii) the "Capacity Proxy Price" ("CPP") for the Company shall be calculated as described in Section 9.1 (a), and expressed in dollars per MW-day.

PMEA/FMEA Adjustment Amount – For any Billing Month, the monetary amount due to the DS Supplier or the Company, as the case may be, in order to reconcile any difference between the PMEA used for the purpose of calculating estimated payments made to DS

Supplier for a given month and the FMEA used for calculating the final payments due to the DS Supplier for such month as more fully described in Article 9 hereof.

Preliminary Monthly Energy Allocation or "PMEA" – A quantity of Energy which, for any Billing Month, is the preliminary calculation of the DS Supplier's DS Supplier Responsibility Share.

Rate Schedule(s) – Shall mean the specified existing, and modified or successor customer rate schedule(s) in the electric service tariff of the Company filed with the Commission.

Reliability First Corporation or "RFC" – The approved regional NERC entity with responsibility for the Commonwealth of Pennsylvania.

Residential Class – Group of Rate Schedules that comprise the Residential Class for the DS Supply and itemized in Appendix C.

Rounding Amount – $100,000.

Settlement Amount – With respect to a Non-Defaulting Party, the net amount of the Losses or Gains, and Costs, expressed in U.S. Dollars, which such Party incurs as a result of Early Termination, as set forth in Section 5.4(a) of this Agreement. For the purposes of calculating the Termination Payment, the Settlement Amount shall be considered an amount due to the Non-Defaulting Party under this Agreement if the total of the Losses

and Costs exceeds the Gains and shall be considered an amount due to the Defaulting Party under this Agreement if the Gains exceed the total of the Losses and Costs.

Small Commercial and Industrial Class – Group of Rate Schedules that comprise the Small Commercial and Industrial Class for DS Supply and itemized in Appendix C.

Statement – A monthly report prepared by the Company for the DS Supplier indicating the amount due to the DS Supplier by the Company as compensation for DS Supply supplied to DS Customers by the DS Supplier during the current Billing Month, in accordance with DS Supplier's obligations under this Agreement.

Supply Day – Any calendar day during the term of this Agreement on which the DS Supplier is providing, or is obligated by this Agreement to provide, DS Supply to the Company.

Tangible Net Worth or "TNW" – Total assets less intangible assets and total liabilities. Intangible assets include benefits such as goodwill, patents, copyrights and trademarks.

Termination Payment – A payment resulting from an Early Termination that is calculated in accordance with Article 5.4.

Tier I AEC – Shall mean an AEC that will satisfy the non-solar Tier I requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Tier I (Solar) AEC – Shall mean an AEC generated by a solar photovoltaic energy source that will satisfy the Tier I solar photovoltaic requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Tier II AEC – Shall mean an AEC generated by a non-solar photovoltaic energy source that will satisfy the non-solar Tier II requirements of the AEPS Act applicable to the Company. (As specified in Appendix E)

Total Exposure Amount – An amount calculated daily for the DS Supplier reflecting the total credit exposure to the Company and consisting of the sum of (i) the Mark-to-Market Exposure Amount arising under this Agreement; (ii) any amount(s) designated as the "Mark-to-Market Exposure Amount" arising under any other DS Supply agreements providing for "DS Supply" or similar default service; and (iii) the amount designated as the "credit exposure" under any other DS Supply agreements providing for DS Supply or similar default service; provided that in the event the amount calculated for any day is a negative number, it shall be deemed to be zero for such day.

Tranche – A fixed percentage share of the Company's DS Load for the Customer Group as indicated in any given Transaction Confirmation, as specified in Appendix C.

Transaction – Means a particular agreement by which the Company purchases and the DS Supplier sells DS Supply pursuant to this Agreement, the details of which are more fully set forth in Exhibit 1 – Transaction Confirmation.

Transaction Confirmation – Shall have the meaning ascribed to it in Appendix C and Exhibit 1 of this Agreement.

ARTICLE 2: GENERAL TERMS AND CONDITIONS

2.1 Capacity in Which Company Is Entering into this Agreement

The DS Supplier agrees and acknowledges that the Company is contracting for the provision of DS Supply from such DS Supplier for Customers receiving Default Service on the Company's electric system pursuant to the authorizations provided to the Company. The DS Supplier further agrees and acknowledges that the Company will administer and monitor the DS Supplier's performance in providing DS Supply under this Agreement and that the Company shall be entitled to enforce the DS Supplier's obligations related to the provision of DS Supply. The DS Supplier hereby permanently, expressly and irrevocably waives any claim that Company is not entitled to seek enforcement of this Agreement on behalf of Customers. It is the specific intention of the Parties hereto that Customers and Customer groups are not third party beneficiaries of this Agreement and that no Customer or Customer group shall seek enforcement of this Agreement against the DS Supplier on their own behalf, either independently or by joining in any legal proceeding brought by the Company.

The Parties acknowledge that the Agreement is a forward contract and, accordingly, the Parties hereto are entitled to the protections of Section 556 of the Bankruptcy Code. The Parties therefore agree that the Agreement may be terminated by either Party upon the commencement of a proceeding by the other Party under any chapter of the Bankruptcy Code in accordance with Article 5.2 of this Agreement.

2.2 Parties' Obligations

(a) Obligations of DS Supplier

The DS Supplier hereby agrees as follows:

(i) To provide service on a firm and continuous basis such that the supply delivered for the term of the Agreement meets the terms and conditions set forth in Appendix C;

(ii) To provide sufficient quantities of DS Supply on an instantaneous basis at all times and supplied to the Delivery Point to meet the DS Supplier Responsibility Share;

(iii) To procure those services provided by the PJM OI and to perform such functions as may be required by the PJM OI that are necessary for the delivery of DS Supply required hereunder;

(iv) To cooperate with the Company in any regulatory compliance efforts that may be required to maintain the ongoing legitimacy and enforceability of the terms of this Agreement and to fulfill any regulatory reporting requirement associated with the provision of DS Supply, before the PaPUC, FERC or any other regulatory body asserting jurisdiction;

(v) To pay to the Company the PMEA/FMEA Adjustment Amount for any Billing Month in which the PMEA exceeds the FMEA, as more fully described in Article 9 of this Agreement;

(vi) To accept assignment of and to fulfill all obligations of a LSE that are assigned to it by this Agreement;

(vii) To comply in a timely manner with all obligations under this Agreement imposed upon the DS Supplier; and

(viii) To comply with the AEPS requirements of the Company's Default Service Plan, as detailed in Appendix E.

(b) Obligations of the Company

The Company hereby agrees as follows:

(i) To pay to each DS Supplier every month an amount due, resulting from the calculations, as detailed in Article 9 of this Agreement, subject to the adjustments as expressed therein;

(ii) To pay to the DS Supplier the PMEA/FMEA Adjustment Amount for any Billing Month in which the FMEA exceeds the PMEA, as more fully described in Article 9 of this Agreement;

(iii) To provide to the DS Supplier its estimated aggregate load obligation (capacity MW value) for each Supply Day no less than five (5) calendar days prior to the day of delivery. Further, this information will be posted in the DS Supplier's specific PJM PowerMeter account, or successor system or process;

(iv) To comply in a timely manner with all obligations under this Agreement imposed upon the Company;

(v) To accept the delivery of DS Supply necessary to meet the DS Load;

(vi) To be responsible (as between the Company and the DS Supplier) for the provision of the Allocated AECs to satisfy AEPS requirements; and

(vii) To be the Load Serving Entity for supply purchased under this Agreement.

2.3 Congestion and Congestion Management

The DS Supplier is responsible for any congestion costs incurred to meet the DS Supplier Responsibility Share. The Company shall transfer or assign to the DS Supplier the Company's rights to Auction Revenue Rights (ARRs) to which the Company is entitled

as an LSE pursuant to the PJM Agreements, including the rights to ARRs, provided that such rights are related to the service being provided to meet the DS Supplier Responsibility Share and such rights are for the Delivery Period. All rights, liabilities and obligations associated with such ARRs will accrue and be assumed by the DS Supplier through the transfer or assignment from the Company to the DS Supplier including the responsibility and ability of the DS Supplier to request or nominate such ARRs when applicable and feasible. Should the conditions above not be met, the entity recognized by PJM as having the right to make the nominations will nominate such ARRs for the upcoming PJM planning period and such ARRs will be allocated to the DS Supplier in accordance with the PJM Agreements based upon its DS Supplier Responsibility Share.

2.4 PJM Services

The DS Supplier shall make all necessary arrangements for the delivery of DS Supply through the PJM OI. The Company will advise the PJM OI of the magnitude and location of each DS Supplier's actual DS Supplier Responsibility Share, as required by the PJM OI, for the purpose of calculating such DS Supplier's appropriate DS Supply requirements related to the provision of service under this Agreement by DS Supplier arising under the PJM Agreements. The DS Supplier shall remain responsible to PJM for the performance of its LSE obligations associated with the provision of DS Supply under this Agreement until the effective date of the transfer of such LSE obligations.

The Company shall generate and provide in writing to DS Supplier the PJM shortname(s) associated with supplier's unique contract type(s), as necessary. Unique shortname(s) may be generated for each differing contract type. DS Supplier shall complete all required forms and processing to PJM to create shortname(s) within the PJM

system.

For the period of time this Agreement is in effect, both the Company and DS Supplier shall have executed the PJM Declaration of Authority, and shall remain in effect during the Term of this Agreement. In the event PJM requires that the Declaration of Authority be amended after execution by the DS Supplier, DS Supplier agrees to execute a revised Declaration of Authority in accordance with PJM requirements.

2.5 PJM Agreement Modifications

(a) If the PJM Agreements are amended or modified so that any schedule or section reference herein to such agreements is changed, such schedule or section reference herein shall be deemed to automatically (and without any further action by the Parties) refer to the new or successive schedule or section in the PJM Agreements which replaces that originally referred to in this Agreement.

(b) If the applicable provisions of the PJM Agreements referenced herein, or any other PJM rules relating to the implementation of this Agreement, are changed materially from those in effect on the Effective Date, both Parties shall cooperate to make conforming changes to this Agreement to fulfill the purposes of this Agreement, including the DS Supplier's responsibility for changes in PJM products and pricing during the Term. DS Supplier bears the risk and responsibility of all charges resulting from any changes in PJM products and pricing during the term of this Agreement with the exception of (i) future PJM charges related solely to the Company providing network transmission service, and (ii) those charges identified as EDC responsibility in Appendix D, including for transition costs related to the elimination of through-and-out transmission rates.

2.6 PJM Member Default Cost Allocation

In the event PJM imposes a Default Allocation Assessment upon the Company relating to a default during the Term, the Company shall invoice DS Supplier, and DS Supplier shall pay an amount equal to the product of (i) DS Supplier Responsibility Share, and (ii) the Default Allocation Assessment.

2.7 Other Fines and Penalties

If fees, fines, penalties, or costs are claimed or assessed against the Company by any Applicable Legal Authority or PJM due to noncompliance by the DS Supplier with this Agreement, any other requirements of law, or the PJM Agreements, the DS Supplier shall indemnify and hold the Company harmless against any and all losses, liabilities, damages, and claims suffered or incurred by the Company, including claims for indemnity or contribution made by third parties against the Company, except to the extent the Company recovers any such losses, liabilities or damages through other provisions of this Agreement.

2.8 Communications and Data Exchange

The DS Supplier and the Company shall supply to each other in a thorough and timely manner all data, materials or other information that is specified in this Agreement, or that may otherwise reasonably be required by DS Supplier or by the Company in connection with the provision of DS Supply by the DS Supplier to DS Customers, if required.

The DS Supplier shall be equipped with the communications capabilities necessary to comply with the communications and data exchange standards that are set by and as may, from time to time, be modified by PJM, and shall exclusively bear the costs of

installing, maintaining, testing, and operating all required information technology systems that will enable it to send to and receive data from the Company and PJM and to satisfy its obligations under this Agreement, the PJM Agreements and all other relevant agreements.

2.9 Record Retention

The Company shall retain necessary records for the longer of two years or as required under applicable PaPUC requirements so as to permit DS Supplier to confirm the validity of payments due to DS Supplier hereunder; provided that if a DS Supplier has provided notice pursuant to this Agreement that it disputes the validity of any payments, the Company agrees that it shall retain all records related to such dispute until the dispute is finally resolved.

2.10 Verification

In the event of a good faith dispute regarding any invoice issued or payment due under this Agreement, and provided that a mutually acceptable confidentiality agreement is executed by the Parties, each Party will have the right to verify, at its sole expense, the accuracy of the invoice or the calculation of the payment due by obtaining copies of relevant portions of the books and records of the other Party.

ARTICLE 3: REPRESENTATIONS AND WARRANTIES

3.1 DS Supplier's Representations and Warranties

The DS Supplier hereby represents, warrants and covenants to the Company on the Effective Date and throughout the term of this Agreement as follows:

(a) It is a corporation, partnership, limited liability company or other legal entity, duly organized, validly existing and in good standing under the laws of the

Commonwealth of Pennsylvania or, if another jurisdiction, under the laws of such jurisdiction and, in such case, is duly registered and authorized to do business in such other jurisdiction and the Commonwealth of Pennsylvania;

(b) It has all requisite power and authority to execute and deliver this Agreement and to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder, including satisfaction of all applicable FERC requirements;

(c) The execution and delivery of this Agreement and the performance of such DS Supplier's obligations hereunder have been duly authorized by all necessary action on the part of the DS Supplier and do not and will not conflict with, or constitute a breach of or default under, any of the terms, conditions, or provisions of the DS Supplier's certificate of incorporation or bylaws or other constituent instruments or any indenture, mortgage, other evidence of indebtedness, or other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the DS Supplier is a party or by which the DS Supplier or any of its properties is bound or subject;

(d) All necessary and appropriate action that is required on the DS Supplier's part to execute this Agreement has been completed;

(e) This Agreement is the legal, valid and binding obligation of the DS Supplier, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights in general or by general principles of equity;

(f) There are no actions at law, suits in equity, proceedings or claims pending

or, to the DS Supplier's knowledge, threatened against the DS Supplier before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the DS Supplier's performance of its obligations hereunder;

(g) It has entered into this Agreement with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(h) It is in good standing as an LSE in PJM, is a signatory to all applicable PJM Agreements, and is in compliance with, and will continue to comply with, all obligations, rules and regulations, as established and interpreted by the PJM OI, that are applicable to LSEs as defined by the PJM Agreements; provided that the DS Supplier shall not be obligated to become an LSE in PJM until the date it begins providing DS Supply;

(i) It has made its trading and investment decisions (including regarding the suitability thereof) based upon its own judgment and any advice from such advisors as it has deemed necessary and not in reliance upon any view expressed by the Company;

(j) It will comply with any and all information and data transfer protocols that may be adopted by the Company or that are set by, and from time to time modified by, the PaPUC; provided that DS Supplier shall be entitled to exercise its reserved right to challenge any such protocols in the appropriate forum;

(k) It is not Bankrupt or insolvent and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt or insolvent;

(l) There are no pending or, to its knowledge, threatened, actions, suits or proceedings against it or any of its Affiliates, or any legal proceedings before any

Governmental Authority, that could materially adversely affect its ability to perform its obligations under this Agreement;

(m) No Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;

(n) It is not relying upon the advice or recommendations of the other Party in entering into this Agreement, it is capable of understanding, understands and accepts the terms, conditions and risks of this Agreement, and the other Party is not acting as a fiduciary for or advisor to it in respect of this Agreement; and

(o) It has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to provide or take delivery of DS Supply as required by this Agreement, and it is an "eligible contract participant" as defined in Section 1a(12) of the Commodity Exchange Act.

3.2 Company's Representations and Warranties

The Company hereby represents, warrants and covenants to the DS Supplier as follows:

(a) The Company is an electric utility duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania;

(b) The Company has all requisite power and authority to carry on the business to be conducted by it under this Agreement and to enter into and perform its obligations hereunder;

(c) The execution and delivery of this Agreement and the performance of the Company's obligations hereunder have been duly authorized by all necessary action on the

part of the Company and do not and will not conflict with, constitute a breach of or default under, any of the terms, conditions, or provisions of the Company's certificate of incorporation or bylaws or any indenture, mortgage, other evidence of indebtedness, or other agreement or instrument or any statute or rule, regulation, order, judgment, or decree of any judicial or administrative body to which the Company is a party or by which the Company or any of its properties is bound or subject;

(d) All necessary and appropriate action that is required on the Company's part to execute this Agreement has been completed;

(e) This Agreement is the legal, valid and binding obligation of the Company, enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws from time to time in effect that affect creditors' rights in general or by general principles of equity and the Commission's power under section 508 of the Public Utility Code, 66 Pa.C.S. § 508, to amend or modify the contracts of public utilities;

(f) The ability of the Company to pay any and all amounts due and payable under this Agreement, or upon any potential breach thereof, is not conditioned upon any governmental or administrative appropriation by the Commission, the Commonwealth of Pennsylvania or any other governmental authority;

(g) There are no actions at law, suits in equity, proceedings or claims pending or, to the Company's knowledge, threatened against the Company before any federal, state, foreign or local court, tribunal or governmental agency or authority that might materially delay, prevent or hinder the Company's performance of its obligations under this Agreement;

(h) It has entered into this Agreement with a full understanding of the material terms and risks of the same, and it is capable of assuming those risks;

(i) The Company's performance under this Agreement is not contingent upon the performance of Customers or the ability of Customers to pay rates;

(j) The Company shall have sole responsibility for metering and billing with respect to Customers; and

(k) The Company shall be responsible for electric distribution services, and the DS Supplier shall not be responsible for distribution charges.

3.3 Survival of Obligations

All representations and warranties contained in this Article are of a continuing nature and shall be maintained during the term of this Agreement or until all amounts due hereunder, including all obligations, have been paid or performed in full. If a Party learns that any of the representations, warranties or covenants in this Agreement are no longer true during the term of this Agreement, the Party shall immediately notify the other Party via facsimile, with a hard copy of the notice delivered by overnight mail. Company, may, in its sole discretion, treat any such materially incorrect or misleading representation or warranty as an Event of Default hereunder.

ARTICLE 4: COMMENCEMENT AND TERMINATION OF AGREEMENT

4.1 Commencement and Termination

The term of this Agreement shall commence upon the Effective Date. Unless otherwise agreed upon by the Company and the DS Supplier, this Agreement shall continue in full force and effect from the Effective Date until the end of all Transaction(s) executed

under this Agreement, unless the Agreement is terminated prematurely pursuant to the provisions of this Agreement.

4.2 Termination of Right to Supply

The DS Supplier agrees that termination of this Agreement for reason of an Event of Default shall terminate any right of the DS Supplier to provide DS Supply and nullify any of the entitlements to which the DS Supplier became entitled as a result of being selected as a winning bidder in the DS Solicitation.

4.3 Survival of Obligations

Termination or expiration of this Agreement for any reason shall not relieve the Company or the DS Supplier of any obligation accrued or accruing prior to such termination. Applicable provisions of this Agreement shall continue in effect after termination to the extent necessary to provide for final billings, including, without limitation, Article 4 (Commencement and Termination of Agreement), Article 5 (Breach and Default), Article 11 (Dispute Resolution), Article 13 (Limitation of Remedies, Liability and Damages), Article 14 (Indemnification), and Article 16 (Miscellaneous Provisions).

4.4 Mutual Termination

The Company and the DS Supplier may agree at any time during the term of this Agreement to terminate their respective rights and obligations hereunder on such terms and under such conditions that they mutually deem to be appropriate as set forth in a mutual termination agreement acceptable in form and substance to the Company and the DS Supplier ("Mutual Termination Agreement"); provided that Company agrees that it shall enter into such a Mutual Termination Agreement, which will discharge the terminating DS

Supplier (the "Terminating DS Supplier") with respect to liabilities arising after the effective date of the Mutual Termination Agreement if the following conditions precedent are met: (i) the Terminating DS Supplier identifies a replacement DS Supplier willing to assume all obligations of the Terminating DS Supplier hereunder for the remaining term of this Agreement (the "Replacement DS Supplier"); (ii) the Replacement DS Supplier demonstrates its compliance with Article 6 of this Agreement, "Creditworthiness," as of the effective date of the Mutual Termination Agreement, that determination to be made in the sole discretion of Company; (iii) the Replacement DS Supplier executes a counterpart signature page to this Agreement and thereby becomes a Party under this Agreement, effective immediately following the effective date of the Mutual Termination Agreement; and (iv) the Terminating DS Supplier is not, to the belief or knowledge of the Company, subject to an Event of Default as of the effective date of the Mutual Termination Agreement or, if the Company believes that the Terminating DS Supplier may be subject to an Event of Default, either (a) the Company has determined that, as of the effective date of the Mutual Termination Agreement, it has not incurred any Damages as a result of the Event of Default or (b) if the Company has determined, as of the effective date of the Mutual Termination Agreement, that it may have incurred Damages as a result of the Event of Default, that the Replacement DS Supplier has agreed in writing to be responsible for the payment of such Damages or to otherwise cure the Event of Default, in either case to the satisfaction of the Company in its sole discretion.

ARTICLE 5: BREACH AND DEFAULT

5.1 Events of Default

An Event of Default under this Agreement shall occur if a Party (the "Defaulting

Party"):

(i) Is the subject of a voluntary bankruptcy, insolvency or similar proceeding;

(ii) Makes an assignment for the benefit of its creditors;

(iii) Applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;

(iv) Is dissolved (other than pursuant to a consolidation, amalgamation or merger) or is the subject of a Merger Event in the case of the DS Supplier;

(v) Has a secured party take possession of all or substantially all of its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets;

(vi) Has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);

(vii) In the case of a DS Supplier, PJM terminates the DS Supplier's ability to make purchases from PJM markets or PJM holds the Company responsible for the provision of DS Supply under this Agreement and PJM does not rescind such termination or assignment of responsibility within seven (7) Business Days;

(viii) Fails to comply with the creditworthiness requirements as set forth in Article 6 of this Agreement, including, without limitation, compliance with the creditworthiness requirements to cover the Margin calculated under Section 6.5 or post any Margin due under Section 6.5 of this Agreement, within the time frames set forth in this Agreement;

(ix) Is declared by PJM to be in default of any provision of any PJM Agreement,

which default prevents a Party's performance hereunder if such failure is not remedied within three (3) Business Days after written notice;

(x) Fails to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within two (2) Business Days after written notice;

(xi) Violates any federal, state or local code, regulation or statute applicable to the supply of DS Supply (or any constituent thereof such as Energy or AECs) in a manner that materially, and adversely, affects the Party's performance under this Agreement, including by way of failure to continually satisfy all applicable FERC requirements, or, in the case of the DS Supplier, by way of failure to maintain any other governmental approvals required for participation in the Pennsylvania retail Energy market, or defaults on any obligation or other failure to comply with PJM requirements under the PJM Agreements;

(xii) Is the subject of an involuntary bankruptcy or similar proceeding;

(xiii) Subject to Section 5.3(b) of this Agreement, in the case of the Company, fails to accept DS Supply properly tendered by the DS Supplier under this Agreement;

(xiv) Fails to perform any material covenant or obligation set forth in this Agreement, if such failure is not remedied within three (3) Business Days after written notice;

(xv) Makes a materially incorrect or misleading representation or warranty under this Agreement or under any response to the DS Solicitation; or

(xvi) Commits an act or makes an omission that constitutes an "Event of Default" under any other agreement(s) for the provision of DS Supply between the Company and the DS Supplier; and fails to remedy such condition, event or delinquency herein above described such that the other Party (the "Non-Defaulting Party") is completely made whole

with respect to such condition, event or delinquency, within three (3) Business Days of receipt of written notice thereof from such Non-Defaulting Party; provided, however, that an Event of Default shall be deemed to have occurred immediately, without any need for the provision of notice thereof by the Non-Defaulting Party and without any right of cure on the part of the Defaulting Party, in the event of the occurrence of a condition, event or delinquency described in subsections (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) above. Termination or modification of this Agreement by the PaPUC, other regulatory authority or court of law does not constitute an Event of Default under this Agreement.

(xvii) With respect to the DS Supplier's Guarantor, if any:

1. Representation or warranty made by the Guarantor in connection with this Agreement is false or misleading in any material respect when made or when deemed made or repeated;

2. Guarantor fails to make, when due, any payment required or to perform any other material covenant or obligation in any guaranty made in connection with this Agreement and such failure shall not be remedied within two (2) Business Days after written notice;

3. Guarantor's guaranty fails to be in full force and effect for purposes of this Agreement (other than in accordance with its terms) prior to the satisfaction of all obligations of such Party under this Agreement without the written consent of the other Party; or

4. Guarantor repudiates, disaffirms, disclaims, or rejects, in whole or in part, or challenges the validity of any guaranty.

5.2 Rights upon Default

Upon and during the continuation of an Event of Default, the Non-Defaulting Party shall have the right to suspend performance, provided that such suspension shall not continue for longer than ten (10) Business Days. At any time during or subsequent to the temporary suspension of performance, the Non-Defaulting Party may proceed with the steps outlined in Article 5.7. In addition to any other remedies available at law or in equity to the Non-Defaulting Party, if an Event of Default has occurred and is continuing, the Non-Defaulting Party shall have the right to implement all of the following remedies:

(i) Declare an Early Termination Date of this Agreement with respect to the obligations of the Defaulting Party without any liability or responsibility whatsoever except for obligations arising prior to the date of termination, by providing written notice to the Defaulting Party; provided, however, that this Agreement shall immediately terminate automatically and without notice in the case of any Event of Default in which a DS Supplier is the Defaulting Party occurring under subsections (i), (ii), (iii), (iv), (v), (vi), (vii) or (viii) of Article 5.1 of this Agreement and such date of automatic termination shall be deemed the Early Termination Date of this Agreement with respect to such Supplier; and

(ii) Receive Damages in accordance with Section 5.3 of this Agreement.

The Non-Defaulting Party shall be entitled to elect or pursue one or more of the above remedies.

5.3 Damages Resulting from an Event of Default

(a) DS Supplier's Failure to Supply DS Supply or Declaration of Early

Termination By Company: Damages resulting from (i) the DS Supplier's failure to (A) provide DS Supply in conformance with Article 2.2 hereof or (B) pay PJM for purchases of any products or services from PJM, or other failure to comply with PJM requirements, such that PJM holds the Company responsible for the provision of DS Supply to meet the DS Supplier's DS Supplier Responsibility Share under this Agreement or (ii) the occurrence of any Event of Default attributable to the DS Supplier resulting in Early Termination, shall include all Costs incurred by the Company, acting in a commercially reasonable manner consistent with any statutory or regulatory requirements imposed by the Applicable Legal Authorities, in obtaining replacement services and/or in obtaining a replacement supplier, which Costs exceed the amounts that would have been payable to the defaulting DS Supplier under this Agreement. Costs incurred by the Company for the purpose of calculating Damages hereunder will consist of:

(i) The cost of DS Supply allocated to the Company by the PJM OI due to the failure of the DS Supplier to meet obligations owing to the PJM OI in connection with its obligations under this Agreement;

(ii) The costs of DS Supply purchased by the Company to replace DS Supply that a DS Supplier was obligated to supply under this Agreement during the term hereof;

(iii) Administrative and legal costs associated with procuring replacement DS Supply; and

(iv) Financial hedging costs incurred by the Company on behalf of DS Customers as a result of having to procure DS Supply not provided by the DS Supplier.

The Parties further recognize and agree that the final calculation of Damages hereunder may not be known for some time since the level of such Damages may be

dependent upon the arrangements made by the Company to obtain replacement services or a replacement DS Supplier. The Company and the DS Supplier agree that, until the calculation of Damages under this provision is completed, the amount and payment to the Company of the Settlement Amount on behalf of DS Customers in the event of an Early Termination as set forth in Article 5.4 of this Agreement shall be immediately due and owing as an estimate of all Damages ultimately determined to be due and owing. After Damages have been finally determined under this Article 5.3, the amounts of Damages due and owing will be reconciled with payments already made by the DS Supplier under Section 5.4 of this Agreement.

(b) Failure by Company on Behalf of Customers to Accept DS Supply Properly Tendered by DS Supplier: Damages resulting from the failure of the Company on behalf of Customers to accept DS Supply properly tendered by the DS Supplier necessary to meet the DS Supplier Responsibility Share of DS Load under this Agreement shall consist of the positive difference (if any) between (i) the amounts that would have been payable to the DS Supplier hereunder had the Company accepted the DS Supply properly tendered by the DS Supplier necessary to meet the DS Supplier Responsibility Share of DS Load under this Agreement and (ii) the amount realized by the DS Supplier in disposing, in a commercially reasonable manner, of the DS Supply not accepted by the Company; provided, however, that the Company shall not be liable for any Damages if this Agreement is terminated, or modified so as to frustrate or effectively preclude Company's acceptance of the DS Supply, by the PaPUC, other regulatory authority or a court of law.

(c) Damages Resulting from Early Termination Due to an Event of Default Attributable to the Company: Damages resulting from Early Termination due to an

Event of Default attributable to the Company shall be as set forth in Section 5.4 of this Agreement. Damages calculated in accordance with said Article 5.4 shall be the exclusive remedy available to the DS Supplier in the event of Early Termination resulting from an Event of Default attributable to the Company.

(d) Damages Resulting from DS Supplier's Failure to Continuously Satisfy its Obligations Associated with the AEPS: Damages resulting from the DS Supplier's failure to continuously meet and satisfy all or any portion of its obligations under Section 2.2 (a)(viii) of this Agreement shall include, but not be limited to, the amount of all penalties (including Alternative Compliance Payments), costs associated with the procurement of additional AECs, etc., including, without limitation, interest and other charges, if any, levied against the Company related to AEPS regulations, due to such DS Supplier's conduct or inaction. DS Supplier has a specific obligation to provide the AECs conforming to PaPUC requirements and not money damages in substitution. Therefore, any such attempt to supply money damages instead of AECs may be treated as an event of default in the sole discretion of Company.

(e) Other Damages: Damages for Events of Default not specified above shall consist of the direct Damages incurred by the Non-Defaulting Party.

(f) Waiver of Event of Default: If an Event of Default has occurred and the Non-Defaulting Party is the Company, then unless the Event of Default was a failure by the DS Supplier to meet any or all of its DS Supply obligations, the Company may elect, at its sole discretion, to offer to waive the default on such terms and conditions as the Company, at its sole discretion, may deem appropriate to propose a special remedy. Any such special remedy can only be offered to the DS Supplier if it first is specifically

approved by the PaPUC in accordance with Commission Orders.

5.4 Declaration of an Early Termination Date and Calculation of Settlement Amount and Termination Payment

(a) Settlement Amount

If an Event of Default with respect to a Defaulting Party shall have occurred and be continuing, the Non-Defaulting Party shall have the right (i) to designate a day, no earlier than the day such notice is effective and no later than twenty (20) days after such notice is effective, as a date for Early Termination ("Early Termination Date") to accelerate all amounts owing between the Parties and to liquidate and terminate the undertakings set forth in this Agreement, (ii) to withhold any payments due to the Defaulting Party under this Agreement, and (iii) to suspend performance; provided, however, that an Early Termination Date shall be deemed to occur automatically and concurrently with the Event of Default, without any requirement for the provision of notice by the Non-Defaulting Party, with respect to an Event of Default under subsections (i), (ii), (iii), (iv), (v), (vi), (vii), and (viii) of Article 5.1 of this Agreement. The Non-Defaulting Party shall calculate, in a commercially reasonable manner, a Settlement Amount with respect to the obligations under this Agreement.

"☐ The DS Supplier may, in its sole discretion, add the following subsection 5.4(a)(i) by checking this box. If DS Supplier does not check this box, subsection 5.4(a)(i) will be deemed to be excluded from this Agreement."

(i) For the purposes of such determination, the DS Supply provided for under this Agreement for the period following the Early Termination Date through the remainder of the term of this Agreement shall be deemed to be those quantity amounts that would have been delivered on an hourly basis, had this Agreement been in effect during the previous calendar year adjusted for such DS Load changes

as may have occurred since the previous calendar year.

(b) Net Out of Settlement Amounts

The Non-Defaulting Party shall calculate a Termination Payment by aggregating all Settlement Amounts due under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply into a single amount by netting out (a) all Settlement Amounts that are due or will become due to the Defaulting Party, plus at the option of the Non-Defaulting Party, any cash or other form of security then available to the Non-Defaulting Party and actually received, liquidated and retained by the Non-Defaulting Party, plus any or all other amounts due to the Defaulting Party under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply against (b) all Settlement Amounts that are due or will become due to the Non-Defaulting Party, plus any or all other amounts due to the Non-Defaulting Party under this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply, so that all such amounts shall be netted out to a single liquidated amount; provided, however, that if the DS Supplier is the Defaulting Party and the Termination Payment is due to the DS Supplier, the Company shall be entitled to retain a commercially reasonable portion of the Termination Payment, which may be equal to the entire amount of the Termination Payment, as security for additional amounts that may be determined to be due and owing by the DS Supplier as Damages and further provided that any previously attached security interest of the Company in such retained amounts shall continue. The Termination Payment shall be due to or due from the Non-Defaulting Party as appropriate. If the Termination Payment has been retained by the Company as security for additional amounts that may be determined

to be due and owing by the DS Supplier, and if, upon making a final determination of Damages, the Termination Payment, or any portion thereof, is to be made to the DS Supplier, the Company will pay simple interest on the Termination Payment amount being made to the DS Supplier. Simple interest will be calculated at the lower of the Interest Index or six (6) percent per annum.

(c) Notice of Termination Payment

As soon as practicable after calculation of a Termination Payment, notice shall be given by the Non-Defaulting Party to the Defaulting Party of the amount of the Termination Payment and whether the Termination Payment is due to or due from the Non-Defaulting Party. The notice shall include a written statement explaining in reasonable detail the calculation of such amount. Subject to Article 5.4(b) above, the Termination Payment shall be made by the Party that owes it within three (3) Business Days after such notice is effective.

(d) Disputes With Respect to Termination Payment

If the Defaulting Party disputes the Non-Defaulting Party's calculation of the Termination Payment, in whole or in part, the Defaulting Party shall, within three (3) Business Days of receipt of Non-Defaulting Party's calculation of the Termination Payment, provide to the Non-Defaulting Party a detailed written explanation of the basis for such dispute; provided, however, that if the Termination Payment is due from the Defaulting Party, the Defaulting Party shall first transfer collateral to the Non-Defaulting Party in an amount equal to the Termination Payment, such collateral to be in a form acceptable to the Non-Defaulting Party as specified in the Termination Payment Dispute Notice.

(e) Multiple DS Supply Agreements

It is the intention of the Company and the DS Supplier that, in the event the DS Supplier is a party to other agreements with the Company for the provision of DS Supply that existed prior to the Effective Date of this Agreement or are entered into after the Effective Date of this Agreement, the Company will calculate a single Termination Payment applicable to all such agreements as set forth herein.

5.5 Step-up Provision

In the event the Company receives bids for less than all tranches, the Commission does not approve the results for all tranches, or a supplier defaults, the Company will execute the emergency contingency plan.

The Company may ask other winning DS Suppliers whether they wish to assume all or part of the delivery obligations on the same terms and price already established, but any DS Supplier shall not be obligated to assume any such step-up requests. Any agreement to make additional supply available shall be termed a "Step-Up," and is subject to compliance with the creditworthiness provisions of Article 6 of this Agreement and the DS Supplier's load cap as per the Company's approved default service procurement plan. If multiple wholesale suppliers are willing to Step-Up, then the Auction Manager would allocate a pro-rata share of the unsubscribed tranche(s) to each supplier based upon the percentage of load that each supplier won in the initial auction.

If the Wholesale supplier(s) are unwilling to "Step-Up" and fill the Unsubscribed Tranche(s) a separate procurement auction will be conducted by the Company's independent third-party Auction Manager. The purpose of this auction would be to solicit Wholesale suppliers and procure the supply deficiency.

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If these two options fail, the Company will procure default supply to fill the Unsubscribed Tranche(s) through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission. The Company will submit to the Commission within fifteen (15) days after any such occurrence an emergency plan to handle any default service shortfall. All costs associated with implementing the contingency plan will be included as part of the DSS described in the section below, "Calculation of Rate."

~~The Company may ask other DS Suppliers whether they wish to assume all or part of the delivery obligations on the same terms and price contained herein, but any DS Supplier shall not be obligated to assume any such step-up requests. Any agreement to make additional supply available shall be termed a "Step-Up," and is subject to compliance with the creditworthiness provisions of Article 6 of this Agreement and the DS Supplier's load cap as per the Company's approved default service procurement plan. For the avoidance of doubt, in the event that the DS Supplier does not respond to the Company's Step-Up request within the relevant timeframe, then the DS Supplier shall be deemed to have rejected the Company's request in full.~~

5.6 Setoff of Payment Obligations of the Non-Defaulting Party

Any payment obligations of the Non-Defaulting Party to the Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply shall be set off: (i) first, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply that are unsecured and not subject to any Guaranty; (ii) second, to satisfy any payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this

Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply that are unsecured, but which are subject to a Guaranty; and (iii) third, to satisfy any remaining payment obligations of the Defaulting Party to the Non-Defaulting Party pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply.

5.7 Preservation of Rights of Non-Defaulting Party

The rights of the Non-Defaulting Party under this Agreement, including without limitation Articles 5.4 and 5.7 of this Agreement, shall be supplemental to, and not in lieu of, any right of recoupment, lien, or set-off afforded by applicable law, and all such rights are expressly preserved for the benefit of the Non-Defaulting Party.

(a) Duty to Mitigate. Each Party agrees that it has a duty to mitigate damages and covenants that it will use commercially reasonable efforts to minimize any damages it may incur as a result of the other Party's failure to perform pursuant to this Agreement.

(b) Return of Auction Revenue Rights. When the DS Supplier is the Defaulting Party, the DS Supplier will make best efforts to facilitate the transfer or reassignment to the entity which is the replacement DS Supplier on the Early Termination Date, any and all of the replacement DS Supplier's rights to Auction Revenue Rights (ARRs) to which the replacement DS Supplier is entitled as a LSE pursuant to the PJM Agreements, which were transferred or assigned to the DS Supplier under Section 2.3 (Congestion and Congestion Management).

ARTICLE 6: CREDITWORTHINESS

6.1 Applicability

The DS Supplier agrees that it shall meet the creditworthiness requirements of this Article 6 at all times during the term of this Agreement and shall inform the Company immediately of any changes in its credit rating or financial condition. Without limitation of the foregoing, the DS Supplier shall, upon written request, affirmatively demonstrate to the Company, its compliance with the creditworthiness requirements set forth hereunder. The Company may establish less restrictive creditworthiness requirements under this Article 6 in a non-discriminatory manner.

6.2 Creditworthiness Determination

The DS Supplier may submit and maintain a security deposit in accordance with Section 6.4 of this Agreement in lieu of submitting to or being qualified under a creditworthiness evaluation. The DS Supplier shall have the opportunity to request that the Company re-evaluate its creditworthiness whenever an event occurs that the DS Supplier believes would improve the determination made by the Company of its creditworthiness. The Company's credit re-evaluation must be completed as soon as practicable but no longer than thirty (30) days after receiving a fully documented request. The Company must provide the rationale for its determination of the credit limit and any resulting security requirement. The Company must perform its credit re-evaluation and associated security calculation in a non-discriminatory manner. DS Supplier shall provide the Company and its agents unrestricted access to most recent audited financial statements; provided that if current audited financial statements are not available, the Company, in its sole discretion, may specify other types of financial statements that will be accepted.

6.3 Mark-to-Market Credit Exposure Methodology

To calculate the daily exposure for each DS Supplier, the MtM credit exposure methodology will be used. The "mark" for each Billing Month will be determined at the time the auction is completed based on the available Forward Market Prices, and for the remaining Billing Months, it will be derived based on historical data. At the time the auction is completed, the MtM credit exposure for each DS Supplier shall be equal to zero. Subsequently, the differences between the available Forward Market Prices on the valuation date and the "mark" prices for the corresponding Billing Months will be used to calculate the daily credit exposures for each DS Supplier. The total MtM credit exposure will be equal to 1.1 times the sum of the MtM credit exposures for each Billing Month. The methodology for calculation of the MtM credit exposure is illustrated in the example (using hypothetical numbers) set forth in Appendix B hereto.

6.4 Credit Limit

The following criteria constitute the Company's creditworthiness requirements for the DS Supplier, to cover the Total Exposure Amount. In all instances, the most current senior unsecured debt rating (or, if unavailable, the most current corporate issuer rating) will be used.

(i) For a DS Supplier to be granted an unsecured line of credit, the DS Supplier must be rated by at least two of the following rating agencies: S&P, Moody's, or Fitch. The methodology for determining the credit rating to use is set forth in Appendix A of this Agreement. The Maximum Credit Limit to cover the Total Exposure Amount will be determined based on the credit matrix table in Appendix A of this Agreement.

The DS Supplier will be required to post cash or a letter of credit in an acceptable

form as defined in Section 6.7 (b) of this Agreement (see standard format in Exhibit 4) for the Margin due the Company as set forth in Section 6.5 of this Agreement;

(ii) For a DS Supplier having a Guarantor, in the case of a Guarantor organized under the laws of the United States, the Guarantor (1) must be rated by at least two of the following rating agencies: S&P, Moody's, or Fitch, and (2) must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the Guarantor is rated by only two rating agencies, and the ratings are split, the rating will be established based on the methodology outlined in Appendix A of this Agreement. The Maximum Credit Limit to cover the Total Exposure Amount that could be provided through the Guaranty (see standard format in Exhibit 5) will be determined based on the credit matrix table for Guarantors in Appendix A. The DS Supplier will be granted a credit limit equal to the lesser of (i) the amount of the Guaranty as provided to the Company at the time this Agreement is executed as such amount may be modified in any amended or substitute Guaranty provided to the Company during the term of this Agreement, or (ii) the Supplier's Maximum Credit Limit. The DS Supplier, however, may not increase or substitute its Guaranty for the purpose of increasing its applicable credit limit during the time period after the Company has made a Margin call but before the DS Supplier has posted the required Margin. Notwithstanding anything herein to the contrary, the DS Supplier may increase the limit of its Guaranty after satisfying a Margin call from the Company and upon the Company's receipt of an amended or substitute Guaranty increasing the limit of the Guaranty, the DS Supplier may request a return of Margin in accordance with Section 6.5 of this Agreement. The DS Supplier will be required to post cash or a letter of credit in an acceptable form as defined in Section 6.7(b) of this

Agreement (see standard format in Exhibit 4) for the Margin due the Company as set forth in Section 6.5 of this Agreement; or

(iii) For a DS Supplier or Guarantor that has not been incorporated or otherwise formed under the laws of the United States and whose financial data is not denominated in United States currency and does not conform to generally accepted accounting principles ("GAAP") in the United States, the DS Supplier or Guarantor shall meet all requirements of Sections 6.4(i) and (ii) of this Agreement and shall supply the following additional information:

a. A legal opinion of counsel qualified to practice in the foreign jurisdiction in which the DS Supplier or Guarantor is incorporated or otherwise formed that this Agreement is, or upon completion of execution formalities will become, the binding obligation of the DS Supplier or Guarantor in the jurisdiction in which it has been incorporated or otherwise formed;

b. The sworn certificate of the corporate secretary (or similar officer) of such DS Supplier or Guarantor that the person executing this Agreement on behalf of the DS Supplier has the authority to execute the Agreement and that the governing board of the DS Supplier or Guarantor has approved the execution of this Agreement;

c. The sworn certificate of the corporate secretary (or similar officer) of such DS Supplier or Guarantor that the DS Supplier or Guarantor has been authorized by its governing board to enter into agreements of the same type as this Agreement; and

d. Such other documents and certificates as may be required by the Company in its sole discretion.

(iv) The posting of cash or a letter of credit as defined in Section 6.7 (b) below for the entire Total Exposure Amount as set forth in Section 6.5 of this Agreement.

6.5 Posting Margin and Return of Surplus Margin

(a) If at any time and from time to time during the term of this Agreement the Total Exposure Amount, rounded up by the Rounding amount, exceeds the DS Supplier's or the Guarantor's credit limit by the Minimum Transfer Amount (MTA), then the Company, on any Business Day, may request that the DS Supplier provide cash or a letter of credit in an acceptable form as defined in Article 6.7(b) of this Agreement (see standard format in Exhibit 4), in an amount equal to the Margin (less any Margin posted by the DS Supplier and held by the Company pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply).

If the DS Supplier receives written notice for Margin from the Company by 1:00 p.m. New York time on a Business Day, then the DS Supplier shall post Margin the next following Business Day, if posting cash, and by the second Business Day following the date of notice, if posting a letter of credit, unless the Company agrees in writing to extend the period to provide Margin. If the DS Supplier receives notice for Margin from the Company after 1:00 p.m. New York time on a Business Day, whether posting cash or a letter of credit, then the DS Supplier must post Margin the second Business Day following the date of notice unless the Company agrees in writing to extend the period to provide Margin. The Company will not unreasonably deny a request for a one-day extension of such period. In the event that the DS Supplier fails to post Margin when due in accordance

with this Article 6.5, then an Event of Default under Article 5 of this Agreement will be deemed to have occurred and the Company will be entitled to the remedies set forth in Article 5 of this Agreement.

(b) Surplus Margin being held by the Company that is not needed to satisfy the Total Exposure Amount, as determined above, will be returned to the DS Supplier upon receipt of a written request by the DS Supplier. Surplus Margin means cash or a letter of credit posted by the DS Supplier as a result of a request by the Company pursuant to Article 6.5(a) that exceeds the Total Exposure Amount less the DS Supplier's or the Guarantor's credit limit (rounded up by the Rounding Amount). If the resulting Surplus Margin amount is more than the Minimum Transfer Amount, it will be returned to the DS Supplier. If the DS Supplier posted cash and notice is received by 1:00 p.m. New York time on a Business Day, the surplus Margin will be returned by the next following Business Day and if the DS Supplier posted cash and notice is received by the Company after 1:00 p.m. New York time on a Business Day, the surplus Margin shall be returned by the second Business Day following the date of notice, unless the DS Supplier agrees in writing to extend the period to return the surplus Margin. If the DS Supplier posted a letter of credit, the surplus Margin shall be returned on the next Business Day following the Business Day on which the amendment to the letter of credit is received from the issuing bank, unless the DS Supplier agrees in writing to extend the period to return the surplus Margin. The DS Supplier will not unreasonably deny a request for a one-day extension of such period. In the event that the Company fails to return the surplus Margin when due in accordance with this Article, then an Event of Default under Article 5 of this Agreement will be deemed to have occurred and the DS Supplier will be entitled to the remedies set forth in Article 5 of this Agreement.

6.6 Grant of Security Interest/Remedies

To secure its obligations under this Agreement and to the extent that the DS Supplier posted Margin/collateral hereunder, the DS Supplier hereby grants to the Company a present and continuing security interest in, and lien on (and right of setoff against), and assignment of, all cash collateral and cash equivalent collateral and any and all proceeds resulting therefrom or the liquidation thereof, whether now or hereafter held by, on behalf of, or for the benefit of, the Company, and the DS Supplier and the Company agree to take such action as is reasonably required to perfect the secured Party's first priority security interest in, and lien on (and right of setoff against), such collateral and any and all proceeds resulting therefrom or from the liquidation thereof. Upon or any time after the occurrence or deemed occurrence and during the continuation of an Event of Default or an Early Termination Date, the Company may do any one or more of the following: (i) exercise any of the rights and remedies of the Company with respect to all collateral, including any such rights and remedies under law then in effect; (ii) exercise its rights of setoff against any and all property of the DS Supplier in the possession of the Company, whether held in connection with this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply; (iii) draw on any outstanding letter of credit issued for its benefit; and (iv) liquidate all security held by or for the benefit of the Company free from any claim or right of any nature whatsoever of the DS Supplier, including any equity or right of purchase or redemption by the DS Supplier. The Company shall apply the proceeds of the collateral realized upon the exercise of such rights or remedies to reduce the DS Supplier's obligation under this Agreement or any other agreement(s) between the Company and the DS Supplier for the

provision of DS Supply (the DS Supplier remaining liable for any amounts owing to the Company after such application), subject to the Company's obligation to return any surplus proceeds remaining after such obligations are satisfied in full.

All notices, demands or requests regarding credit requirements and credit related security or deposit transfers shall be in writing and shall be personally delivered or sent by overnight express mail, courier service or electronic mail transmission (with the original transmitted by any of the other aforementioned delivery methods, unless agreed to otherwise by the parties) addressed as follows:

If to a DS Supplier to:

Copy to:

If to the Company to: James H. Milligan, Treasurer
Duquesne Light Company
Mail Drop 7-3
411 Seventh Avenue, Pittsburgh, PA 15219
jmilligan@duqlight.com

Copy to: Energy Procurement
Mail Drop 15-1
Duquesne Light Company
411 Seventh Avenue, Pittsburgh, PA 15219
energysupply@duqlight.com

Notice received after the close of the Business Day shall be deemed received on the next Business Day; provided that notice by electronic mail transmission shall be deemed to have been received by the recipient if the recipient confirms receipt telephonically, in writing, or by responding in the same electronic mail conversation chain.

6.7 Security Instruments

At each DS Supplier's choice, the following are deemed to be acceptable methods for posting security, if required:

(a) Cash; or

(b) A standby irrevocable letter of credit acceptable to the Company, in its sole discretion, issued by a domestic bank (or a domestic branch of an international bank) or other domestic financial institution (or a domestic branch of an international financial institution) with a minimum "A-" senior unsecured debt rating (or, if unavailable, equivalent corporate issuer rating) from S&P or Fitch and "A3" from Moody's (see standard format in Exhibit 4). The letter of credit shall state that it shall renew automatically for successive one-year or shorter periods, until terminated upon at least ninety (90) days prior written notice from the issuing financial institution. If the Company receives notice from the issuing financial institution that the letter of credit is being cancelled, the DS Supplier will be required to provide a substitute letter of credit from an alternative bank satisfying the minimum requirements. The receipt of the substitute letter of credit must be effective as of the cancellation date and delivered to the Company thirty (30) days before the cancellation date of the original letter of credit. If the DS Supplier fails to supply a substitute letter of credit as required, then the Company will have the right to draw on the existing letter of credit and to hold the amount as Margin.

If the credit rating of a bank or other financial institution from which a DS Supplier has obtained a letter of credit falls below the levels specified in Article 6 of this Agreement, the DS Supplier shall have two (2) Business Days following written notice by the Company to obtain a suitable letter of credit from another bank or other financial institution that

meets those standards, unless such period is extended in writing by the Company. The Company shall have no obligation under this Agreement or otherwise to make or grant such extension.

6.8 Maintenance of Creditworthiness

(a) Reporting of Changes

The DS Supplier shall promptly notify the Company of any change in its credit rating or financial condition or that of its Guarantor. The DS Supplier or Guarantor shall also furnish evidence of an acceptable credit rating or financial condition upon the request of the Company.

(b) Change in Credit Standing

The Company will re-evaluate the creditworthiness of a DS Supplier whenever it becomes aware of an adverse change, through the provision of notice by the DS Supplier or otherwise, in the DS Supplier's or Guarantor's credit standing. If the lowest credit rating (whether senior unsecured debt rating or corporate issuer rating) used to determine the DS Supplier's Maximum Credit Limit or its credit limit adversely changes, the Company will require additional security from the DS Supplier in accordance with Sections 6.4 of this Agreement. The additional security must be in a form acceptable to the Company in its sole discretion, as specified in Article 6.7 of this Agreement and must be posted as set forth in Section 6.5 of this Agreement.

6.9 Calling on Security

The Company may call upon the security posted by the DS Supplier if the DS Supplier fails to pay amounts due to the Company pursuant to this Agreement or any other agreement(s) between the Company and the DS Supplier for the provision of DS Supply

after all of the following events occur:

(a) Written Notice of Default is provided to the DS Supplier; and

(b) Any applicable cure period associated with the written Notice of Default ends.

The foregoing notwithstanding, the security posted by the DS Supplier shall become due automatically without prior notice or right of cure in the case of any Event of Default arising under subsections (i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) of Section 5.1 of this Agreement.

6.10 Interest on Cash Held by Company

The Company will pay simple interest calculated at the lower of the Interest Index or six (6) percent per annum on all cash held by the Company pursuant to this Agreement. Each Billing Month, the Company will prepare a statement of interest amounts due to the DS Supplier. The statement will be sent to the DS Supplier within three (3) Business Days after the end of the Billing Month via overnight mail or other expeditious means. The Company shall make interest payments on the first Business Day after the 5th day of each calendar month.

6.11 No Endorsement of DS Supplier

The Company's determination that a DS Supplier is creditworthy pursuant to the process set forth above, shall not be deemed to constitute an express or implied warranty or guarantee of any kind with respect to the financial or operational qualifications of the DS Supplier. The Company will treat all DS Suppliers in a non-discriminatory manner and shall provide no preference to any DS Supplier.

6.12 Multiple DS Supply Agreements

It is the intention of the Company and the DS Supplier that, in the event the DS Supplier is a party to other agreements with the Company for the provision of DS Supply that existed prior to the effective date of this Agreement or is entered into after the effective date of this Agreement, the Company will calculate the Margin applicable to all such agreements as set forth in Appendix A of this Agreement; provided, however, that if another agreement has a more stringent credit threshold, then the more stringent credit threshold shall apply. Each DS Supplier that is a party to such other agreements with the Company for the provision of DS Supply hereby agrees that such other agreements are deemed amended by this Agreement for the purpose of calculating the Margin as described herein.

ARTICLE 7: PROCEDURES FOR ENERGY SCHEDULING, CAPACITY RESOURCE SUBMISSION AND TRANSMISSION PROCUREMENT

7.1 Load Obligations

The Company and the DS Supplier acknowledge and agree that (1) the Company shall determine the DS Load, (2) the Company shall allocate the DS Supply obligation using the DS Supplier Responsibility Share, (3) the Company shall provide the DS Supplier's DS Supply obligation to PJM, and (4) the DS Supplier shall be responsible for meeting its DS Supply obligations as a LSE under the PJM Agreements.

7.2 Data Transmission

The procedures for transmitting load obligation data to PJM for DS Supplier's DS Load shall be as set forth by PJM.

7.3 Energy Scheduling

The Company is not obligated to provide any day ahead scheduling services. If the Company chooses to provide such services, the information provided is not guaranteed by the Company.

ARTICLE 8: THE ENERGY SETTLEMENT/RECONCILIATION PROCESS

8.1 Energy Settlement by PJM

The settlement process occurs at PJM to reflect the DS Supplier's actual Energy obligations in a supply/usage reconciliation process. The Energy obligations for each DS Supplier will be determined based on the DS Supplier Responsibility Share of the DS Load. The reconciled total DS Energy obligation will be based on the final total Energy loads for the Customers receiving DS service, including de-ration adjustments for marginal losses.

Any adjustments for billing and metering errors reported subsequent to the calculation of FMEA will be proportionally allocated by the Company to the DS Suppliers based on the respective DS Supplier Responsibility Share.

8.2 Energy Settlement by the Company

In the event that actual DS Customer consumption data is not available until after the PJM deadline for conducting the final settlement, the Company will conduct the settlement process with the DS Supplier. In the event PJM imposes penalties against the Company as a result of the DS Supplier's Transactions or failure to meet PJM requirements, such penalties shall be passed through by the Company to the DS Supplier as part of this settlement process. In addition, all other applicable charges from PJM, including any billing adjustments, will be appropriately allocated to the DS Supplier.

ARTICLE 9: BILLING AND PAYMENT

9.1 The Company Payment of Obligations to the DS Supplier

The Company shall pay all amounts due to the DS Supplier hereunder in accordance with the following provisions:

(a) Each Billing Month, the Company will prepare a Statement of amounts due to the DS Supplier.

- For Fixed Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month.
- For Hourly Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price Adder For Hourly Price Service multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month, plus the DS Variable Payments used to determine the PMEA for each hour of the Billing Month.

In the event a Capacity Proxy Price is implemented, Section 9.1 (a) of the SMA is replaced with the following:

- Each Billing Month the Company will prepare a Statement of amounts due to the DS Supplier. This Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy

requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown on the Transaction Confirmation(s) for each hour of the Billing Month, plus the aggregate amounts due based on the DS Variable Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Variable Percentage, if applicable, as shown on the Transaction Confirmation(s) for each hour of the Billing Month. For each Billing Month after the Capacity Proxy Price is known, the Companies will apply the Capacity Proxy Price true-up across the entire contract term. The calculation of the day weighted average capacity price adjustment for purposes of determining the true-up amount will reflect final unforced capacity (i.e., UCAP) quantity weighting. For example, for a 24-month contract term, the Companies will calculate the relevant 24-month average capacity price adjustment by appropriately weighting the amount of capacity (i.e., the final UCAP quantity) purchased by the supplier at each PJM capacity price.

(b) The Statement will be sent to the DS Supplier within eight (8) Business Days after the end of the Billing Month via overnight mail or other expeditious means.

(c) The Company shall make payment on the first Business Day after the 19th day of each calendar month.

(d) To the extent that the FMEA differs from the PMEA, the Company shall pay or charge the DS Supplier for the PMEA/FMEA Adjustment Amount within the PJM

deadline for conducting the final settlement.

(e) If each Party owes an amount to the other Party pursuant to this Agreement, including any related interest, payments or credits, the Parties may satisfy their respective obligations to each other by netting the aggregate amounts due to one Party against the aggregate amounts due to the other Party, with the Party, if any, owing the greater aggregate amount paying the other Party the difference between the amounts owed.

(f) Payments shall be subject to adjustment for any arithmetic errors, computation errors, meter reading errors, or other errors, provided that the errors become known within one (1) year of the termination of this Agreement.

(g) The Company shall make payments of funds payable to the DS Supplier by electronic transfer to a bank designated by the DS Supplier.

(h) If a good faith dispute arises between the Company and the DS Supplier regarding a Statement, the disputing Party shall be obligated to pay only the undisputed portion of the Statement, if any, and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the date of the Statement in dispute. Statement disputes shall be addressed promptly and in accordance with the dispute resolution procedures set forth in Article 11 of this Agreement. Upon resolution of a Statement dispute, any payments made to either Party will include simple interest on the payment at the lower of the Interest Index or six (6) percent per annum payable from the date that notice of a Statement dispute was received by the non-disputing Party.

(i) If payment is made to the DS Supplier after the due date shown on the Statement, a late fee will be added to the unpaid balance until the entire Statement is paid.

This late fee shall be the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) or (b) the maximum rate permitted by applicable law.

(j) If Seller does enter more than one transaction with Buyer, Buyer may provide a single invoice listing the relevant information detailed.

9.2 Billing for DS Supplier's Obligations to Other Parties

The Company shall have no responsibility for billing between the DS Supplier and PJM; the DS Supplier and any Energy or Capacity source; or the DS Supplier and any other third party. The Company will be solely responsible for billing DS Customers for Default Service.

9.3 The DS Supplier Payment of Obligations to the Company

The DS Supplier shall pay all Charges it incurs hereunder in accordance with the following provisions:

(a) Each Billing Month, the Company shall submit an invoice to the DS Supplier for all Charges owed by the DS Supplier under this Agreement. The DS Supplier shall make payment for Charges shown on the invoice. The due date will be on the first Business Day after the 19th day of each calendar month. The invoice will be sent to the DS Supplier within eight (8) Business Days after the end of the Billing Month via overnight mail or other expeditious means.

(b) Invoices shall be subject to adjustment for any arithmetic errors, computation errors, meter reading errors, or other errors, provided that the errors become

known within one (1) year of the termination of this Agreement.

(c) The DS Supplier shall make payments of funds payable to the Company by electronic transfer to a bank designated by the Company.

(d) If a good faith dispute arises between the Company and the DS Supplier regarding an invoice, the disputing Party shall pay only the undisputed portion of the invoice, if any, and shall present the dispute in writing and submit supporting documentation to the non-disputing Party within one hundred twenty (120) calendar days from the due date of the invoice in dispute. Billing disputes shall be addressed promptly, and in accordance with the dispute resolution procedures set forth in Article 11 of this Agreement. Upon resolution of a billing dispute, any payments made to either Party will include simple interest on the payment at the lower of the Interest Index or six (6) percent per annum payable from the date that notice of a bill dispute was received by the non-disputing Party.

(e) If payment is made to the Company after the due date shown on the invoice, a late fee will be added to the unpaid balance until the entire invoice is paid. This late fee shall be the lesser of (a) the per annum rate of interest equal to the prime lending rate as may from time to time be published in The Wall Street Journal under "Money Rates" on such day (or if not published on such day on the most recent preceding day on which published), plus two percent (2%) or (b) the maximum rate permitted by applicable law.

ARTICLE 10: SYSTEM OPERATION

The Parties shall adhere to any applicable operational requirements of PJM necessary to protect the integrity of the transmission system within the PJM Control Area and the transmission systems of interconnected control areas, and shall satisfy any and all PJM, RFC and NERC criteria, when applicable. The DS Supplier shall also adhere to any applicable operational requirements of the Company necessary to protect the integrity of the Company's local distribution system.

10.1 Disconnection and Curtailment by the Company

The Company shall have the right, without incurring any liability to the DS Suppliers, to disconnect (or otherwise curtail, interrupt or reduce deliveries from) the DS Suppliers or to disconnect (or otherwise curtail, interrupt or reduce deliveries to) any Customer whenever the Company determines in the exercise of its good faith discretion, or when the Company is directed by PJM, that such a disconnection, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of the Company's facilities, or due to any other reason affecting the safe and reliable operation of the Company's or a Customer's facilities, including, without limitation, an Emergency, forced outage or potential overloading of the Company's transmission and/or distribution circuits, potential damage to any Customer's facilities or any risk of injury to persons or property.

10.2 Inadvertent Loss of Service to DS Customers

The Parties agree and acknowledge that service to DS Customers may be inadvertently lost due to storms, weather, accidents, breakage of equipment or other events beyond the reasonable control of the Company affecting the transmission and distribution

system of the Company. Neither Party will have any liability to the other Party for the occurrence of such events except for the Company's obligation to pursue steps for the resumption of the disrupted service as set forth in Section 10.3 below. In no event will an inadvertent loss of service affect a Party's obligation to make any payments then due or becoming due with respect to performance rendered prior to such inadvertent loss of service.

10.3 Good Faith Efforts

The Company shall use good faith efforts to minimize any curtailment, interruption or reduction in service to DS Customers to the extent reasonably practicable under the circumstances.

10.4 PJM Requirements

The DS Supplier acknowledges and agrees that, as a member of PJM, the Company is bound by all PJM operating instructions, policies and procedures as are currently set forth in the PJM Operating Manual, which are available through the Internet on the PJM Home Page (http://www.pjm.com), as may be revised from time to time, which are needed to maintain the integrity of the PJM system. The DS Supplier acknowledges and agrees that it will cooperate with the Company so that the Company will be in compliance with all PJM Emergency Operations Procedures, which include, but are not limited to, those procedures pertaining to minimum and maximum generation Emergencies, and measures requiring involuntary Customer participation, such as supply voltage reduction or full interruption of Customer load by either manual or automatic means.

10.5 Compliance with Governmental Directives

The DS Supplier also acknowledges and agrees that the Company may need to act

in response to governmental or civil authority directives which may affect DS Customer load. The DS Supplier agrees to cooperate with the Company in order to comply with said directives.

ARTICLE 11: DISPUTE RESOLUTION

11.1 Informal Resolution of Disputes

Before pursuing resolution of any dispute arising out of this Agreement (other than an Event of Default under Article 5.1(i)-(ix), (xii), or (xvi)), the disputing Party shall provide written notice to the other Party setting forth the nature of the dispute, the amount involved, if any, and the remedies sought. The Parties shall use good faith and reasonable commercial efforts to informally resolve such dispute. Such efforts shall last for a period of at least thirty (30) calendar days from the date that the notice of the dispute is first delivered from one Party to the other Party. Any amounts that are owed by one Party to the other Party as a result of resolution of a dispute pursuant to this Article 11.1 (Informal Resolution of Disputes), shall be paid within two (2) Business Days of such resolution and the payment shall include interest calculated at the Interest Index from the original due date through the date of payment.

11.2 Recourse to Agencies or Courts of Competent Jurisdiction

After the requirements of Article 11.1 (Informal Dispute Resolution) have been satisfied, all unresolved disputes, except as noted below, between the Parties shall be submitted to the appropriate authority. Nothing in this Agreement shall restrict the rights of either Party to file a complaint with the FERC under relevant provisions of the Federal Power Act ("FPA"), with the PaPUC under relevant provisions of the Applicable Legal Authorities, with the Allegheny County Court of Common Pleas or with the Western

District of Pennsylvania Federal Court. The Party's agreement hereunder is without prejudice to any Party's right to contest the jurisdiction of the agency or court to which a complaint is brought.

The Parties hereby acknowledge and agree that both Parties have negotiated and entered into this Agreement freely and in good faith and that the terms of this Agreement have not been affected in any way, either directly or indirectly, by (A) any fraud, duress, unfairness, or any inequity in the relative bargaining power of the Parties or (B) any manipulation, unlawful activity, disruption, anomaly, dysfunction, or other adverse market conditions of any type or description.

To the extent permitted by law and absent agreement to the contrary, each Party, for itself and its successors and assigns, hereby expressly and irrevocably waives its rights to argue before any governmental authority that any review, modification, or rescission of this Agreement should be considered under any standard of review other than the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), affirmed by *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington, et al.*, 554 U.S. 527 (2008) (the "Mobile-Sierra Doctrine").

ARTICLE 12: REGULATORY AUTHORIZATIONS AND JURISDICTION

12.1 Compliance with Applicable Legal Authorities

The Company and the DS Supplier are subject to, and shall comply with, all existing or future applicable federal, State and local laws, all existing or future duly-promulgated orders or other duly-authorized actions of PJM or of Applicable Legal

Authorities.

12.2 FERC Jurisdictional Matters

The inclusion herein of descriptions of procedures or processes utilized by PJM or otherwise subject to the jurisdiction of FERC is intended solely for informational purposes. If anything stated herein is found by the FERC to conflict with or be inconsistent with any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA or if any existing procedures or processes utilized by PJM are duly modified, the applicable FERC rule, regulation, order, determination or modification shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company and/or the DS Supplier, if applicable, shall use reasonable commercial efforts to secure, from time to time, all appropriate orders, approvals and determinations from the FERC necessary to support this Agreement.

12.3 Energy Efficiency, Conservation, and Retail Market Programs

DS Supplier acknowledges that DS Customers may participate in energy efficiency and conservation programs offered by the Company (required by Applicable Legal Authorities or otherwise offered by the Company whether voluntarily or not), by PJM, or by other third parties and, for the avoidance of doubt, any programs offered or conducted by the Company or other entities relating to or arising from the PaPUC's Investigation of Pennsylvania's Retail Electricity Market, PaPUC Docket No. I-2011-2237952 (including legislation enacted to address the Commission's Final Order in Docket No. I-2011-2237952), and that such participation may reduce or change the amount of DS Supply that DS Supplier is required to provide and the amount of monies it may receive under this

Agreement. The Company shall have no obligation whatsoever to DS Supplier with respect to the effect, if any, of such programs. DS Supplier is solely responsible for determining the effect, if any, of such programs on future load requirements.

ARTICLE 13: LIMITATION OF REMEDIES, LIABILITY AND DAMAGES

13.1 Limitations on Liability

Except as set forth in this Agreement, there is no warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are disclaimed. The Parties confirm that the express remedies and measures of Damages provided in this Agreement satisfy the essential purposes hereof. For breach of any provision for which an express remedy or measure of Damages is provided, such express remedy or measure of Damages shall be the sole and exclusive remedy, the obligor's liability shall be limited as set forth in such provision and all other remedies or Damages at law or in equity are waived. If no remedy or measure of Damages is expressly provided herein, the obligor's liability shall be limited to direct actual Damages only, such direct actual Damages shall be the sole and exclusive remedy, and all other remedies or Damages at law or in equity are waived. Unless expressly herein provided, neither Party shall be liable for consequential, incidental, punitive, exemplary or indirect Damages, lost profits or other business interruption Damages, by statute, in tort or contract, under any indemnity provision or otherwise. It is the intent of the Parties that the limitations herein imposed on remedies and the measure of Damages be without regard to the cause or causes related thereto, including the negligence or any Party, whether such negligence by sole, joint or concurrent, or active or passive. To the extent any Damages required to be paid hereunder are liquidated, the Parties acknowledge that the Damages are difficult or impossible to determine, or otherwise

obtaining an adequate remedy is inconvenient and the Damages calculated hereunder constitute a reasonable approximation of the harm or loss.

13.2 Risk of Loss

Solely for purposes of determining risk of loss and for determining the indemnity obligations under Article 14 of this Agreement, the Company shall be deemed to have custody and control of the electric Energy delivered by the DS Supplier upon receipt thereof at the point of delivery identified in Appendix C and until delivery thereof at the retail electric meter of the Customer, and the DS Supplier shall be deemed to have custody and control of the DS Supply at all times prior to receipt thereof by the Company. The Party deemed to have custody and control of DS Supply shall be responsible for all loss or damage to property or injury or death to persons arising in connection with such DS Supply while in its custody and control and shall indemnify the other Parties with respect to same as set forth in Article 14 of this Agreement.

ARTICLE 14: INDEMNIFICATION

14.1 Indemnification

(a) Should the Company become the defendant in, or obligor for, any third party claims and/or liabilities for losses, penalties, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by or occur in connection with an act or omission of the DS Supplier with respect to an obligation arising under or in connection with this Agreement, or for which the DS Supplier has otherwise assumed liability under the terms of this Agreement, the DS Supplier shall defend (at the Company's option), indemnify and hold harmless the Company, its shareholders, board members, directors, officers and employees, from and against any and

all such third party claims and/or liabilities, and shall appoint counsel at DS Supplier's expense, subject to the approval of Company, to defend any such claims or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, penalties, expenses or damages were caused wholly or in part by the gross negligence or willful misconduct of the Company. The Company may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(b) Should the DS Supplier (the "Indemnified DS Supplier") become the defendant in, or obligor for, any third party claims and/or liabilities for losses, penalties, expenses, damage to property, injury to or death of any person including a Party's employees or any third parties, that were caused by or occur in connection with an act or omission of the Company with respect to an obligation arising under or in connection with this Agreement, or for which the Company has otherwise assumed liability under the terms of this Agreement, the Company shall defend (at the option of the Indemnified DS Supplier), indemnify and hold harmless the Indemnified DS Supplier, its shareholders, board members, directors, officers and employees, from and against any and all such third party claims and/or liabilities, except to the extent that a court of competent jurisdiction determines that the losses, penalties, expenses or damages were caused wholly or in part by the gross negligence or willful misconduct of the Indemnified DS Supplier. The Indemnified DS Supplier may, at its own expense, retain counsel and participate in the defense of any such suit or action.

(c) If either Party intends to seek indemnification under Article 14.1(a) or 14.1(b), as applicable, from the other Party, the Party seeking indemnification shall give the other Party notice of such claim within ninety (90) days of the later of the

commencement of, or the Party's actual knowledge of, such claim or action. Such notice shall describe the claim in reasonable detail and shall indicate the amount, estimated if necessary, of the claim that has been, or may be, sustained by said Party. To the extent that the other Party will have been actually and materially prejudiced as a result of the failure to provide such notice, such notice will be a condition precedent to any liability of the other Party under the provisions for indemnification contained in this Agreement. Neither Party may settle or compromise any claim without the prior consent of the other Party; provided, however, said consent shall not be unreasonably withheld, conditioned or delayed.

14.2 Survives Agreement

The obligation of a Party to defend, indemnify, and hold harmless another Party under this Article shall survive termination of this Agreement and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for either Party under any statutory scheme, including any Worker's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

ARTICLE 15: FORCE MAJEURE

15.1 Force Majeure

Notwithstanding anything in this Agreement to the contrary, the Parties shall be excused from performing their respective obligations under this Agreement (other than the obligation to make payments with respect to performance prior to the event of Force Majeure) and shall not be liable for damages or otherwise due to their failure to perform, during any period that one Party is unable to perform due to an event of Force Majeure, provided that the Party declaring an event of Force Majeure shall: (i) act expeditiously to resume performance; (ii) exercise all commercially reasonable efforts to mitigate or limit

damages to the other Party; and (iii) fulfill the requirements set forth in Article 15.2 (Notification).

15.2 Notification

A Party unable to perform under this Agreement due to an event of Force Majeure shall: (i) provide prompt written notice of such event of Force Majeure to the other Party, which shall include an estimate of the expected duration of the Party's inability to perform due to the event of Force Majeure; and (ii) provide prompt notice to the other Party when performance resumes.

ARTICLE 16: MISCELLANEOUS PROVISIONS

16.1 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under this Agreement shall be in writing and shall be personally delivered or sent by overnight express mail or courier service. Notice may also be provided via e-mail or facsimile transmission (with the original transmitted by any of the other delivery methods specified in the previous sentence) addressed per the notification information for the DS Supplier and Company as set forth in Exhibit 2 hereto.

Such notices, demands or requests shall also be provided to such other person at such other address as a Party may designate by like notice to the other Party. Notice received after the close of the Business Day shall be deemed received on the next Business Day.

16.2 No Prejudice of Rights

The failure of a Party to insist on any one or more instances upon strict performance of any provisions of this Agreement, or to take advantage of any of its rights hereunder,

shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of this Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse.

16.3 Effect of Regulatory or Legislative Actions

(a) The Parties agree that the Company's obligations under this Agreement are contingent on, and limited by, the Company's ability to recover all costs incurred by it under this Agreement from its retail customers in full and on a current basis. If any statutes, rules, regulations, or orders are enacted, amended, entered, or revoked which have the effect of depriving the Company's full and current recovery of said costs, the Company may terminate this Agreement upon ten (10) days written notice. The Parties agree that any such termination shall not constitute an Event of Default under this Agreement.

(b) If any statutes, rules, regulations, or orders are enacted, amended, entered, or revoked which transfer the Company's obligation to procure or supply DS Supply to a third party(ies), this Agreement may be transferred to such third party(ies) in accordance with the provisions of Section 16.4 below. The Parties agree that any such transfer shall not constitute an Event of Default under this Agreement.

(c) In the event that this Agreement is terminated as a result of any of the reasons set forth in subsections (a) and (b) of Section 16.3 above, the Parties agree that the Company shall not be liable for any costs or damages incurred

or otherwise associated with (i) the transfer of the Company's obligation to obtain or provide DS Supply to third party, or (ii) the elimination of the Company's obligation to obtain or provide DS Supply from DS Supplier.

16.4 Assignment

Parties shall not assign any of their rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning Party, which consent shall not be unreasonably withheld. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee and all necessary consents have been obtained. Any assignment in violation of this Section 16.4 shall be void; provided, however, the Company may assign any or all of its rights and obligations under this Agreement notwithstanding anything contained herein to the contrary, without the DS Supplier's consent, to any entity succeeding to all or substantially all of the assets of the Company, or to a third party in accordance with Section 16.3(b), if such assignee agrees, in writing, to be bound by all of the terms and conditions hereof and all necessary regulatory approvals are obtained. The DS Supplier may, with prior written notice to the Company but without obtaining the approval of the Company, assign the accounts, revenues or proceeds under this Agreement to a third party. The Company agrees that, following receipt of such notice of the assignment of accounts, revenues or proceeds and such other documentation that the Company may reasonably request, the Company will pay amounts becoming due to the assigning DS Supplier under this Agreement directly to the designated assignee; provided, however, that nothing herein shall enlarge or expand the rights of such designated assignee beyond the rights granted to the DS Supplier, and the right of such designated assignee to receive payments shall be subject to all defenses, offsets and claims of the Company arising

under this Agreement.

16.5 Governing Law and Venue

To the extent not subject to the jurisdiction of the FERC, questions including those concerning the formation, validity, interpretation, execution, amendment, termination and construction of this Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, without regard to principles of conflicts of law. Except for matters jurisdictional to FERC, the PUC or the appellate courts having jurisdiction over the PUC or FERC matters, all disputes hereunder shall be resolved in the Pennsylvania State court or Federal court of competent jurisdiction and within reasonably close proximity to the Company. Each Party hereby waives its respective rights to any jury trial with respect to any litigation arising under or in connection with this Agreement.

16.6 Regulatory Approvals

DS Supplier agrees to cooperate, to the fullest extent necessary, to obtain any and all required State, Federal or other regulatory approvals of the Agreement and/or Transaction Confirmations hereunder. The commencement of the Delivery Period and the obligations hereto are subject to (i) the receipt or waiver by Company of all Company required regulatory approvals, (ii) the receipt or waiver by DS Supplier of all DS Supplier required regulatory approvals, and (iii) Pennsylvania PUC approval.

16.7 Headings

The headings and subheadings contained in this Agreement are used solely for convenience and do not constitute a part of the Agreement between the Parties hereto, nor should they be used to aid in any manner in the construction of this Agreement.

16.8 Third Party Beneficiaries

This Agreement is intended solely for the benefit of the Parties hereto and nothing in this Agreement shall be construed to create any duty or standard of care with reference to, or any liability to, any person not a Party to this Agreement.

16.9 General Miscellaneous Provisions

(a) This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties, or to impose any partnership obligation or liability upon any Party. No Party shall have any right, power, or authority to enter into any agreement or undertaking for, or on behalf of, or to act as or be an agent or representative of, or to otherwise bind, any other Party.

(b) Cancellation, expiration or Early Termination of this Agreement shall not relieve the Parties of obligations that by their nature survive such cancellation, expiration or termination, including warranties, remedies, promises of indemnity and confidentiality.

(c) Should any provision of this Agreement be held invalid or unenforceable, such provision shall be invalid or unenforceable only to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable any other provision hereof unless it materially changes the agreement of the Parties; provided that in such event the Parties shall use commercially reasonable efforts to amend this Agreement or any Transaction in order to give effect to the original intention of the Parties.

(d) Each of the Parties acknowledges that it has read this Agreement, understands it, and agrees to be bound by its terms. This Agreement is intended by the Parties as a final expression of their agreement. The Parties further agree that this Agreement is the complete and exclusive statement of agreement and supersedes all

proposals (oral or written), understandings, representations, conditions, warranties, covenants and all other communications between the Parties relating thereto. This Agreement shall be considered for all purposes as prepared through the joint efforts of the Parties and shall not be construed against one Party or the other as a result of the preparation, substitution, submission or other event of negotiation, drafting or execution hereof. Each Party further agrees that it will not assert, or defend itself, on the basis that any applicable tariff is inconsistent with this Agreement or any Transaction.

16.10 Taxes

As between the Parties: (i) the DS Supplier is responsible for the payment of all taxes imposed by all present and future federal, state, municipal or other taxes imposed by any taxing authority on the wholesale sales of DS Supply under this Agreement; and (ii) the Company is responsible for the payment of all taxes imposed by all present and future federal, state, municipal or other taxes imposed by any taxing authority on retail sales of DS Supply under this Agreement. Should the DS Supplier be required to remit any Pennsylvania State Sales and Use Taxes directly to the applicable taxing authority, other than taxes previously collected by the DS Supplier on behalf of the Company, the Company will defend and indemnify the DS Supplier for such Sales and Use Taxes and will pay to the DS Supplier all such tax amounts upon demand. If any Transaction is exempt from the payment of any such taxes, the affected DS Supplier will, if requested, provide the Company with valid tax exemption certificates. Should the Company be required to remit any such taxes directly to any applicable taxing authority, other than taxes previously collected by the Company directly from the DS Supplier, the DS Supplier will defend and indemnify the Company and will pay to the Company all such tax amounts upon demand.

16.11 Audit

Each Party has the right on at least three (3) Business Days prior written notice, at its sole expense and during normal working hours, to examine the records of the other Party to the extent reasonably necessary to verify the accuracy of any statement, charge or computation made pursuant to this Agreement. If any such examination reveals any inaccuracy in any statement, the necessary adjustments in such statement and the payments thereof will be made in accordance with Article 9 (Billing and Payment) and 9.1(i) (Interest on Unpaid Balances) of this Agreement.

16.12 Rules of Interpretation

The following principles shall be observed in the interpretation and construction of this Agreement:

(a) Unless otherwise stated, the terms "include" and "including" when used in this Agreement shall be interpreted to mean by way of example only and shall not be considered limiting in any way;

(b) All titles and headings used herein are for convenience and reference purposes only, do not constitute a part of this Agreement and shall be ignored in construing or interpreting the obligations of the parties under this Agreement;

(c) References to the singular include the plural and vice versa;

(d) References to Articles, Sections, Clauses and the Preamble are, unless the context indicates otherwise, references to Articles, Sections, Clauses and the Preamble of this Agreement;

(e) In carrying out its rights, obligations and duties under this Agreement, each Party shall have an obligation of good faith and fair dealing; and

(f) If any payment due under this Agreement would be, by operation of the terms and conditions of any provision hereof, due and payable on a day other than a Business Day, such payment shall be made on the next following Business Day.

16.13 Confidentiality

(a) Each Party shall hold in confidence and not release or disclose any document or information furnished by the other Party in connection with this Agreement, unless: (i) compelled to disclose such document or information by judicial, regulatory or administrative process or other provisions of law; (ii) such document or information is generally available to the public; (iii) such document or information was available to the receiving Party on a non-confidential basis; (iv) such document or information was available to the receiving Party on a non-confidential basis from a third-party, provided that the receiving Party does not know, and, by reasonable effort, could not know that such third-party is prohibited from transmitting the document or information to the receiving Party by a contractual, legal or fiduciary obligation; or (v) such disclosure is made to PJM or PaPUC and is necessary in order for the Transactions contemplated by this Agreement to be consummated or to otherwise comply with the provisions of this Agreement.

(b) Notwithstanding any other provision of this Section 16.12, a Party may disclose to its employees, representatives and agents all documents and information furnished by the other Party in connection with this Agreement, provided that such employees, representatives and agents have been advised of the confidentiality provisions

of this Section 16.12, and further provided that in no event shall a document or information be disclosed in violation of the standard of conduct requirements established by FERC.

(c) A Party receiving notice or otherwise concluding that any confidential document or information furnished by the other Party in connection with this Agreement is being sought under any provision of law, to the extent it is permitted to do so under any applicable law, shall: (i) promptly notify the other Party; and (ii) use reasonable efforts in cooperation with the other Party to seek confidential treatment of such confidential information.

(d) The Parties agree that monetary damages may be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 16.12. Each Party accordingly agrees that the other Party shall be entitled to equitable relief, by way of injunction or otherwise, if the receiving Party breaches or threatens to breach its obligations under this Article 16.12, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law.

16.14 Federal Acquisition Regulation

If any of the following clauses prescribed by the Federal Acquisition Regulation ("FAR"), 48 Code of Federal Regulations Chapter 1, should be deemed to apply to this Agreement, the DS Supplier shall comply with the requirements of such clause(s), and shall include the terms or substance of such clause(s) in its subcontracts, as and to the extent required by the FAR:

1) Clean Air and Water: § 52.223-2;

2) Contract Work Hours and Safety Standards Act-Overtime Compensation: § 52.222-4;

3) Equal Opportunity: § 52.222-26;

4) Affirmative Action for and Employment Reports on Special Disabled and Vietnam Era Veterans: § 52.222-35 and § 52.222-37;

5) Affirmative Action for Handicapped Workers: § 52.222-36; and

6) Utilization of Small Business Concerns and Small Disadvantaged Business Concerns and Small Business and Small Disadvantaged Business Subcontracting Plan: § 52.219-8 and § 52-219-9.

In case of a conflict between the provisions of the FAR and the balance of this Agreement, the requirements of the FAR shall prevail.

16.15 Binding Terms

This Agreement and the rates, terms and conditions herein shall remain in effect for the entire term hereof and each Party agrees not to seek any change to such rates, terms and conditions pursuant to the FPA, if the FPA is deemed to have jurisdiction over this Agreement, including on the grounds that they are not just and reasonable.

16.16 Amendment

This Agreement, including the appendices hereto, cannot be amended without the written agreement of all Parties prior to such amendment becoming effective. Except as provided in Appendix C, the rates, terms and conditions contained in this Agreement are not subject to change under Sections 205 or 206 of the Federal Power Act absent the mutual written agreement of the Parties. To the extent permitted by law and absent agreement to the contrary, each Party, for itself and its successors and assigns, hereby expressly and

irrevocably waives its rights to argue before any governmental authority that any review, modification, or rescission of this Agreement should be considered under any standard of review other than the "public interest" standard set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), affirmed by *Morgan Stanley Capital Group, Inc. v. Public Utility District No. 1 of Snohomish County, Washington, et al.*, 554 U.S. 527 (2008) (the "Mobile-Sierra Doctrine").

16.17 Counterparts

This Agreement may be executed in counterparts, each of which will be considered an original, but all of which shall constitute one instrument.

16.18 Successors

This Agreement and all of the provisions hereof are binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first set forth above.

ATTEST:

_____

Title: _____

DUQUESNE LIGHT COMPANY

By:_____

Name: _____

Title: _____

ATTEST:

_____

Title: _____

[INSERT]

By: _____

Name: _____

Title: _____

APPENDIX A- MAXIMUM UNSECURED CREDIT

Credit Rating Matrix Tables for EDC's

EDC: Duquesne Light Company

Credit Rating of the DS Supplier			Maximum Credit Limit (calculated as the lesser of the percentage of TNW or the Credit Limit Cap below)	
S&P	Moody's	Fitch	Percentage of TNW	Credit Limit Cap
A- and above	A3 and above	A- and above	16%	$60,000,000
BBB +	Baa1	BBB +	10%	$40,000,000
BBB	Baa2	BBB	7%	$30,000,000
BBB-	Baa3	BBB-	3%	$20,000,000
Below BBB-	Below Baa3	Below BBB-	0%	$0

Credit Rating Determination Methodology

The DS Supplier or it Guarantor must have a minimum senior unsecured debt rating (or, if unavailable, corporate issuer rating) equal to the Minimum Rating. If the DS Supplier or its Guarantor is rated by all three accepted rating agencies (S&P, Moody's and Fitch), and the ratings are split, the lowest rating will be used. **Minimum Rating –** The lowest credit rating for a DS Supplier, as set forth in this Appendix A, that can obtain unsecured credit.

APPENDIX B – METHODOLOGY FOR CALCULATION OF MARK TO MARKET (MTM) EXPOSURE

Parameters

In calculating the MtM Exposure for each Transaction, the following parameters are set on the Transaction Date:

1. On-Peak Initial Mark Price
2. Off-Peak Initial Mark Price
3. MW-Measure
4. On-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
5. Off-Peak Estimated Energy Quantity Per MW-Measure for each of the twelve calendar months
6. Number of awarded Tranches

In calculating the MtM Exposure for each Transaction, the following parameters are set each Business Day subsequent to the Transaction Date:

1) On-Peak Forward Price
2) Off-Peak Forward Price
3) Current Capacity PLC Per Bid Block
4) On-Peak Estimated Energy Quantity
5) Off-Peak Estimated Energy Quantity

Determination of On-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub On-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly On-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that On-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the On-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the On-Peak Forward Price for the given month may be updated based on the changes in On-Peak Forward Price quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Determination of Off-Peak Forward Prices

On each Business Day subsequent to the Transaction date, Buyer or Broker will contact four Reference Market-Makers to obtain bid and ask Energy price quotes for AEP Dayton Hub Off-Peak Hours for each month of the Delivery Period. For Buyer to include a monthly Off-Peak Forward Price quote from a Reference Market-Maker, both bid and ask prices must be available. For any month for which there are no single month quotes, but for which there are two month, quarterly, or 12 month quotes available ("Aggregate Quotes"), Buyer shall disaggregate the Aggregate Quote into monthly components in the following manner. The most recently available single month quotes for the same calendar months contained in the Aggregate Quote shall be averaged. The percentage by which each single month price differs from the average of the single month prices for the same time period of the Aggregate Quote will be applied to the Aggregate Quote to establish monthly prices for the like month of the Aggregate Quote, such that the average will be Aggregate Quote. In the event that quotes for one or more months of a multi-month block and for the entire multi-month block in aggregate are both available, but are inconsistent with each other, Buyer will use the one that is most consistent with other available quotes.

Quotes from the Reference Market-Makers will be examined to identify quotes that are out of line and potentially invalid or are in obvious error. Reference Market-Makers will be asked to either correct or verify data that is anomalous and/or inconsistent with that provided by other sources or is in obvious error. If the data cannot be verified in time for the daily mark, the anomalous data will be discarded.

To the extent that Off-Peak Forward Price quotes are not available for a given month on a given Business Day, either as single month price quotes or as an Aggregate Quote, Buyer shall establish the Off-Peak Forward Price for that month using a methodology that utilizes the best information available to Buyer at that time. For example, the Off-Peak Forward Price for the given month may be updated based on the changes in Off-Peak Forward Price

quotes for different months provided by Reference Market-Makers between the prior Business Day and the current Business Day.

Example of Disaggregating Aggregate Quotes

The following is an example of the process to be used for disaggregating Aggregate Quotes:

a. Aggregate Quote only available for January – March: $60/MWh.

b. Immediate Prior Calendar year quotes for January, February, and March as follows:

January: $42/MWh

February: $45/MWh

March: $40/MWh

c. Calculations as follows:

1. Calculate Average price in (b) = $42.33/MWh
2. Calculate monthly deviation from Average:

January: 99.2% ($42/$42.33)

February: 106.3% ($45/$42.33)

March: 94.5% ($40/$42.33)

3. Disaggregate the Aggregate Quote by applying percentages from c.(2) to the available aggregate quote:

January: $59.53 ($60 x 99.2%)

February: $63.78 ($60 x 106.3%)

March: $56.69 ($60 x 94.5%)

Mark-To-Market Example

Necessary Information from a Transaction Confirmation:

Delivery Period: June 1, 2011 - May 31, 2012

Bid Blocks: 3 (j)

Estimated Energy Quantity Per MW-Measure:

	On-Peak MWh (k)	Off-Peak MWh (l)
Jan	11800	8300
Feb	13000	9100
Mar	9100	6400
Apr	7200	5000
May	8800	6200
Jun	12900	9000
Jul	15200	10600
Aug	16000	11200
Sep	9500	6700
Oct	8300	5800
Nov	9800	6900
Dec	10900	7600

Business Day on which MtM is Calculated:	June 24, 2011
MW-Measure:	50.0 MW (m)
Current Capacity PLC Per Bid Block:	40.0 MW (n)
Percent of On-Peak Hours Remaining in Current Month:	18.2% (o)
Percent of Off-Peak Hours Remaining in Current Month:	21.7% (p)

MtM Exposure Calculation

	a	b	c	d	e=c-a	f=d-b	g=k*n/m*j*o	h=l*n/m*j*p	i=(e*g)+(f*h)
	On-Peak Initial Mark Price $/MWh	Off-Peak Initial Mark Price $/MWh	On-Peak Forward Price $/MWh	Off-Peak Forward Price $/MWh	Change In On-Peak Price $/MWh	Change In Off-Peak Price $/MWh	On-Peak Estimated Energy Quantity MWh	Off-Peak Estimated Energy Quantity MWh	MtM Exposure
Jun-11	57.04	27.95	58.48	28.65	1.44	0.70	5,629	4,696	$ 11,393
Jul-11	72.81	31.31	75.26	32.36	2.45	1.05	36,480	25,440	$ 116,088
Aug-11	72.81	34.23	74.28	34.91	1.47	0.68	38,400	26,880	$ 74,726
Sep-11	45.56	24.15	47.31	25.08	1.75	0.93	22,800	16,080	$ 54,854
Oct-11	43.23	23.34	46.09	24.89	2.86	1.55	19,920	13,920	$ 78,547
Nov-11	43.23	25.50	46.40	27.38	3.17	1.88	23,520	16,560	$ 105,691
Dec-11	43.23	26.36	44.86	27.36	1.63	1.00	26,160	18,240	$ 60,881
Jan-12	50.73	38.55	54.45	41.39	3.72	2.84	28,320	19,920	$ 161,923
Feb-12	50.73	39.06	53.61	41.29	2.88	2.23	31,200	21,840	$ 138,559
Mar-12	45.23	30.75	47.64	32.39	2.41	1.64	21,840	15,360	$ 77,825
Apr-12	45.23	25.78	48.01	27.36	2.78	1.58	17,280	12,000	$ 66,998
May-12	47.06	24.94	49.06	26.00	2.00	1.06	21,120	14,880	$ 58,013
									$ 1,005,499

CALCULATION OF MTM EXPOSURE FOR HOURLY PRICE TRANSACTIONS

The MtM Exposure for an Hourly Price Transaction shall be calculated as follows. During the first month of the term of a Transaction, the MtM Exposure shall be equal to Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche. Thereafter, the MtM Exposure shall be calculated on the first Business Day of each month during the term of a Transaction and shall be deemed equal to the product of: (i) Two Hundred Fifty Thousand Dollars (US$250,000.00) per Tranche; (ii) the ratio of the Current Capacity PLC Per Tranche to the MW-Measure; (iii) the number of Tranches awarded to the DS Supplier per the Transaction Confirmation; and (iv) the ratio of the calendar days remaining in the Delivery Period to the total calendar days in the Delivery Period. The following definitions shall apply for the purposes of this calculation:

"Capacity Peak Load Contribution" or "Capacity PLC" means the aggregation of retail customer peak load contributions, as determined by the Buyer in accordance with the PJM Agreements and reported by Buyer to PJM pursuant to Buyer's retail load settlement process, and used by PJM in determining the DS Supplier's capacity obligation for each Transaction.

"Current Capacity PLC Per Tranche" is the Capacity PLC of a Tranche as of the Business Day the MtM Exposure is calculated for the Transaction.

"MW-Measure" means the Current Capacity PLC Per Tranche as of the Transaction Date.

APPENDIX C - DS SUPPLY SPECIFICATIONS

1) With respect to a Transaction, DS Supplier shall provide DS Supply on a firm and continuous basis. The terms of the Transaction shall be set forth in a Transaction Confirmation to this SMA, in a form as set forth in Exhibit 1. As used herein and in the Transaction Confirmation, Full Requirements Service shall mean all of the following necessary services or products that are required to supply the DS Responsibility Share for the DS Customers associated with the Transaction Confirmation, including: Energy, Capacity, transmission (except for Network Integration Transmission Service), Ancillary Services, Alternative Energy Credits for compliance with the AEPS Act, transmission and distribution system losses, congestion management costs, and such other products and services that are required except for distribution service.

2) The Transaction Confirmation shall, *inter alia*, specify the following terms with respect to a Transaction: (i) the Product (typically, Full Requirements Service); (ii) the DS Customer group associated with the applicable DS Load; (iii) the Delivery Point at which the DS Supplier shall deliver the DS Supply; (iv) the Delivery Period during which the DS Supplier shall deliver the DS Supply; (v) the number of Tranches; (vi) the DS Supplier Responsibility Share; (vii) for Fixed Price Transactions, the total number of AECs associated with each Tranche; and (viii) the DS Fixed Price or Fixed Price Adder, as applicable, for each Tranche.

3) The Company and DS Supplier shall be responsible for their respective PJM Billing Statement Line Item Credits and Charges associated with a Transaction as described in Appendix D, *Responsibilities for PJM Billing Line Items as Defined in Applicable PJM Agreement or Manual*. Company and DS Supplier agree to communicate

with PJM as may be necessary to ensure that PJM transfers all PJM Billing Statement Line Item Credits and Charges to the appropriate party.

4) The DS Supplier shall comply with all applicable requirements described in Appendix E, *DS Suppliers' Obligations For AEPS Compliance*.

5) Except as provided in Paragraph 1 above, DS Supplier bears the risk of any other changes in PJM products and pricing during the term of all Transactions under this Agreement. However, if there are any other new FERC-approved PJM transmission charges other than those referred to in Paragraph 1 above or other new PJM charges and costs, charged to network transmission customers, that DS Supplier believes the Company should recover through retail rates because they are directly related to the Company's obligations, then Company may file with the PaPUC a request for approval to recover such new costs. DS Supplier is required to intervene in any such proceeding before the PaPUC. Such new costs can only be charged to the Company to the extent that the PaPUC approves the Company's recovery of those costs. DS Supplier agrees to be bound by the decision of the PaPUC (subject to the normal rules for appeal of the decision of the PaPUC) and waives all claims concerning this issue before the FERC. Notwithstanding the foregoing, nothing in the Agreement shall preclude DS Supplier or Company from taking any position before the FERC regarding the creation and allocation of any such PJM charges.

DS Customer Group:

Each Transaction Confirmation shall be associated with DS Supply to one of the following DS Customer categories, or their successors, as defined in the DS Tariff:

Customer Group	Rate Schedule	Description
Residential & Lighting	RS	Residential Service
	RH	Residential Service Heating
	RA	Residential Service Add-On Heat Pump
	AL	Architectural Lighting Service
	SE	Street Lighting Energy
	SM	Street Lighting Municipal
	SH	Street Lighting Highway
	PAL	Private Area Lighting
Small Commercial & Industrial	GS	General Service Small
	GM < 25kW	General Service Medium – Demand less than 25kW
	GMH < 25kW	General Service Medium Heating – Demand less than 25kW
	UMS	Unmetered Service
Medium Commercial & Industrial	GM ≥ 25kW and < 200kW	General Service Medium – Demand equal to or greater than 25kW and less than 200kW
	GMH ≥ 25kW and < 200kW	General Service Medium Heating – Demand equal to or greater than 25kW and less than 200kW
HPS-Eligible	GM ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GMH ≥ 200kW	General Service Medium – Demand equal to or greater than 200kW
	GL	General Service Large
	GLH	General Service Heating
	L	Large Power Service
	HVPS	High Voltage Power Service

APPENDIX D – RESPONSIBILITIES FOR PJM BILLING LINE ITEMS AS DEFINED IN APPLICABLE PJM AGREEMENT OR MANUAL

		Responsible Party	
ID #	**PJM Billing Statement Line Items**	**EDC**	**DS Supplier**
ID#	**CHARGES**		
1000	Amount Due for Interest on Past Charges		DS Supplier
1100	Network Integration Transmission Service	EDC	
1101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
1102	Network Integration Transmission Service (exempt)	EDC	
1103	Underground Transmission Service	EDC	
1104	Network Integration Transmission Service Offset	EDC	
1108	Transmission Enhancement	EDC	
1109	MTEP Project Cost Recovery		DS Supplier
1110	Direct Assignment Facilities		DS Supplier
1115	Transmission Enhancement Settlement (EL05-121-009)	EDC	
1120	Other Supporting Facilities		DS Supplier
1130	Firm Point-to-Point Transmission Service		DS Supplier
1133	Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
1136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
1138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
1140	Non-Firm Point-to-Point Transmission Service		DS Supplier

1143	Non-Firm Point-to-Point Transmission Service Resale Charge		DS Supplier
1145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
1147	Neptune Unscheduled Usage Billing Allocation		DS Supplier
1155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
1157	Linden Unscheduled Usage Billing Allocation		DS Supplier
1165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
1166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
1167	Hudson Unscheduled Usage Billing Allocation		DS Supplier
1200	Day-ahead Spot Market Energy		DS Supplier
1205	Balancing Spot Market Energy		DS Supplier
1210	Day-ahead Transmission Congestion		DS Supplier
1215	Balancing Transmission Congestion		DS Supplier
1216	Pseudo-Tie Balancing Congestion Refund		DS Supplier
1218	Planning Period Congestion Uplift		DS Supplier
1220	Day-ahead Transmission Losses		DS Supplier
1225	Balancing Transmission Losses		DS Supplier
1230	Inadvertent Interchange		DS Supplier
1240	Day-ahead Economic Load Response		DS Supplier
1241	Real-time Economic Load Response		DS Supplier
1242	Day-ahead Load Response Charge Allocation		DS Supplier
1243	Real-time Load Response Charge Allocation		DS Supplier

1245	Emergency Load Response		DS Supplier
1250	Meter Error Correction		DS Supplier
1260	Emergency Energy		DS Supplier
1301	PJM Scheduling, System Control and Dispatch Service – Control Area Administration		DS Supplier
1302	PJM Scheduling, System Control and Dispatch Service – FTR Administration		DS Supplier
1303	PJM Scheduling, System Control and Dispatch Service –Market Support		DS Supplier
1304	PJM Scheduling, System Control and Dispatch Service – Regulation Market Administration		DS Supplier
1305	PJM Scheduling, System Control and Dispatch Service – Capacity Resource/Obligation Mgmt.		DS Supplier
1306	PJM Scheduling, System Control and Dispatch Service – Advanced Second Control Center		DS Supplier
1307	PJM Scheduling, System Control and Dispatch Service – Market Support Offset		DS Supplier
1308	PJM Scheduling, System Control and Dispatch Service Refund – Control Area Administration		DS Supplier
1309	PJM Scheduling, System Control and Dispatch Service Refund – FTR Administration		DS Supplier
1310	PJM Scheduling, System Control and Dispatch Service Refund – Market Support		DS Supplier
1311	PJM Scheduling, System Control and Dispatch Service Refund –Regulation Market Administration		DS Supplier
1312	PJM Scheduling, System Control and Dispatch Service Refund – Capacity Resource/Obligation Mgmt.		DS Supplier
1313	PJM Settlement, Inc.		DS Supplier
1314	Market Monitoring Unit (MMU) Funding		DS Supplier
1315	FERC Annual Charge Recovery		DS Supplier
1316	Organization of PJM States, Inc. (OPSI) Funding		DS Supplier

1317	North American Electric Reliability Corporation (NERC)		DS Supplier
1318	Reliability First Corporation (RFC)		DS Supplier
1320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
1340	Regulation and Frequency Response Service		DS Supplier
1350	Energy Imbalance Service		DS Supplier
1360	Synchronized Reserve		DS Supplier
1362	Non-Synchronized Reserve		DS Supplier
1365	Day-ahead Scheduling Reserve		DS Supplier
1370	Day-ahead Operating Reserve		DS Supplier
1371	Day-ahead Operating Reserve for Load Response		DS Supplier
1375	Balancing Operating Reserve		DS Supplier
1376	Balancing Operating Reserve for Load Response		DS Supplier
1377	Synchronous Condensing		DS Supplier
1378	Reactive Services		DS Supplier
1380	Black Start Service		DS Supplier
1390	Fuel Cost Policy Penalty		DS Supplier
1400	Load Reconciliation for Spot Market Energy		DS Supplier
1410	Load Reconciliation for Transmission Congestion		DS Supplier
1420	Load Reconciliation for Transmission Losses		DS Supplier
1430	Load Reconciliation for Inadvertent Interchange		DS Supplier
1440	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		DS Supplier

1441	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		DS Supplier
1442	Load Reconciliation for Schedule 9-6 – Advanced Second Control Center		DS Supplier
1444	Load Reconciliation for Market Monitoring Unit Funding		DS Supplier
1445	Load Reconciliation for FERC Annual Charge Recovery		DS Supplier
1446	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		DS Supplier
1447	Load Reconciliation for North American Electric Reliability Corporation (NERC)		DS Supplier
1448	Load Reconciliation for Reliability First Corporation (RFC)		DS Supplier
1449	Load Reconciliation for Consumer Advocates of PJM States, Inc. (CAPS) Funding		DS Supplier
1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
1460	Load Reconciliation for Regulation and Frequency Response Service		DS Supplier
1470	Load Reconciliation for Synchronized Reserve		DS Supplier
1472	Load Reconciliation for Non-Synchronized Reserve		DS Supplier
1475	DASR Load Reconciliation		DS Supplier
1478	Load Reconciliation for Operating Reserve		DS Supplier
1480	Load Reconciliation for Synchronous Condensing		DS Supplier
1490	Load Reconciliation for Reactive Services		DS Supplier
1500	Financial Transmission Rights Auction		DS Supplier
1600	RPM Auction		DS Supplier
1610	Locational Reliability		DS Supplier
1611	CP Transitional Locational Reliability		DS Supplier
1650	Non-Unit Specific Capacity Transaction		DS Supplier

1660	Demand Resource and ILR Compliance Penalty		DS Supplier
1661	Capacity Resource Deficiency		DS Supplier
1662	Generation Resource Rating Test Failure		DS Supplier
1663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1664	Peak Season Maintenance Compliance Penalty		DS Supplier
1665	Peak-Hour Period Availability		DS Supplier
1666	Load Management Test Failure		DS Supplier
1670	FRR LSE Reliability		DS Supplier
1680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
1681	FRR LSE Capacity Resource Deficiency		DS Supplier
1682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
1683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
1684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
1685	FRR LSE Peak-Hour Period Availability		DS Supplier
1686	FRR LSE Load Management Test Failure		DS Supplier
1687	FRR LSE Schedule 9-5		DS Supplier
1688	FRR LSE Schedule 9-6		DS Supplier
1710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
1712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
1720	RTO Start-up Cost Recovery		DS Supplier
1730	Expansion Cost Recovery	EDC	
1900	Unscheduled Transmission Service		DS Supplier
1910	Ramapo Phase Angle Regulators		DS Supplier

1911	Michigan – Ontario Interface Phase Angle Regulators		DS Supplier
1920	Station Power		DS Supplier
1930	Generation Deactivation	EDC	
1932	Generation Deactivation Refund	EDC	
1950	Virginia Retail Administrative Fee		DS Supplier
1952	Deferred Tax Adjustment	EDC	
1955	Deferral Recovery		DS Supplier
1980	Miscellaneous Bilateral		DS Supplier
1995	PJM Annual Membership Fee		DS Supplier
1999	PJM Customer Payment Default		DS Supplier
ID#	**CREDITS**		
2100	Network Integration Transmission Service	EDC	
2101	Network Integration Transmission Service (ATSI Low Voltage)	EDC	
2102	Network Integration Transmission Service (exempt)	EDC	
2103	Underground Transmission Service	EDC	
2104	Network Integration Transmission Service Offset	EDC	
2106	Non-Zone Network Integration Transmission Service	EDC	
2108	Transmission Enhancement	EDC	
2109	MTEP Project Cost Recovery		DS Supplier
2110	Direct Assignment Facilities		DS Supplier
2120	Other Supporting Facilities		DS Supplier
2130	Firm Point-to-Point Transmission Service		DS Supplier
2132	Internal Firm Point-to-Point Transmission Service		DS Supplier

2133	Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2135	Neptune Voluntary Released Transmission Service (Firm)		DS Supplier
2136	Hudson Voluntary Released Transmission Service (Firm)		DS Supplier
2138	Linden Voluntary Released Transmission Service (Firm)		DS Supplier
2140	Non-Firm Point-to-Point Transmission Service		DS Supplier
2142	Internal Non-Firm Point-to-Point Transmission Service		DS Supplier
2143	Non-Firm Point-to-Point Transmission Service Resale Credit		DS Supplier
2145	Neptune Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2146	Neptune Default Released Transmission Service (Non-Firm)		DS Supplier
2155	Linden Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2156	Linden Default Released Transmission Service (Non-Firm)		DS Supplier
2165	Hudson Voluntary Released Transmission Service (Non-Firm)		DS Supplier
2166	Hudson Default Released Transmission Service (Non-Firm)		DS Supplier
2210	Transmission Congestion		DS Supplier
2211	Day-ahead Transmission Congestion		DS Supplier
2215	Balancing Transmission Congestion		DS Supplier
2217	Planning Period Excess Congestion		DS Supplier
2218	Planning Period Congestion Uplift		DS Supplier
2220	Transmission Losses		DS Supplier
2240	Day-ahead Economic Load Response		DS Supplier
2241	Real-time Economic Load Response		DS Supplier
2245	Emergency Load Response		DS Supplier
2260	Emergency Energy		DS Supplier

2320	Transmission Owner Scheduling, System Control and Dispatch Service		DS Supplier
2330	Reactive Supply and Voltage Control from Generation and Other Sources Service		DS Supplier
2340	Regulation and Frequency Response Service		DS Supplier
2350	Energy Imbalance Service		DS Supplier
2360	Synchronized Reserve		DS Supplier
2362	Non-Synchronized Reserve		DS Supplier
2365	Day-ahead Scheduling Reserve		DS Supplier
2370	Day-ahead Operating Reserve		DS Supplier
2371	Day-ahead Operating Reserve for Load Response		DS Supplier
2375	Balancing Operating Reserve		DS Supplier
2376	Balancing Operating Reserve for Load Response		DS Supplier
2377	Synchronous Condensing		DS Supplier
2378	Reactive Services		DS Supplier
2380	Black Start Service		DS Supplier
2415	Balancing Transmission Congestion Load Reconciliation		DS Supplier
2420	Load Reconciliation for Transmission Losses		DS Supplier
2500	Financial Transmission Rights Auction		DS Supplier
2510	Auction Revenue Rights		DS Supplier
2600	RPM Auction		DS Supplier
2620	Interruptible Load for Reliability		DS Supplier
2630	Capacity Transfer Rights		DS Supplier
2640	Incremental Capacity Transfer Rights		DS Supplier
2650	Non-Unit Specific Capacity Transaction		DS Supplier

2660	Demand Resource and ILR Compliance Penalty		DS Supplier
2661	Capacity Deficiency Resource		DS Supplier
2662	Generation Resource Rating Test Failure		DS Supplier
2663	Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2664	Peak Season Maintenance Compliance Penalty		DS Supplier
2665	Peak-Hour Period Availability		DS Supplier
2666	Load Management Test Failure		DS Supplier
2670	FRR LSE Reliability Credit		DS Supplier
2680	FRR LSE Demand Resource And Ilr Compliance Penalty		DS Supplier
2681	FRR LSE Capacity Resource Deficiency		DS Supplier
2682	FRR LSE Generation Resource Rating Test Failure		DS Supplier
2683	FRR LSE Qualifying Transmission Upgrade Compliance Penalty		DS Supplier
2684	FRR LSE Peak Season Maintenance Compliance Penalty		DS Supplier
2685	FRR LSE Peak-Hour Period Availability		DS Supplier
2686	FRR LSE Load Management Test Failure		DS Supplier
2687	FRR LSE Schedule 9-5		DS Supplier
2688	FRR LSE Schedule 9-6		DS Supplier
2710	PJM/MISO Seams Elimination Cost Assignment		DS Supplier
2712	Intra-PJM Seams Elimination Cost Assignment		DS Supplier
2720	RTO Start-up Cost Recovery		DS Supplier
2730	Expansion Cost Recovery	EDC	
2910	Ramapo Phase Angle Regulators		DS Supplier
2912	CT Lost Opportunity Cost Allocation		DS Supplier

2930	Generation Deactivation	EDC	
2932	Generation Deactivation Refund	EDC	
2950	Virginia Retail Administrative Fee		DS Supplier
2952	Deferred Tax Adjustment	EDC	
2955	Deferral Recovery		DS Supplier
2980	Miscellaneous Bilateral		DS Supplier
2996	Annual PJM Cell Tower		DS Supplier
2997	Annual PJM Building Rent		DS Supplier

APPENDIX E – DS SUPPLIER'S OBLIGATIONS FOR AEPS COMPLIANCE

With respect to the DS Supplier Responsibility Share, DS Supplier shall:

(1) Provide sufficient AECs for each Tranche, in accordance with the schedule provided below.

(2) Provide actual AECs that conform to all applicable PaPUC or other legal requirements in effect as of the date that the AECs are provided to the Company. DS Supplier shall be responsible for any incremental costs associated with ensuring that the AECs it provides to the Company conform to such requirements then in effect.

(3) Provide AECs on a six (6) month basis or at the end of any Delivery Period, if the Delivery Period is less than six (6) months, and shall be transferred to the Company within 30 days from the final day of any such six month period or Delivery Period; provided; however, that if the term of any Delivery Period includes two different AEPS reporting years, then DS Supplier shall provide the AECs required for the first AEPS reporting year by June 30th of each year.

(4) Pay any penalties, costs, charges, damages, or other fees assessed against the DS Supplier and/or the Company associated with the DS Supplier's non-performance with this Agreement or any other applicable requirements related to AEPS.

(5) Submit to the Company proof of compliance under this Agreement in such form and manner as may be required by the Company.

(6) Provide to the Company all information the Company may require to comply with the AEPS Act and its implementing regulations and other

requirements of law, including, but not limited to the price paid per AEC required by 73 Pa. C.S. § 1648.3(e)(8).

This Appendix E shall confirm the Alternative Energy Portfolio Standards Obligation of the Transaction agreed to on the Bid Proposal Due Date.

With respect to Transactions for Full Requirements Service, the DS Supplier shall deliver AECs conforming to all applicable requirements for the Delivery Period based on a percentage of the total MWh supplied by DS Supplier, in accordance with the following schedule:

Compliance Period	Tier 1	PV	Tier 2
6/1/2021 – 5/31/2022	7.5%	0.50%	10.0%

The percentages set forth above are those applicable for the first DS auction in DSP IX and may be revised for future DS Auctions to reflect changes in law or other applicable requirements. Unless the PaPUC or other authority with jurisdiction implements changes related to AEPS, compliance obligations for periods beyond 6/1/2021 to 5/31/2022 will remain at the 6/1/2021 to 5/31/2022 percentages. These are subject to revision if there are changes from the Pennsylvania AEPS Administrator.

For each compliance period during the Delivery Period, the number of AECs that a DS Supplier is obligated to provide may be reduced by a pre-determined number of AECs allocated to the DS Supplier ("Allocated AECs"). The number of Allocated AECs will be defined prior to the Transaction Date. Any Allocated AECs will not be transferred to the DS Supplier; but instead, the DS Supplier's AEC obligations will be reduced by a pro rata share of the Allocated AECs, and the Allocated AECs will remain the property of the Company.

The above amounts are estimates and will vary based on actual load served. DS Supplier will need to true-up, higher or lower, actual credits needed based on final reconciled settlement data from PJM.

EXHIBIT 1

TRANSACTION CONFIRMATION FOR FIXED PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	[INSERT CUSTOMER CLASS]
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price:	[INSERT AVERAGE PRICE] per MWh
	Tranche 1 at [INSERT] per MWH
	Tranche 2 at [INSERT] per MWH
	Tranche 3 at [INSERT] per MWH
	.
	.
	.
	Tranche [X] at [INSERT] per MWH

Alternative Energy Credit (AEC) Allocation (if any):

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

TRANSACTION CONFIRMATION FOR HOURLY PRICE TRANSACTIONS

This Transaction Confirmation letter is being provided pursuant to and in accordance with the Agreement dated [Month, Day, Year] **(Date of the Contract/DS Auction)** between Duquesne Light Company ("Company") and [INSERT] ("DS Supplier"). Terms used but not defined herein shall have the meanings ascribed to them in the Agreement. This Transaction Confirmation shall confirm the following terms of the Transaction agreed to on [Month, Day, Year] **(Date of the current DS Auction for the tranches the won and will be serving)** ("Transaction Date").

Product:	Full Requirements Service
DS Customer Group:	HPS-Eligible Class
Delivery Point:	Duquesne Residual Aggregate Zone in PJM Pnode 116472943
Delivery Period:	[Month, Day, Year] through [Month, Day, Year]
Number of Tranches:	[INSERT]
DS Fixed Percentage:	[INSERT] % of DEFAULT SERVICE Load (for applicable customer class)
DS Fixed Price Adder For Hourly Price Service:	[INSERT AVERAGE PRICE] per MWh Tranche 1 at [INSERT] per MWH Tranche 2 at [INSERT] per MWH

In addition to the DS Fixed Price Adder For Hourly Price Service above, the Statement prepared in accordance with Section 9.1(a) also will include DS Variable Payments based on the Company's billed Hourly Price Service formula rate designed to recover the costs of energy, capacity, ancillary services, and PJM administrative costs found in Rider No. 9 of the DS Tariff. The DS Variable Payments associated with serving the DS Supplier Responsibility Share of the DS Supply for HPS-Eligible Class are based on a) hourly energy charges provided at the day-ahead PJM locational marginal prices based on the customer's real time metered hourly load, plus energy-related ancillary services including PJM administrative charges, adjusted for losses, and b) capacity charges equal to the full PJM Reliability Pricing Model capacity price for the Duquesne Zone, and shall recover the charges associated with the customer's share of the Company's capacity obligation assigned by PJM, plus the charges for capacity based ancillary services. The PMEA/FMEA Adjustment Amount calculated in accordance with Section 9.1 (d) will include: any adjustments to account for changes in the hourly energy or capacity volumes used to calculate the energy, ancillary services, capacity and other charges. The DS Variable Payments to Hourly Price Service suppliers will not include Pennsylvania gross receipts taxes or the fixed retail administrative charge (other than the DS Fixed Price Adder For Hourly Price Service) included in the DS Tariff.

Alternative Energy Portfolio Standards - Reporting Period	**AEC Allocation per Tranche, (AECs)**	**Total AEC Allocation (AECs)**
2021-22		

Please confirm that the terms stated herein accurately reflect the agreement reached on the date above between DS Supplier and Company by returning an executed copy of this Transaction Confirmation by email to the Company at energysupply@duqlight.com. The signatories to this Transaction must have the authority to enter into this Transaction.

Duquesne Light Company	[INSERT]
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

EXHIBIT 2
FORM OF NOTICE

Any notices required under this Agreement shall be made as follows:

Buyer:	DS Supplier:
Duquesne Light Company	[INSERT]
All Notices:	**All Notices:**
Street: 411 Seventh Ave. City/State/Zip: Pittsburgh, PA 15219 Attn: Chief Financial Officer Facsimile: (412) 393-1190 Duns: 007915606 Federal Tax ID Number: 25-0451600	Street: City/State/Zip: Attn: Facsimile: Duns: Federal Tax ID Number:
Invoices: Attn: Supply Procurement – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	**Invoices:** Attn: Phone: Facsimile:
Scheduling:	**Scheduling:**
Attn: Scheduling – John Peoples Phone: (412) 393-6385 Email: jpeoples@duqlight.com	Attn: Phone: Facsimile:
Payments:	**Payments:**
Attn: Accounting – Jaime Bachota Phone: (412) 393-1122 Email: jbachota@duqlight.com	Attn: Phone: Facsimile:
Wire Transfer:	**Wire Transfer**
BNK: ABA: ACCT:	BNK: ABA: ACCT:

Credit and Collections:

Attn: Treasurer – James Milligan
Phone: (412) 393-1216
Email: jmilligan@duqlight.com

With additional Notices of an Event of Default to:

Attn: Legal Department – Tishekia Williams
Phone: (412) 393-1541
Email: twilliams@duqlight.com

Credit and Collections:

Attn:
Phone:
Facsimile:

With Additional Notices of an Event of Default to:

Attn:
Phone:
Facsimile:

EXHIBIT 3

PERFORMANCE ASSURANCE LETTER OF CREDIT

{TO BE ISSUED ON THE LETTERHEAD OF THE ISSUING BANK}

IRREVOCABLE LETTER OF CREDIT NO.

ISSUE DATE _____ EXPIRY DATE_____

APPLICANT
[NAME]
[ADDRESS]

BENEFICIARY
[NAME]
[ADDRESS]

CURRENCY	AMOUNT
USD	*********$

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT NO: _____ FOR THE ACCOUNT OF _____ ("APPLICANT") FOR AN AMOUNT OR AMOUNTS NOT TO EXCEED IN THE AGGREGATE US DOLLARS _____ AVAILABLE BY YOUR DRAFT(S) AT SIGHT ON THE BANK OF _____ ("ISSUER") _____{ADDRESS}, EFFECTIVE _____ AND EXPIRING AT OUR COUNTERS AT _____ ON OR BEFORE _____OR ANY AUTOMATICALLY EXTENDED EXPIRY DATE, AS PROVIDED HEREIN. THIS LETTER OF CREDIT IS AVAILABLE IN ONE OR MORE DRAFTS UP TO THE AGGREGATE AMOUNT SET FORTH HEREIN.

THIS LETTER OF CREDIT IS PRESENTABLE AND PAYABLE AT OUR COUNTERS AND DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF CREDIT WILL BE HONORED UPON PRESENTATION TO ISSUER OF THE FOLLOWING STATEMENT:

> "I HEREBY CERTIFY THAT BENEFICIARY, DUQUESNE LIGHT COMPANY, IS ENTITLED TO DRAW THE AMOUNT OF THE ACCOMPANYING DRAFT UNDER LETTER OF CREDIT NO. _____, ISSUED BY _____ {ISSUER'S NAME} AND THAT SUCH DRAFT REPRESENTS AN AMOUNT DUE AND PAYABLE TO BENEFICIARY FROM _____ {APPLICANT'S NAME} FOR PERFORMANCE ASSURANCE RELATED TO THE DEFAULT SUPPLY MASTER AGREEMENT(S) DATED _____ BETWEEN BENEFICIARY AND APPLICANT."

THE AMOUNT WHICH MAY BE DRAWN BY BENEFICIARY UNDER THIS LETTER OF CREDIT SHALL BE AUTOMATICALLY REDUCED BY THE AMOUNT OF ANY DRAWINGS PAID THROUGH ISSUER REFERENCING THIS LETTER OF CREDIT NO. _____.

IF PRESENTATION OF ANY DRAWING IS MADE ON A BUSINESS DAY (AS HEREIN DEFINED) AND SUCH PRESENTATION IS MADE ON OR BEFORE 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE NEXT BUSINESS DAY. IF THE DRAWING IS RECEIVED AFTER 11:00 A.M. NEW YORK TIME, ISSUER WILL SATISFY SUCH DRAWING REQUEST ON THE SECOND FOLLOWING BUSINESS DAY.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT WILL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE (1) YEAR FROM THE EXPIRATION DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST 90 DAYS PRIOR TO ANY EXPIRATION DATE WE NOTIFY YOU AT THE ABOVE ADDRESS BY REGISTERED MAIL OR HAND DELIVERED COURIER THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH PERIOD.

THIS LETTER OF CREDIT MAY BE TERMINATED UPON BENEFICIARY'S RECEIPT OF FULL PAYMENT FROM APPLICANT AND ISSUER'S RECEIPT OF A WRITTEN RELEASE FROM BENEFICIARY RELEASING ISSUER FROM ITS OBLIGATIONS UNDER THIS LETTER OF CREDIT.

THE TERM "BUSINESS DAY" AS USED HEREIN MEANS ANY DAY OTHER THAN (I) A SATURDAY, (II) A SUNDAY, OR (III) A DAY ON WHICH BANKING INSTITUTIONS LOCATED IN THE CITY OF NEW YORK, NEW YORK ARE REQUIRED OR AUTHORIZED BY LAW TO BE CLOSED.

APPLICANT'S FILING OF A BANKRUPTCY, RECEIVERSHIP OR OTHER DEBTOR-RELIEF PETITION, AND/OR APPLICANT'S DISCHARGE THEREUNDER, SHALL IN NO WAY AFFECT THE LIABILITY OF ISSUER UNDER THIS LETTER OF CREDIT AND ISSUER SHALL ALWAYS REMAIN LIABLE TO BENEFICIARY FOR THE FULL AMOUNT OF APPLICANT'S OBLIGATIONS TO BENEFICIARYAS SET FORTH HEREIN NOT TO EXCEED THE AVAILABLE AMOUNT IN THIS LETTER OF CREDIT.

ADDITIONAL TERMS AND CONDITIONS:

1. ALL COMMISSIONS AND OTHER BANKING CHARGES WILL BE BORNE BY APPLICANT.

2. THIS LETTER OF CREDIT MAY BE TRANSFERRED OR ASSIGNED.

3. THIS LETTER OF CREDIT IS IRREVOCABLE.

4. THIS LETTER OF CREDIT IS SUBJECT TO THE INTERNATIONAL STANDBY PRACTICES (1998) OF THE INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 590 ("ISP98") OR SUCH LATER REVISIONS(S) OF THE ISP AS MAY BE HEREAFTER ADOPTED. AS TO MATTERS NOT GOVERNED BY ISP98, THIS LETTER OF CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING, TO THE EXTENT NOT INCONSISTENT WITH

ISP98, THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THE STATE OF PENNSYLVANIA. THIS LETTER OF CREDIT MAY NOT BE AMENDED, CHANGED OR MODIFIED WITHOUT THE EXPRESS WRITTEN CONSENT OF BENEFICIARY AND ISSUER.

5. BENEFICIARY SHALL NOT BE DEEMED TO HAVE WAIVED ANY RIGHTS UNDER THIS LETTER OF CREDIT, UNLESS BENEFICIARY OR AN AUTHORIZED AGENT OF BENEFICIARY SHALL HAVE SIGNED A DATED WRITTEN WAIVER. NO SUCH WAIVER, UNLESS EXPRESSLY SO STATED THEREIN, SHALL BE EFFECTIVE AS TO ANY TRANSACTION THAT OCCURS SUBSEQUENT TO THE DATE OF THE WAIVER, NOR AS TO ANY CONTINUANCE OF A BREACH AFTER THE WAIVER.

6. A FAILURE TO MAKE ANY PARTIAL DRAWINGS AT ANY TIME SHALL NOT IMPAIR OR REDUCE THE AVAILABILITY OF THIS LETTER OF CREDIT IN ANY SUBSEQUENT PERIOD OR OUR OBLIGATION TO HONOR YOUR SUBSEQUENT DEMANDS FOR PAYMENT MADE IN ACCORDANCE WITH THE TERMS OF THIS LETTER OF CREDIT.

AUTHORIZED SIGNATURE: _____

TITLE: _____

PLEASE DIRECT ANY WRITTEN CORRESPONDENCE, INCLUDING DRAWING OR INQUIRIES TO:

[BANK NAME, ADDRESS AND PHONE NUMBER]

EXHIBIT 4

FORM OF GUARANTY

THIS GUARANTY AGREEMENT (this "Guaranty") is made and entered into as of this day of _____, by _____ ("Guarantor"), with an address at _____, in favor of Duquesne Light Company ("Creditor"), with an address at 411 Seventh Avenue, Pittsburgh, PA 15219, in consideration of the Default Supply Master Agreement(s) (the "DSMA(s)") between Creditor and _____ ("Seller") dated _____, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

WHEREAS, Guarantor is an _____ of Seller, and will therefore benefit by Seller entering into the DSMA with Creditor and Guarantor desires Creditor to enter into the DSMA with Seller and to extend credit to Seller thereunder.

WHEREAS, without this Guaranty, Creditor would not execute and deliver the DSMA or consummate the transactions contemplated thereby. Therefore, in consideration of the execution and delivery by Creditor of the DSMA and consummation of the transactions contemplated thereby, Guarantor has agreed to execute and deliver this Guaranty.

NOW, THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Guarantor hereby agrees as follows:

1. Guaranty of Obligations.
   (a) Guarantor hereby irrevocably and unconditionally guarantees, as primary obligor and not a surety with effect from date hereof, the prompt and complete payment when due of all of Seller's payment obligations under the DSMA, whether on scheduled payment dates, when due upon demand, upon declaration of termination or otherwise, in accordance with the terms of the DSMA and giving effect to any applicable grace period, and all reasonable out-of-pocket costs and expenses incurred by Creditor in the enforcement of Guarantor's obligations or collection under this Guaranty, including reasonable attorney's fees and expenses (collectively, the "Obligations").

   (b) The limitations on liabilities of Seller set forth in Article 13 of the DSMA shall also apply to the liabilities of Guarantor hereunder.

2. Nature of Guaranty; Waivers.
   (a) This is a guaranty of payment and not of collection and Creditor shall not be required, as a condition of Guarantor's liability, to pursue any rights which may be available to it with respect to any other person who may be liable for the payment of the Obligations. This is not a performance guaranty and Guarantor is not obligated to provide power under the DSMA or this Guaranty.

(b) This Guaranty is an absolute, unconditional, irrevocable (subject to the provisions of Section 12 of this Guaranty) and continuing guaranty and will remain in full force and effect until all of the Obligations have been indefeasibly paid in full, or until the DSMA has been terminated, whichever comes later. This Guaranty will not be affected by any surrender, exchange, acceptance, compromise or release by Creditor of any other party, or any other guaranty or any security held by it for any of the Obligations, by any failure of Creditor to take any steps to perfect or maintain its lien or security interest in or to preserve its rights to any security or other collateral for any of the Obligations or any guaranty, or by any irregularity, unenforceability or invalidity of any of the Obligations (other than any irregularity, unenforceability or invalidity of any of the obligations under the DSMA resulting from the conduct of Creditor) or any part thereof.

(c) Except as to any claims, defenses, rights of set-off or to reductions of Seller in respect of its obligations under the DSMA (all of which are expressly reserved under this Guaranty), Guarantor's obligations hereunder shall not be affected, modified or impaired by any counterclaim, set-off, deduction or defense based upon any claim Guarantor may have against Seller or Creditor, including: (i) any change in the corporate existence (including its charter or other governing agreement, laws, rules, regulations or powers), structure or ownership of Seller or Guarantor; or (ii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting Seller or its assets; or (iii) the invalidity or unenforceability in whole or in part of the DSMA; or (iv) any provision of applicable law or regulations purporting to prohibit payment by Seller of amounts to be paid by it under the DSMA (other than any law or regulation that eliminates or nullifies the obligations under the DSMA).

(d) Guarantor waives notice of acceptance of this Guaranty, diligence, presentment, notice of dishonor and protest and any requirement that at any time any person exhaust any right to take any action against Seller or their assets or any other guarantor or person; provided, however, that any failure of Creditor to give notice will not discharge, alter or diminish in any way Guarantor's obligations under this Guaranty. Guarantor waives all defenses based on suretyship or impairment of collateral or any other defenses that would constitute a legal or equitable discharge of Guarantor's obligations, except any claims or defenses of Seller in respect of its obligations under the DSMA.

(e) Creditor at any time and from time to time, without notice to or the consent of Guarantor, and without impairing or releasing, discharging or modifying Guarantor's liabilities hereunder, may (i) to the extent permitted by the DSMA, change the manner, place, time or terms of payment or performance of, or other terms relating to, any of the Obligations; (ii) to the extent permitted by the DSMA, renew, substitute, modify, amend or alter, or grant consents or waivers relating to any of the Obligations, or any other guaranties for any Obligations; (iii) settle, compromise or deal with any other person, including Seller, with respect to any Obligations in such manner as Creditor deems appropriate at its sole discretion; (iv) substitute, exchange or release any guaranty; or (v) take such actions and exercise such remedies hereunder as Creditor deems appropriate.

3. Representations and Warranties. Guarantor hereby represents and warrants that:

(a) it is a [limited liability company, corporation, limited partnership, general partnership] duly organized, validly existing and in good standing under the laws of the jurisdiction of its [formation, organization, incorporation] and has the [corporate power] [power] and authority to conduct the business in which it is currently engaged and enter into and perform its obligations under this Guaranty;

(b) it has the [corporate power] [power] and authority and the legal right to execute and deliver, and to perform its obligations under, this Guaranty, and has taken all necessary [corporate action] [action] to authorize its execution, delivery and performance of this Guaranty;

(c) this Guaranty constitutes a legal, valid and binding obligation of Guarantor enforceable in accordance with its terms, except as affected by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting the enforcement of Creditors' rights generally, general equitable principles and an implied covenant of good faith and fair dealing;

(d) the execution, delivery and performance of this Guaranty will not violate any provision of any requirement of law or contractual obligation of Guarantor (except to the extent that any such violation would not reasonably be expected to have a material adverse effect on Guarantor or this Guaranty);

(e) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other person (including, without limitation, any stockholder or of Guarantor) is required in connection with the execution, delivery, performance, validity or enforceability of this Guaranty, other than any which have been obtained or made prior to the date hereof and remain in full force and effect; and

(f) no litigation, investigation or proceeding of or before any arbitrator or governmental authority is pending or, to the knowledge of Guarantor, threatened by or against Guarantor that would have a material adverse effect on this Guaranty.

4. Repayments or Recovery from Creditor. If any demand is made at any time upon Creditor for the repayment or recovery of any amount received by it in payment or on account of any of the Obligations, including but not limited to upon the bankruptcy, insolvency, dissolution or reorganization of Seller and if Creditor repays all or any part of such amount by reason of any judgment, decree or order of any court or administrative body or by reason of any settlement or compromise of any such demand, Guarantor (subject to Sections 2 (c) and (d) of this Guaranty) will be and remain liable hereunder for the amount so repaid or recovered to the same extent as if such amount had never been received originally by Creditor. The provisions of this section will be and remain effective notwithstanding any contrary action which may have been taken by Guarantor in reliance upon such payment, and any such contrary action so taken will be without prejudice to Creditor's rights hereunder and will be deemed to have been conditioned upon such payment having become final and irrevocable.

5. Enforceability of Obligations. No modification, limitation or discharge of the Obligations of Seller arising out of or by virtue of any bankruptcy, reorganization or similar proceeding for relief

of debtors under federal or state law will affect, modify, limit or discharge Guarantor's liability in any manner whatsoever and this Guaranty will remain and continue in full force and effect and will be enforceable against Guarantor to the same extent and with the same force and effect as if any such proceeding had not been instituted. Guarantor waives all rights and benefits which might accrue to it by reason of any such proceeding and will be liable to the full extent hereunder, irrespective of any modification, limitation or discharge of the liability of Seller that may result from any such proceeding.

6. Postponement of Subrogation. Only to the extent that, at the relevant time, there are Obligations, or other amounts hereunder, that are then due and payable but unpaid, Guarantor postpones and subordinates in favor of Creditor any and all rights which Guarantor may have to (a) assert any claim against Seller based on subrogation rights with respect to payments made by Guarantor hereunder and (b) any realization on any property of Seller, including participation in any marshalling of Seller's assets. Upon payment of such due and unpaid Obligations, Creditor agrees that Guarantor shall be subrogated to the rights of Creditor against Seller to the extent of Guarantor's payment to Creditor.

7. Notices. All notices, demands, requests, consents, approvals and other communications required or permitted hereunder must be in writing and will be effective upon receipt. Such notices and other communications may be hand-delivered, sent by email transmission with confirmation of delivery and a copy sent by first-class mail, or sent by nationally recognized overnight courier service, to the addresses for Creditor and Guarantor set forth below or to such other address as one may give to the other in writing for such purpose:

All communications to Creditor shall be directed to:

Attn:
Phone:
Email:
With a copy to:

Phone:
Email:

or such other address as Creditor shall from time to time specify to Guarantor.

All communications to Guarantor shall be directed to:

Attn:
Phone:
Email:

or such other address as Guarantor shall from time to time specify to Creditor.

8. Preservation of Rights. Except as provided by any applicable statute of limitations, no delay or omission on Creditor's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will Creditor's action or inaction impair any such right or power. Creditor's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies which Creditor may have under other agreements with Guarantor, at law or in equity.

9. Illegality. In case any one or more of the provisions contained in this Guaranty should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

10. Amendments. No modification, amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom, will be effective unless made in a writing signed by Creditor, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on Guarantor in any case will entitle Guarantor to any other or further notice or demand in the same, similar or other circumstance.

11. Entire Agreement. This Guaranty (including the documents and instruments referred to herein) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, between Guarantor and Creditor with respect to the subject matter hereof.

12. Successors and Assigns. This Guaranty will be binding upon and inure to the benefit of Guarantor and Creditor and their respective successors and permitted assigns. Neither party may assign this Guaranty in whole or in part without the other's prior written consent, which consent will not be unreasonably withheld or delayed, except that Creditor may at any time assign this Guaranty without Guarantor's consent, in the same manner, on the same terms and to the same persons as Creditor assigns the DSMA in accordance with Section 163 of the DSMA, and except that this Section 12 shall not limit Guarantor's right to assign this Guaranty, along with substantially all of Guarantor's assets and business to a successor entity or Affiliate that assumes all obligations thereunder and (i) where the successor Guarantor's Lowest Credit Rating is equal to or greater than Guarantor's Lowest Credit Rating or where the successor Guarantor's Lowest Credit Rating is equal to or greater than BBB-, as rated by S&P or Fitch, or Baa3, as rated by Moody's, and (ii) Seller is in compliance the DSMA. The "Lowest Credit Rating" shall mean the lowest of the senior unsecured long-term debt ratings determined by Moody's Investor Services, Inc. (or its successor) ("Moody's"), the Standard & Poor's Rating Group, a division of McGraw-Hill, Inc., (or its successor) ("S&P"), or Fitch Investor Service, Inc. (or its successor) ("Fitch") immediately before such transfer and assumption. Upon any such delegation and assumption of obligations by a successor Guarantor, Guarantor shall be relieved of and fully discharged from all of its obligations hereunder, whether such obligations arose before or after the date of such delegation and assumption.

13. Interpretation. In this Guaranty, unless Creditor and Guarantor otherwise agree in writing, the singular includes the plural and the plural the singular; references to statutes are to be construed as including all statutory provisions consolidating, amending or replacing the statute referred to; the word "or" shall be deemed to include "and/or", the words "including", "includes" and "include" shall be deemed to be followed by the words "without limitation"; and references to sections or

exhibits are to those of this Guaranty unless otherwise indicated. Section headings in this Guaranty are included for convenience of reference only and shall not constitute a part of this Guaranty for any other purpose.

14. Governing Law.

(a) This Guaranty has been delivered to and accepted by the Creditor. THIS GUARANTY WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF CREDITOR AND GUARANTOR DETERMINED IN ACCORDANCE WITH THE LAWS OF THE COMMONWEALTH OF PENNSYLVANIA, EXCLUDING ITS CONFLICT OF LAWS RULES.

(b) Guarantor hereby irrevocably consents to the jurisdiction of the federal district court for the Western District of Pennsylvania or to the county court jurisdiction of the Allegheny County Court of Common Pleas; provided that nothing contained in this Guaranty will prevent Creditor from bringing any action, enforcing any award or judgment or exercising any rights against Guarantor individually, against any security or against any property of Guarantor within any other county, state or other foreign or domestic jurisdiction. Guarantor acknowledges and agrees that the venue provided above is the most convenient forum for both Creditor and Guarantor. Guarantor waives any objection to venue and any objection based on a more convenient forum in any action instituted under this Guaranty.

15. WAIVER OF JURY TRIAL. GUARANTOR AND CREDITOR IRREVOCABLY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS GUARANTY, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS GUARANTY OR ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS. GUARANTOR AND CREDITOR ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

16. Term. This Guaranty shall survive termination of the DSMA and remain in full force and effect until all amounts due hereunder, including all of the Obligations, have been paid or performed in full.

17. Stay of Acceleration Ineffective with Respect to Guarantor. If acceleration of the time for payment of any amount payable by Seller under the DSMA is stayed upon the insolvency, bankruptcy or reorganization of Seller, all such amounts otherwise subject to acceleration or required to be paid upon an early termination pursuant to the terms of the DSMA shall nonetheless be payable by Guarantor hereunder on written demand by Creditor.

Guarantor acknowledges that it has read and understood all the provisions of this Guaranty, and has been advised by counsel as necessary or appropriate.

ATTEST: [Guarantor]

_____ By: _____

Name: _____

Title: _____

DUQUESNE LIGHT STATEMENT NO. 3

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company For Approval Of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : : :	**Docket No. P-2024- _____**

DIRECT TESTIMONY OF
SCOTT G. FISHER

Dated: April 19, 2024

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I. Introduction

Q. Please state your name and business address.

A. My name is Scott G. Fisher. My business address is 30 Monument Square, Suite 105, Concord, Massachusetts, 01742.

Q. What is your current position?

A. I am a Partner with The NorthBridge Group, Inc. ("NorthBridge"), an economic and strategic consulting firm serving the electric and natural gas industries. NorthBridge has advised Duquesne Light Company ("Duquesne Light" or the "Company") on matters relevant to its default service plans ("DSP" or "default service" or "POLR") for many years. In these efforts, I have advised Duquesne Light on matters pertaining to both default service supply product portfolio development and rate design.

Q. Please summarize your professional and academic background.

A. Since joining NorthBridge in 1998, I have advised companies in the electric industry on decisions related to risk management, asset valuation and portfolio management, product pricing, contract negotiations, regulatory affairs, supply procurement, rate design, emerging technologies, public policy formulation and negotiations, and overall corporate strategy. I also have served as an expert witness on several of these topics, particularly with respect to default service supply procurement and ratemaking, in state public utility commission proceedings. Before joining NorthBridge, I was a consultant at Strategic

Decisions Group, a management consulting firm serving a variety of industries. I received an A.B. from Dartmouth College and a B.E. from the Thayer School of Engineering at Dartmouth College, with high honors. In addition, I received an M.S. in Engineering-Economic Systems from Stanford University and an M.B.A. from the Tuck School of Business at Dartmouth College, with high honors. I presently serve as a guest lecturer at the Tuck School of Business on energy industry matters.

Q. Have you testified previously before the Pennsylvania Public Utility Commission ("Commission")?

A. Yes, I testified in Docket No. P-2012-2301664, Petition of Duquesne Light Company for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2013 through May 31, 2015,[1] and Docket No. P-2020-3019522, Petition of Duquesne Light Company for Approval of its Default Service Plan for the Period from June 1, 2021 through May 31, 2025.[2] I also testified in Docket No. P-2008-2062739, Petition of PECO Energy Company for Approval of its Default Service Program and Rate Mitigation Plan,[3] Docket No. P-2012-2283641, Petition of PECO Energy Company for Approval of its Default Service Program,[4] Docket No. P-2014-2409362, Petition of PECO Energy

[1] *See Petition of Duquesne Light Company for Approval of Default Service Plan For the Period June 1, 2013 Through May 31, 2015*, Docket No. P-2012-2301664 (Order entered January 25, 2013).

[2] *See Petition of Duquesne Light Company for Approval of its Default Service Plan for the Period from June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019522 (Order entered Jan. 14, 2021).

[3] *See Petition of PECO Energy Company for Approval of Its Default Service Program and Rate Mitigation Plan*, Docket No. P-2008-2062739 (Order entered June 2, 2009).

[4] *See Petition of PECO Energy Company for Approval of Its Default Service Program*, Docket No. P-2012-2283641 (Order entered October 12, 2012).

Company for Approval of its Default Service Program for the Period from June 1, 2015 through May 31, 2017,[5] Docket No. P-2016-2534980, Petition of PECO Energy Company for Approval of its Default Service Program for the Period from June 1, 2017 through May 31, 2021,[6] Docket No. P-2020-3019290, Petition of PECO Energy Company for Approval of its Default Service Program for the Period from June 1, 2021 through May 31, 2025,[7] and Docket No. P-2024-3046008, Petition of PECO Energy Company for Approval of its Default Service Program for the Period from June 1, 2025 through May 31, 2029.[8]

Q. What is the purpose of your direct testimony?

A. The purpose of my testimony is to evaluate Duquesne Light's proposed default service plan (the "Default Service Plan" or "Plan" or "DSP X") to procure supply for default service customers for the period beginning June 1, 2025, and ending May 31, 2029. My direct testimony is divided into two parts. First, I briefly provide some background information and observations pertaining to Duquesne Light's current default service plan. Second, I support Duquesne Light's overall design for DSP X, especially given Act 129's (the "Act") requirement that the plan include a "prudent mix" of contracts designed to

[5] *See Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2015 through May 31, 2017*, Docket No. P-2014-2409362 (Order entered December 4, 2014).

[6] *See Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2017 through May 31, 2021*, Docket No. P-2016-2534980 (Order entered December 8, 2016).

[7] See *Petition of PECO Energy Company for Approval of its Default Service Program for the Period from June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019290 (Order entered Dec. 3, 2020).

[8] See *Petition of PECO Energy Company for Approval of its Default Service Program for the Period from June 1, 2025 through May 31, 2029*, Docket No. P-2024-3046008.

ensure the least cost to customers over time.[9]

Q. Please summarize your conclusions.

A. I have two main conclusions.

1. The basic default service model used by Duquesne Light has been appropriately tailored to provide price stability benefits to customers while supporting the competitive retail electricity market.

2. DSP X satisfies the requirements of Act 129 by incorporating a prudent mix of contracts designed to ensure least cost to customers over time, taking into account the benefits of price stability, and by including prudent steps necessary to obtain least cost generation supply.

Each of these conclusions is described in more detail below.

II. The Basic Default Service Model Used by Duquesne Light Has Been Appropriately Tailored to Provide Price Stability Benefits to Customers While Supporting the Competitive Retail Electricity Market

Q. Please provide a high-level overview of Duquesne Light's default service approach.

A. Duquesne Light has adopted tailored supply portfolios for different customer classes that are designed to ensure the least cost to customers over time, taking into account benefits of price stability. Duquesne Light's largest customers are offered default service rates

[9] 66 Pa. C.S. § 2807(e)(3.4).

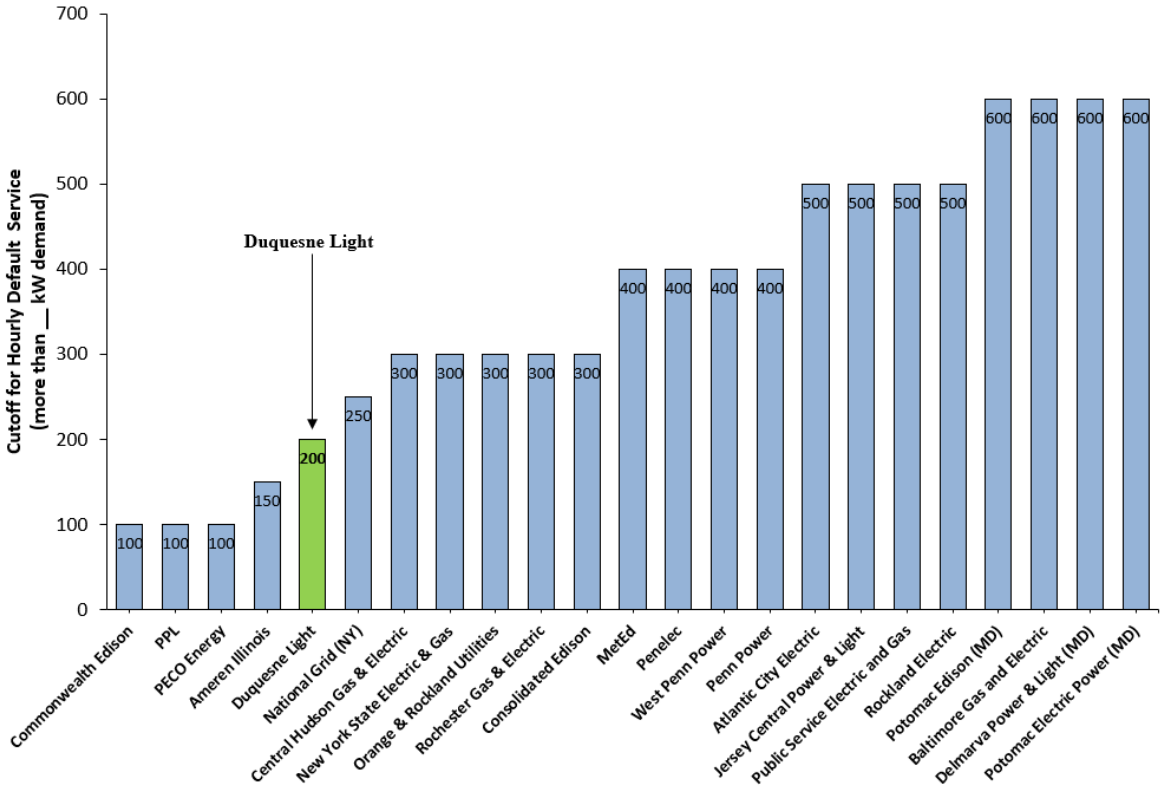
based on day-ahead hourly market prices, while the supply approaches for smaller customers provide them with more stable default service rates. A greater degree of default service rate stability is appropriate for smaller customers, as they are less likely to have the time, incentive, knowledge, sophistication, or resources to elect an alternative electric generation supplier ("EGS" or "competitive retail supplier") offering that provides the price stability at reasonable levels that they seek. I am advised by counsel that Act 129 is consistent with this position, as it requires that a default service plan include a "prudent mix" of contracts that considers any benefits of price stability.[10]

Q. Please characterize Duquesne Light's delineation of customers who are offered default service rates based on day-ahead hourly market prices versus those who are offered more stable default service rates.

A. Duquesne Light was one of the first utilities in the nation to offer hourly-priced default service to all customers with metered demands greater than or equal to 300 kW. Furthermore, as shown in the following figure, with its kilowatt demand threshold of 200 kW, Duquesne Light is among the utilities with the lowest demand thresholds for hourly-priced default service in the United States.

[10] 66 Pa. C.S. § 2807(e)(3.4), and Act 129 of 2008 (Preamble).

Figure 1 Duquesne Light Has One of the Lower kW Thresholds for Hourly Price Default Service for Commercial and Industrial Customers in the United States



Duquesne Light currently offers the following customers default service rates based on day-ahead hourly market prices:[11]

- Medium C&I ≥200kW – Customers served under rate schedules GS/GM and GMH with average monthly metered demands that are at least 200 kW.
- Large C&I – Customers served under rate schedules GL, GLH, L, and HVPS.

[11] For the purposes of my testimony, I refer to these customers as "HPS-Eligible," as they are eligible for Rider No. 9 – Day-Ahead HPS.

As a result, the default service rates offered to about half of Duquesne Light's total system load are based on day-ahead hourly market prices. As of February 2024, 94% of this load is receiving supply from an EGS.[12]

Q. How does Duquesne Light provide more stable default service rates to its customers who are not offered default service rates based on day-ahead hourly market prices?

A. Duquesne Light relies on open solicitations for fixed-price full requirements ("FPFR") default service supply products for its customers who are not offered default service rates based on day-ahead hourly market prices (i.e., Residential & Lighting, Small C&I, and Medium C&I <200kW customer classes),[13] and it passes through the costs of those products to customers. Furthermore, Duquesne Light tailors the specific mix of products to the needs of each customer class.

Q. Mr. Fisher, please describe the characteristics of the FPFR supply products that Duquesne Light procures through open solicitations for its Residential & Lighting, Small C&I, and Medium C&I <200kW default service customers.

A. A FPFR default service supply product obligates the seller of the product to satisfy a specified percentage of all of the default service customers' supply requirements in every

[12] Source: Duquesne Light Company.

[13] Residential customers are those served under rate schedules RS, RH and RA. Lighting customers are those served under rate schedules AL, SE, SM, SH, and PAL. Small C&I customers are those with average monthly metered demands less than 25 kW served under rate schedules GS/GM, GMH and UMS. Medium C&I <200kW customers are those served under rate schedules GS/GM and GMH with average monthly metered demands that are at least 25 kW but less than 200kW.

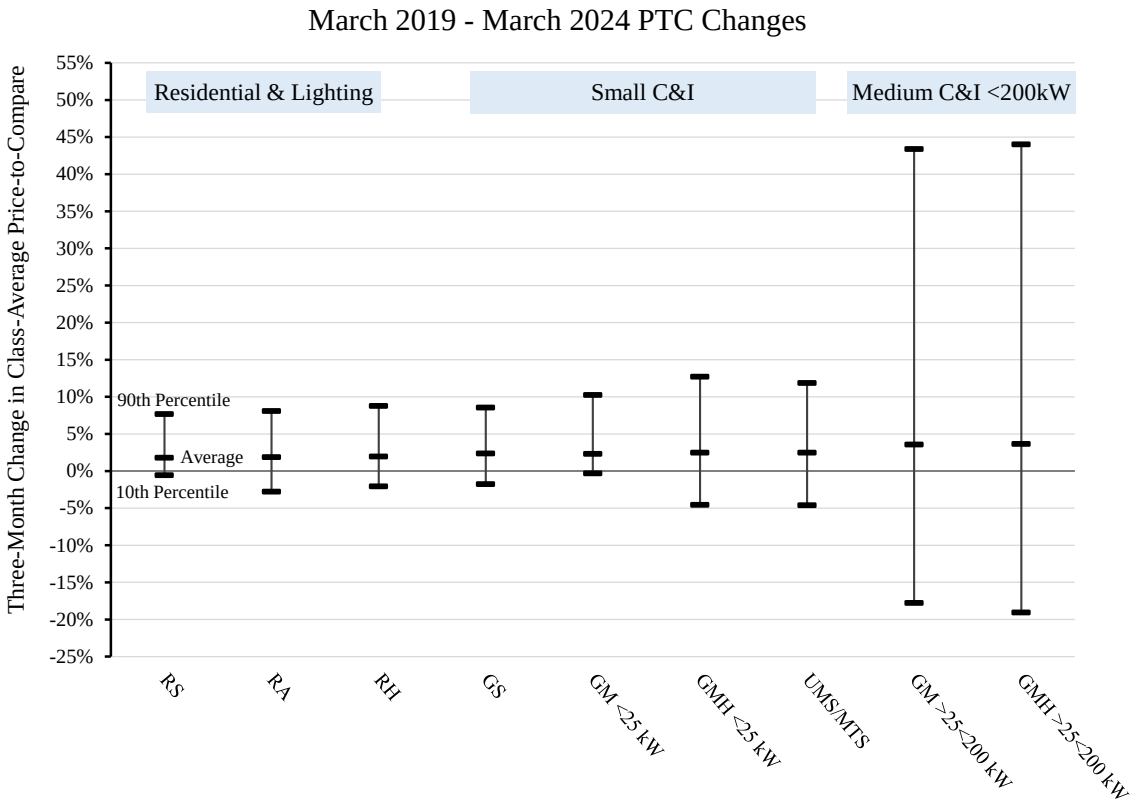
hour of the delivery period, regardless of the default service customers' instantaneous changes in energy consumption, regardless of how frequently customers switch to or from default service, and regardless of how the seller's cost to satisfy its supply obligation may change. The seller is paid a predetermined price per megawatt-hour for this service. The FPFR products that Duquesne Light procures include the generation components required to supply Duquesne Light's default service customers, including energy, capacity, and ancillary services, as well as alternative energy credits required for compliance with Pennsylvania's Alternative Energy Portfolio Standards ("AEPS") Act. In Duquesne Light's solicitations for FPFR products, qualified bidders compete with one another by submitting the prices at which they are willing to provide the full requirements default service supply, and the suppliers with the lowest prices are selected upon approval of the procurement by the Commission. Furthermore, additional price stability benefits can be achieved for certain customer classes if the FPFR products are procured at different times and with overlapping delivery periods. This approach limits the percentage of supply that must be solicited or replaced at any given time or in any given short period of time, thereby reducing the likelihood of significant rate changes due to adverse circumstances or market conditions at any given time.

Q. Please provide a statistical summary of Duquesne Light's historical Price-to-Compare ("PTC") changes for the major rate schedules that are currently offered default service rates based on FPFR supply products.

A. Figure 2 provides a statistical summary of Duquesne Light's class-average PTC changes over a recent five-year historical period for the major rate schedules that are currently

offered default service rates based on FPFR supply products. Throughout this period, percentage changes in the PTC from one date to the date three months later were measured. Figure 2 illustrates the PTC volatility for each rate schedule by providing the 10th and 90th percentiles of the percentage changes.

Figure 2 Three-Month Changes in Duquesne Light's Prices-to-Compare



As shown in Figure 2, Duquesne Light's historical default service plans have been effective in providing the Residential & Lighting and Small C&I customer classes with greater default service rate stability than that provided to the Medium C&I <200kW customer class. Since DSP X will continue the basic procurement strategy for the Residential & Lighting and Small C&I customer classes that was established in DSP VIII

and maintained in DSP IX, Figure 2 supports the conclusion that the benefits of price stability for these smaller customers, who are more likely to rely on default service to provide these benefits, will be achieved in DSP X. As I will explain later, Duquesne Light is proposing a change to the procurement strategy for the Medium C&I <200kW customer class that is designed to increase the default service rate stability for that customer class.

Q. How does Duquesne Light's default service approach provide the benefits of price stability to default service customers in the Residential & Lighting and Small C&I customer classes?

A. The mix of one-year and two-year FPFR products in Duquesne Light's Residential & Lighting and Small C&I default service supply portfolios, and the semi-annual overlapping of their delivery periods, provides these customers with greater assurances of price stability. This is true for several reasons. First, the mix of fixed-price one-year and two-year products smooths out rate fluctuations over time. Second, 37.5% of the Residential & Lighting and Small C&I default service supply is replaced every six months,[14] thereby mitigating the impacts of adverse circumstances or market conditions at any given time, while updating prices over time. Third, Duquesne Light's reliance on supply purchased on four different solicitation dates to determine the default service supply rate at any given point in time, versus a plan in which the default service supply rate at any given point in time is based on supply procured on fewer solicitation dates,

[14] Duquesne Light conducts solicitations every six months, but in each solicitation 25% of the supply requirement is procured in the form of one-year products and 12.5% of the supply requirement is procured in the form of two-year products.

provides Residential & Lighting and Small C&I default service customers with greater rate stability. Finally, Duquesne Light's approach does not require that 100% of the supply be replaced at the end of the DSP period (a "hard stop"), which would expose Residential & Lighting and Small C&I customers to unnecessary rate instability and risks.

Q. Have Duquesne Light's solicitations for FPFR supply products been successful?

A. Yes. Multiple suppliers have participated in Duquesne Light's FPFR product solicitations. In each solicitation held in March or September since 2021, between 7 and 14 bidders actively participated through the submission of bids in the solicitation.[15] Furthermore, of the 452 tranches of FPFR products solicited since March 2017,[16] 99.8% (i.e., all but one tranche) was subscribed.[17] The one tranche that was not subscribed was one of the four Medium C&I <200kW tranches solicited in the September 2022 solicitation.[18] As I explain later in my direct testimony, Duquesne Light is proposing a change to the Medium C&I <200kW procurement strategy in DSP X in part to address possible future undersubscriptions. Finally, with the exception of the one unsubscribed

[15] Source: Duquesne Light Company.

[16] March 2017 was the first solicitation conducted by CRA International, the independent party hired by Duquesne Light to conduct the solicitations.

[17] CRA International's published reports on results from all Duquesne Light Company DSP VIII and DSP IX Wholesale Power Procurements, https://www.duquesnedsp.com/Results.aspx

[18] Petition of Duquesne Light Company for Emergency Approval of Contingency Modification to Its Default Service Plan Docket No. P-2020-3019522, https://www.puc.pa.gov/pcdocs/1760373.pdf

Medium C&I <200kW tranche, the Commission has approved the bid results for all of the FPFR default service supply product tranches that have been solicited.

These facts indicate that suppliers understand the products being solicited and are willing to compete to provide those products. This is beneficial for customers and helps to ensure that the winning prices are the lowest possible for the products being solicited. When bidders are faced with a high likelihood that other bidders are also competing on the basis of price for the same product, they have the incentive to submit their lowest possible price in order to avoid being underpriced by another bidder.

Q. Have Duquesne Light's default service plans supported the competitive retail electricity market?

A. Yes, Duquesne Light's default service plans have facilitated and supported the competitive retail market over a sustained period. In fact, Duquesne Light is one of the top twenty utilities in the United States in terms of percentage of total load switched to a competitive supplier.[19] As of February 2024, 67% of the load in Duquesne Light's service area is receiving supply from an EGS.[20] These results have been achieved without imposing undue price volatility on default service customers or without the use of opt-out customer assignment programs. The foundation for these results has been the tailored supply portfolios that take into account benefits of price stability, as well as other

[19] Based on the most recent data available.

[20] Source: Duquesne Light Company.

initiatives that Duquesne Light has implemented to promote competition while balancing the interests of its customers and shareholders.[21]

III. DSP X Satisfies the Requirements of Act 129 by Incorporating a Prudent Mix of Contracts Designed to Ensure Least Cost to Customers Over Time, Taking into Account the Benefits of Price Stability, and by Including Prudent Steps Necessary to Obtain Least Cost Generation Supply

Q. Please summarize Duquesne Light's proposed plan for DSP X.

A. DSP X will continue the basic default service model that has been approved and implemented in Duquesne Light's previous default service plans, and which includes procurement of a prudent mix of products from competitive wholesale suppliers and has supported retail market competition. Figure 3 provides a summary of the DSP X portfolio for each customer class:

[21] For example, Duquesne Light's management proposed a market determination of stranded costs through the voluntary divestiture of its generation assets. This provided enormous benefits to customers in the form of accelerated recovery of stranded costs, significant rate reductions, and a faster transition from capped default service rates to default service rates that are better designed to reflect market price levels, against which EGSs may compete. Duquesne Light was the first utility in Pennsylvania to develop an hourly pricing program for large commercial and industrial customers. In DSP IV, Duquesne Light negotiated with EGSs, customer groups, and other parties one of the first Pennsylvania purchase of receivables ("POR") pilot programs, whereby Duquesne Light offered to purchase the receivables of EGSs serving Residential and Small C&I customers. In DSP V, Duquesne Light expanded the POR program to include Medium C&I customers.

Figure 3 DSP X: Duquesne Light Tailors its Supply Portfolios by Customer Class

Residential & Lighting	**Small C&I (< 25 kW)**	**Medium C&I <200kW (≥ 25 kW and < 200 kW)[22]**	**HPS-Eligible (≥ 200 kW)[23]**
• Six-month fixed default service supply rates • Continue procurement of 50% of supply from one-year and 50% of supply from two-year full requirements supply products with overlapping delivery periods • Products are procured every six months within three months of start of delivery	• Six-month fixed default service supply rates • Continue procurement of 50% of supply from one-year and 50% of supply from two-year full requirements supply products with overlapping delivery periods • Products are procured every six months within three months of start of delivery	• Three-month fixed default service supply rates • Procurement of 50% of supply from one-year supply products with overlapping delivery periods, and 50% of supply from six-month full requirements supply products with three-month pricing and no overlapping delivery periods • Products are procured every six months within three months of start of delivery	• Hourly price default service supply rates • Continue to procure supply through an auction every twelve months within three months of start of delivery • Winning suppliers are paid their fixed bid price plus their share of the associated (day-ahead hourly) energy, capacity, and ancillary service charges billed pursuant to Rider No. 9.
• Approximately 32% of total system load	• Approximately 7% of total system load	• Approximately 12% of total system load	• Approximately 49% of total system load

HPS-Eligible customers, which comprise approximately 49% of the total load in Duquesne Light's service area, will continue to be offered default service rates based on day-ahead hourly market prices.

Medium C&I <200kW customers, which comprise approximately 12% of the total load in Duquesne Light's service area, will continue to be offered three-month fixed-price default service rates. The product mix will consist of one-year and six-month FPFR supply

[22] Duquesne Light lowered the threshold for customers who are not offered default service rates based on day-ahead hourly market prices from <300 kW to <200 kW on June 1, 2019.

[23] Duquesne Light lowered the threshold for customers who are offered default service rates based on day-ahead hourly market prices from ≥300 kW to ≥200 kW on June 1, 2019.

products solicited semiannually, and the six-month FPFR supply products will have separate pricing for the first and second three months of the six-month delivery period. In contrast, under DSP IX, Medium C&I <200kW default service customers were supplied by three-month products procured quarterly.

Small C&I customers, which comprise approximately 7% of the total load in Duquesne Light's service area, will continue to be offered default service supply rates that adjust every six months, and these rates will continue to be based on a combination of overlapping one-year contracts and overlapping two-year contracts procured every six months.

Residential & Lighting customers, which represent about 32% of the total load in Duquesne Light's service area, also will continue to be offered default service supply rates that adjust every six months, and these rates will continue to be based on a combination of overlapping one-year contracts and overlapping two-year contracts procured every six months.

In Duquesne Light Statement No. 2, Duquesne Light witness John Peoples describes the procurement processes for the different customer classes in more detail. In addition, as explained by Duquesne Light witness C. James Davis in Duquesne Light Statement No. 1, Duquesne Light is engaged in final negotiations regarding its solar purchase power agreement, and it expects to file a Petition seeking approval of the agreement before the conclusion of DSP IX. The alternative energy credits associated with this agreement will be used toward compliance with the requirements of the AEPS Act with respect to default service load.

Q. Please describe Duquesne Light's proposed default supply procurement plan for Medium C&I <200kW customers.

A. In Duquesne Light Statement No. 2, Duquesne Light witness John Peoples explains Duquesne Light's proposal to switch from the current approach of soliciting three-month FPFR products in quarterly solicitations to a new approach for the Medium C&I <200kW customer class. In the new approach, all of the default service supply for the Medium C&I <200kW customer class still will be procured in the form of FPFR products, but all of the supply will be procured in solicitations held semi-annually, at the same times as the supply solicitations for the Residential & Lighting and Small C&I customer classes. Consistent with the procurement approach for the Residential & Lighting and Small C&I customer classes, the delivery period for Medium C&I <200kW customer class default service supply products solicited in the first scheduled solicitation of a given calendar year will begin on June 1 of that calendar year, and the delivery period for Medium C&I <200kW customer class default service supply products solicited in the second scheduled solicitation of a given calendar year will begin on December 1 of that calendar year.

Half of the default service supply for the Medium C&I <200kW customer class will be procured in the form of 12-month FPFR products, and half will be procured in the form of six-month FPFR products with three-month pricing. For the half of the supply that is procured in the form of 12-month FPFR products, 50% of that supply (i.e., 25% of the total supply for the customer class) will be procured in each solicitation; therefore, the 12-month FPFR product delivery periods will overlap on a semiannual basis. For the half of the supply that is procured in the form of six-month FPFR products, 100% of that supply (i.e., 50% of the total supply for the customer class) will be procured in each solicitation;

therefore, there will be no overlap of the six-month FPFR supply products across the solicitations. The six-month FPFR products will be structured to incorporate separate prices for the first and second three-month periods of the six-month delivery period, as determined by bidders and described by Duquesne Light witness John Peoples in Duquesne Light Statement No. 2.

Q. Why is Duquesne Light proposing this change to the Medium C&I <200kW procurement strategy?

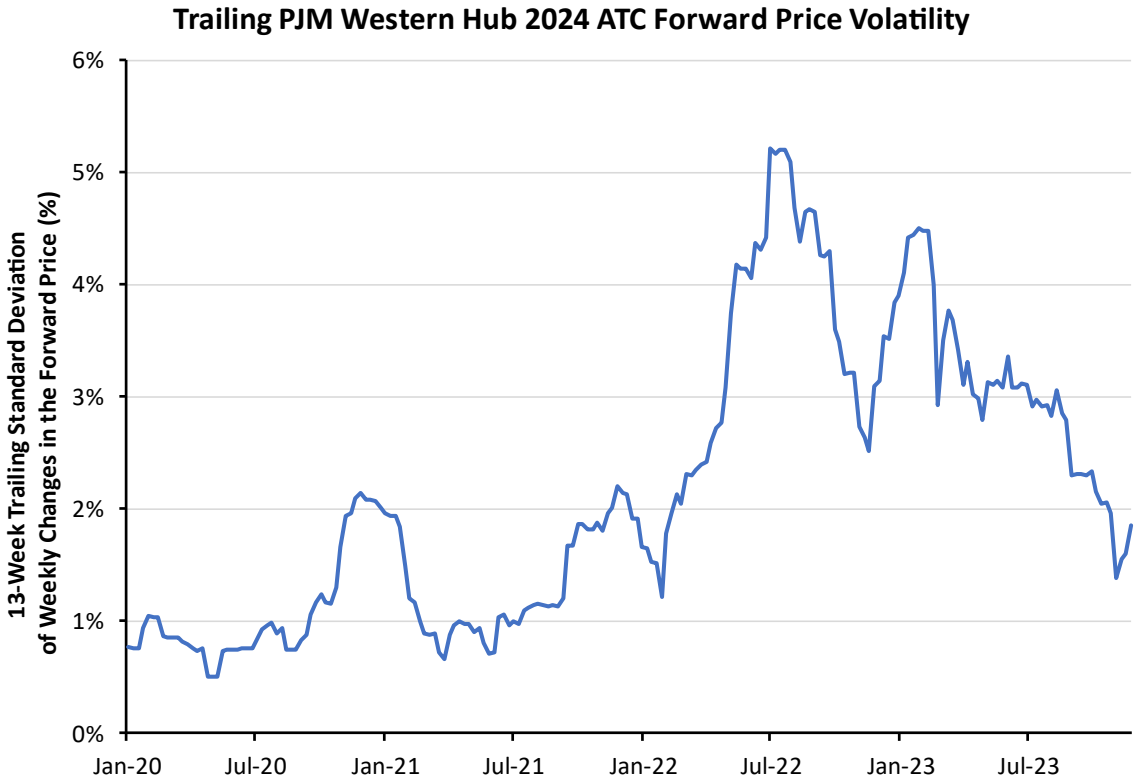
A. There are two reasons for this change. First, the shift from three-month FPFR products to 12-month and six-month FPFR products, and the overlapping delivery periods of the 12-month products, will provide greater price stability for Medium C&I <200kW customers, which is especially important given the higher underlying wholesale market volatility experienced recently. Second, this change in the Medium C&I <200kW procurement strategy is designed to better encourage supplier participation and better ensure successful solicitations. Specifically, without the change, in two solicitations each year, only Medium C&I <200kW supply is solicited, and only in the form of very short-term (three-month) products. This may discourage some supplier participation because, all else equal, suppliers may be less likely to be interested in investing time and resources in a solicitation if the amount of supply that they can be awarded is small. In contrast, by instead procuring all of the Medium C&I <200kW supply as a part of larger supply solicitations in which Residential & Lighting and Small C&I supply is also procured, and in which all supply products are for longer terms (six months or longer), greater supplier participation may be encouraged.

Q. Why is it beneficial to incorporate greater price stability into the procurement strategy for Medium C&I <200kW customers?

A. As Figure 2 shows, Duquesne Light's current procurement approach provides notably less default service rate stability for the Medium C&I <200kW customer class than for the Residential & Lighting and Small C&I customer classes. This is a result of the fact that Medium C&I <200kW default service customers' exposure to shorter-term underlying wholesale market price volatility is greater than that for the Residential & Lighting and Small C&I customer classes, because 100% of the default service supply for the Medium C&I <200kW customer class is replaced every three months. In contrast, the FPFR default service supply products for the Residential & Lighting and Small C&I customer classes have longer delivery periods that overlap, thereby smoothing out shorter-term changes in the underlying wholesale markets.

Furthermore, underlying wholesale energy market volatility increased notably during the DSP IX period, thereby indicating that Medium C&I <200kW default service customers could be exposed to greater and unnecessary default service price swings going forward (than they experienced before market volatility increased) if the procurement strategy is not changed. Figure 4 illustrates the increase in underlying wholesale market volatility experienced during the DSP IX period.

Figure 4 PJM Western Hub Forward Price Volatility



Source: Mantis Innovation, derived from data at https://mantisinnovation.com/marketintelligence/marketupdate/.

Figure 4 shows the trailing standard deviation (over the previous 13 weeks, or roughly three months) of weekly percentage changes in the forward price for around-the-clock ("ATC") calendar year 2024 energy delivery at PJM Western Hub over time. In other words, this exhibit indicates the variations in market price changes over time. As can be seen, starting in early 2022, forward price volatility increased to higher levels.

Multiple factors contributed to the increased market volatility. Rapidly increasing American exports of liquified natural gas caused American natural gas prices, and therefore American electricity prices, to be more closely tied to volatile global energy prices,[24] with

[24] https://www.americanprogress.org/article/lng-exports-raise-natural-gas-prices-for-americans/

the volatility severely exacerbated by Russia's February 2022 invasion of Ukraine.[25] Furthermore, shortages in coal supply limited utility operators' ability to switch to coal-fired generation in response to higher natural gas prices, further exposing American electricity prices to the increased volatility of the international natural gas market.[26] In addition, four extreme weather events in 2022 in the United States, two winter storms and two heat waves, caused major price spikes in regional wholesale electricity prices,[27] providing further evidence of the increasing frequency of significant climate events[28] and the increased energy price risk associated with this trend.[29]

Q. Have you performed an analysis that indicates that Duquesne Light's proposed procurement strategy for the Medium C&I <200kW customer class will result in notably more stable default service rates than its current procurement strategy for this customer class?

A. Yes. I have simulated and compared the Medium C&I <200kW default service supply rate stability under Duquesne Light's proposed procurement strategy versus Duquesne Light's current procurement strategy.

[25] https://www.iea.org/topics/russias-war-on-ukraine

[26] https://www.eia.gov/todayinenergy/detail.php?id=54419

[27] https://www.eia.gov/todayinenergy/detail.php?id=55139

[28] https://www.climate.gov/news-features/blogs/beyond-data/2022-us-billion-dollar-weather-and-climate-disasters-historical

[29] https://www.sciencedirect.com/science/article/abs/pii/S0140988321002139

Q. Please describe your rate stability analysis in further detail.

A. The analysis consisted of separate phases.[30] In the first phase, I used historical wholesale price and customer class load data to calculate the volatility (i.e., variability) of historical wholesale energy prices, capacity prices, and loads, as well as the correlations between these variables.[31] In the second phase, I developed potential future time-series outcomes for wholesale energy prices, capacity prices, and Medium C&I <200 kW loads, that are consistent with the volatilities and correlations calculated from the historical data.[32] In the third phase, I applied Duquesne Light's current procurement strategy for Medium C&I <200 kW customers, and I separately applied its proposed procurement strategy for Medium C&I <200 kW customers under DSP X, to the potential future time-series outcomes.[33] I then compared the resultant supply cost variability under each procurement strategy to determine whether Duquesne Light's proposed procurement strategy is likely to produce more stable default service rates than its current procurement strategy.[34]

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[30] Tasks in this answer attributed to me were performed either by me or under my supervision.

[31] Historical wholesale energy price data, and historical load data for Medium C&I customers who are not eligible for HPS, from January 2019 to December 2023, were used to develop statistical measures of volatility, rates of mean-reversion, and correlations. The analysis captures statistical characteristics of around-the-clock average real-time LMPs, the average hourly load, and the load-weighting gross-ups that account for the total energy cost of serving load on an hourly basis when weighted by real-time hourly energy prices and loads. The volatility and rate of mean reversion of capacity prices is based on historical PJM capacity price data for delivery years 2012 to 2024.

[32] Each individual time-series outcome is a self-contained potential future characterized by outcomes regarding real-time energy prices, capacity prices, Medium C&I <200kW loads and load-weighting gross-ups, and forward energy prices and load expectations.

[33] In both cases, I assumed that supply products are procured approximately 2.5 months before the start of delivery.

[34] Supply cost variability is analyzed in a "steady state," where all supply portfolios are equally exposed to procurements executed under uncertain market conditions. For the purposes of this analysis, smaller contributions to default service rates (e.g., ancillary services and other PJM line items allocated to the FPFR product suppliers, Alternative Energy Credits, residual compensation required by FPFR product suppliers to assume various costs and risks, any approved adders that are required to cover administrative costs, distribution line losses, Pennsylvania

Q. What do you conclude from your rate stability analysis?

A. I conclude that Duquesne Light's proposed procurement strategy for the Medium C&I <200kW customer class will result in notably more stable default service supply rates than its current procurement strategy for this customer class. Figure 5 depicts the results of my rate stability analysis.

Gross Receipts Tax, etc.) were assumed to have a negligible impact on the percentage change in the default service rate from period to period. Given the fixed-price nature of FPFR products, I assumed for the purposes of this analysis that collections from customers match underlying costs, so reconciliations are minimal and supply cost variability is a reasonable proxy for default service supply rate variability.

Figure 5 Comparison of Medium C&I <200kW Procurement Strategies

	Current Procurement Strategy	Proposed Procurement Strategy
95th Percentile		
Year-to-Year Overall Change in Rate Level	36%	22%
Rate Change as of:		
June	63%	34%
September	38%	4%
December	12%	10%
March	20%	2%
5th Percentile		
Year-to-Year Overall Change in Rate Level	-27%	-19%
Rate Change as of:		
June	-4%	-8%
September	-34%	-6%
December	-28%	-19%
March	-30%	-9%
95th Minus 5th		
Year-to-Year Overall Change in Rate Level	62%	41%
Rate Change as of:		
June	67%	42%
September	73%	10%
December	41%	29%
March	50%	12%

When looking at the 95th percentile possibilities across all scenarios, the current procurement strategy could produce a 36% year-to-year overall change in rate level, yet the proposed strategy would lower this possibility to a 22% increase. Furthermore, the rate changes on a quarterly basis are even more striking. When looking at the 95th percentile possibilities across all scenarios, the possible rate increase is reduced in every quarter of the year, and quite significantly in all quarters except December. In sum, Duquesne Light's proposed procurement strategy for the Medium C&I <200kW customer class is expected to result in notably more stable default service supply rates than its current procurement strategy for this customer class.

Q. Do you have any other comments about the results of your analysis?

A. Yes. It is important to recognize that actual future rate variability could be even greater than what I show in my analysis, as my analysis does not capture all possible drivers of rate uncertainty. This underscores the importance of incorporating greater price stability into the procurement strategy for Medium C&I <200kW customers, as Duquesne Light has proposed.

Q. Does DSP X satisfy Section 2807(e)(3.1) of the Act, which requires that supply be acquired through competitive procurement processes?

A. Yes, DSP X satisfies this requirement. Section 2807(e)(3.1) provides that the default service provider shall acquire electric power through competitive procurement processes including one or more of the following: auctions, RFPs, and/or bilateral agreements entered into at the sole discretion of the default service provider. DSP X satisfies Section 2807(e)(3.1) by relying on open and competitive solicitation processes utilizing auctions for full requirements supply contracts to obtain default service supply for all of its customers.

Q. Act 129 requires a default service plan to procure a prudent mix of contracts and to include prudent steps necessary to obtain least cost generation supply contracts on a

long-term, short-term and spot market basis.[35] What guidance has the Commission provided in interpreting that standard?

A. On October 4, 2011, the Commission entered its Second Default Service Rulemaking Order, and in this Order, it provided guidance based on input received from stakeholders. Some of the Commission's guidance regarding the interpretation of "least cost" and "prudent mix" is as follows:

> [T]he ["least cost"] standard must give the DSP sufficient latitude to select contracts that constitute a "prudent mix" which includes a sufficient variety of products that adequately take into consideration price volatility, changes in generation supply, customer usage characteristics and the need to assure safe and reliable service.[36]

> In implementing default service standards, the Commission must be concerned about rate stability as well as other considerations such as ensuring a "prudent mix" of supply and ensuring safe and reliable service. In our view, a default service plan that meets the "least cost over time" standard should not have, as its singular focus, the achievement of the absolute lowest cost over the default service plan time frame but rather a cost for power that is both relatively stable and also economical relative to other options.[37]

> Price stability benefits are very important to some customer groups, so an interpretation of "least cost" that mandates subjecting all default service customers to significant price volatility through general reliance on short term pricing is inconsistent with Act 129's objectives.[38]

> We agree with the majority of parties that the "prudent mix" of contracts be interpreted in a flexible fashion which allows the DSPs to design their

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[35] 66 Pa. C.S. § 2807(e)(3.4), and 66 Pa. C.S. § 2807(e)(3.7).

[36] *Default Service and Retail Electric Markets*, Docket No. L-2009-2095604 (Order entered October 4, 2011) ("*Second Default Service Rulemaking Order*"), p. 38.

[37] *Second Default Service Rulemaking Order*, p. 40.

[38] *Second Default Service Rulemaking Order*, p. 41.

own combination of products that meets the various obligations to achieve "least cost to customers over time," ensure price stability, and maintain adequate and reliable service.[39]

We do reject the positions of those parties that "prudent mix" be defined to always require a specific mix or percentage of types of contract components in each default service plan or a minimum of two types of products.[40]

Q. Do you believe that DSP X incorporates a prudent mix of contracts, and includes prudent steps necessary to obtain least cost generation supply contracts, as required by Section 2807(e)(3.4) and Section 2807(e)(3.7) of Act 129?

A. Yes, I do. There are several reasons for this conclusion:

1. The procurement process is designed to ensure the least cost to customers by requiring qualified bidders in the supply product solicitations to compete and be selected based on the lowest price. Furthermore, when FPFR products are solicited, default service customers are provided the benefits of competition on all aspects of the full requirements supply obligation, including the portfolio management function.[41] It is reasonable to assume that bidders in the FPFR product solicitations will consider the costs and risks associated with all forms of supply available to them to satisfy their fixed-price full requirements obligation, and will reflect in their

[39] *Second Default Service Rulemaking Order*, p. 60.

[40] *Second Default Service Rulemaking Order*, p. 60.

[41] FPFR product suppliers have the responsibility for continuously satisfying the uncertain and constantly changing supply requirements at the agreed-upon price, and therefore must manage the associated costs and risks through their supply portfolio decisions.

bid prices the benefits of any opportunity that they believe is the least cost supply opportunity.

2. DSP X relies on FPFR default service supply products, which are well-tested in the marketplace. These products have been successfully procured by Duquesne Light and are frequently procured by utilities in Pennsylvania and in other jurisdictions.[42]

3. The Commission has recognized the benefits of reliance on full requirements products in a default service portfolio, as it stated in its Second Default Service Rulemaking Order:

> The [full requirements] process insulates default supply customers from the volatility associated with wholesale market conditions with the supplier bearing the risks of factors such as customer migration, weather, load variation and economic activity.[43]

> We do express a preference for continued reliance by DSPs on the [full requirements] approach to the extent this method best suits the DSP's particular procurement needs.[44]

The seller of a FPFR product is responsible for assuming, managing, and covering the financial costs and risks associated with electricity supply, while customers are protected against adverse market and/or generation cost outcomes. Sellers of FPFR products must satisfy their obligation, regardless of how much market prices or generation costs may increase during the delivery period and regardless of the default service load level. Yet if market prices decrease after these types of supply

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[42] Examples of specific jurisdictions in which full requirements supply products are procured include Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, Ohio, Pennsylvania, and Washington D.C.

[43] *Second Default Service Rulemaking Order*, p. 54.

[44] *Second Default Service Rulemaking Order*, p. 56.

contracts are signed, customers may elect service from a lower cost competitive retail supplier.

4. Duquesne Light's use of a reservation price in the evaluation of default service supply bids mitigates the possibility that customers will pay FPFR product prices that exceed the level that they may be willing to pay for the benefits of FPFR products. This further ensures that customers are provided generation supply at the least cost. Furthermore, if tranches are unsubscribed because of bid rejection due to the application of the reservation price, Duquesne Light's contingency plan will help ensure the remaining load is filled in an appropriate manner.

5. DSP X continues the use of a standard supply contract (referred to as a supply master agreement or "SMA"), which lets bidders know the terms and requirements of the default service supply obligation well in advance of the bid due date, and therefore allows qualified bidders to submit firm bid prices knowing that these contract terms and conditions will not change. The use of a standard contract also assures qualified bidders that the selection of the winning bidders will be an objective process. Consequently, the use of a standard contract encourages participation in the solicitations from many potential suppliers.

6. DSP X is also prudent because it includes tailored supply portfolios for different customer classes that take into account the benefits of price stability, the different shopping propensity of each customer class, and the desire to support the competitive retail market in Duquesne Light's service area.

Q. Has the Commission supported the use of a tailored supply portfolio for each customer class?

A. Yes. Specifically, in its Second Default Service Rulemaking Order, in its discussion of the "prudent mix" requirement under Act 129, the Commission stated:

> The Commission notes there was substantial unanimity on this point and agrees with the parties that the "prudent mix" standard should be interpreted to allow for a class-specific product mix that best matches the needs of each DSP customer class.[45]

Q. Do you believe that DSP X is designed to ensure adequate and reliable service, as required by Section 2807(e)(3.4) of the Act?

A. Yes. First, the supply contracts contain protections to provide reliability with respect to the sellers' ability to satisfy the terms and conditions of the contracts. Under DSP IX, suppliers must satisfy certain requirements (including being a member in good standing of PJM) that help ensure that they are able to perform their obligations.

In addition, since all of the load served under the contracts will be supplied through PJM, regardless of whether the winning default service supply bidders own or control generation, reliable and adequate service is further ensured. PJM is a FERC-approved regional transmission organization with a central responsibility to ensure the reliability of its regional electricity grid of which Duquesne Light is a part, and PJM has numerous mechanisms in place to meet this responsibility. Furthermore, if a default service supplier

[45] *Second Default Service Rulemaking Order*, p. 69.

defaults on its contract, Duquesne Light can procure from PJM the physical supply necessary to ensure adequate and reliable service to satisfy its default service obligations.

Q. Mr. Fisher, does DSP X include a reasonable degree of flexibility to accommodate the possibility of future changes in the default service supply approach?

A. Yes. DSP X incorporates this flexibility in several ways. First, the default service supply product portfolio for the HPS-Eligible customer class does not include any supply products with delivery periods that extend beyond May 31, 2029, the end of the DSP X period. As a result, the Commission can easily adopt a similar plan or a very different plan for the period starting June 1, 2029, without facing situations involving pre-existing default service supply products for this customer class with deliveries that extend beyond the DSP X period.

Second, the first solicitation for a Medium C&I <200kW supply product with a delivery period that extends beyond May 31, 2029 (the end of the DSP X period) does not occur until September 2028, and the first solicitation for Residential & Lighting and Small C&I supply products with delivery periods that extend beyond May 31, 2029 does not occur until September 2027.[46] As a result, there is a significant amount of time before commitments to new supply products extending beyond the DSP X period are made, should changes need to be made due to legislative or regulatory mandates. In the meantime, these solicitations remain scheduled because they allow for the option for a fairly seamless

[46] Furthermore, the Residential & Lighting and Small C&I supply products obtained in the September 2027 solicitation that extends beyond May 31, 2029 represent only 12.5% of the respective customer class's default service load.

continuation of the laddered procurement cycle as Duquesne Light transitions from DSP X to DSP XI,[47] and they avoid subjecting Residential & Lighting, Small C&I, and Medium C&I <200kW customers to a "hard stop" with regard to their supply products at the end of the DSP X period. This helps to avoid the need to replace an unnecessarily large portion of default service supply in a short period of time at the end of the DSP X period. Customers could be exposed to magnified risks and rate instability if a default service plan were to require that a large portion of the customers' default service supply be procured in a short period of time.

Finally, DSP X provides flexibility because it relies on full requirements supply products. Full requirements products provide just enough supply to satisfy the actual load obligations, thereby mitigating the risk of being saddled with commitments to purchase supply that is not needed. This is especially valuable given ongoing uncertainty about future customer migration.

Q. Is DSP X designed to support the competitive retail electricity market?

A. Yes. EGSs will compete against market-based default service rates, as the default service rates will be based on the prices for supply products obtained through competitive solicitations in which multiple bidders compete to sell the products solely on the basis of price. In addition, the use of FPFR supply products for the Residential & Lighting, Small

[47] In its *Second Default Service Rulemaking Order*, the Commission recognized the importance of "laddering" contracts in procuring default service supply. Specifically, the Commission stated, "We agree with those parties that utilizing such practices as laddering contracts, with varying procurement periods and contract durations over multiple procurements provide definite benefits in terms of minimizing the impacts of market volatility and decreasing customer risk." (*Second Default Service Rulemaking Order*, pp. 62-63.)

C&I, and Medium C&I <200kW classes will allow those classes' default service rates to closely match the market-based supply costs, reducing the likelihood of significant over- and under-collections from retail customers and enhancing rate transparency for retail supply decisions.[48] Furthermore, the FPFR supply products and their procurement timing under DSP X will result in a relatively stable and transparent residential price-to-compare benchmark against which residential customers can compare competing retail offers. Finally, as discussed by Duquesne Light witness Davis in Duquesne Light Statement No. 1, Duquesne Light will continue its pre-established retail market initiatives, such as its Standard Offer Program, through May 31, 2029.

Q. Do you believe that FPFR suppliers' bid prices will be noticeably higher due to Duquesne Light's continued inclusion of the supply for customers enrolled in Duquesne Light's proposed Electric Vehicle Time-of-Use ("EV TOU") Supply Rate Pilot?[49]

A. No. Both the fixed-rate default service and the EV TOU Supply Rate Pilot will continue to be supplied via the same FPFR products, so customer switching between the fixed-rate

[48] Over- and under-collections are related to the degree to which actual costs during a given period may vary from the retail rates that were set for that period. If there is significant uncertainty about the all-in dollar-per-megawatt-hour default service supply cost for an upcoming rate period when the default service retail supply rate for that period is set, then the likelihood of significant over- and under-collections is increased. FPFR products generally entail very little uncertainty about the default service supply costs on a dollars-per-megawatt-hour basis for any given upcoming rate period at the time that the default service retail rate for that period is set, effectively reducing the potential for significant over- or under-collections. It should be noted that over- and under-collections also can occur due to billing cycle lag.

[49] Duquesne Light witness Sarah J. Olexsak in Duquesne Light Statement No. 5 describes the EV TOU Supply Rate Pilot and the customer enrollment process. In Duquesne Light Statement No. 4, Duquesne Light witness David B. Ogden describes the supply rates for the EV TOU Supply Rate Pilot.

default service and the EV TOU Supply Rate Pilot will not cause load uncertainty issues which the suppliers otherwise may be expected to price into their bids.[50] Furthermore, since suppliers will be paid the same price for a megawatt-hour of supply regardless of what proportion of the supply is for EV TOU Supply Rate Pilot customers, suppliers will not bear any revenue risk associated with whether a given megawatt-hour of supply is needed by a customer on the fixed-rate default service or a customer enrolled in the EV TOU Supply Rate Pilot. In addition, to the extent that customers elect the EV TOU Supply Rate Pilot and shift their usage to lower-priced periods or reduce their usage during higher-priced periods, the underlying market-based cost to supply the customers could be reduced, resulting in lower FPFR supplier bid prices over time. Finally, Duquesne Light expects the number of customers who elect the EV TOU Supply Rate Pilot in the near term to continue to be relatively small relative to the overall customer base. If the EV TOU Supply Rate Pilot is expected to represent a small percentage of a given FPFR product's supply, then any effects of the EV TOU Supply Rate Pilot on the FPFR product supplier's bid price should be small.

Q. Does this conclude your direct testimony?

A. Yes, it does.

[50] In contrast, if the supply for the EV TOU Supply Rate Pilot were solicited separately, default service suppliers would bear additional risks related to customer switching to and from the EV TOU Supply Rate Pilot. Duquesne Light's proposal eliminates these risks and is relatively easy to administer.

DUQUESNE LIGHT STATEMENT NO. 4

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company	**:**	
For Approval Of Default Service Plan	**:**	**Docket No. P-2024_____**
For The Period June 1, 2025 Through	**:**	
May 31, 2029	**:**	

DIRECT TESTIMONY OF DAVID B. OGDEN

Dated: April 19, 2024

I. INTRODUCTION

Q. Please state your full name, business affiliation and address.

A. My name is David B. Ogden. I am the Manager of Rates and Tariff Services at Duquesne Light Company ("Duquesne Light" or "Company"). My business address is 411 7th Avenue, Pittsburgh, PA, 15219.

Q. Please describe your professional and educational background.

A. I received a Bachelor of Science in Business Administration Degree with a major in Accounting from Clarion University of Pennsylvania in 2001. I am a Certified Public Accountant. I began my career at the Company in 2008 as the Supervisor of Derivative Accounting and Special Projects. Over the last fifteen years, I have held supervisory and managerial positions within Accounting, Financial Planning and Analysis and currently the Rates and Tariff Services Department. Prior to joining Duquesne Light, I was a senior audit associate in the Pittsburgh office of PricewaterhouseCoopers LLP, a public accounting firm, where I performed attestation, advisory and compliance services for clients throughout the United States. Prior to joining PricewaterhouseCoopers, I held audit positions within the Allegheny County Controllers Office.

Q. Please describe your current responsibilities.

A. In my current role as Manager of Rates and Tariff Services, I am responsible for overseeing the Company's retail rates and wholesale transmission rates. In addition, it is my responsibility to ensure the rates are properly distributed to Customer Billing.

Q. Have you previously testified before the Pennsylvania Public Utility Commission?

A. Yes. I have testified in the Company's Default Service Plan ("DSP VIII") at Docket No. P-2016-2543140, the Company's Distribution System Improvement Charge ("DSIC") proceeding at Docket No. P-2016-2540046, the Company's 2018 base rate proceeding at Docket No. R-2018-3000124, the Company's Default Service Plan ("DSP IX") at Docket No. P-2020-3019522, the Company's 2020 Phase IV Energy Efficiency and Conservation Plan (EE&C) at Docket No. P-2020-3015228, the Company's 2021 base rate proceeding at Docket No. R-2021-3024750 and the Company's 2024 base rate proceeding at Docket No. R-2024-3046523.

Q. What is the purpose of your Direct Testimony?

A. The purpose of my testimony is to address the following items regarding the Company's proposed tenth default service plan ("DSP X"):

1. Describe the proposed default service supply rates for Residential and Lighting, Small Commercial and Industrial ("C&I"), Medium C&I, and Large C&I customers obtained through competitive auctions.
2. Describe the default service supply rates for the Company's continued Electric Vehicle Time-of-Use ("EV-TOU") Pilot Program.
3. Describe the Company's default service costs and cost recovery.
4. Describe the Company's plan to recover retail competition costs.
5. Describe the reconciliation process for Rider No. 8 - Default Service Supply ("DSS") rates and Rider No. 9 – Day-Ahead Hourly Price Service ("HPS") rates.

6. Describe the Company's reconciliation periods and when it posts the Price to Compare ("PTC").
7. Describe the Company's plan to recover its Green Tariff Pilot Program costs.
8. Describe the proposed changes to the Company's Retail Tariff necessary to implement DSP X.
9. Describe the proposed changes to the Company's Electric Generation Supplier ("EGS") Coordination Tariff necessary to implement DSP X.

Q. Are you sponsoring any exhibits as part of your Direct Testimony?

A. Yes. I am sponsoring the following exhibits:

- Exhibit DBO-1 Illustrative Example to Calculate DSS Rates for EV-TOU and Residential and Lighting Customers
- Exhibit DBO-2 Derivation of DSS Rate Factors for Residential and Lighting Customers
- Exhibit DBO-3 Derivation of EV-TOU DSS Rate Factors
- Exhibit DBO-4 Estimated Default Service Plan Related Costs
- Exhibit DBO-5 Proposed Retail Tariff Supplement (clean version)
- Exhibit DBO-6 Proposed Retail Tariff Supplement (red-line version)
- Exhibit DBO-7 Proposed EGS Tariff Supplement (clean version)
- Exhibit DBO-8 Proposed EGS Tariff Supplement (red-line version)

Q. Were these exhibits prepared by you or under your supervision?

A. Yes. These exhibits were prepared either by me or under my supervision. They were prepared, to the best of my knowledge, in accordance with the Pennsylvania Public Utility Commission ("Commission") requirements and practice.

Q. How is your testimony organized?

A. I first discuss the proposed DSS rates for the various customer classes. I then describe the rate design for the Company's proposed EV-TOU Pilot Program. Next, I describe the proposed method to recover the costs associated with implementing the DSP X plan and of administering certain retail competition programs and initiatives. I then describe the DSS reconciliation and PTC posting processes. Next, I describe the Company's plan to recover its Green Tariff Pilot Program costs. Finally, I describe the proposed changes to the Company's Retail and EGS Coordination Tariffs necessary to implement the proposed default service plan.

II. RIDER NO. 8 – DEFAULT SERVICE SUPPLY ("DSS") RATES FOR RESIDENTIAL AND LIGHTING CUSTOMERS

Q. What rate schedules apply to Residential and Lighting customers?

A. Residential customers are served under rate schedules RS, RH and RA. Lighting customers are served under rate schedules AL, SE, SM, SH, and PAL.

Q. Please describe the current DSS rates applicable to Residential and Lighting customers.

A. The current DSS rates for these rate schedules are designed to recover the costs of electric supply that are procured through a competitive auctions solicitation process approved in the Company's DSP IX proceeding at Docket No. P-2020-3019522 and described in Rider No. 8 – DSS of the Company's current retail Tariff No. 25. The competitive auctions are for full requirements service that includes both the Residential and Lighting load. Full

requirements service includes the cost of energy, capacity, congestion and congestion management charges, alternative energy requirements, ancillary services, and PJM grid management charges. DSS rates for Residential and Lighting rate schedules AL and SE are a reconcilable, flat supply charge per kilowatt-hour ("kWh"). DSS rates for Lighting rate schedules SM, SH and PAL are a fixed rate per fixture based on the monthly kWh consumption of the fixture and are also reconcilable.

Q. Is the Company proposing any changes to the basic process of determining DSS rates for Residential and Lighting customers in DSP X?

A. No. As discussed by Duquesne Light witness Mr. Peoples, the Company is proposing to continue to obtain DSS through multiple competitive auctions, and the Company will use the same basic process to calculate the new supply rates. Under the current and proposed plan, new supply rates will continue to be effective every June 1 and December 1 for the period June 1, 2025 through May 31, 2029.

Q. In DSP X, please describe how the Residential and Lighting DSS rates will be determined.

A. Winning bids will be determined through the competitive auction process as described by Duquesne Light witness Mr. Peoples. In general, a single weighted-average price will be calculated from the winning bids necessary to fill the applicable tranches in accordance with the guidelines of the competitive auction process.

The Company will then adjust the weighted-average winning bid price to recover the cost of line losses, initial and ongoing administrative costs to provide default service,

the cost of solar contracts (if any) obtained by the Company on behalf of Residential and Lighting default service customers,[1] and prior period over/under collections with interest. Once the gross weighted average of the winning bid price is determined, the Company will adjust the price using class rate factors to derive Residential and Lighting class rates based on their respective energy consumption patterns and capacity requirements. Next, the Company will adjust the individual class rates for any costs that are directly related to either the Residential or Lighting class. The final step will adjust the price to recover Pennsylvania gross receipts tax ("GRT"). This process is generally the same as that used by the Company in DSP IX.

Q. Have you prepared an exhibit that shows the derivation of DSS rates for Residential and Lighting customers?

A. Yes. Exhibit DBO-1 is an illustrative example showing the derivation of the Residential and Lighting DSS rates for the DSP X period.

Q. Have you updated the rate factors used to derive the DSS rates for Residential and Lighting customers?

A. Yes. Exhibit DBO-2 shows the derivation of the rate factors that the Company proposes to use for the 2025-2026 effective rate period. As shown in Exhibit DBO-2, capacity prices

[1] Initially, the same basic process that exists today will be used to develop Residential and Lighting DSS rates. The rates will be adjusted for those costs associated with the Company's long-term solar contracts, if any, during the DSP X period that are approved by the Pennsylvania Public Utility Commission. Duquesne Light witness Mr. Davis discusses the Company's plan to evaluate entering into long-term solar contracts during the DSP X period.

per MWh were determined based on the results of the 2024-2025 PJM capacity auction[2], and on historical customer class capacity obligations and loads.[3] Hourly load-weighted locational marginal prices ("LMPs") for energy were calculated based on hourly market price and load data from 2020 through 2023. The load-weighted average LMPs for Lighting customers reflect the off-peak nature of these customers' load. Rate factors were derived by adding capacity prices and LMPs per MWh, and expressing these values relative to the load-weighted average sum of capacity prices and LMPs per MWh for the Residential and Lighting customer load combined.

III. RIDER NO. 8 – DEFAULT SERVICE SUPPLY ("DSS") RATES FOR SMALL C&I CUSTOMERS

Q. What rate schedules apply to Small C&I customers?

A. Small C&I customers are those customers with monthly metered demand less than 25 kW served under rate schedules GS/GM and GMH and unmetered customers served under rate schedule Unmetered Service ("UMS").[4]

Q. Please describe how the current DSS rates for Small C&I customers were developed.

A. DSS is procured through a competitive auction solicitation process approved in the Company's DSP IX proceeding and described in Rider No. 8 – DSS of the Company's

[2] The Company will update Exhibit DBO-2 to account for the 2025-2026 PJM capacity auction, that is currently forecasted to occur in the summer of 2024 for the rate factors effective 6/1/25.

[3] Due to ongoing changes in PJM capacity rules and delays in the capacity auction process, capacity auction prices have not yet been established for the 2025-2026 capacity planning period and beyond. The Company proposes to update the rate factors using the same basic methodology shown in Exhibit DBO-1 and DBO-2 as future base capacity auction prices are published.

[4] Municipal traffic signals are an example of UMS customers.

current retail Tariff No. 25. The competitive auctions are for full requirements service. Small C&I DSS rates are reconcilable, flat supply charges per kWh.

Q. Is Duquesne Light proposing any changes to the basic process of determining DSS rates for Small C&I customers in DSP IX?

A. No. The proposed process for determining DSS rates for Small C&I customers in DSP X is generally the same as the current process. As discussed by Duquesne Light witness Mr. Peoples, the Company is proposing to continue to obtain DSS through multiple competitive auctions, and the Company will use the same basic process to calculate the retail rate. Under the current and proposed plan, new DSS rates will continue to be effective every June 1 and December 1 for the period June 1, 2025 through May 31, 2029.

Q. Please describe how the DSS rates will be determined for rate schedules GS/GM, GMH and UMS.

A. A single weighted-average price will be calculated from the winning bids necessary to fill the applicable tranches in accordance with the guidelines of the competitive auction process. Similar to the derivation of the Residential and Lighting DSS rates shown in Exhibit DBO-1, the Company proposes to adjust the weighted-average winning bid price to recover the cost of line losses, initial and ongoing administrative costs to provide default service, the cost of solar contracts (if any) obtained by the Company on behalf of Small C&I default service customers, and prior period over/under collections with interest. Once the gross weighted-average of the winning bid price is determined, the Company will adjust the rate for any costs that are directly related to the Small C&I class. The final step will

adjust the price to recover Pennsylvania gross receipts tax ("GRT"). This process is generally the same as that used by the Company in DSP IX.

IV. RIDER NO. 8 – DEFAULT SERVICE SUPPLY ("DSS") RATES FOR MEDIUM C&I CUSTOMERS

Q. What rate schedules apply to Medium C&I customers?

A. Medium C&I customers are those customers served under rate schedules GS/GM and GMH with monthly metered demand that is at least 25 kW. For purposes of Rider No. 8 – DSS, medium customers are those customers with a monthly metered demand that is at least 25 kW and less than 200kW, on average, in a twelve (12) month period.[5]

Q. How are C&I customers assigned to Rider No. 8 – DSS or Rider No. 9 – HPS?

A. For purposes of assigning customers not being served by an EGS to the applicable supply rate, the Company evaluates the customer's twelve (12) most recent months of monthly billing demand available in October of the preceding year. If the customer's average monthly billing demand is greater than or equal to 25 kW but less than 200 kW in the twelve (12) month period, then that customer is assigned to the Rider No. 8 – DSS rate for Medium C&I customers effective with the customer's June billing.[6] If the customer's average monthly billing demand is greater than or equal to 200 kW, the customer will be

[5] For purposes of assigning customers to the applicable supply rate, each October, Duquesne Light shall evaluate the customer's average monthly usage and billing demand for the past twelve (12) most recent months.

[6] Duquesne Light lowered the upper threshold for the Medium C&I class from < 300 kW to < 200 kW on June 1, 2019.

assigned to Rider No. 9 – HPS effective June 1st. Customers served on Rider No. 9 are described further in Section V.

Q. Please describe how the current Rider No. 8 - DSS rates for Medium C&I customers were developed.

A. DSS is procured through a competitive auction solicitation process approved in the Company's DSP IX proceeding and described in Rider No. 8 – DSS of the Company's current retail Tariff No. 25. The competitive auction is for full requirements service. Medium C&I DSS rates are reconcilable, flat supply charges per kWh.

Q. Is Duquesne Light proposing any changes to the basic process of determining DSS rates for Medium C&I customers in DSP X?

A. Yes. As discussed further by Duquesne Light witness Mr. Peoples, the Company is proposing to continue to obtain DSS through multiple competitive auctions for full requirements supply products, but it is proposing to switch from the current approach of soliciting three-month fixed price, full requirements ("FPFR") products in quarterly solicitations to a new approach designed to help reduce rate volatility for Medium C&I customers.

As explained by Mr. Peoples, in the proposed new approach, all of the default service supply for Medium C&I customers will be procured in the form of FPFR products, in solicitations held semi-annually. The FPFR products will consist of a mix of 12-month and six-month products. The delivery periods for products solicited in the first scheduled solicitation of a given calendar year will begin on June 1 of that calendar year, and the

delivery periods for products solicited in the second scheduled solicitation of a given calendar year will begin on December 1 of that calendar year. Bidders for the six-month FPFR products will submit two prices for each tranche on which they bid, one for the first three months of the delivery period and one for the second three months of the delivery period, with winning bidders selected as described by Mr. Peoples. This will result in three-month pricing for these contracts.

While the proposed new approach will incorporate changes to the supply product mix and pricing structure, it will result in default service supply rates that adjust quarterly, which is the same frequency of rate adjustments that is currently in use. Consequently, under the proposed plan, through May 31, 2029, new DSS rates will continue to become effective every June 1, September 1, December 1, and March 1 for Medium C&I customers served under Rider No. 8.

Q. Please describe how the Rider No. 8 - DSS rates will be determined for rate schedules GS/GM and GMH.

A. The Company proposes to continue the same basic process used to derive DSS rates. A single weighted-average price will be calculated from the winning bids necessary to fill the applicable tranches in accordance with the guidelines of the competitive auction process. Similar to the derivation of the Residential and Lighting rates shown in Exhibit DBO-1, the Company proposes to adjust the weighted-average winning bid price to recover the cost of line losses, initial and ongoing administrative costs to provide default service, the cost of solar contracts (if any) obtained by the Company on behalf of Medium C&I default service customers, and prior period over/under collections with interest. Once the gross

weighted average of the winning bid price is determined, the Company will adjust the rate for any costs that are directly related to the Medium C&I class. The final step will adjust the price to recover Pennsylvania gross receipts tax ("GRT"). This process is generally the same as that used by the Company in DSP IX.

V. RIDER NO. 9 – DAY-AHEAD HOURLY PRICE SERVICE (" HPS") SUPPLY RATES FOR MEDIUM AND LARGE C&I CUSTOMERS

Q. What rate schedules are eligible for Rider No. 9 – Day-Ahead HPS?

A. HPS default service applies to customers served under rate schedules GS/GM and GMH with monthly metered demand that is greater than or equal to 200 kW on average, in a twelve (12) month period, as well as Large C&I customers served under rate schedules GL, GLH, L, and HVPS.

Q. Please describe how HPS rates are developed in DSP X.

A. The formula used to calculate HPS rates is provided in Rider No. 9 – Day-Ahead HPS. The Company procures full requirements supply for HPS through a competitive auction solicitation process. As described by Duquesne Light witness Mr. Peoples, the Company issues a single solicitation each year, wherein the Company requests competitive offers from suppliers to provide default service supply. The suppliers (or supplier) with the lowest fixed price bids are selected as the winners of the HPS solicitation. In addition to being paid its winning bid price, each winning supplier is paid for its share of the associated energy (at the day-ahead hourly energy market prices), capacity, and ancillary service charges billed to HPS customers, as described in Rider No. 9 – Day-Ahead HPS. The

winning suppliers' fixed price bids are designed to recover the alternative energy credit costs, the energy balancing costs associated with day-ahead pricing versus final energy costs, and any other third-party supplier administrative costs of providing HPS. The annual solicitation is conducted in March of each year.

Q. Is Duquesne Light proposing any changes to the basic process of determining HPS rates in DSP X?

A. No. The Company is proposing to continue to issue annual competitive auctions and charge each HPS customer based on the winning bid prices and its actual hourly usage at the day-ahead hourly energy prices. This will continue to allow customers to manage their electricity usage and supply costs by providing customers with day-ahead notice of hourly energy prices. The methodology used to calculate the other bill components of the HPS rate will remain the same.

Q. Is the Company proposing any changes to the methodology used to determine the Fixed Retail Administrative Charge ("FRA") in Rider No. 9?

A. No. The Company is proposing to continue to include only the implementation and ongoing annual costs in the price billed to customers in the same manner as previously described for DSS rates in Rider No. 8. Specifically, in the derivation of the rates effective June 1 of each year, the Company will include for recovery through the FRA the annual ongoing costs to provide Rider No. 9 as well as the costs to conduct the competitive auction for Rider No. 9. The Company will continue to adjust the FRA to include the initial and ongoing administrative costs to provide default service, the cost of solar contracts (if any)

obtained by the Company on behalf of HPS default service customers, as well as a true-up for the prior period over/under collection of Company costs recovered with interest. Consistent with DSP IX, only the Company expenses to be recovered through the FRA will be included in the Company's Rider No. 9 – Day-Ahead HPS 1307e reconciliation.

VI. ELECTRIC VEHICLE TIME-OF-USE DEFAULT SERVICE SUPPLY RATE

Q. Does the Company currently have in effect any TOU supply rate offering?

A. Yes, the Company received Commission approval as part of its DSP IX proceeding to establish an optional Electric Vehicle Time-of-Use ("EV-TOU") Pilot Program for Residential, Small C&I and Medium C&I customers with less than 200 kW of demand who use Default Service (Rider No. 8) supply. The existing EV-TOU rates differentiate prices across three periods (Peak, Off-Peak and Super Off-Peak) that remain constant year-round based on rate factors for each procurement class that are updated on an annual basis and are designed to provide price signals to end-use customers to encourage load-shifting.

The current EV-TOU supply rates are distinguished by three time periods throughout the year. The Super Off-Peak Period consists of all hours every day from 11:00 PM through 6:00 AM. The Peak Period consists of all hours every day from 1:00 PM through 9:00 PM. All other hours are included in the Off-Peak Period. The same Peak, Off-Peak, and Super Off-Peak Periods are applicable to all eligible EV-TOU customers.

Witness Olexsak describes the overall experience with the current EV-TOU pilot program.

Q. In Duquesne Light's service area, are EGSs currently permitted to offer TOU supply rates?

A. Yes. EGSs may offer a TOU product using the Duquesne Light bill-ready billing option. The Company will continue to facilitate the offering of EGS TOU rates in DSP X.

Q. Is the Company proposing any changes related to the EV-TOU Pilot Program in this proceeding?

A. Yes, in addition to changing the name of the program to the "EV TOU Supply Rate Pilot," the Company is proposing three modifications to the program as a part of DSP X. First, based on an examination of the PJM DLC zonal price data over the past four years, the Company is proposing to adjust the Peak, Off-Peak and Super Off-Peak hours to further encourage EV load shifting to lower-priced periods. Secondly, the Company is proposing to shift the 3:00 PM through 9:00 PM hours on weekends and holidays[7] from the Peak Period to the Off-Peak Period. Lastly, as further described by Witness Olexsak, in addition to the Whole Home EV TOU rate option that the Company currently offers, the Company is proposing to offer an EV-Only EV TOU rate option that would utilize EV charging station and EV telematics data as an alternative to a second revenue grade meter.

[7] Holidays follow the PJM definition and include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Q. Which customers will be eligible to participate in the EV TOU Supply Rate Pilot?

A. Consistent with DSP IX, the Company will continue to offer EV TOU to Residential, Small C&I, and Medium C&I customers eligible for Rider No. 8 who own or lease a plug-in battery electric vehicle or a plug-in hybrid electric vehicle (collectively "EV") or offer charging infrastructure to employees or visitors. Customers eligible for Rider No. 9 – Day-Ahead HPS will continue to not be eligible for the EV TOU Supply Rate Pilot, and they will not bear any of the costs associated with the program.[8] The EV TOU Supply Rate Pilot eligibility requirements are described further by Duquesne Light witness Ms. Olexsak.

Q. Are customers that participate in the EV TOU Supply Rate Pilot also eligible for net metering?

A. Yes, consistent with DSP IX, customers who are eligible for Rider No. 8 – DSS EV-TOU supply rates are also eligible for net metering in accordance with the terms and conditions in Rider No. 21 – Net Metering Service.

Q. How will electricity for the EV TOU Supply Rate Pilot be supplied?

A. Consistent with DSP IX, the EV TOU service for a given customer class will continue to be supplied via the same fixed price, full requirements ("FPFR") products that provide default service supply for that customer class. Suppliers will be paid the same price for a megawatt-hour of supply regardless of how much of its supply is for EV TOU customers.

[8] Unmetered accounts on Rider No. 8 also are not eligible for EV-TOU supply rates.

Q. By what time periods will EV TOU supply rates be differentiated?

A. The EV TOU supply rates will continue to be distinguished by three time periods throughout the year. The Super Off-Peak Period will consist of all hours every day from 11:00 PM through 6:00 AM. The Peak Period will consist of all hours from 3:00 PM through 9:00 PM on non-holiday weekdays. All other hours will be included in the Off-Peak Period. The same Peak, Off-Peak, and Super Off-Peak Periods will be applicable to all eligible EV TOU customers.

Q. Would the EV TOU supply rates apply to all load behind the customer meter or just the EV load?

A. In the Company's current Whole Home EV TOU option, the EV TOU supply rates apply to all load associated with the applicable meter, not just the EV load. As noted above, the Company is proposing to also offer an EV Only EV TOU option in which it would utilize EV charging station or EV telematics data as an alternative to a second revenue grade meter and thus capture just the EV load. This proposal is further described by Duquesne Light witness Ms. Olexsak.

Q. Please explain the rationale for the three EV TOU time periods (Peak, Off-Peak, and Super Off-Peak).

A. The EV TOU supply rates are designed primarily to help promote the adoption and cost-efficient charging of electric vehicles in the Duquesne Light service area by making it less expensive to charge EVs overnight. The EV TOU supply rate will promote charging of EVs overnight (i.e., incent customers to add incremental load at lower rates) when the

underlying market costs of electricity are relatively low and discourage EV charging during Peak Periods when the underlying market costs of electricity are relatively high. The discounted Super Off-Peak Period supply rate (from 11:00 PM through 6:00 AM) that applies every day of the week also will continue to be simple for customers to understand.

Q. How will the EV TOU supply rates be determined for the Peak Period, Off-Peak Period, and the Super Off-Peak Period?

A. Consistent with DSP IX, for each applicable procurement class, the process will begin with the weighted-average winning bid price for the applicable class's default service supply. The Company will then adjust the weighted-average winning bid price to recover the cost of line losses, initial and ongoing administrative costs to provide default service, the cost of solar contracts (if any) obtained by the Company on behalf of default service customers, and prior period over/under collections with interest. Once the resulting price is determined, the Company will adjust the price using the applicable class EV TOU supply rate factors to derive the Peak Period, Off-Peak Period, and Super Off-Peak Period rates for that customer class.[9] Next, the Company will adjust the individual class rates for other costs related to the applicable customer classes. The final step will adjust the price to recover Pennsylvania gross receipts tax ("GRT"). This process is generally the same as that proposed by the Company for DSP IX.

[9] Residential and Lighting class rate factors will also be applied at this point, as applicable.

Q. Have you prepared an exhibit that shows the derivation of the EV TOU supply rates?

A. Yes. Exhibit DBO-1 is an illustrative example showing the derivation of the EV TOU supply rates for the DSP X period.

Q. How did you derive the EV TOU supply rate factors for the Peak Period, Off-Peak Period, and Super Off-Peak Period for each customer class?

A. Exhibit DBO-3 shows the derivation of the EV TOU supply rate factors that the Company proposes to use for the 2025-2026 effective rate period for each applicable customer class. As shown in Exhibit DBO-3, capacity prices per MWh were determined based on the results of the 2024-2025 PJM capacity auction, and on historical customer class capacity obligations and loads.[10] Hourly load-weighted locational marginal prices ("LMPs") for energy were calculated based on hourly market price and load data from 2020 through 2023. Rate factors were derived by adding capacity prices and LMPs per MWh for each given time period, and expressing these values relative to the load-weighted average sum of capacity prices and LMPs per MWh across all hours. This process is very similar to the process used to derive EV TOU supply rate factors in DSP IX.

Q. Did you adjust the underlying methodology used to calculate the EV TOU supply rate factors for any customer class?

[10] Due to ongoing changes in PJM capacity rules and delays in the capacity auction process, capacity auction prices have not yet been established for the 2025-2026 capacity planning period and beyond. The Company proposes to update the rate class factors using the same basic methodology shown in Exhibit DBO-2 and DBO-3 as future base capacity auction prices are published.

A. Yes. With the launch of the EV-TOU Pilot Program during DSP IX, the Company now has historical load data for its EV-TOU Pilot Program customers, which are comprised overwhelmingly of Residential customers. As a result, the Company is basing the calculation of the Residential EV TOU supply rate factors on the historical loads of Residential EV TOU customers. This refinement should better reflect the applicable load patterns of participating customers in the EV TOU supply rate factor calculations. This refinement is not applied to the calculation of the EV TOU supply rates for Small C&I and Medium C&I customers due to an insufficient sample of historical EV-TOU Pilot Program loads for these customer classes.

Q. Will the Company develop separate rate factors for the WholeHome EV TOU product and the EV-Only EV TOU product?

A. No. The Company is not proposing separate rate factors for the two metering options.

Q. Will the EV TOU supply rates be reflected in the Company's Retail Tariff?

A. Yes. The Company will reflect the EV TOU supply rates for each applicable customer class within Rider No. 8 – DSS, as shown in Exhibits DBO-5 and DBO-6 that contain the necessary changes to Rider No. 8 – DSS (both clean and redline versions).

Q. Under the Company's plan to have default service providers supply customers under the EV TOU Supply Rate Pilot, will the Company perform any reconciliation of revenues collected from EV TOU customers with the associated supply costs?

A. Yes. The FPFR suppliers will be paid the same price per megawatt-hour of supply regardless of how much of its supply is for EV TOU customers. The Company will charge customers who enroll in the EV TOU Supply Rate Pilot Peak, Off-Peak, and Super Off-Peak period supply rates included in Rider No. 8 – DSS in Duquesne Light's Retail Tariff. Any mismatches between revenues from EV TOU supply rates and supply costs paid to FPFR product suppliers will be recovered/refunded within the existing Rider No. 8 – DSS 1307e customer class reconciliation. This approach will avoid cost shifting across customer classes during the Pilot and is simple to administer within the existing reconciliation process.

Q. How will the Company's costs to continue the EV TOU Supply Rate Pilot be recovered?

A. The Company proposes to continue to recover any costs incurred by the Company to maintain the EV TOU Supply Rate Pilot from default service customers. These costs are described by Duquesne Light witness Ms. Olexsak and are reflected on Exhibit DBO-4. EV TOU Supply Rate Pilot costs readily attributable to a specific customer class (e.g., Residential customers) will be directly assigned to the default service class for which such costs are incurred and will be recovered in Rider No. 8. All other costs, which cannot be directly assigned, will be allocated to all of the default service classes eligible to participate in the program in proportion to each class's default service load.

VII. DEFAULT SERVICE COSTS AND COST RECOVERY

Q. What types of administrative costs does the Company incur to provide default service?

A. Consistent with previous default service plans, in addition to the supply costs necessary to provide default service, the Company incurs costs in two primary areas. First, initial start-up costs are incurred to develop and obtain approval of the proposed default service plan. Second, ongoing costs are incurred throughout the duration of the default service plan to implement the plan (e.g., the costs related to the process of conducting the competitive auctions and evaluating the results of these solicitations, the incremental administrative costs to provide HPS, etc.).

Q. Has the Company previously unbundled default service costs from base distribution rates?

A. Yes. In compliance with the terms of the non-unanimous settlement within the Petition of Duquesne Light Company for Approval of a Default Service Plan for the Period June 1, 2017 to May 31, 2021 (DSP VIII), the Company agreed to unbundle the costs set forth in Exhibit DBO-5, effective June 1, 2017.[11]

Q. How does the Company currently recover administrative costs to prepare and obtain approval of the proposed default service plan?

[11] DSP VIII Recommended Decision, page 7 that was approved in the DSP VIII Order entered December 22, 2016 at Docket No. P-2016-2543140.

A. The Company currently recovers the costs for external legal and consulting services to prepare and obtain approval of the default service plan through both DSS and HPS rates.

Q. How does the Company currently recover the ongoing administrative costs to provide default service?

A. The ongoing administrative costs are primarily associated with managing the competitive auction process. A third-party independent evaluator conducts the recurring competitive auctions to obtain DSS and HPS from wholesale suppliers, monitors the results, and prepares reports to the Commission. These costs for the independent evaluator to conduct the competitive auctions are easily identifiable and are recovered through an adder in the applicable procurement class default service rates. These costs are included in the build-up of the DSS rates in Rider No. 8 and the FRA in Rider No. 9. Cost and revenue recovery associated with these administrative costs for specific activities are tracked separately for each procurement group to ensure no cross-subsidy occurs. The costs for the independent evaluator to conduct multiple solicitations on a given date are allocated to each procurement group for recovery based on the number of solicitations for each procurement class.

Q. Did you prepare an estimate of the default service costs in dollars that are applicable to the DSS and HPS rates?

A. Yes. I have estimated these costs based on the information that is available at this time. These costs are summarized in the table shown in Exhibit DBO-4. These are preliminary

cost estimates that are subject to change based on final plan design and implementation costs.

Q. How did you estimate the costs to prepare and obtain approval of the DSP X plan?

A. The cost estimates in Exhibit DBO-4 are the consulting and legal fees to prepare and obtain approval of the DSP X plan. The Company will plan to update these default service costs with actual external legal and consulting service costs to prepare and obtain approval for the DSP X plan as part of the Company's DSP X Compliance filing that would be filed in April 2025, prior to the effective date of DSP X.

Q. How did you estimate the cash working capital costs associated with DSS and HPS rates?

A. The cash working capital cost shown in Exhibit DBO-4 is based on the supply-related cash working capital costs that were excluded from the distribution rate base in the Company's 2024 base rate proceeding at Docket No. R-2024-3046523. The annual revenue requirement for working capital costs shown equals the Company's pre-tax overall return applied to those costs.

Q. When does the Company propose to begin to recover these costs through DSS and HPS rates?

A. The Company proposes to update and recover the estimated DSP X filing and other identified costs through DSS & HPS rates beginning June 1, 2025.

Q. Please explain how the Company proposes to assign the default service costs to each customer class.

A. Default service costs are directly assigned to the default service class for which such costs are incurred. All other costs, which cannot be directly assigned, are allocated to all of the default service classes in proportion to each class's forecasted default service load.

Q. Once the total estimated costs are allocated to a customer class, how does the Company propose to recover those costs?

A. Consistent with DSP IX, the Company proposes to divide the default service costs by the approved number of years of the DSP X Plan and develop a monthly fixed expense amount for each of the three Rider No. 8 customer classes (i.e. Residential/Lighting, Small C&I, Medium C&I), as well as for the Rider No. 9 customers. Consistent with DSP IX, as shown in Exhibit DBO-1, the Company will include the monthly expense amounts in the derivation of the rates for each rate effective period based on the number of months in the rate effective period. For example, the DSS rates effective June 1, 2025 through November 30, 2025 will include six months of default service expenses.

Q. Regarding the default service costs, is the Company proposing any changes in the reconciliation process currently in use for default service rates?

A. No. The 1307e reconciliation statement for each applicable customer class will include a line item for the monthly expense. The reconciliation for the monthly expense will capture only changes in default service kWh sales (e.g., the difference between the forecasted kWh at the outset when setting rates and actual default service kWh sales). The difference in

recovery of the unbundled expense (over or under collection) created by variations in kWh sales will be recovered through the e-factor component of the DSS and HPS rates for the applicable customer class.

VIII. RETAIL COMPETITION COSTS AND COST RECOVERY

Q. What types of activities is the Company engaged in to support retail competition?

A. The Company currently engages in several activities to support retail competition, including:

- Administering a Purchase of Receivables ("POR") program, whereby Duquesne Light agrees to purchase the accounts receivable, without recourse, associated with EGS sales of retail electric commodity services to Residential, Small C&I, and Medium C&I customers within Duquesne Light's service territory.
- Administering a Standard Offer Program ("SOP"), which is designed to encourage customers to shop with an EGS at a prescribed discount to the PTC at the time of the offer.
- Administering other Commission-mandated activities, programs, projects, services, etc. to enhance the competitive energy market in Pennsylvania.

Q. How does the Company currently recover the costs of these retail competition initiatives?

A. The Company has several mechanisms in place to recover the costs of these retail competition initiatives.

- For the POR program, defined in Rule 12.1.7 of the EGS Coordination Tariff, Duquesne Light purchases the EGSs' electric commodity (which is comprised of generation and transmission service) receivables at a fixed discount currently set at 0.10% for incremental, ongoing operating and administrative expenses associated with the POR Program related to these customers.
- For the SOP program, defined on pages 42B of the current EGS Coordination Tariff, the Company charges participating EGSs a fee of $30.00 for every customer referral that is submitted.
- The Company has the ability to recover the expenses associated with implementing Commission-mandated activities, programs, projects, services, etc. to enhance the competitive energy market in Pennsylvania through a non-bypassable Retail Market Enhancement Surcharge ("RMES")[12] defined in Rider No. 1 of the Company's Retail Tariff.

Q. Is the Company proposing to change the way it recovers these costs to support retail competition in this proceeding?

A. No. As explained by Duquesne Light witness Mr. Davis, the Company is not altering its current SOP program. The cost recovery of the SOP program will continue as a direct pass through between the third-party vendor and the participating supplier.

[12] The RMES was approved in the Company's DSP VII plan effective June 1, 2015 (Docket No. P-2014-2418242).

X. RECONCILIATION PERIODS AND PRICE TO COMPARE POSTING

Q. What reconciliation period does the Company currently use for DSS rates?

A. DSS rates are currently reconciled on a six-month basis. In general, the current reconciliation period is the six-month period ending 120 days prior to the effective date of the new rates. New rates effective on June 1st include reconciliation of actual revenue and actual expense for the six months ending January 31st. New rates effective on December 1st include reconciliation of actual revenue and actual expense for the six months ending July 31st. For the statements necessary for 1307e filing requirements which are on a twelve-month basis, the Company combines two six-month reconciliation periods and submits a twelve-month reconciliation filing for the twelve months ending January 31st in accordance with 66 Pa C.S. §1307e. The reconciliation periods are defined in Rider No. 8 – DSS of the Company's current retail Tariff No. 25.

Q. What reconciliation period does the Company currently use for HPS rates?

A. The Company portion of the FRA is currently reconciled on a twelve-month basis. The current reconciliation period is the twelve-month period ending 120 days prior to the effective date of the new rates. New rates effective June 1st include reconciliation of actual revenue and actual expense associated with the Company portion of the FRA for the twelve months ending January 31st. The reconciliation period is defined in Rider No. 9 – Day-Ahead HPS of the Company's current retail Tariff No. 25. All other cost components of Rider No. 9 are the responsibility of the wholesale supplier(s).

Q. Is the Company proposing any changes to the reconciliation periods in this proceeding?

A. No. The reconciliation periods were approved in DSP IX to provide sufficient time for EGSs to evaluate the impact to the PTC. The Company is proposing to continue the same reconciliation schedule in DSP X.

Q. Please explain the current process of how the Company posts the PTC.

A. The Company has implemented the following steps in its procurement process to post the PTC:

- Post an estimated PTC and default service rate model within 60 days of the PTC becoming effective.
- Once the Company receives the secretarial letter approving the Company's default service rates, the Company posts the final PTC and default service rate model showing the derivation of the final default service rates.

Q. How is the Company proposing to post the PTC in this proceeding?

A. The Company proposes to continue its current practices and will post the estimated PTC 60 days in advance of each application period except for the June 1 application period. For the June 1 application period, the Company will post the supply component in the default service rate model 60 days in advance and will post the final PTC, including the

transmission component, 15 days in advance because the transmission component of the PTC will not be known until May 15 of each year.

XI. GREEN TARIFF PILOT PROGRAM

Q. Is the Company proposing a Green Tariff pilot program in DSP X?

A. Yes, as described by Duquesne Light witness Mr. Davis, the Company is proposing a Green Tariff for residential customers who remain on default service and affirmatively elect to increase their carbon-free electricity ("CFE") supply above the requirements under the Pennsylvania Alternative Energy Portfolio Standards ("AEPS").

Q. What are the primary costs associated with the Green Tariff program?

A. As described by Duquesne Light witness Mr. Davis, Duquesne Light would require the provider of this service to procure and retire additional energy attribute certificates (EACs) associated with carbon-free generation located within Pennsylvania. The additional EACs supplied under the Green Tariff will be solicited via an annual competitive solicitation process. The supplier who bids the lowest price ($ per EAC) in this solicitation will be selected to provide the additional EACs. The cost of additional EACs will be fixed on a per kWh basis for each DSP/PJM planning year.

Q. How will the cost of the additional EACs procured for the Green Tariff be recovered?

A. The costs of the additional EACs in the Green Tariff will be recovered from participating Green Tariff customers on a monthly basis. The Company will pass-through the winning

Green Tariff provider's fixed per unit EAC costs associated with 7% of the metered monthly load of the Green Tariff customer. Green Tariff customer bills will include a separate line item equal to the winning bid price multiplied by 7% of the metered monthly load.

Q. Is the Company proposing to reconcile revenues collected from Green Tariff customers with the EAC costs paid to the winning Green Tariff provider?

A. No. The amount each month that is charged to Green Tariff customers for additional EACs will match the amount that is paid to the Green Tariff provider. As a result, costs and revenues should be closely aligned.

Q. Is the Company proposing to reflect the Green Tariff revenues as non-basic service?

A. Yes, the Company is proposing to reflect the Green Tariff revenues as non-basic service where termination for non-payment of the charge would not be applicable. The Company would further propose to capture the Green Tariff revenues in FERC Account 456.12, which is considered non-taxable from a Gross Receipts Tax (GRT) perspective.

Q. How will the Green Tariff be incorporated in the Company's Retail Tariff?

A. The Company will include a new rider, Rider No. XX – Green Tariff Pilot Program, as shown in Exhibits DBO-5 and DBO-6. If approved, the Company will assign a specific Rider number as part of its DSP X Compliance Filing.

Q. What are the main administrative costs to implement the Green Tariff?

A. The administrative costs to implement the Green Tariff come from three sources. The first set of administrative costs come from managing the competitive solicitation process for additional EACs. A third-party independent evaluator will conduct a competitive solicitation once a year to obtain the EACs during the DSP X period. The second set of administrative costs will come from costs associated with customer outreach. The third set of administrative costs would cover contingency costs if the winning supplier were to default, and the Company would have to provide the balance of the EACs through spot market purchases until such time that a new supplier was selected.

Q. How will the Company's administrative costs to implement the Green Tariff pilot program be recovered?

A. The Company proposes to recover the incremental administrative costs to implement the Green Tariff pilot program from residential default service customers. These costs will be recovered in Rider No. 8, as part of the overall administrative costs included in this rider.

XII. RETAIL AND EGS tariff changes

Q. Have you prepared a Retail Tariff supplement that contains changes necessary to implement the Company's proposed default service plan?

A. Yes. Exhibit DBO-5 contains the necessary changes to the applicable riders to implement the proposed default service plan. Exhibit DBO-6 is a red-line version of the current Retail Tariff reflecting the proposed changes in Exhibit DBO-5.

Q. In general, what changes is the Company proposing to make to the Retail Tariff?

A. The proposed changes are necessary to implement the proposed default service plan in this proceeding and recover the associated costs. The Company proposes to make the following modifications to reflect the default service plan described above:

- Updated to reflect the proposed changes to the EV TOU Supply Rate Pilot, including the WholeHome EV TOU Supply Rate program and the EV-Only TOU Supply Rate program including applicable special terms and conditions. (Rider No. 8 and Rider No. 21)
- The proposed eligibility criteria currently reference Rider No. 7 – Residential Managed Charging Pilot and Rider No. 23 – Behavioral Load Management Pilot, and the proposed Special Terms and Conditions currently references Rider No. 4 – EV TOU Distribution Rate Pilot, all of which are being requested as part of the Company's pending 2024 base rate case proceeding at Docket No. R-2024-3046523. The Company will ensure that it aligns Rider No. 8 - Default Service Supply with the eventual outcome of the base rate case.
- Expanded to include the cost recovery for the Green Tariff Pilot Program administrative costs. (Rider No. 8)
- Consistent with the DSP IX Final Order at Docket P-2020-3019522, the Company has updated the retail tariff to reflect the recovery of cash-out payments for net-metering customers to recoup the customer class compensation as an expense in the respective default service class over/under collection calculation. (Rider No. 8, Rider No. 9, and Appendix A)

- Added Rider No. XX – Green Tariff Pilot Program. (Rider Matrix)

Q. Have you prepared a form of Electric Generation Supplier Coordination Tariff Supplement that contains changes necessary to implement the Company's proposed default service plan?

A. Yes. Exhibit DBO-7 contains the necessary changes to the language and applicable riders to implement the proposed default service plan. Exhibit DBO-8 is a red-line version of the current EGS Tariff reflecting the proposed changes in Exhibit DBO-7.

Q. In general, what are the changes that the Company is proposing to the EGS Tariff?

A. The proposed changes consist of housekeeping updates administerial in nature and are necessary to implement the proposed default service plan in this proceeding and recover the associated costs.

XII. CONCLUSION

Q. Does this conclude your Direct Testimony at this time?

A. Yes.

Duquesne Light Company **Exhibit DBO-1**

Default Service Supply Plan - June 1, 2025 through May 31, 2029

Illustrative Example - Derivation of Residential, Residential EV TOU, & Lighting Default Service Supply Bi-Annual Rate Adjustment

				Electric Vehicle Time of Use ("EV-TOU")				
			Residential Classes (RS, RH, RA)	Peak Residential Classes (RS, RH, RA)	Off-Peak Residential Classes (RS, RH, RA)	Super Off-Peak Residential Classes (RS, RH, RA)	Lighting Classes (AL,SE,SM,SH,PAL)	
1	Competitive Auction Average Wholesale Price ($/MWh)		$60.00 /MWh	$60.00 /MWh	$60.00 /MWh	$60.00 /MWh	$60.00 /MWh	Weighted bid price (1)
2	Line Losses - T & D	6.9%						Transmission (0.8%); Distribution (6.1%)
3	Price Adjustment for Losses ($/MWh)		$4.14 /MWh	$4.14 /MWh	$4.14 /MWh	$4.14 /MWh	$4.14 /MWh	Line 1 * Line 2
4	Adjusted Wholesale Price for Losses ($/MWh)		$64.14 /MWh	$64.14 /MWh	$64.14 /MWh	$64.14 /MWh	$64.14 /MWh	Line 1 + Line 3
5	Forecast Residential & Lighting POLR Sales (MWh)	1,578,500						Forecast Residential & Lighting default service sales (MWh), Exhibit DBO-4, Line 8
6	Forecast Residential POLR Sales (MWh)	1,575,500						Forecast Residential default service sales (MWh)
7	Outside Services Fees	$69,178						Exhibit DBO-4, Lines 1, 2, & 3
8	Administrative Adder		$0.04 /MWh	$0.04 /MWh	$0.04 /MWh	$0.04 /MWh	$0.04 /MWh	
9	Filing Preparation and Approval Process Expense	$73,831						Exhibit DBO-4, Line 10
10	Working Capital for Default Service Supply Expense	$403,699						Exhibit DBO-4, Line 11
11	Total Residential/Lighting Unbundling Expense	$477,530						
12	Unbundling Rate (per MWh)		$0.30 /MWh	$0.30 /MWh	$0.30 /MWh	$0.30 /MWh	$0.30 /MWh	Line 11 / Line 5
13	Capacity Adjustment	($100,000)						Reconciliation of capacity proxy price of actual capacity price. (3)
14	Capacity Adjustment Rate (per MWh)		($0.06) /MWh	($0.06) /MWh	($0.06) /MWh	($0.06) /MWh	($0.06) /MWh	Line 13 / Line 5
15	Solar Contract Cost	$6,460						Exhibit DBO-4, Line 6
16	Solar Contract Rate (per MWh)		$0.00 /MWh	$0.00 /MWh	$0.00 /MWh	$0.00 /MWh	$0.00 /MWh	Line 15 / Line 5
17	Green Tariff RFP Cost	$156,000						Exhibit DBO-4, Line 7
18	Green Tariff RFP Rate (per MWh)		$0.10 /MWh	$0.10 /MWh	$0.10 /MWh	$0.10 /MWh	/MWh	Line 17 / Line 6
19	Reconciliation Adjustment	($50,000)						(Over)/under collection including interest (1)
20	E Factor Rate ($/MWh)		($0.03) /MWh	($0.03) /MWh	($0.03) /MWh	($0.03) /MWh	($0.03) /MWh	Line 19 / Line 5
21	Adjusted Wholesale Price ($/MWh)		$64.49 /MWh	$64.49 /MWh	$64.49 /MWh	$64.49 /MWh	$64.40 /MWh	Line 4 + Line 8 + Line 12 + Line 14 + Line 16 + Line 18 + Line 20
22	Residential/Lighting Rate Factor		1.0031	1.0031	1.0031	1.0031	0.7697	Exhibit DBO-2
23	EV TOU Rate Factor			1.63	0.89	0.63		Exhibit DBO-3
24	Adjusted Wholesale Price for Rate Factor ($/MWh)		$64.69 /MWh	$105.69 /MWh	$57.72 /MWh	$41.07 /MWh	$49.57 /MWh	Line 21 * Line 22 * Line 23
25	TOU Program Expenses	$114,342						Exhibit DBO-4, Line 3
26	TOU Adder ($/MWh)		$0.07 /MWh	$0.07 /MWh	$0.07 /MWh	$0.07 /MWh		Line 25 / Line 6
27	Total Adjusted Wholesale Price ($/MWh)		$64.77 /MWh	$105.76 /MWh	$57.79 /MWh	$41.14 /MWh	$49.57 /MWh	Line 24 + Line 26
28	PA GRT @ 5.9%		$4.06 /MWh	$6.63 /MWh	$3.62 /MWh	$2.58 /MWh	$3.11 /MWh	Line 27 * (.059/(1-.059))
29	Total Retail Rate ($/MWh)		$68.83 /MWh	$112.39 /MWh	$61.41 /MWh	$43.72 /MWh	$52.68 /MWh	Line 27 + Line 28
30	Default Service Supply Rate		6.8826 ¢/kWh	11.2390 ¢/kWh	6.1410 ¢/kWh	4.3724 ¢/kWh	5.2678 ¢/kWh	Line 29 / 10 (2)

1/ For illustrative purposes only.

2/ Lighting class supply rate will be applied to monthly kWh consumption of each fixture in rate classes SM, SH and PAL to derive monthly fixed default service supply charge per fixture.

3/ Consistent with the Company's most recent capacity proxy price ("CPP") filing at Docket No. P-2023-3037630.

Duquesne Light Company **Exhibit DBO-2**
Default Service Supply Plan - June 1, 2025 to May 31, 2029
Derivation of DSS Rate Factors for Residential and Lighting Customers

Capacity

			Residential	Lighting	Total
	Capacity Obligation (MW-day)				
1		2020	525,604	677	526,281
2		2021	549,417	1,071	550,487
3		2022	565,885	722	566,608
4		2023	553,838	1,153	554,991
5	2024/2025 Capacity Price ($/MW-day) (1)		$29.40	$29.40	$29.40
	Load (MWH)				
6		2020	4,483,221	59,039	4,542,260
7		2021	4,462,594	58,712	4,521,306
8		2022	4,412,979	57,994	4,470,973
9		2023	4,049,447	57,131	4,106,578
	2024/2025 Capacity Price ($/MWH)				
10		2020	$3.45	$0.34	$3.41
11		2021	$3.62	$0.54	$3.58
12		2022	$3.77	$0.37	$3.73
13		2023	$4.02	$0.59	$3.97

Energy

			Residential	Lighting	Total
	Load-Weighted LMP ($/MWH)				
14		2020	$23.80	$18.70	$23.73
15		2021	$40.01	$34.70	$39.94
16		2022	$79.86	$64.99	$79.67
17		2023	$32.40	$27.88	$32.33

Capacity + Energy

			Residential	Lighting	Total
	$/MWH				
18		2020	$27.25	$19.04	$27.14
19		2021	$43.63	$35.23	$43.52
20		2022	$83.63	$65.36	$83.39
21		2023	$36.42	$28.47	$36.31

Rate Factor

			Residential	Lighting
	2025/2026 Rate Factor			
22		2020	1.0039	0.7014
23		2021	1.0025	0.8096
24		2022	1.0028	0.7838
25		2023	1.0030	0.7842
26		Average	**1.0031**	**0.7697**

1/ As of 3rd Incremental Auction for 2024/2025.

Duquesne Light Company **Exhibit DBO-3**
Default Service Supply Plan - June 1, 2025 to May 31, 2029
Derivation of EV-TOU Supply Rate Factors: Residential and Lighting

Capacity

			Peak	Off-Peak	Super Off-Peak	RES Total
	Capacity Obligation (MW-day) (1)					
1		2020	1	0	0	525,604
2		2021	1	0	0	549,417
3		2022	1	0	0	565,885
4		2023	1	0	0	553,838
5	2024/2025 Capacity Price ($/MW-day) (2)		$29.40	$29.40	$29.40	$29.40
	Load (MWH)					
6		2020	2	7	5	4,483,221
7		2021	2	6	5	4,462,594
8		2022	2	6	5	4,412,979
9		2023	2	6	5	4,049,447
	2024/2025 Capacity Price ($/MWH)					
10		2020	$16.79	$0.00	$0.00	$3.45
11		2021	$16.91	$0.00	$0.00	$3.62
12		2022	$18.23	$0.00	$0.00	$3.77
13		2023	$19.24	$0.00	$0.00	$4.02

Energy

			Peak	Off-Peak	Super Off-Peak	RES Total
	Load-Weighted LMP ($/MWH)					
14		2020	$30.10	$23.94	$15.96	$23.80
15		2021	$51.41	$39.76	$29.02	$40.01
16		2022	$109.14	$74.96	$57.75	$79.86
17		2023	$43.57	$32.14	$21.78	$32.40

Capacity + Energy

			Peak	Off-Peak	Super Off-Peak	RES Total
	$/MWH					
18		2020	$46.89	$23.94	$15.96	$27.25
19		2021	$68.32	$39.76	$29.02	$43.63
20		2022	$127.37	$74.96	$57.75	$83.63
21		2023	$62.81	$32.14	$21.78	$36.42

Rate Factor

			Peak	Off-Peak	Super Off-Peak
	2025/2026 Rate Factor				
22		2020	1.72	0.88	0.59
23		2021	1.57	0.91	0.67
24		2022	1.52	0.90	0.69
25		2023	1.72	0.88	0.60
26		Average	**1.63**	**0.89**	**0.63**

1/ As of 3rd Incremental Auction for 2024/2025.

Duquesne Light Company **Exhibit DBO-3**

Default Service Supply Plan - June 1, 2025 to May 31, 2029

Derivation of EV-TOU Supply Rate Factors: Small Commercial and Industrial

Capacity

			Peak	Off-Peak	Super Off-Peak	Total
	Capacity Obligation (MW-day)					
1		2020	80,653	0	0	80,653
2		2021	77,260	0	0	77,260
3		2022	79,211	0	0	79,211
4		2023	81,533	0	0	81,533
5	2024/2025 Capacity Price ($/MW-day) (1)		$29.40	$29.40	$29.40	$29.40
	Load (MWH)					
6		2020	165,827	466,343	200,877	833,047
7		2021	179,489	502,050	215,172	896,711
8		2022	183,006	520,090	225,105	928,201
9		2023	178,311	504,741	217,257	900,309
	2024/2025 Capacity Price ($/MWH)					
10		2020	$14.30	$0.00	$0.00	$2.85
11		2021	$12.65	$0.00	$0.00	$2.53
12		2022	$12.72	$0.00	$0.00	$2.51
13		2023	$13.44	$0.00	$0.00	$2.66

Energy

			Peak	Off-Peak	Super Off-Peak	Total
	Load-Weighted LMP ($/MWH)					
14		2020	$28.76	$23.91	$16.03	$22.98
15		2021	$50.76	$40.09	$29.26	$39.62
16		2022	$100.82	$72.79	$58.10	$74.75
17		2023	$42.01	$31.99	$22.01	$31.57

Capacity + Energy

			Peak	Off-Peak	Super Off-Peak	Total
	$/MWH					
18		2020	$43.06	$23.91	$16.03	$25.82
19		2021	$63.41	$40.09	$29.26	$42.16
20		2022	$113.55	$72.79	$58.10	$77.26
21		2023	$55.45	$31.99	$22.01	$34.23

Rate Factor

			Peak	Off-Peak	Super Off-Peak
	2025/2026 Rate Factor				
22		2020	1.67	0.93	0.62
23		2021	1.50	0.95	0.69
24		2022	1.47	0.94	0.75
25		2023	1.62	0.93	0.64
26		Average	**1.57**	**0.94**	**0.68**

1/ As of 3rd Incremental Auction for 2024/2025.

Duquesne Light Company **Exhibit DBO-3**

Default Service Supply Plan - June 1, 2025 to May 31, 2029

Derivation of EV-TOU Supply Rate Factors: Medium Commercial and Industrial

Capacity

			Peak	Off-Peak	Super Off-Peak	Total
	Capacity Obligation (MW-day)					
1		2020	145,865	0	0	145,865
2		2021	136,401	0	0	136,401
3		2022	137,780	0	0	137,780
4		2023	139,709	0	0	139,709
5	2024/2025 Capacity Price ($/MW-day) (1)		$29.40	$29.40	$29.40	$29.40
	Load (MWH)					
6		2020	314,904	909,673	374,497	1,599,074
7		2021	337,925	972,851	393,364	1,704,140
8		2022	339,837	992,282	402,873	1,734,992
9		2023	319,060	928,340	374,431	1,621,832
	2024/2025 Capacity Price ($/MWH)					
10		2020	$13.62	$0.00	$0.00	$2.68
11		2021	$11.87	$0.00	$0.00	$2.35
12		2022	$11.92	$0.00	$0.00	$2.33
13		2023	$12.87	$0.00	$0.00	$2.53

Energy

			Peak	Off-Peak	Super Off-Peak	Total
	Load-Weighted LMP ($/MWH)					
14		2020	$28.46	$23.67	$15.99	$22.82
15		2021	$50.53	$39.93	$29.16	$39.55
16		2022	$99.42	$72.16	$57.62	$74.13
17		2023	$41.76	$31.90	$22.00	$31.55

Capacity + Energy

			Peak	Off-Peak	Super Off-Peak	Total
	$/MWH					
18		2020	$42.07	$23.67	$15.99	$25.50
19		2021	$62.40	$39.93	$29.16	$41.90
20		2022	$111.34	$72.16	$57.62	$76.46
21		2023	$54.63	$31.90	$22.00	$34.09

Rate Factor

			Peak	Off-Peak	Super Off-Peak
	2025/2026 Rate Factor				
22		2020	1.65	0.93	0.63
23		2021	1.49	0.95	0.70
24		2022	1.46	0.94	0.75
25		2023	1.60	0.94	0.65
26		Average	**1.55**	**0.94**	**0.68**

1/ As of 3rd Incremental Auction for 2024/2025.

Duquesne Light Company **Exhibit DBO-4**

Default Service Plan June 1, 2025 to May 31, 2029

Estimated Default Service Preparation and Implementation Costs [1]

					A = (B * 4)	B = (C+D+E+F)	C	D	E	F
		Current Recovery	Proposed Recovery		Total Estimated	Annualized Estimated	Forecasted Annual Default Service Costs by Customer Class			
Line	Item	Mechanism	Mechanism	Description	Costs	Costs	Residential & Lighting Fixed Product	Small C&I Fixed Product	Medium C&I Fixed Product	Medium & Large C&I HPS Product
1	Competitive Auction Process and Evaluation [2]	Default Service Supply Rates	Default Service Supply Rates (Direct Assignment)	Consulting services for independent evaluator to conduct competitive auctions (reoccurring)	$1,680,000	$420,000	$129,231	$129,231	$129,231	$32,308
2	PJM ARR Allocations [3]	Default Service Supply Rates	Default Service Supply Rates (Direct Assignment)	Consulting services for PJM ARR path selections.	$140,000	$35,000	$8,750	$8,750	$8,750	$8,750
3	EV TOU Program [4]	Default Service Supply Rates	Default Service Supply Rates (Direct Assignment)	Customer Outreach, Research and EV TOU Rate Tools	$763,150	$267,350	$228,683	$5,833	$5,833	$0
4	Net Metering Payout [5]	Default Service Supply Rates	Default Service Supply Rates & Transmission Service Charge (Direct Assignment)	Payouts for Net Metering Customers	$2,292,000	$573,000	$301,000	$263,000	$9,000	$0
5	Miscellaneous Expense	Default Service Supply Rates	Default Service Supply Rates (Direct Assignment)	Miscellaneous Expense	$7,200	$1,800	$375	$375	$375	$675
6	Solar Contract Costs [6]	Default Service Supply Rates	Default Service Supply Rates (Direct Assignment)	Consulting services for independent evaluator to conduct Solar Competitive Auctions.	$70,000	$17,500	$12,920	$2,079	$1,498	$1,003
7	Green Tariff Administrative Costs [7]	N/A	Default Service Supply Rates (Direct Assignment)	Costs associated with the Green Tariff RFP	$156,000	$400,500	$156,000			
8	Average Annual Forecasted POLR Sales (MWh)						3,157,000	508,000	366,000	245,000
9	Default Service Costs									
10	Filing Preparation and Approval Process	Default Service Supply Rates	Default Service Supply Rates (Allocated on forecasted POLR MWhs)	Consulting services and outside counsel to help prepare filing and throughout regulatory process	$800,000	$200,000	$147,661	$23,761	$17,119	$11,459
11	Working Capital for Default Service Supply [8]	Default Service Supply Rates	Default Service Supply Rates (Allocated on forecasted POLR MWhs)	Costs associated with lag in time between the utility's out-of-pocket payment expenses and the collection of revenues for default service.	$4,374,321	$1,093,580	$807,398	$129,920	$93,604	$62,658
12	**Total (Line 1 + Line 2 + Line 3 + Line 4 + Line 7 + Line 8 + Line 9 + Line 10 + Line 11)**				**$10,142,671**	**$3,008,730**	**$1,792,018**	**$562,949**	**$265,409**	**$116,853**

1/ All costs subject to change depending on final order and implementation costs.
2/ The estimated Independent Market Monitor costs have remained flat.
3/ Costs kept flat as of June 2024.
4/ The total four year estimated costs are from Statement No. 5, Exhibit SO-1. The annualized estimates represent the first year of the plan.
5/ Estimated Net Metering payouts based on annual payouts from DSS 1307e filed on February 29, 2024 at Docket No. M-2024-3046972 and FRA 1307e filed on March 18, 2024 at Docket No. M-2024-3046974.
6/ Consistent with the Company's first compliance filing, Solar Power Purchase Agreement ("PPA") at Docket No. P-2020-3019522, the Company will reover its third party costs to prepare and implement the solar PPA for Default Service customers during the term of DSP X (6/1/25 through 5/31/29)
7/ The annualized estimates represent the first year of the plan.
8/ Assuming the Company's pre-tax weighted cost of capital of ~10.67%, the revenue requirement (annual expense) associated with DSS working capital is $1,093,580 [$10,247,546 multiplied by ~10.67% return]. The cash working capital cost of $10,247,546 is based on the supply related working capital costs excluded from distribution base rates in the Company's base rate proceeding at Docket No. R-2024-3046523 on Exhibit 6-1, page 2 of 6, line 66.

EXHIBIT NO. DBO-5

SUPPLEMENT NO. XX
TO ELECTRIC – PA. P.U.C. NO. 25

DUQUESNE LIGHT CO.

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: XXXXX X, XXXX

EFFECTIVE: XXXXX X, XXXX

Issued pursuant to the Commission's Order
entered XXXXXXX XX, XXXX, at Docket No. P-2024-XXXXXX.

NOTICE

THIS TARIFF SUPPLEMENT MAKES CHANGES TO THE TABLE OF CONTENTS, THE RIDER MATRIX, EXISTING RIDERS AND THE APPENDIX AND ADDS A RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Table of Contents

Xxxxxx Revised Page No. 3
Cancelling Xxxxxxx revised Page No. 3

List of Modifications – Xxxxxxxx Page No. 2X through Xxxxxxxx Page No. 2X have been added to Tariff No. 25 in order to accommodate the noted modifications and, therefore, the Table of Contents has been updated to reflect the additional pages.

Table of Contents

Xxxxxxx Revised Page No. 3A
Cancelling Xxxxx revised Page No. 3A

Page No. 98B has been added to Tariff No. 25.

Page No. 99A has been added to Tariff No. 25.

Page No. 105A has been added to Tariff No. 25.

Page No. 105B has been added to Tariff No. 25 and, therefore, to the Table of Contents.

Page No. XXXX and Page No. XXXX have been added to Tariff No. 25 to accommodate the addition of Rider No. XX - Green Tariff Pilot Program and, therefore, to the Table of Contents.

Rider No. XX – Green Tariff Pilot Program has been added to Tariff No. 25 and, therefore, to the Table of Contents.

Standard Contract Riders – Rider Matrix

Xxxxxx Revised Page No. 87A
Cancelling Xxxxx Revised Page No. 87A

Rider No. XX – Green Tariff Pilot Program has been added to Tariff No. 25 and, therefore, to the Rider Matrix Chart and Rider Matrix Titles sections.

Rider No. 8 – Default Service Supply

Xxxxx Revised Page No. 98
Cancelling Xxxxxx Revised Page No. 98

Language has been modified to revise the name of the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-TOU Supply Rate Pilot") program, make updates to the program language, and add the DSP X docket number.

Language has been modified to reflect that the EV-TOU Supply Rate Pilot will offer a WholeHome EV-TOU Supply Rate Pilot program which applies to all the electricity used at the premises and an EV Only TOU Supply Rate Pilot program which will apply to only the EV electricity usage.

The Default Service Supply Rate – Residential Chart that was previously found at the bottom of Eighth Revised Page No. 98, Cancelling Seventh Revised Page No. 98 has been moved to Xxxxx Revised Page No. 98A, Cancelling Xxxxx Revised Page No. 98A.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply

Xxxxx Revised Page No. 98A
Cancelling Xxxxxx Revised Page No. 98A

The Default Service Supply Rate – Residential Chart that was previously found at the bottom of Eighth Revised Page No. 98, Cancelling Seventh Revised Page No. 98 has been moved to Xxxxx Revised Page No. 98A, Cancelling Xxxxx Revised Page No. 98A.

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot program name revision.

The language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised and the applicable PJM holidays have been noted.

The Default Service Supply Rate – Small Commercial and Industrial Chart that was previously found on Fifth Revised Page No. 98A, Cancelling Fourth Revised Page No. 98A has been moved to Xxxxxxxx Page No. 98B.

Rider No. 8 – Default Service Supply

Xxxxxxxx Page No. 98B

The Default Service Supply Rate – Small Commercial and Industrial Chart that was previously found on Fifth Revised Page No. 98A, Cancelling Fourth Revised Page No. 98A has been moved to Xxxxxxxx Page No. 98B.

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot program name revision.

The language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised and the applicable PJM holidays have been noted.

Rider No. 8 – Default Service Supply

Xxxxxxxxxx Revised Page No. 99
Cancelling Xxxxxxxx Revised Page No. 99

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot program name revision.

The language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised and the applicable PJM holidays have been noted.

The Default Service Supply Rate – Lighting Chart that was previously found at the bottom of Seventeenth Revised Page No. 99, Cancelling Sixteenth Revised Page No. 99 has been moved to Xxxxxxxx Page No. 99A.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply **Xxxxxxxx Page No. 99A**

The Default Service Supply Rate – Lighting Chart that was previously found at the bottom of Seventeenth Revised Page No. 99, Cancelling Sixteenth Revised Page No. 99 has been moved to the top of Xxxxxxxx Page No. 99A.

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates.

Rider No. 8 – Default Service Supply **Xxxxxx Revised Page No. 100**
Cancelling Xxxxxxx Revised Page No. 100

Xxxxxx Revised Page No. 101
Cancelling Xxxxxxx Revised Page No. 101

The Default Service Supply Rate Charts have been updated with the DSP X Application Period dates.

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 102**
Cancelling Xxxxxx Revised Page No. 102

Language has been modified to reflect current business practice.

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 103**
Cancelling Xxxxxx Revised Page No. 103

Language has been modified to reflect current business practice.

The formula has been modified to reflect the addition of the Green Tariff Pilot Program administration costs and to reflect current business practice.

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 104**
Cancelling Xxxxxx Revised Page No. 104

The formula definitions have been modified to include the Green Tariff Pilot Program administration costs and to reflect current business practice.

The Rate Factor Chart has been updated with the DSP X Application Period dates.

Language previously located at the bottom of Third Revised Page No. 104, Cancelling Second Revised Page No. 104 has been moved to Xxxxx Revised Page No. 104A, Cancelling Xxxxxx Revised Page No. 104A.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply

Xxxxx Revised Page No. 104A
Cancelling Xxxxxx Revised Page No. 104A

Language has been modified to revise the name of the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-TOU Supply Rate Pilot") program.

Language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised.

Language has been modified to reflect that the EV-TOU Supply Rate Pilot will offer a WholeHome EV-TOU Supply Rate Pilot program which applies to all the electricity used at the premises and an EV Only TOU Supply Rate Pilot program which will apply to only the EV electricity usage.

The formula has been modified to reflect the addition of the Green Tariff Pilot Program administration costs and to reflect current business practice.

A formula definition and the EV-TOU Supply Rate Factors Chart that was previously located at the bottom of Second Revised Page No. 104A, Cancelling First Revised Page No. 104A has been moved to the top of Xxxxxx Revised Page No. 105, Cancelling Xxxxx Revised Page No. 105.

Rider No. 8 – Default Service Supply

Xxxxxx Revised Page No. 105
Cancelling Xxxxx Revised Page No. 105

A formula definition and the EV-TOU Supply Rate Factors Chart that was previously located at the bottom of Second Revised Page No. 104A, Cancelling First Revised Page No. 104A has been moved to the top of Xxxxxx Revised Page No. 105, Cancelling Xxxxx Revised Page No. 105.

The docket number is being revised to reflect the DSP X filing.

The EV-TOU Supply Rate Factors Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot Rate Factors revision.

Language has been modified to reflect the revision to the program name.

Special Terms and Conditions have been added related to the EV-Only Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-Only TOU Pilot").

Language that was previously located at the bottom of First Revised Page No. 105, Cancelling Original Page No. 105 has been moved to Xxxxxxxx Page No. 105B.

Rider No. 8 – Default Service Supply

Xxxxxxxx Revised Page No. 105A

Special Terms and Conditions have been added related to the EV-Only Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-Only TOU Pilot").

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply — **Xxxxxxxx Revised Page No. 105B**

Language that was previously located at the bottom of First Revised Page No. 105, Cancelling Original Page No. 105 has been moved to Xxxxxxxx Page No. 105B.

Rider No. 9 – Day-Ahead Hourly Price Service — **Xxxxxxx Revised Page No. 108**
Cancelling Xxxxx Revised Page No. 108

The Fixed Retail Administrative Charge ("FRA") Chart has been updated with the DSP X Application Period dates.

Rider No. 9 – Day-Ahead Hourly Price Service — **Xxxxx Revised Page No. 111**
Cancelling Xxxxxxxx Page No. 111

Language has been modified to reflect current business practice.

Rider No. 21 – Net Metering Service — **Xxxxxx Revised Page No. 135**
Cancelling Xxxxx Revised Page No. 135

Xxxxxx Revised Page No. 136
Cancelling Xxxxx Revised Page No. 136

Language has been modified to revise the name of the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-TOU Supply Rate Pilot") program.

Rider No. XX – Green Tariff Pilot Program — **Xxxxxxxx Page No. XXX**

Xxxxxxxx Page No. XXX

Rider No. XX – Green Tariff Pilot Program has been added to Tariff No. 25 to offer up to 5,000 eligible customers with an opportunity to procure an additional quantity of zero-carbon energy Attribute Certificates ("EACs") above the amount they already receive through participation in default service supply ("DSS").

Appendix A – Transmission Service Charges — **Xxxxx Revised Page No. 145**
Cancelling Xxxxxxxx Page No. 145

Language has been modified to reflect current business practice.

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STANDARD CONTRACT RIDERS – (Continued)

RIDER MATRIX – (Continued)

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 20	X	X	X	X	X	X	X	X	X	X					
Rider No. 21	X	X	X	X	X	X									
Rider No. 22	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. XX	X	X	X												
Appendix A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

(C)

Rider Titles:

Rider No. 20 — Smart Meter Charge
Rider No. 21 — Net Metering Service
Rider No. 22 — Distribution System Improvement Charge ("DSIC")
Rider No. XX — Green Tariff Pilot Program **(C)**
Appendix A — Transmission Service Charges

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STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

Default Service Supply ("DSS") provides residential, commercial, industrial and lighting customers on the applicable rate schedules with a default service supply rate that is determined based on competitive auctions to acquire the energy to serve the load of customers taking service under the provisions of this Rider. Small and medium commercial and industrial customers are defined in Rate Schedules GS/GM and GMH. For purposes of this rider, medium customers are those customers with a monthly metered demand that is at least 25 kW and less than 200 kW, on average, in a twelve (12) month period. For purposes of assigning customers not being served by an Electric Generation Supplier ("EGS") to the applicable supply rate, Duquesne Light shall evaluate the customer's twelve (12) most recent months of monthly billing demand for that customer available in October of the preceding year. If the customer's average monthly billing demand is less than 25 kW in the twelve (12) months, then that customer shall be assigned to the supply rate for small commercial and industrial customers effective with their January billing. If the customer's average monthly demand is greater than or equal to 25 kW but less than 200 kW in the twelve (12) month period, then that customer shall be assigned to the supply rate for medium commercial and industrial customers effective with their January billing.

Eligible customers may elect to enroll in the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV TOU Supply Rate"). The EV TOU Supply Rate Pilot is available to customers that (i) are served under Rate Schedules RS, RH, RA, GS/GM, or GMH and have an account in good standing, signifying that the account is active, does not have a past due balance or an outstanding payment arrangement at the time of enrollment, and has demonstrated a timely payment history; (ii) own or lease a highway-capable plug-in battery electric vehicle or plug-in hybrid electric vehicle registered to the service address, or operate electric vehicle charging facilities at the service location; (iii) are not enrolled in the Company's Customer Assistance Program, budget billing, virtual meter aggregation, Rider No. 7 – Residential Managed Charging Pilot, or Rider No. 23 – Behavioral Load Management Pilot; (iv) have not de-enrolled from the EV TOU Supply Rate Pilot for any reason, within the last twelve (12) months; and (v) comply with any other applicable EV TOU Supply Rate Pilot rules established at Docket No. P-2020-3019522, Docket No. P-2024-XXXXXXX, or subsequent proceeding. Customers enrolled in the EV TOU Supply Rate Pilot will be moved to the applicable EV TOU supply rate. **(C)**

Eligible residential customers will have the choice to enroll in either the WholeHome Electric Vehicle Time-of-Use Supply Rate ("WholeHome EV TOU Supply Rate") or the EV-Only Time-of-Use Supply Rate ("EV-Only TOU Supply Rate"). The WholeHome EV TOU Supply Rate will apply to all the electricity used at the premises. The EV-Only TOU Pilot Supply Rate, will require the customer to have a Company-qualified EV or charging station which allows the Company to track usage as the rate will only apply to the customer's EV usage, while the rest of the premises remains on the standard default service rate. **(C)**

(C)

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE (C)

Residential

(Rate Schedules RS, RH and RA)

		Electric Vehicle Time-of Use[1] Supply Rate Pilot			(C)
Application Period	Supply Charge - ¢/kWh	Supply Charge - ¢/kWh			
		Peak	Off-Peak	Super Off-Peak	
June 1, 2025, through November 30, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2025, through May 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
June 1, 2026, through November 30, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2026, through May 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
June 1, 2027, through November 30, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2027, through May 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
June 1, 2028, through November 30, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2028, through May 31, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX	

[1] Peak Hours are 3:00 PM to 9:00 PM, Monday through Friday, excluding noted PJM holidays. (C)

Super Off-Peak Hours are 11:00 PM to 6:00 AM daily, including noted PJM holidays. (C)

All other hours are considered Off-Peak. (C)

PJM Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (C)

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY - (Continued) (C)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE - (Continued)

Small Commercial and Industrial customers with monthly metered demand less than 25 kW.

(Rate Schedules GS/GM and GMH and Rate Schedule UMS[1])

		Rate Schedules GS/GM and GMH Electric Vehicle Time-of Use[2] Supply Rate Pilot		
Application Period	Supply Charge - ¢/kWh	Supply Charge - ¢/kWh		
		Peak	Off-Peak	Super Off-Peak
June 1, 2025, through November 30, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2025, through May 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2026, through November 30, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2026, through May 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2027, through November 30, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2027, through May 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2028, through November 30, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2028, through May 31, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX

(C)

(1) Rate Schedule UMS is not eligible for the Electric Vehicle Time-of-Use Pilot Program.

(2) Peak Hours are 3:00 PM to 9:00 PM, Monday through Friday, excluding noted PJM holidays. (C)

Super Off-Peak Hours are 11:00 PM to 6:00 AM daily, including noted PJM holidays. (C)

All other hours are considered Off-Peak. (C)

PJM Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (C)

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Medium Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW and less than 200 kW.

(Rate Schedules GS/GM and GMH)

		Electric Vehicle Time-of Use Supply Rate Pilot [1]			(C)
Application Period	Supply Charge - ¢/kWh	Supply Charge - ¢/kWh			
		Peak	Off-Peak	Super Off-Peak	
June 1, 2025, through August 31, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
September 1, 2025, through November 30, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2025, through February 28, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
March 1, 2026, through May 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
June 1, 2026, through August 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
September 1, 2026, through November 30, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2026, through February 28, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
March 1, 2027, through May 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
June 1, 2027, through August 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
September 1, 2027, through November 30, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2027, through February 29, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
March 1, 2028, through May 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
June 1, 2028, through August 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
September 1, 2028, through November 30, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
December 1, 2028, through February 28, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
March 1, 2029, through May 31, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX	

[1] Peak Hours are 3:00 PM to 9:00 PM, Monday through Friday, excluding noted PJM holidays. (C)

Super Off-Peak Hours are 11:00 PM to 6:00 AM daily, including noted PJM holidays. (C)

All other hours are considered Off-Peak. (C)

PJM Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)
DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting

(Rate Schedules AL and SE)

Application Period	Supply Charge - ¢/kWh
June 1, 2025, through November 30, 2025	X.XXXX
December 1, 2025, through May 31, 2026	X.XXXX
June 1, 2026, through November 30, 2026	X.XXXX
December 1, 2026, through May 31, 2027	X.XXXX
June 1, 2027, through November 30, 2027	X.XXXX
December 1, 2027, through May 31, 2028	X.XXXX
June 1, 2028, through November 30, 2028	X.XXXX
December 1, 2028, through May 31, 2029	X.XXXX

(C)

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

		Application Period				(C)
Wattage	Nominal kWh Energy Usage per Unit per Month	06/01/2025 through 11/30/2025	12/01/2025 through 05/31/2026	06/01/2026 through 11/30/2026	12/01/2026 through 05/31/2027	
Supply Charge ¢ per kWh		X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		Fixture Charge — $ per Month				
Mercury Vapor						
100	44	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
175	74	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
250	102	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
400	161	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
1000	386	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
High Pressure Sodium						
70	29	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
100	50	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
150	71	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
200	95	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
250	110	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
400	170	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
1000	387	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
Flood Lighting - Unmetered						
70	29	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
100	46	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
150	67	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
250	100	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
400	155	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
Light-Emitting Diode (LED) — Cobra Head						
30	11	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
45	16	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
60	21	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
95	34	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
139	49	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
219	77	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		X.XXXX	X.XXXX	X.XXXX	X.XXXX	
Light-Emitting Diode (LED) — Colonial						
20	7	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
45	16	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
Light-Emitting Diode (LED) — Contemporary						
40	14	X.XXXX	X.XXXX	X.XXXX	X.XXXX	
55	20	X.XXXX	X.XXXX	X.XXXX	X.XXXX	

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting — (Continued)

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

		Application Period				
Wattage	Nominal kWh Energy Usage per Unit per Month	06/01/2027 through 11/30/2027	12/01/2027 through 05/31/2028	06/01/2028 through 11/30/2028	12/01/2028 through 05/31/2029	(C)
Supply Charge ¢ per kWh		X.XXXX	X.XXXX	X.XXXX	X.XXXX	
		Fixture Charge — $ per Month				
Mercury Vapor						
100	44	X.XX	X.XX	X.XX	X.XX	
175	74	X.XX	X.XX	X.XX	X.XX	
250	102	X.XX	X.XX	X.XX	X.XX	
400	161	X.XX	X.XX	X.XX	X.XX	
1000	386	X.XX	X.XX	X.XX	X.XX	
High Pressure Sodium						
70	29	X.XX	X.XX	X.XX	X.XX	
100	50	X.XX	X.XX	X.XX	X.XX	
150	71	X.XX	X.XX	X.XX	X.XX	
200	95	X.XX	X.XX	X.XX	X.XX	
250	110	X.XX	X.XX	X.XX	X.XX	
400	170	X.XX	X.XX	X.XX	X.XX	
1000	387	X.XX	X.XX	X.XX	X.XX	
Flood Lighting - Unmetered						
70	29	X.XX	X.XX	X.XX	X.XX	
100	46	X.XX	X.XX	X.XX	X.XX	
150	67	X.XX	X.XX	X.XX	X.XX	
250	100	X.XX	X.XX	X.XX	X.XX	
400	155	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Cobra Head						
30	11	X.XX	X.XX	X.XX	X.XX	
45	16	X.XX	X.XX	X.XX	X.XX	
60	21	X.XX	X.XX	X.XX	X.XX	
95	34	X.XX	X.XX	X.XX	X.XX	
139	49	X.XX	X.XX	X.XX	X.XX	
219	77	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Colonial						
20	7	X.XX	X.XX	X.XX	X.XX	
45	16	X.XX	X.XX	X.XX	X.XX	
Light-Emitting Diode (LED) — Contemporary						
40	14	X.XX	X.XX	X.XX	X.XX	
55	20	X.XX	X.XX	X.XX	X.XX	

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

The Company will provide default service supply under this Rider by obtaining the requirements from suppliers through competitive procurements using a competitive auction process. The charges for DSS calculated based on the results of the competitive auction process for service under this Rider will be effective as defined above.

DSS obtained through the competitive auction process includes energy, capacity, transmission and distribution line losses, congestion and congestion management costs, all or some of the Alternative Energy Credits ("AECs"), ancillary services, PJM grid management charges and other such services or products that are required to provide default service to the Company's customers including Auction Revenue Rights and Financial Transmission Rights ("ARRs/FTRs"). The Company may purchase and provide for a portion of its AEC solar requirements associated with the default service load. The AECs provided by the Company for the applicable procurement group(s) will reduce the obligation of the suppliers in the competitive auction. DSS shall not include transmission service within Duquesne's zone. Duquesne will be responsible for and continue to provide network integration transmission service. The applicable charges for transmission service are defined in Appendix A of this Tariff.

Service under this Rider No. 8 – Default Service Supply shall commence in accordance with the switching protocols in Rule No. 45.1.

PROCUREMENT PROCESS

The Company will conduct separate competitive auction solicitations for DSS for each customer procurement group under this Rider. The customer procurement groups for the competitive auction solicitations are defined as residential and lighting, small commercial and industrial and medium commercial and industrial. The small commercial and industrial group includes those customers with monthly metered demand less than 25 kW. The medium commercial and industrial group includes those customers with monthly metered demand equal to or greater than 25 kW and less than 200 kW. The competitive auction process will be bid separately to ensure that there is no cross subsidization.

The Company will update the rates for the DSS according to the schedule in the above tables. The Company will issue competitive auctions prior to the beginning of each Application Period to update the default service supply rates. The updated rates will be based on the new price(s) available from the winning suppliers through the competitive auction process and the cost for Company solar contracts, if any, for the applicable procurement group(s). The rates will include a reconciliation adjustment as described in the "Calculation of Rate" section of this Rider. The Company will file new DSS rates with the Pennsylvania Public Utility Commission ("Commission") no less than sixty (60) days prior to the start of the next Application Period, and, upon Commission approval, these rates shall become effective. **(C)** **(C)** **(C)**

The load of the customer procurement group for the competitive auction will be divided into Tranches. Winning suppliers will provide DSS for the percentage of DSS load corresponding to the number of Tranches won in the competitive auction. Duquesne seeks to procure all Tranches in the competitive auction process pursuant to the competitive auction schedule approved by the Commission.

The selection of bids will be submitted to the Commission for its approval or rejection within one business day after submittal. If the bids are not acted on by the Commission within one business day, the Company may proceed on the basis that they are approved and award the bids pursuant to 52 Pa. Code § 54.188(d).

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CONTINGENCY PLAN

In the event Duquesne receives bids for less than all Tranches or the Commission does not approve all or some of the submitted bids or in the event of supplier default, the Company will execute its Contingency Plan as approved in the Supply Master Agreement ("SMA") at Docket No. P-2024-XXXXXXX. Duquesne will submit its Contingency Plan to the Commission within fifteen (15) days after execution of the Plan. All costs associated with implementing the Contingency Plan will be included as part of the DSS described in the section below, "Calculation of Rate." **(C)** **(C)** **(C)** **(C)**

CALCULATION OF RATE

DSS rates shall be determined based on the formula described in this section. The DSS shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period as defined under the Default Service Supply Rate section of this Rider. Rates are reconciled on a semi-annual basis in accordance with the Default Service Supply Rate section of this Rider. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The DSS shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour in accordance with the formula set forth below and shall be applied to all kilowatt-hours billed for default service provided during the billing month:

$$DSS = [(CA + (SLR + GRN + DSS_a + E)/S_a) * F + DSS_b /S_b] * [1/(1 – T)]$$ **(C)**

Where:

DSS = Default Service Supply rate, converted to cents per kilowatt-hour, to be applied to each kilowatt-hour supplied to customers taking default service from the Company under this Rider.

CA = The weighted average of the winning bids received in a competitive auction for each customer class identified above and described in the "Default Service Supply Rate" section and adjusted for customer class transmission and distribution line losses. The competitive auction shall be conducted as described in "Procurement Process."

DSS_a = The total estimated direct and indirect costs incurred by the Company to acquire DSS from any source on behalf of customers described above in the "Procurement Process." The Application Period shall be for each period over which the DSS, as computed, will apply. Projections of the Company's costs to acquire default supply for the Application Period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated default service supply-related procurement and administration costs. 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.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CALCULATION OF RATE – (Continued)

DSS_b = Company costs may also include the expenses to support time-of-use ("TOU") programs offered by the Company. Time-of-use expenses will be assigned to the applicable customer class for recovery through this Rider.

SLR = The costs associated with any Commission-approved solar contracts and its administration will be recovered from the customers in the applicable procurement group(s) that have received an allocation of the AECs associated with the solar contracts. 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.

GRN = The costs associated with any Commission-approved Green Tariff administration will be recovered from the customers in the applicable procurement group that has received an allocation of the Energy Attribute Certificates ("EAC's") associated with the Green Tariff. This would include contingency costs if the winning supplier were to default, and the Company would have to provide the balance of the EACs through spot market purchases until such time that a new supplier was selected. **(C)**

E = Experienced net over or under collection for each customer procurement group based on the revenue and expense for the six (6) month period ending one-hundred twenty (120) days prior to the end of Application Period. The DSS rate effective June 1 shall include reconciliation of revenue and expense for the six (6) month period August through January and the DSS rate effective December 1 shall include reconciliation of revenue and expense for the six (6) month period February through July. The Company recovers the net-metered excess generation cost as an expense in the respective default service class over/under collection within the Company's 1307(e) reconciliation. Interest shall be computed monthly at the rate provided for in 52 Pa. Code §54.190, from the month the over collection or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped. **(C)** **(C)** **(C)**

S_a = The Company's default service retail kWh sales to customers in the applicable Customer Class, projected for the Application Period. **(C)**

S_b = The Company's default service retail kWh sales to customers in the applicable EV TOU Customer Class, projected for the Application Period. **(C)**

F = Rate Factor only for the residential and lighting customer groups, updated annually when DSS rates are updated, to become effective June 1st of each year. The Rate Factor shall be 1.0 for all other customer groups. DSS for residential and lighting customer groups will be obtained in the same competitive auction. The Rate Factor adjustment reflects the load shape of the residential and lighting classes. The Rate Factor will be as follows for each Application Period.

Application Period	Residential	Lighting
June 1, 2025, through May 31, 2026	X.XXXX	X.XXXX
June 1, 2026, through May 31, 2027	X.XXXX	X.XXXX
June 1, 2027, through May 31, 2028	X.XXXX	X.XXXX
June 1, 2028, through May 31, 2029	X.XXXX	X.XXXX

(C) **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CALCULATION OF RATE – (Continued)

(C)

T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

The rate shall become effective for default supply service rendered on and after the beginning of the Application Period unless otherwise ordered by the Commission and shall remain in effect for the effective periods defined above, unless revised on an interim basis subject to the approval of the Commission. Pursuant to 52 Pa. Code §69.1809(c), upon determination that the DSS, if left unchanged, would result in a material over or undercollection of supply-related costs incurred or expected to be incurred during the effective period, the Company may file with the Commission for an interim revision of the DSS to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

CALCULATION OF RATE **(C)**

ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV TOU SUPPLY RATE PILOT") **(C)**

The Electric Vehicle Time-of-Use Supply Rate Pilot ("EV TOU Supply") rates shall be supplied via the same fixed price, full requirements ("FPFR") products that provide default service supply for the applicable customer class. The EV TOU Supply rates will be distinguished by three time periods throughout the year. The Super Off-Peak Period will consist of all hours every day from 11:00 PM through 6:00 AM, including weekends and noted PJM holidays. The Peak Period will consist of all hours from 3:00 PM through 9:00 PM, Monday through Friday, excluding noted PJM holidays. All other hours will be included in the Off-Peak Period. The same Peak, Off-Peak, and Super Off-Peak Periods will be applicable to all eligible EV TOU supply customers. **(C)**

The EV TOU rates shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period as defined under the Default Service Supply Rate section of this Rider. Rates are reconciled on a semi-annual basis in accordance with the Default Service Supply Rate section of this Rider. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The EV TOU Supply Rate rates shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour and shall be applied to all kilowatt-hours billed for EV TOU Supply Rate rates provided during the billing month. **(C)**

During the pilot, the EV TOU Supply Rate rates will apply to all load associated with the applicable meter for customers who elect the WholeHome option. **(C)**

During the pilot, the EV TOU Supply Rate rates will apply to all load associated with the customer's EV usage for customers who elect the EV-Only option. **(C)**

$$DSS = [(CA + (SLR + GRN + DSS_a + E)/S_a) * F * TOUF + DSS_b/S_b] * [1/(1 - T)]$$ **(C)**

Where:

DSS = Default Service Supply rate as defined above, with the addition of the EV-TOU Rate Factors. **(C)**

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CALCULATION OF RATE **(C)**

ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV TOU SUPPLY RATE PILOT") – (Continued) **(C)**

(C)

TOUF = EV TOU Rate Factors (as defined below), updated annually when DSS rates are updated, to become effective June 1st of each year, will be utilized to derive the Peak, Off-Peak, and Super Off-Peak rates for the customer class based on its respective energy consumption patterns and capacity requirements, as approved in the Company's most recent DSP proceeding at Docket No. P-2024-XXXXXXX. **(C)**

Electric Vehicle Time-of-Use Supply Rate Factors										**(C)**
Application Period	Residential RS, RH, RA			Small C&I[1] GS, GM<25, GMH<25			Medium C&I GM & GMH ≥ 25kW < 200 kW			
	PK[2]	OFF[3]	SUP[4]	PK[2]	OFF[3]	SUP[4]	PK[2]	OFF[3]	SUP[4]	
June 1, 2025, through May 31, 2026	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	
June 1, 2026, through May 31, 2027	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	
June 1, 2027, through May 31, 2028	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	
June 1, 2028, through May 31, 2029	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	

[1] Rate Schedule UMS is not eligible for the Electric Vehicle Time-of-Use Supply Rate.

[2] Denotes Peak

[3] Denotes Off-Peak

[4] Denotes Super Off-Peak

ANNUAL RECONCILIATION

The Company will file with the Commission an annual reconciliation statement of the revenues, expenses and resulting over and under recovery for the twelve (12) months beginning February 1 and ending January 31 of the following year, in accordance with 66 Pa. C.S. § 1307(e), by March 1 for each service class. An annual reconciliation statement shall be prepared separately for the Residential, Small Commercial & Industrial and Medium Commercial & Industrial customer classes.

The standard DSS rate and EV TOU Supply rate over/under collections will be calculated in total for each procurement class. **(C)**

EV-ONLY ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV-ONLY TOU Pilot") **(C)**

SPECIAL TERMS AND CONDITIONS **(C)**

1. Available for up to 1,500 eligible residential customers on a first come, first served basis.

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

EV-ONLY ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV-ONLY –TOU PILOT")

SPECIAL TERMS AND CONDITIONS – (Continued)

2. The customer must have a Company-qualified Level 2 charging station or electric vehicle to enroll in the EV-Only TOU Pilot. A list of Company-qualified charging stations and electric vehicles will be published on the Company's electric vehicle section of its website at duquesnelight.com.

3. The Company will select a managed charging vendor that can manage Company-qualified charging stations and electric vehicles for the EV-Only TOU Pilot.

4. The Company is granted permission to utilize a third-party vendor to access electric vehicle telematics or charging station data or similar data for enrolled customers as part of the EV-Only TOU Pilot. This information will be provided to the Company by the third-party vendor and will be utilized to bill the EV-Only TOU customer. Eligible residential customers enrolling in the EV-Only TOU Pilot consent to the Company using their charging station or electric vehicle telematics or similar data for billing purposes with written authorization, as applicable.

5. The customer will be responsible for the accuracy, network connectivity, and overall maintenance of their charging station or electric vehicle telematics to ensure the transmission of their EV data.

6. The customer retains their right to file a billing complaint at the PUC.

7. Customers enrolled in the EV-Only option under the EV TOU Supply Rate Pilot must also enroll in the EV-Only option under Rider No. 4 – EV TOU Distribution Rate Pilot. Customers selecting the WholeHome option under the EV TOU Supply Rate Pilot are not permitted to enroll in the EV-Only option under Rider No. 4 – EV TOU Distribution Rate Pilot.

8. The Company may unenroll customers from the Pilot if they do not remain in good standing, signifying that the customer account is active, does not have a past due balance or an outstanding payment arrangement at the time of enrollment, and has demonstrated a timely payment history.

9. The Company reserves the right to inspect, at all reasonable times, the customer's circuitry to determine that the load served under the terms of this Rider is as defined herein.

10. If the Company finds, in its sole judgment, that the conditions of this EV-Only TOU Pilot are being violated, it may discontinue application of the EV-Only TOU Pilot and bill all usage pursuant to the applicable Rate Schedule.

11. Customer enrollment is dependent on continuously meeting the Applicability provisions and Special Terms and Conditions of this Rider. If the Company finds, in its sole judgment, that the conditions of this Rider are being violated, it may terminate the customer from the Pilot with notice.

STANDARD CONTRACT RIDERS - (Continued) **(C)**

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

(C)

MISCELLANEOUS

Minimum bills shall not be reduced by reason of the DSS. DSS charges shall not be a part of the monthly rate schedule minimum nor be subject to any credits or discounts.

Application of the DSS shall be subject to continuous review and audit by the Commission at intervals it shall determine.

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 = Black start 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, 2025, through May 31, 2026	$X.XX
June 1, 2026, through May 31, 2027	$X.XX
June 1, 2027, through May 31, 2028	$X.XX
June 1, 2028, through May 31, 2029	$X.XX

(C)

(C) – Indicates Change

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)

NOTIFICATION AND ELECTION OF SERVICE

Customers may elect to purchase their supply requirements through this rider at any time according to the requirements of Rule No. 45. Customers that do not elect service with an EGS will default to hourly price service under this rider.

ANNUAL RECONCILIATION

The Company will file with the Commission a reconciliation statement of the revenues, expenses and resulting over and under recovery for the eight (8) months beginning June 1, 2017, and ending January 31, 2018, in accordance with 66 Pa. C.S. § 1307(e), by March 1, 2018. Thereafter, the Company will file with the Commission an annual reconciliation statement of the revenues, expenses and resulting over and under recovery for the twelve (12) months beginning February 1 and ending January 31 of the following year, in accordance with 66 Pa. C.S. § 1307(e), by March 1. The Company recovers the net-metered excess generation cost as an expense in the over/under collection within the Company's 1307(e) reconciliation. The reconciliation statement will reconcile actual revenue and actual expense associated with the Company's portion of the FRA. **(C)** **(C)**

GENERAL

The Supply Charges are intended to recover the market costs of providing Default Service to customers in PJM as these costs may change or be redefined from time to time. The Supply Charges shall be calculated using the formula and prices referenced above, but may be revised from time to time, as necessary, to reflect changes in PJM rules and charges. The Company is required to include renewable energy sources as a component of providing POLR service. The Company will pass-through the charges required to comply with the Alternative Energy Portfolio Standards (AEPS) as those compliance requirements change. The formula is illustrative to reflect the charges in the PJM tariff and is subject to change at any time, as PJM rules, charges or market parameters change.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L)

BILLING PROVISIONS - (Continued)

1. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

2. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

BILLING PROVISIONS FOR
ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV TOU SUPPLY RATE PILOT") **(C)**
CUSTOMER GENERATORS

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

The following billing provisions apply to customer-generators that take service on Rider No 8 – Default Service Supply and are on EV TOU Supply rates. **(C)**

1. The EV TOU Supply Rate customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If an EV TOU Supply Rate customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the Company will maintain an active record of the excess kilowatt hours produced at the customer-generators premise in a "bank". If an EV TOU Supply Rate customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the EV TOU Supply Rate customer generator's usage in a subsequent billing period at the full retail rate. If, in a subsequent billing period, a customer consumes more electricity than produced, kilowatt-hours will be pulled from the customer's bank on a first in first out basis. Any excess kilowatt hours shall continue to accumulate and credit against usage for the 12 month period ending May 31st. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours remaining in the bank on May 31st, at the applicable Price To Compare at the time the excess kilowatt-hours were banked. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. **(C)** **(C)** **(C)** **(C)**

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L)

BILLING PROVISIONS FOR
ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV-TOU SUPPLY RATE PILOT") **(C)**
CUSTOMER GENERATORS – (Continued) **(C)**

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

(C)

1. If the Company supplies more kilowatt-hours of electricity than the customer-generator supplies during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If an eligible customer-generator wishes to no longer be enrolled in the EV TOU Supply Rate Pilot and switches to the standard default service supply product, any excess kilowatt hours banked and remaining from the EV TOU Supply period will be used, as applicable, for the remaining portion of the 12 month period ending May 31 and the Company shall compensate for any excess kilowatt hours that are banked at the Price To Compare in effect at the time. **(C)** **(C)**

NET METERING PROVISIONS FOR SHOPPING CUSTOMERS

1. Customer-generators may take net metering services from EGSs that offer such services.

2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by the customer-generator, up to the total amount of kilowatt-hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. Any excess kilowatt hours at the end of the 12 month period will not carry over to the next year for distribution charge purposes. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If the Company delivers more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt-hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. XX – GREEN TARIFF PILOT PROGRAM

Applicable to Rate Schedules RS, RH and RA

PURPOSE

The Green Tariff Pilot Program ("Green Tariff") Rider sets forth the eligibility, terms, and conditions applicable to residential customers who elect to participate.

PILOT DESCRIPTION

The Green Tariff offers eligible Rider No. 8 – Default Service Supply ("DSS") customers with an opportunity to procure an additional quantity of zero-carbon Energy Attribute Certificates (EACs) above the amount they already receive through participation in DSS. The additional EACs provided under this Rider will be procured through annual competitive solicitations conducted by Duquesne Light Company ("Duquesne Light" or "Company") and the Independent Market Monitor. Duquesne Light requires the Green Tariff provider to procure and submit to the Company the additional EACs associated with carbon-free generation located within Pennsylvania, corresponding to seven percent (7%) of the billed usage of all customers subscribed to the Green Tariff. This will adhere to a fixed price, full requirements contract, agreed to at the time of procurement.

ELIGIBILITY

The Green Tariff is available for up to 5,000 customers who elect to enroll in the Pilot Program on a first come, first served basis and who (i) are served under Rate Schedules RS, RH, and RA; (ii) receive default service supply from the Company under Rider No. 8 - DSS; and (iii) are not enrolled in the Company's Customer Assistance Program ("CAP"). To receive the additional quantity of EACs procured under the Green Tariff, customers must affirmatively choose to enroll in the Green Tariff. A customer may choose to unenroll in the Green Tariff at any time in accordance with the switching protocols in Rule No. 45.1.

GREEN TARIFF CHARGE

Application Period	Green Tariff Charge - ¢/kWh
June 1, 2025, through May 31, 2026	X.XX
June 1, 2026, through May 31, 2027	X.XX
June 1, 2027, through May 31, 2028	X.XX
June 1, 2028, through May 31, 2029	X.XX

The Company provides default service supply under this Rider under the same terms, conditions, and charges as Rider No. 8 - DSS. The charges for the additional zero-carbon purchases (EACs) procured in the Green Tariff are calculated based on the results of a competitive solicitation process held annually for service under this Rider and the Green Tariff Charge will be effective as defined in the above table.

PROCUREMENT PROCESS

The Company will conduct a competitive auction solicitation for the additional EACs supplied under the Green Tariff separately from the Company's default service electricity supply products. The solicitation process for the

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. XX – GREEN TARIFF PILOT PROGRAM – (Continued)

Applicable to Rate Schedules RS, RH and RA

PROCUREMENT PROCESS – (Continued)

additional EACs will be monitored by an independent third-party evaluator. The winning bidder is responsible for providing EACs sufficient to cover seven percent (7%) of the billed usage of all customers enrolled in the Green Tariff. The winning bidder will be the provider that bids the lowest fixed price per EAC in each solicitation and will be selected to provide the additional EACs. The Company will issue a competitive solicitation prior to the beginning of each Application Period to update the Green Tariff Charge. Solicitations will occur once per year in or around March, resulting in a single annual price for the additional EACs purchased under the Green Tariff for the stated Application Period.

The Company will update the Green Tariff Charge according to the schedule in the above table. The updated Green Tariff Charge will be based on the price from the selected winning bidder through the competitive solicitation process. The new Green Tariff Charge shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period.

CONTINGENCY PLAN

The Company will not offer (or will discontinue) the Green Tariff during the applicable Application Period in the event it does not receive any bids to supply Green Tariff EACs. If the Green Tariff provider defaults, the Company will provide the balance of the EACs through spot market purchases until such time that a new supplier was selected.

MONTHLY CHARGE

The Monthly Charge shall be determined based on the formula described in this section.

$$\text{Monthly Charge} = (7\% * \text{Billed Usage}) * GTC_{EAC}$$

Where:

Billed Usage	=	The billed kilowatt-hour usage of a customer enrolled in the Green Tariff.
GTC	=	Green Tariff Charge, in units of cents (¢) per kilowatt-hour, to be applied to each additional EAC based on the lowest bid price for the provision of Green Tariff EACs in the competitive solicitation corresponding to the Application Period.

COST RECOVERY MECHANISM

The costs of the additional EACs in the Green Tariff will be recovered monthly from participating Green Tariff customers. The costs associated with any Commission-approved Green Tariff administration will be recovered from customers as stated in Rider No. 8 – Default Service Supply. Green Tariff customer bills will include a separate line item equal to the Monthly Charge.

(C) – Indicates Change

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

ANNUAL UPDATE - (Continued)

For Rate Schedules AL, SE, SM, SH and PAL:

The annual revenue requirement and over or under collection shall be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load from the previous calendar year. PJM charges that are load based will also be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load. PJM charges that are energy based will be billed on a per kWh basis. All such charges will be adjusted for Pennsylvania gross receipts tax. For rate schedules SM, SH and PAL, a kWh charge will be determined to recover the allocated revenue requirement and PJM charges. An equivalent fixed monthly charge will be determined based on the monthly kWh usage applicable for each fixture.

Where:

TSC = Transmission service charge to be applied to all Transmission billing units (either kWh or kW, as indicated.)

RCRR = Projected total revenue requirement and PJM charges established for the computation year of June 1st through May 31st, corresponding to the PJM planning year. The revenue requirement shall be allocated to the specific rate classes by applying the ratio of the RC1CP to the Duquesne Zone 1CP for the prior year. PJM charges shall be allocated to each rate class on the basis incurred (i.e. 1CP, kW, kWh).

"e" = Total over or under collection calculated by comparing total TSC revenues billed to the specific rate class during the reconciliation year of the twelve month period ending February 28th or 29th to the total charges billed by PJM under its OATT as approved or accepted by FERC and allocated to the specific rate class based upon its Default Service share of the Duquesne Zone 1CP for the prior year, including applicable interest. Interest shall be computed monthly at the rate provided for in Title 52 Pa. Code §54.190(c), from the month the over collection or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped. The Company recovers the net-metered excess transmission cost as an expense in the over/under collection within the Company's 1307(e) reconciliation. **(C)** **(C)** **(C)**

RCSales = Projected kWh sales for the specific rate class for the computation year.

RCDemand = Projected kW billing demand for the specific rate class for the computation year.

RC1CP = Rate Class load coincident with the peak hour of the peak day of the Duquesne Zone during the calendar year prior to the computation year.

T = The total Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

/EXHIBIT NO. DBO-6

SUPPLEMENT NO. XX
TO ELECTRIC – PA. P.U.C. NO. 25

DUQUESNE LIGHT CO.

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: XXXXX X, XXXX

EFFECTIVE: XXXXX X, XXXX

Issued pursuant to the Commission's Order
entered XXXXXXX XX, XXXX, at Docket No. P-2024-XXXXXX.
~~Issued in compliance with~~
~~Commission Order entered September 15, 2016, at Docket No. P-2016-2540046.~~

NOTICE

THIS TARIFF SUPPLEMENT MAKES CHANGES TO THE TABLE OF CONTENTS, THE RIDER MATRIX, EXISTING RIDERS AND THE APPENDIX AND ADDS A RIDER
~~THIS TARIFF SUPPLEMENT INCREASES A RATE WITHIN AN EXISTING RIDER~~

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Table of Contents Xxxxxx Revised Page No. 3
Cancelling Xxxxxxx revised Page No. 3

List of Modifications – Xxxxxxxx Page No. 2X through Xxxxxxxx Page No. 2X have been added to Tariff No. 25 in order to accommodate the noted modifications and, therefore, the Table of Contents has been updated to reflect the additional pages.

Table of Contents Xxxxxxx Revised Page No. 3A
Cancelling Xxxxx revised Page No. 3A

Page No. 98B has been added to Tariff No. 25.

Page No. 99A has been added to Tariff No. 25.

Page No. 105A has been added to Tariff No. 25.

Page No. 105B has been added to Tariff No. 25 and, therefore, to the Table of Contents.

Page No. XXXX and Page No. XXXX have been added to Tariff No. 25 to accommodate the addition of Rider No. XX - Green Tariff Pilot Program and, therefore, to the Table of Contents.

Rider No. XX – Green Tariff Pilot Program has been added to Tariff No. 25 and, therefore, to the Table of Contents.

Standard Contract Riders – Rider Matrix Xxxxx Revised Page No. 87A
Cancelling Xxxxx Revised Page No. 87A

Rider No. XX – Green Tariff Pilot Program has been added to Tariff No. 25 and, therefore, to the Rider Matrix Chart and Rider Matrix Titles sections.

Rider No. 8 – Default Service Supply Xxxxx Revised Page No. 98
Cancelling Xxxxxx Revised Page No. 98

Language has been modified to revise the name of the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-TOU Supply Rate Pilot") program, make updates to the program language, and add the DSP X docket number.

Language has been modified to reflect that the EV-TOU Supply Rate Pilot will offer a WholeHome EV-TOU Supply Rate Pilot program which applies to all the electricity used at the premises and an EV Only TOU Supply Rate Pilot program which will apply to only the EV electricity usage.

The Default Service Supply Rate – Residential Chart that was previously found at the bottom of Eighth Revised Page No. 98, Cancelling Seventh Revised Page No. 98 has been moved to Xxxxx Revised Page No. 98A, Cancelling Xxxxx Revised Page No. 98A.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 98A**
Cancelling Xxxxxx Revised Page No. 98A

The Default Service Supply Rate – Residential Chart that was previously found at the bottom of Eighth Revised Page No. 98, Cancelling Seventh Revised Page No. 98 has been moved to Xxxxx Revised Page No. 98A, Cancelling Xxxxx Revised Page No. 98A.

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot program name revision.

The language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised and the applicable PJM holidays have been noted.

The Default Service Supply Rate – Small Commercial and Industrial Chart that was previously found on Fifth Revised Page No. 98A, Cancelling Fourth Revised Page No. 98A has been moved to Xxxxxxxx Page No. 98B.

Rider No. 8 – Default Service Supply **Xxxxxxxx Page No. 98B**

The Default Service Supply Rate – Small Commercial and Industrial Chart that was previously found on Fifth Revised Page No. 98A, Cancelling Fourth Revised Page No. 98A has been moved to Xxxxxxxx Page No. 98B.

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot program name revision.

The language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised and the applicable PJM holidays have been noted.

Rider No. 8 – Default Service Supply **Xxxxxxxxxx Revised Page No. 99**
Cancelling Xxxxxxxx Revised Page No. 99

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot program name revision.

The language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised and the applicable PJM holidays have been noted.

The Default Service Supply Rate – Lighting Chart that was previously found at the bottom of Seventeenth Revised Page No. 99, Cancelling Sixteenth Revised Page No. 99 has been moved to Xxxxxxxx Page No. 99A.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply **Xxxxxxxx Page No. 99A**

The Default Service Supply Rate – Lighting Chart that was previously found at the bottom of Seventeenth Revised Page No. 99, Cancelling Sixteenth Revised Page No. 99 has been moved to the top of Xxxxxxxx Page No. 99A.

The Default Service Supply Rate Chart has been updated with the DSP X Application Period dates.

Rider No. 8 – Default Service Supply **Xxxxxx Revised Page No. 100**
Cancelling Xxxxxxx Revised Page No. 100

Xxxxxx Revised Page No. 101
Cancelling Xxxxxxx Revised Page No. 101

The Default Service Supply Rate Charts have been updated with the DSP X Application Period dates.

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 102**
Cancelling Xxxxxx Revised Page No. 102

Language has been modified to reflect current business practice.

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 103**
Cancelling Xxxxxx Revised Page No. 103

Language has been modified to reflect current business practice.

The formula has been modified to reflect the addition of the Green Tariff Pilot Program administration costs and to reflect current business practice.

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 104**
Cancelling Xxxxxx Revised Page No. 104

The formula definitions have been modified to include the Green Tariff Pilot Program administration costs and to reflect current business practice.

The Rate Factor Chart has been updated with the DSP X Application Period dates.

Language previously located at the bottom of Third Revised Page No. 104, Cancelling Second Revised Page No. 104 has been moved to Xxxxx Revised Page No. 104A, Cancelling Xxxxxx Revised Page No. 104A.

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply **Xxxxx Revised Page No. 104A**
Cancelling Xxxxxx Revised Page No. 104A

Language has been modified to revise the name of the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-TOU Supply Rate Pilot") program.

Language regarding the Electric Vehicle Time-of-Use Supply Rate Pilot program time periods for Peak, Super Off-Peak and Off-Peak has been revised.

Language has been modified to reflect that the EV-TOU Supply Rate Pilot will offer a WholeHome EV-TOU Supply Rate Pilot program which applies to all the electricity used at the premises and an EV Only TOU Supply Rate Pilot program which will apply to only the EV electricity usage.

The formula has been modified to reflect the addition of the Green Tariff Pilot Program administration costs and to reflect current business practice.

A formula definition and the EV-TOU Supply Rate Factors Chart that was previously located at the bottom of Second Revised Page No. 104A, Cancelling First Revised Page No. 104A has been moved to the top of Xxxxxx Revised Page No. 105, Cancelling Xxxxx Revised Page No. 105.

Rider No. 8 – Default Service Supply **Xxxxxx Revised Page No. 105**
Cancelling Xxxxx Revised Page No. 105

A formula definition and the EV-TOU Supply Rate Factors Chart that was previously located at the bottom of Second Revised Page No. 104A, Cancelling First Revised Page No. 104A has been moved to the top of Xxxxxx Revised Page No. 105, Cancelling Xxxxx Revised Page No. 105.

The docket number is being revised to reflect the DSP X filing.

The EV-TOU Supply Rate Factors Chart has been updated with the DSP X Application Period dates and the Electric Vehicle Time-of-Use Supply Rate Pilot Rate Factors revision.

Language has been modified to reflect the revision to the program name.

Special Terms and Conditions have been added related to the EV-Only Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-Only TOU Pilot").

Language that was previously located at the bottom of First Revised Page No. 105, Cancelling Original Page No. 105 has been moved to Xxxxxxxx Page No. 105B.

Rider No. 8 – Default Service Supply **Xxxxxxxx Revised Page No. 105A**

Special Terms and Conditions have been added related to the EV-Only Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-Only TOU Pilot").

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rider No. 8 – Default Service Supply **Xxxxxxxx Revised Page No. 105B**

Language that was previously located at the bottom of First Revised Page No. 105, Cancelling Original Page No. 105 has been moved to Xxxxxxxx Page No. 105B.

Rider No. 9 – Day-Ahead Hourly Price Service **Xxxxxxx Revised Page No. 108**
Cancelling Xxxxx Revised Page No. 108

The Fixed Retail Administrative Charge ("FRA") Chart has been updated with the DSP X Application Period dates.

Rider No. 9 – Day-Ahead Hourly Price Service **Xxxxx Revised Page No. 111**
Cancelling Xxxxxxxx Page No. 111

Language has been modified to reflect current business practice.

Rider No. 21 – Net Metering Service **Xxxxxx Revised Page No. 135**
Cancelling Xxxxx Revised Page No. 135

Xxxxxx Revised Page No. 136
Cancelling Xxxxx Revised Page No. 136

Language has been modified to revise the name of the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ("EV-TOU Supply Rate Pilot") program.

Rider No. XX – Green Tariff Pilot Program **Xxxxxxxx Page No. XXX**

Xxxxxxxx Page No. XXX

Rider No. XX – Green Tariff Pilot Program has been added to Tariff No. 25 to offer up to 5,000 eligible customers with an opportunity to procure an additional quantity of zero-carbon energy Attribute Certificates ("EACs") above the amount they already receive through participation in default service supply ("DSS").

Appendix A – Transmission Service Charges **Xxxxx Revised Page No. 145**
Cancelling Xxxxxxxx Page No. 145

Language has been modified to reflect current business practice.

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STANDARD CONTRACT RIDERS – (Continued) ~~(C)~~

RIDER MATRIX – (Continued) ~~(C)~~

	RS	RH	RA	GS/GM	GMH	GL	GLH	L	HVPS	AL	SE	SM	SH	UMS	PAL
Rider No. 20	X	X	X	X	X	X	X	X	X	X					
Rider No. 21	X	X	X	X	X	X									
Rider No. 22	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rider No. XX	X	X	X												
Appendix A	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

(C)

Rider Titles:

Rider No. 20 — Smart Meter Charge
Rider No. 21 — Net Metering Service
Rider No. 22 — Distribution System Improvement Charge ("DSIC")
Rider No. XX — Green Tariff Pilot Program (C)
Appendix A — Transmission Service Charges

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

Default Service Supply ("DSS") provides residential, commercial, industrial and lighting customers on the applicable rate schedules with a default service supply rate that is determined based on competitive auctions to acquire the energy to serve the load of customers taking service under the provisions of this Rider. Small and medium commercial and industrial customers are defined in Rate Schedules GS/GM and GMH. For purposes of this rider, medium customers are those customers with a monthly metered demand that is at least 25 kW and less than 200 kW, on average, in a twelve (12) month period. For purposes of assigning customers not being served by an Electric Generation Supplier ("EGS") to the applicable supply rate, Duquesne Light shall evaluate the customer's twelve (12) most recent months of monthly billing demand for that customer available in October of the preceding year. If the customer's average monthly billing demand is less than 25 kW in the twelve (12) months, then that customer shall be assigned to the supply rate for small commercial and industrial customers effective with their January billing. If the customer's average monthly demand is greater than or equal to 25 kW but less than 200 kW in the twelve (12) month period, then that customer shall be assigned to the supply rate for medium commercial and industrial customers effective with their January billing.

Eligible customers may elect to enroll in the Company's Electric Vehicle Time-of-Use Supply Rate Pilot ~~Program~~ ("EV TOU Supply Rate"). The ~~Electric Vehicle Time-of-Use~~ EV TOU Supply Rate Pilot ~~Program~~ is available to customers that (i) are served under Rate Schedules RS, RH, RA, GS/GM, or GMH and have an account in good standing, signifying that the account is active, does not have a past due balance or an outstanding payment arrangement at the time of enrollment, and has demonstrated a timely payment history; (ii) own or lease a highway-capable plug-in battery electric vehicle or plug-in hybrid electric vehicle registered to the service address, or operate electric vehicle charging facilities at the service location; (iii) are not enrolled in the Company's Customer Assistance Program, budget billing, ~~or~~ virtual meter aggregation, Rider No. 7 – Residential Managed Charging Pilot, or Rider No. 23 – Behavioral Load Management Pilot; (iv) have not de-enrolled from the ~~Electric Vehicle Time-of-Use~~ EV TOU Supply Rate Pilot ~~Program or Electric Vehicle Time-of-Use Supply Rate Pilot,~~ for any reason, within the last twelve (12) months; and (v) comply with any other applicable ~~Electric Vehicle Time-of-Use~~EV TOU Supply Rate Pilot ~~Program~~ rules established at Docket No. P-2020-3019522, Docket No. P-2024-XXXXXXX, or subsequent proceeding. Customers enrolled in the ~~Electric Vehicle Time-of-Use~~EV TOU Supply Rate Pilot ~~Program~~ will be moved to the applicable ~~Electric Vehicle Time-of-Use~~EV TOU ~~Supply Rate Pilot Program~~ supply rate. (C)

Eligible residential customers will have the choice to enroll in either the WholeHome Electric Vehicle Time-of-Use Supply Rate~~Pilot Program~~ ("WholeHome EV TOU Supply Rate") or the EV Only ~~Electric Vehicle~~ Time-of-Use ~~Pilot Program~~ Supply Rate ("EV Only ~~EV~~ TOU Supply Rate"). The WholeHome EV TOU Supply Rate~~Pilot Program~~ will apply to all the electricity used at the premises. The EV Only ~~EV~~ TOU Pilot Supply Rate~~Program, 1,1,at a time~~ will require the customer to have a Company-qualified~~n eligible~~ EV or charging station which allows the Company to track usage as the rate will only apply to the customer's EV usage, while the rest of the premises remains on the standard default service rate. (C)

(C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE (C)

Residential

(Rate Schedules RS, RH and RA)

		Electric Vehicle Time-of Use[1] Supply Rate Pilot ~~Program~~[1]		
Application Period	Supply Charge - ¢/kWh	Supply Charge - ¢/kWh		
		Peak	Off-Peak	Super Off-Peak
June 1, 2025, through November 30, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2025, through May 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2026, through November 30, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2026, through May 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2027, through November 30, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2027, through May 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2028, through November 30, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2028, through May 31, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX

(C)

~~(1) The Electric Vehicle Time-of-Use Pilot Program is year-round, seven (7) days per week, including holidays. Peak Hours are 1:00 PM to 9:00 PM. Off-Peak Hours are 6:00 AM to 1:00 PM and 9:00 PM to 11:00 PM. Super Off-Peak Hours are 11:00 PM to 6:00 AM.~~ (C)

(1) Peak Hours are 3:00 PM to 9:00 PM, Monday through Friday, excluding noted PJM holidays. (C)

Super Off-Peak Hours are 11:00 PM to 6:00 AM daily, including noted PJM holidays.

All other hours are considered Off-Peak.

PJM Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY - (Continued) (C)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE - (Continued)

Small Commercial and Industrial customers with monthly metered demand less than 25 kW.

(Rate Schedules GS/GM and GMH and Rate Schedule UMS(1))

(C)

		Rate Schedules GS/GM and GMH Electric Vehicle Time-of Use(2) Supply Rate Pilot ~~Program~~(2)		
Application Period	Supply Charge - ¢/kWh	Supply Charge - ¢/kWh		
		Peak	Off-Peak	Super Off-Peak
June 1, 2025, through November 30, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2025, through May 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2026, through November 30, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2026, through May 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2027, through November 30, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2027, through May 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2028, through November 30, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2028, through May 31, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX

(1) Rate Schedule UMS is not eligible for the Electric Vehicle Time-of-Use Pilot Program.

~~(2) The Electric Vehicle Time-of-Use Pilot Program is year-round, seven (7) days per week, including holidays. Peak Hours are 1:00 PM to 9:00 PM. Off-Peak Hours are 6:00 AM to 1:00 PM and 9:00 PM to 11:00 PM. Super Off-Peak Hours are 11:00 PM to 6:00 AM.~~ (C)

(2) Peak Hours are 3:00 PM to 9:00 PM, Monday through Friday, excluding noted PJM holidays. (C)

Super Off-Peak Hours are 11:00 PM to 6:00 AM daily, including noted PJM holidays.

All other hours are considered Off-Peak.

PJM Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Medium Commercial and Industrial customers with monthly metered demand equal to or greater than 25 kW and less than 200 kW.

(Rate Schedules GS/GM and GMH)

(C)

		Electric Vehicle Time-of Use Supply Rate Pilot ~~Program~~[1]		
Application Period	Supply Charge - ¢/kWh	Supply Charge - ¢/kWh		
		Peak	Off-Peak	Super Off-Peak
June 1, 2025, through August 31, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX
September 1, 2025, through November 30, 2025	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2025, through February 28, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
March 1, 2026, through May 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2026, through August 31, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
September 1, 2026, through November 30, 2026	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2026, through February 28, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
March 1, 2027, through May 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2027, through August 31, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
September 1, 2027, through November 30, 2027	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2027, through February 29, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
March 1, 2028, through May 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
June 1, 2028, through August 31, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
September 1, 2028, through November 30, 2028	X.XXXX	X.XXXX	X.XXXX	X.XXXX
December 1, 2028, through February 28, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX
March 1, 2029, through May 31, 2029	X.XXXX	X.XXXX	X.XXXX	X.XXXX

~~(1) The Electric Vehicle Time-of Use Pilot Program is year-round, seven (7) days per week, including holidays. Peak Hours are 1:00 PM to 9:00 PM. Off-Peak Hours are 6:00 AM to 1:00 PM and 9:00 PM to 11:00 PM. Super Off-Peak Hours are 11:00 PM to 6:00 AM.~~ (C)

(1) Peak Hours are 3:00 PM to 9:00 PM, Monday through Friday, excluding noted PJM holidays. (C)

Super Off-Peak Hours are 11:00 PM to 6:00 AM daily, including noted PJM holidays.

All other hours are considered Off-Peak.

PJM Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)
DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting

(Rate Schedules AL and SE)

Application Period	Supply Charge - ¢/kWh
June 1, 2025, through November 30, 2025	X.XXXX
December 1, 2025, through May 31, 2026	X.XXXX
June 1, 2026, through November 30, 2026	X.XXXX
December 1, 2026, through May 31, 2027	X.XXXX
June 1, 2027, through November 30, 2027	X.XXXX
December 1, 2027, through May 31, 2028	X.XXXX
June 1, 2028, through November 30, 2028	X.XXXX
December 1, 2028, through May 31, 2029	X.XXXX

(C) (C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

(C)

		Application Period			
Wattage	Nominal kWh Energy Usage per Unit per Month	06/01/2025 through 11/30/2025	12/01/2025 through 05/31/2026	06/01/2026 through 11/30/2026	12/01/2026 through 05/31/2027
Supply Charge ¢ per kWh		X.XXXX	X.XXXX	X.XXXX	X.XXXX
		Fixture Charge — $ per Month			
Mercury Vapor					
100	44	X.XXXX	X.XXXX	X.XXXX	X.XXXX
175	74	X.XXXX	X.XXXX	X.XXXX	X.XXXX
250	102	X.XXXX	X.XXXX	X.XXXX	X.XXXX
400	161	X.XXXX	X.XXXX	X.XXXX	X.XXXX
1000	386	X.XXXX	X.XXXX	X.XXXX	X.XXXX
High Pressure Sodium					
70	29	X.XXXX	X.XXXX	X.XXXX	X.XXXX
100	50	X.XXXX	X.XXXX	X.XXXX	X.XXXX
150	71	X.XXXX	X.XXXX	X.XXXX	X.XXXX
200	95	X.XXXX	X.XXXX	X.XXXX	X.XXXX
250	110	X.XXXX	X.XXXX	X.XXXX	X.XXXX
400	170	X.XXXX	X.XXXX	X.XXXX	X.XXXX
1000	387	X.XXXX	X.XXXX	X.XXXX	X.XXXX
Flood Lighting - Unmetered					
70	29	X.XXXX	X.XXXX	X.XXXX	X.XXXX
100	46	X.XXXX	X.XXXX	X.XXXX	X.XXXX
150	67	X.XXXX	X.XXXX	X.XXXX	X.XXXX
250	100	X.XXXX	X.XXXX	X.XXXX	X.XXXX
400	155	X.XXXX	X.XXXX	X.XXXX	X.XXXX
Light-Emitting Diode (LED) — Cobra Head					
30	11	X.XXXX	X.XXXX	X.XXXX	X.XXXX
45	16	X.XXXX	X.XXXX	X.XXXX	X.XXXX
60	21	X.XXXX	X.XXXX	X.XXXX	X.XXXX
95	34	X.XXXX	X.XXXX	X.XXXX	X.XXXX
139	49	X.XXXX	X.XXXX	X.XXXX	X.XXXX
219	77	X.XXXX	X.XXXX	X.XXXX	X.XXXX
		X.XXXX	X.XXXX	X.XXXX	X.XXXX
Light-Emitting Diode (LED) — Colonial					
20	7	X.XXXX	X.XXXX	X.XXXX	X.XXXX
45	16	X.XXXX	X.XXXX	X.XXXX	X.XXXX
Light-Emitting Diode (LED) — Contemporary					
40	14	X.XXXX	X.XXXX	X.XXXX	X.XXXX
55	20	X.XXXX	X.XXXX	X.XXXX	X.XXXX

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

Lighting — (Continued)

(Rate Schedules SM, SH and PAL)

Lamp wattage as available on applicable rate schedule.

(C)

		Application Period			
Wattage	Nominal kWh Energy Usage per Unit per Month	06/01/2027 through 11/30/2027	12/01/2027 through 05/31/2028	06/01/2028 through 11/30/2028	12/01/2028 through 05/31/2029
Supply Charge ¢ per kWh		X.XXXX	X.XXXX	X.XXXX	X.XXXX
		Fixture Charge — $ per Month			
Mercury Vapor					
100	44	X.XX	X.XX	X.XX	X.XX
175	74	X.XX	X.XX	X.XX	X.XX
250	102	X.XX	X.XX	X.XX	X.XX
400	161	X.XX	X.XX	X.XX	X.XX
1000	386	X.XX	X.XX	X.XX	X.XX
High Pressure Sodium					
70	29	X.XX	X.XX	X.XX	X.XX
100	50	X.XX	X.XX	X.XX	X.XX
150	71	X.XX	X.XX	X.XX	X.XX
200	95	X.XX	X.XX	X.XX	X.XX
250	110	X.XX	X.XX	X.XX	X.XX
400	170	X.XX	X.XX	X.XX	X.XX
1000	387	X.XX	X.XX	X.XX	X.XX
Flood Lighting - Unmetered					
70	29	X.XX	X.XX	X.XX	X.XX
100	46	X.XX	X.XX	X.XX	X.XX
150	67	X.XX	X.XX	X.XX	X.XX
250	100	X.XX	X.XX	X.XX	X.XX
400	155	X.XX	X.XX	X.XX	X.XX
Light-Emitting Diode (LED) — Cobra Head					
30	11	X.XX	X.XX	X.XX	X.XX
45	16	X.XX	X.XX	X.XX	X.XX
60	21	X.XX	X.XX	X.XX	X.XX
95	34	X.XX	X.XX	X.XX	X.XX
139	49	X.XX	X.XX	X.XX	X.XX
219	77	X.XX	X.XX	X.XX	X.XX
Light-Emitting Diode (LED) — Colonial					
20	7	X.XX	X.XX	X.XX	X.XX
45	16	X.XX	X.XX	X.XX	X.XX
Light-Emitting Diode (LED) — Contemporary					
40	14	X.XX	X.XX	X.XX	X.XX
55	20	X.XX	X.XX	X.XX	X.XX

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

DEFAULT SERVICE SUPPLY RATE – (Continued)

The Company will provide default service supply under this Rider by obtaining the requirements from suppliers through competitive procurements using a competitive auction process. The charges for DSS calculated based on the results of the competitive auction process for service under this Rider will be effective as defined above. ~~(C)~~ ~~(C)~~

DSS obtained through the competitive auction process includes energy, capacity, transmission and distribution line losses, congestion and congestion management costs, all or some of the Alternative Energy Credits ("AECs"), ancillary services, PJM grid management charges and other such services or products that are required to provide default service to the Company's customers including Auction Revenue Rights and Financial Transmission Rights ("ARRs/FTRs"). The Company may purchase and provide for a portion of its AEC solar requirements associated with the default service load. The AECs provided by the Company for the applicable procurement group(s) will reduce the obligation of the suppliers in the competitive auction. DSS shall not include transmission service within Duquesne's zone. Duquesne will be responsible for and continue to provide network integration transmission service. The applicable charges for transmission service are defined in Appendix A of this Tariff. ~~(C)~~ ~~(C)~~ ~~(C)~~

Service under this Rider No. 8 – Default Service Supply shall commence in accordance with the switching protocols in Rule No. 45.1.

PROCUREMENT PROCESS

The Company will conduct separate competitive auction solicitations for DSS for each customer procurement group under this Rider. The customer procurement groups for the competitive auction solicitations are defined as residential and lighting, small commercial and industrial and medium commercial and industrial. The small commercial and industrial group includes those customers with monthly metered demand less than 25 kW. The medium commercial and industrial group includes those customers with monthly metered demand equal to or greater than 25 kW and less than 200 kW. The competitive auction process will be bid separately to ensure that there is no cross subsidization. ~~(C)~~ ~~(C)~~ ~~(C)~~

The Company will update the rates for the DSS according to the schedule in the above tables. The Company will issue competitive auctions prior to the beginning of each Application Period to update the default service supply rates. The updated rates will be based on the new price(s) available from the winning suppliers through the competitive auction process and the cost for Company solar contracts, if any, for the applicable procurement group(s). The rates will include a reconciliation adjustment as described in the "Calculation of Rate" section of this Rider. ~~In the month prior to the beginning of each Application Period, t~~The Company will file new DSS ~~charges~~ rates with the Pennsylvania Public Utility Commission ("Commission") no less than sixty (60) days prior to the start of ~~for~~ the ~~subsequent~~ next Application Period, and, upon Commission approval, these ~~charges~~ rates shall become effective ~~on the first day of the following month~~. ~~(C)~~ ~~(C)~~ ~~(C)~~ ~~(C)~~ ~~(C)~~

The load of the customer procurement group for the competitive auction will be divided into Tranches. Winning suppliers will provide DSS for the percentage of DSS load corresponding to the number of Tranches won in the competitive auction. Duquesne seeks to procure all Tranches in the competitive auction process pursuant to the competitive auction schedule approved by the Commission. ~~(C)~~ ~~(C)~~ ~~(C)~~

The selection of bids will be submitted to the Commission for its approval or rejection within one business day after submittal. If the bids are not acted on by the Commission within one business day, the Company may proceed on the basis that they are approved and award the bids pursuant to 52 Pa. Code § 54.188(d).

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CONTINGENCY PLAN

In the event Duquesne receives bids for less than all Tranches or the Commission does not approve all or some of the submitted bids or in the event of supplier default, the Company will execute its Contingency Plan as approved in the Supply Master Agreement ("SMA") at Docket No. P-2024-XXXXXXX~~then Duquesne will provide the balance of the default supply for commercial and industrial customers through purchases in the PJM spot markets until such time that a different contingency plan is approved by the Commission~~. Duquesne will submit its Contingency Plan to the Commission within fifteen (15) days after execution of the Plan~~any such occurrence an emergency plan to handle any default service shortfall~~. All costs associated with implementing the ~~c~~Contingency ~~p~~Plan will be included as part of the DSS described in the section below, "Calculation of Rate." (C)

CALCULATION OF RATE

DSS rates shall be determined based on the formula described in this section. The DSS shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period as defined under the Default Service Supply Rate section of this Rider. Rates are reconciled on a semi-annual basis in accordance with the Default Service Supply Rate section of this Rider. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The DSS shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour in accordance with the formula set forth below and shall be applied to all kilowatt-hours billed for default service provided during the billing month:

$$DSS = [(CA + \{SLR + GRN + \{(DSS_a + E)/S_a\}) * F + \{DSS_b/S_b\}] * [1/(1 - T)]$$ (C)

Where:

DSS = Default Service Supply rate, converted to cents per kilowatt-hour, to be applied to each kilowatt-hour supplied to customers taking default service from the Company under this Rider.

CA = The weighted average of the winning bids received in a competitive auction for each customer class identified above and described in the "Default Service Supply Rate" section and adjusted for customer class transmission and distribution line losses. The competitive auction shall be conducted as described in "Procurement Process."

DSS_a = The total estimated direct and indirect costs incurred by the Company to acquire DSS from any source on behalf of customers described above in the "Procurement Process." The Application Period shall be for each period over which the DSS, as computed, will apply. Projections of the Company's costs to acquire default supply for the Application Period shall include all direct and indirect costs of generation supply to be acquired by the Company from any source plus any associated default service supply-related procurement and administration costs. 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. ~~(C)~~

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CALCULATION OF RATE – (Continued)

DSS_b = Company costs may also include the expenses to support time-of-use ("TOU") programs offered by the Company. Time-of-use expenses will be assigned to the applicable customer class for recovery through this Rider.

SLR = The costs associated with any Commission-approved solar contracts and its administration will be recovered from the customers in the applicable procurement group(s) that have received an allocation of the AECs associated with the solar contracts. 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.

GRN = The costs associated with any Commission-approved Green Tariff administration will be recovered from the customers in the applicable procurement group that has received an allocation of the Energy Attribute Certificates ("EAC's") associated with the Green Tariff. This would include contingency costs if the winning supplier were to default, and the Company would have to provide the balance of the EACs through spot market purchases until such time that a new supplier was selected. (C)

E = Experienced net over or under collection for each customer procurement group based on the revenue and expense for the six (6) month period ending one-hundred twenty (120) days prior to the end of Application Period. The DSS rate effective June 1 shall include reconciliation of revenue and expense for the six (6) month period August through January and the DSS rate effective December 1 shall include reconciliation of revenue and expense for the six (6) month period February through July. The Company recovers the net-metered excess generation cost as an expense in the respective default service class over/under collection within the Company's 1307(e) reconciliation. Interest shall be computed monthly at the rate provided for in 52 Pa. Code §54.190, from the month the over collection or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped. (C) (C) (C)

S_a = The Company's default service retail kWh sales to customers in the applicable Customer Class, projected for the Application Period. (C)

S_b = The Company's default service retail kWh sales to customers in the applicable EV TOU Customer Class, projected for the Application Period. (C)

F = Rate Factor only for the residential and lighting customer groups, updated annually when DSS rates are updated, to become effective June 1st of each year. The Rate Factor shall be 1.0 for all other customer groups. DSS for residential and lighting customer groups will be obtained in the same competitive auction. The Rate Factor adjustment reflects the load shape of the residential and lighting classes. The Rate Factor will be as follows for each Application Period.

Application Period	Residential	Lighting
June 1, 2025, through May 31, 2026	X.XXXX	X.XXXX
June 1, 2026, through May 31, 2027	X.XXXX	X.XXXX
June 1, 2027, through May 31, 2028	X.XXXX	X.XXXX
June 1, 2028, through May 31, 2029	X.XXXX	X.XXXX

(C)

(C) (C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CALCULATION OF RATE – (Continued)

(C)

T = The Pennsylvania gross receipts tax rate in effect during the billing month, expressed in decimal form.

The rate shall become effective for default supply service rendered on and after the beginning of the Application Period unless otherwise ordered by the Commission and shall remain in effect for the effective periods defined above, unless revised on an interim basis subject to the approval of the Commission. Pursuant to 52 Pa. Code §69.1809(c), upon determination that the DSS, if left unchanged, would result in a material over or undercollection of supply-related costs incurred or expected to be incurred during the effective period, the Company may file with the Commission for an interim revision of the DSS to become effective thirty (30) days from the date of filing, unless otherwise ordered by the Commission.

CALCULATION OF RATE (C)

~~–~~**ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ~~PROGRAM~~ ("EV-TOU SUPPLY RATE PILOT")** (C)

~~DSS~~ The Electric Vehicle Time-of-Use Supply Rate Pilot ~~Program~~ ("~~DSS~~ EV-TOU Supply") rates shall be supplied via the same fixed price, full requirements ("FPFR") products that provide default service supply for the applicable customer class. The ~~DSS~~ EV-TOU Supply rates will be distinguished by three time periods throughout the year. The Super Off-Peak Period will consist of all hours every day from 11:00 PM through 6:00 AM, including weekends and noted PJM holidays. The Peak Period will consist of all hours ~~every day~~ from ~~1~~3:00 PM through 9:00 PM, Monday through Friday, excluding noted PJM holidays. All other hours will be included in the Off-Peak Period. The same Peak, Off-Peak, and Super Off-Peak Periods will be applicable to all eligible ~~DSS~~ EV-TOU Supply ~~service~~ customers. (C)

The ~~DSS~~ EV-TOU rates shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period as defined under the Default Service Supply Rate section of this Rider. Rates are reconciled on a semi-annual basis in accordance with the Default Service Supply Rate section of this Rider. The rates shall include an adjustment to reconcile revenue and expense for each Application Period. The ~~DSS~~ EV-TOU Supply Rate rates shall be determined to the nearest one-thousandth of one (1) mill per kilowatt-hour and shall be applied to all kilowatt-hours billed for ~~DSS~~ EV-TOU Supply Rate rates provided during the billing month. (C)

During the pilot ~~program~~, the ~~DSS~~ EV-TOU Supply Rate rates will apply to all load associated with the applicable meter for customers who elect the WholeHome option. (C)

During the pilot, the EV TOU Supply Rate rates will apply to all load associated with the customer's EV usage for customers who elect the EV-Only option. (C)

$$DSS = [(CA + (SLR + GRN + \{(DSS_a + E)/S_a) * F * TOU\text{-}F + \{(DSS_b/S_b\}] * [1/(1 - T)]$$ (C)

Where:

DSS = Default Service Supply rate as defined above, with the addition of the EV-TOU Rate Factors.

(C)

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

CALCULATION OF RATE (C)

ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV-TOU SUPPLY RATE PILOT") – (Continued) (C)

(C)

TOU-F = EV-TOU Rate Factors (as defined below), updated annually when DSS rates are updated, to become effective June 1st of each year, will be utilized to derive the Peak, Off-Peak, and Super Off-Peak rates for the customer class based on its respective energy consumption patterns and capacity requirements, as approved in the Company's most recent DSP proceeding at Docket No. P-~~2020~~2024-~~3019522~~XXXXXXX. (C)

(C)

Electric Vehicle Time-of-Use Supply Rate Factors									
Application Period	Residential RS, RH, RA			Small C&I[1] GS, GM<25, GMH<25			Medium C&I GM & GMH ≥ 25kW < 200 kW		
	PK[2]	OFF[3]	SUP[4]	PK[2]	OFF[3]	SUP[4]	PK[2]	OFF[3]	SUP[4]
June 1, 2025, through May 31, 2026	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX
June 1, 2026, through May 31, 2027	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX
June 1, 2027, through May 31, 2028	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX
June 1, 2028, through May 31, 2029	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX	X.XX

(C)

(1) Rate Schedule UMS is not eligible for the Electric Vehicle Time-of-Use Supply Rate~~lectric Vehicle Time-of-Use Pilot Program~~.

(2) Denotes Peak

(3) Denotes Off-Peak

(4) Denotes Super Off-Peak

ANNUAL RECONCILIATION

The Company will file with the Commission an annual reconciliation statement of the revenues, expenses and resulting over and under recovery for the twelve (12) months beginning February 1 and ending January 31 of the following year, in accordance with 66 Pa. C.S. § 1307(e), by March 1 for each service class. An annual reconciliation statement shall be prepared separately for the Residential, Small Commercial & Industrial and Medium Commercial & Industrial customer classes.

The standard DSS rate and ~~DSS~~ EV -TOU Supply rate over/under collections will be calculated in total for each procurement class. (C)

EV-ONLY ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV-ONLY TOU Pilot") (C)

SPECIAL TERMS AND CONDITIONS (C)

1. Available for up to 1,500 eligible residential customers on a first come, first served basis.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

EV-ONLY ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ("EV-ONLY –TOU PILOT")

SPECIAL TERMS AND CONDITIONS – (Continued)

2. The customer must have a Company-qualified Level 2 charging station or electric vehicle to enroll in the EV-Only TOU Pilot. A list of Company-qualified charging stations and electric vehicles will be published on the Company's electric vehicle section of its website at duquesnelight.com.

3. The Company will select a managed charging vendor that can manage Company-qualified charging stations and electric vehicles for the EV-Only TOU Pilot.

4. The Company is granted permission to utilize a third-party vendor to access electric vehicle telematics or charging station data or similar data for enrolled customers as part of the EV-Only TOU Pilot. This information will be provided to the Company by the third-party vendor and will be utilized to bill the EV-Only TOU customer. Eligible residential customers enrolling in the EV-Only TOU Pilot consent to the Company using their charging station or electric vehicle telematics or similar data for billing purposes with written authorization, as applicable.

5. The customer will be responsible for the accuracy, network connectivity, and overall maintenance of their charging station or electric vehicle telematics to ensure the transmission of their EV data.

6. The customer retains their right to file a billing complaint at the PUC.

7. Customers enrolled in the EV-Only option under the EV TOU Supply Rate Pilot must also enroll in the EV-Only option under Rider No. 4 – EV TOU Distribution Rate Pilot. Customers selecting the WholeHome option under the EV TOU Supply Rate Pilot are not permitted to enroll in the EV-Only option under Rider No. 4 – EV TOU Distribution Rate Pilot.

8. The Company may unenroll customers from the Pilot if they do not remain in good standing, signifying that the customer account is active, does not have a past due balance or an outstanding payment arrangement at the time of enrollment, and has demonstrated a timely payment history.

9. The Company reserves the right to inspect, at all reasonable times, the customer's circuitry to determine that the load served under the terms of this Rider is as defined herein.

10. If the Company finds, in its sole judgment, that the conditions of this EV-Only TOU Pilot are being violated, it may discontinue application of the EV-Only TOU Pilot and bill all usage pursuant to the applicable Rate Schedule.

11. Customer enrollment is dependent on continuously meeting the Applicability provisions and Special Terms and Conditions of this Rider. If the Company finds, in its sole judgment, that the conditions of this Rider are being violated, it may terminate the customer from the Pilot with notice.

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. 8 – DEFAULT SERVICE SUPPLY – (Continued)

(Applicable to Rate Schedules RS, RH, RA, GS/GM, GMH, AL, SE, SM, SH, UMS and PAL)

(C)

MISCELLANEOUS

Minimum bills shall not be reduced by reason of the DSS. DSS charges shall not be a part of the monthly rate schedule minimum nor be subject to any credits or discounts.

Application of the DSS shall be subject to continuous review and audit by the Commission at intervals it shall determine.

~~(C)~~

~~(C)~~

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 = Black start 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, 2025, through May 31, 2026	$X.XX
June 1, 2026, through May 31, 2027	$X.XX
June 1, 2027, through May 31, 2028	$X.XX
June 1, 2028, through May 31, 2029	$X.XX

(C)

(C) – Indicates Change

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)

NOTIFICATION AND ELECTION OF SERVICE

Customers may elect to purchase their supply requirements through this rider at any time according to the requirements of Rule No. 45. Customers that do not elect service with an EGS will default to hourly price service under this rider.

ANNUAL RECONCILIATION

The Company will file with the Commission a reconciliation statement of the revenues, expenses and resulting over and under recovery for the eight (8) months beginning June 1, 2017, and ending January 31, 2018, in accordance with 66 Pa. C.S. § 1307(e), by March 1, 2018. Thereafter, the Company will file with the Commission an annual reconciliation statement of the revenues, expenses and resulting over and under recovery for the twelve (12) months beginning February 1 and ending January 31 of the following year, in accordance with 66 Pa. C.S. § 1307(e), by March 1. The Company recovers the net-metered excess generation cost as an expense in the over/under collection within the Company's 1307(e) reconciliation. (C) The reconciliation statement will reconcile (C) actual revenue and actual expense associated with the Company's portion of the FRA.

GENERAL

The Supply Charges are intended to recover the market costs of providing Default Service to customers in PJM as these costs may change or be redefined from time to time. The Supply Charges shall be calculated using the formula and prices referenced above, but may be revised from time to time, as necessary, to reflect changes in PJM rules and charges. The Company is required to include renewable energy sources as a component of providing POLR service. The Company will pass-through the charges required to comply with the Alternative Energy Portfolio Standards (AEPS) as those compliance requirements change. The formula is illustrative to reflect the charges in the PJM tariff and is subject to change at any time, as PJM rules, charges or market parameters change.

(C) – Indicates Change

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) ~~(C)~~

BILLING PROVISIONS - (Continued)

1. If the Company supplies more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

2. For customer-generators involved in virtual meter aggregation programs, a credit shall be applied first to the meter through which the generating facility supplies electricity to the distribution system, then through the remaining meters for the customer-generator's account equally at each meter's designated rate. Virtual meter aggregation is the combination of readings and billing for all meters regardless of rate class on properties owned or leased and operated by a customer-generator by means of the Company's billing process, rather than through physical rewiring of the customer-generator's property for a physical, single point of contact. The customer-generators are responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

BILLING PROVISIONS FOR
ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ~~PROGRAM~~ ("EV -TOU SUPPLY RATE PILOT") -CUSTOMER GENERATORS (C)

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

The following billing provisions apply to customer-generators that take service on Rider No 8 – Default Service Supply and are on EV -TOU Supply rates. (C)

1. The EV -TOU Supply Rate- customer-generator will receive a credit for each kilowatt-hour received by the Company up to the total amount of electricity delivered to the Customer during the billing period at the full retail rate consistent with Commission regulations. If an EV -TOU Supply Rate customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the Company will maintain an active record of the excess kilowatt hours produced at the customer-generators premise in a "bank". If an EV -TOU Supply Rate customer-generator supplies more electricity to the Company than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the EV -TOU Supply Rate- customer generator's usage in a subsequent billing period at the full retail rate. If, in a subsequent billing period, a customer consumes more electricity than produced, kilowatt-hours will be pulled from the customer's bank on a first in first out basis. Any excess kilowatt hours shall continue to accumulate and credit against usage for the 12 month period ending May 31st. On an annual basis, the Company will compensate the customer-generator for kilowatt-hours remaining in the bank on May 31st, at the applicable Price To Compare at the time the excess kilowatt-hours were banked. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule. (C) (C) (C) (C)

STANDARD CONTRACT RIDERS ~~–~~ (Continued)

RIDER NO. 21 – NET METERING SERVICE – (Continued)

(Applicable to Rates RS, RH, RA, GS/GM, GMH, GL, GLH and L) ~~(C)~~

BILLING PROVISIONS FOR ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT ~~PROGRAM~~ ("EV-TOU SUPPLY RATE PILOT") (C)
~~-~~CUSTOMER GENERATORS – (Continued) (C)

(Applicable to Rates RS, RH, RA, GS/GM and GMH)

~~- (Continued)~~ (C)

1. If the Company supplies more kilowatt-hours of electricity than the customer-generator supplies during the billing period, all charges of the appropriate rate schedule shall be applied to the net kilowatt-hours of electricity that the Company supplied. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If an eligible customer-generator wishes to no longer be enrolled in the EV -TOU Supply Rate Pilot ~~Program~~ and switches to the standard default service supply product, any excess kilowatt hours banked and remaining from the EV -TOU Supply period will be used, as applicable, for the remaining portion of the 12 month period ending May 31 and the Company shall compensate for any excess kilowatt hours that are banked at the Price To Compare in effect at the time. (C) (C) (C)

NET METERING PROVISIONS FOR SHOPPING CUSTOMERS

1. Customer-generators may take net metering services from EGSs that offer such services.

2. If a net-metering customer takes service from an EGS, the Company will credit the customer for distribution charges for each kilowatt hour produced by the customer-generator, up to the total amount of kilowatt-hours delivered to the customer by the Company during the billing period. If a customer-generator supplies more electricity to the electric distribution system than the Company delivers to the customer-generator in a given billing period, the excess kilowatt hours shall be carried forward and credited against the customer-generator's usage in subsequent billing periods at the Company's distribution rates. Any excess kilowatt hours shall continue to accumulate for the 12 month period ending May 31. Any excess kilowatt hours at the end of the 12 month period will not carry over to the next year for distribution charge purposes. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

3. If the Company delivers more kilowatt-hours of electricity than the customer-generator facility feeds back to the Company's system during the billing period, all charges of the applicable rate schedule shall be applied to the net kilowatt-hours of electricity that the Company delivered. The customer-generator is responsible for the customer charge, demand charge and other applicable charges under the applicable Rate Schedule.

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. XX – GREEN TARIFF PILOT PROGRAM

Applicable to Rate Schedules RS, RH and RA

PURPOSE

The Green Tariff Pilot Program ("Green Tariff") Rider sets forth the eligibility, terms, and conditions applicable to residential customers who elect to participate.

PILOT DESCRIPTION

The Green Tariff offers eligible Rider No. 8 – Default Service Supply ("DSS") customers with an opportunity to procure an additional quantity of zero-carbon Energy Attribute Certificates (EACs) above the amount they already receive through participation in DSS. The additional EACs provided under this Rider will be procured through annual competitive solicitations conducted by Duquesne Light Company ("Duquesne Light" or "Company") and the Independent Market Monitor. Duquesne Light requires the Green Tariff provider to procure and submit to the Company the additional EACs associated with carbon-free generation located within Pennsylvania, corresponding to seven percent (7%) of the billed usage of all customers subscribed to the Green Tariff. This will adhere to a fixed price, full requirements contract, agreed to at the time of procurement.

ELIGIBILITY

The Green Tariff is available for up to 5,000 customers who elect to enroll in the Pilot Program on a first come, first served basis and who (i) are served under Rate Schedules RS, RH, and RA; (ii) receive default service supply from the Company under Rider No. 8 - DSS; and (iii) are not enrolled in the Company's Customer Assistance Program ("CAP"). To receive the additional quantity of EACs procured under the Green Tariff, customers must affirmatively choose to enroll in the Green Tariff. A customer may choose to unenroll in the Green Tariff at any time in accordance with the switching protocols in Rule No. 45.1.

GREEN TARIFF CHARGE

Application Period	Green Tariff Charge - ¢/kWh
June 1, 2025, through May 31, 2026	X.XX
June 1, 2026, through May 31, 2027	X.XX
June 1, 2027, through May 31, 2028	X.XX
June 1, 2028, through May 31, 2029	X.XX

The Company provides default service supply under this Rider under the same terms, conditions, and charges as Rider No. 8 - DSS. The charges for the additional zero-carbon purchases (EACs) procured in the Green Tariff are calculated based on the results of a competitive solicitation process held annually for service under this Rider and the Green Tariff Charge will be effective as defined in the above table.

PROCUREMENT PROCESS

The Company will conduct a competitive auction solicitation for the additional EACs supplied under the Green Tariff separately from the Company's default service electricity supply products. The solicitation process for the

STANDARD CONTRACT RIDERS - (Continued) (C)

RIDER NO. XX – GREEN TARIFF PILOT PROGRAM – (Continued)

Applicable to Rate Schedules RS, RH and RA

PROCUREMENT PROCESS – (Continued)

additional EACs will be monitored by an independent third-party evaluator. The winning bidder is responsible for providing EACs sufficient to cover seven percent (7%) of the billed usage of all customers enrolled in the Green Tariff. The winning bidder will be the provider that bids the lowest fixed price per EAC in each solicitation and will be selected to provide the additional EACs. The Company will issue a competitive solicitation prior to the beginning of each Application Period to update the Green Tariff Charge. Solicitations will occur once per year in or around March, resulting in a single annual price for the additional EACs purchased under the Green Tariff for the stated Application Period.

The Company will update the Green Tariff Charge according to the schedule in the above table. The updated Green Tariff Charge will be based on the price from the selected winning bidder through the competitive solicitation process. The new Green Tariff Charge shall be filed with the Commission no less than sixty (60) days prior to the start of the next Application Period.

CONTINGENCY PLAN

The Company will not offer (or will discontinue) the Green Tariff during the applicable Application Period in the event it does not receive any bids to supply Green Tariff EACs. If the Green Tariff provider defaults, the Company will provide the balance of the EACs through spot market purchases until such time that a new supplier was selected.

MONTHLY CHARGE

The Monthly Charge shall be determined based on the formula described in this section.

$$\text{Monthly Charge} = (7\% * \text{Billed Usage}) * GTC_{EAC}$$

Where:

Billed Usage = The billed kilowatt-hour usage of a customer enrolled in the Green Tariff.

GTC = Green Tariff Charge, in units of cents (¢) per kilowatt-hour, to be applied to each additional EAC based on the lowest bid price for the provision of Green Tariff EACs in the competitive solicitation corresponding to the Application Period.

COST RECOVERY MECHANISM

The costs of the additional EACs in the Green Tariff will be recovered monthly from participating Green Tariff customers. The costs associated with any Commission-approved Green Tariff administration will be recovered from customers as stated in Rider No. 8 – Default Service Supply. Green Tariff customer bills will include a separate line item equal to the Monthly Charge.

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

ANNUAL UPDATE - (Continued)

For Rate Schedules AL, SE, SM, SH and PAL:

The annual revenue requirement and over or under collection shall be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load from the previous calendar year. PJM charges that are load based will also be allocated to each rate class for cost recovery based on the rate class contribution to the coincident peak load. PJM charges that are energy based will be billed on a per kWh basis. All such charges will be adjusted for Pennsylvania gross receipts tax. For rate schedules SM, SH and PAL, a kWh charge will be determined to recover the allocated revenue requirement and PJM charges. An equivalent fixed monthly charge will be determined based on the monthly kWh usage applicable for each fixture.

Where:

TSC = Transmission service charge to be applied to all Transmission billing units (either kWh or kW, as indicated.)

RCRR = Projected total revenue requirement and PJM charges established for the computation year of June 1st through May 31st, corresponding to the PJM planning year. The revenue requirement shall be allocated to the specific rate classes by applying the ratio of the RC1CP to the Duquesne Zone 1CP for the prior year. PJM charges shall be allocated to each rate class on the basis incurred (i.e. 1CP, kW, kWh).

"e" = Total over or under collection calculated by comparing total TSC revenues billed to the specific rate class during the reconciliation year of the twelve month period ending February 28th or 29th to the total charges billed by PJM under its OATT as approved or accepted by FERC and allocated to the specific rate class based upon its Default Service share of the Duquesne Zone 1CP for the prior year, including applicable interest. Interest shall be computed monthly at the rate provided for in Title 52 Pa. Code §54.190(c), from the month the over collection or under collection occurs to the effective month that the over collection is refunded or the under collection is recouped. The Company recovers the net-metered excess transmission cost as an expense in the over/under collection within the Company's 1307(e) reconciliation. (C) (C) (C)

RCSales = Projected kWh sales for the specific rate class for the computation year.

RCDemand = Projected kW billing demand for the specific rate class for the computation year.

RC1CP = Rate Class load coincident with the peak hour of the peak day of the Duquesne Zone during the calendar year prior to the computation year.

T = The total Pennsylvania Gross Receipts Tax rate in effect during the billing month, expressed in decimal form.

EXHIBIT NO. DBO-7

SUPPLEMENT NO. XX
TO ELECTRIC – PA. P.U.C. NO. 3S

DUQUESNE LIGHT COMPANY

ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

Issued By

DUQUESNE LIGHT COMPANY
411 Seventh Avenue
Pittsburgh, PA 15219

Kevin E. Walker
President and Chief Executive Officer

Issued: XXXXX X, XXXX **Effective: XXXX X, XXXX**

Issued pursuant to the Commission's Order
entered XXXXXXX XX, XXXX, at Docket No. P-2024-XXXXXX.

NOTICE

THIS TARIFF SUPPLEMENT UPDATES LANGUAGE IN AN EXISTING RULE AND RIDER

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

Rule No. 12.1.7 Purchase of EGS Receivables (POR) Program — **Xxxxx Revised Page No. 30A**
Cancelling Xxxxx Revised Page No. 30A

The POR Program dates defined in Rule No. 12.1.7 have been updated to reflect the DSP X filing.

Standard Offer Program ("SOP") Cost Recovery Rider — **Xxxxx Revised Page No. 42B**
Cancelling Xxxxx Revised Page No. 42B

Language has been modified to reflect SOP implementation and subsequent filings, including the docket number for the DSP X filing.

Language has been added to reflect the link where the SOP's rules and documentation may be found on the Company's website.

RULES AND REGULATIONS - (Continued)

12. PAYMENT AND BILLING – (Continued)

12.1.7 PURCHASE OF EGS RECEIVABLES (POR) PROGRAM Duquesne will purchase the accounts receivable, without recourse, associated with EGS sales of retail electric commodity, composed of generation and transmission services, to residential customers and commercial and industrial ("C&I") customers with monthly metered demand less than 300 kW within Duquesne's service territory. Eligible customers are those customers taking delivery service under the Company's retail tariff Rate RS, RH, RA, GS/GM and GMH, and who purchase their electric commodity requirements from the EGS through consolidated billing with the Company. Upon request, an EGS shall provide a written certification to Duquesne that the EGS is providing only basic electric supply to residential customers billed through consolidated billing with the Company. Commercial and industrial customers will be separated into two categories for purposes of the Purchase Price Discount discussed in Section 12.1.7.2. Small C&I customers will be those customers with monthly metered demand less than 25 kW and Medium C&I customers will be those customers with monthly metered demand equal to or greater than 25 kW. The classification of customers as less than or equal to or greater than 25 kW is discussed in detail in the Company's retail tariff Rate GS/GM and Rate GMH. Under the POR program, Duquesne will reimburse EGSs for their customer billings regardless of whether Duquesne receives payment from the customer, subject to the limitations set forth below. Duquesne will seek to recover the EGS receivables from EGS customers consistent with Duquesne's existing collection procedures for recovery of billings to default service customers, and incur any uncollectible costs related to billings for EGSs. The term of the POR program defined herein will become effective June 1, 2025, and will remain in effect as described and will terminate on May 31,2029. **(C)** **(C)**

12.1.7.1 ELIGIBILITY REQUIREMENTS EGSs that choose Duquesne's consolidated billing option for all or a portion of their eligible customer accounts will be required to sell their accounts receivable to Duquesne for those customers for whom Duquesne issues a consolidated bill. (EGSs may continue to issue their own bills through Dual Billing for commodity service, for all or a portion of their customers, but will not be eligible to participate in the POR program for those customers that receive Dual Billing.) EGSs may choose to participate in the POR program with consolidated billing at any time during the term of the POR program as long as the EGS does not remove customer accounts from consolidated billing. A customer whose service is terminated or who voluntarily switches from the EGS' service to another generation provider is not considered to have been removed by the EGS from consolidated billing and the POR program.

EGSs participating in this POR program will agree not to reject for enrollment a new customer covered by the program based on credit-related issues. Any customer who wishes to be served by an EGS participating in the POR program will be accepted by the EGS if that EGS is actively serving the rate class to which that customer belongs.

12.1.7.2 PURCHASE PRICE DISCOUNT Participating EGSs' applicable electric commodity receivables will be purchased at a discount. The discount rate will be 0.10% for incremental, ongoing operating and administrative expenses associated with the POR Program related to these customers.

(C) – Indicates Change

STANDARD OFFER PROGRAM COST RECOVERY

BACKGROUND

In compliance with Commission Order dated July 16, 2013, at Docket No. P-2012-2301664, the Company implemented a Standard Offer Program ("SOP"). Since implementation, Duquesne has continuously offered an SOP as provided for at Docket No. P-2014-2418242, Docket No. P-2020-3019522, and Docket No. P-2024-XXXXXXX. (C) (C) (C) (C)

Under the SOP, EGSs can submit applications agreeing to become SOP Suppliers and provide a Standard Offer that is a fixed price product seven percent (7%) lower than Duquesne Light's' Price to Compare ("PTC"), in effect at the time of the offer, for a twelve-month (12-month) period.

Complete SOP rules and documentation may be found at **https://duquesnelight.com/working-with-us/electric-generation-suppliers**. (C)

SUPPLIER CHARGES

As approved by the Commission in the proceeding at Docket No. P-2020-3019522, the Company will charge each SOP Supplier a Customer Acquisition Fee that will be applied to the number of referrals submitted by Duquesne Light and/or its vendor to the SOP Supplier.

CUSTOMER ACQUISITION FEE

The Customer Acquisition Fee for each referral submitted will be $30.00.

BILLING AND PAYMENT

The Company will bill the participating SOP Suppliers on a monthly basis. All charges are due and payable within 30 days. There are two methods of payment:

A check made payable to Duquesne Light Company and mailed to:

Duquesne Light Company
Attn: Supplier Service Center
411 Seventh Avenue
14th Floor, MD 14-1
Pittsburgh, PA 15219

or through a wire/ACH transfer per Company instructions.

If an SOP Supplier fails to make the required payment, Duquesne Light may reduce the amount due to that SOP Supplier from that SOP Supplier's next Purchase of Receivable ("POR") payment by the SOP amount due (but not from amounts that are subject to a bona fide POR payment dispute).

(C) – Indicates Change

EXHIBIT NO. DBO-8

SUPPLEMENT NO. XX~~29~~
TO ELECTRIC – PA. P.U.C. NO. 3S

DUQUESNE LIGHT COMPANY

ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF

Issued By

DUQUESNE LIGHT COMPANY
411 Seventh Avenue
Pittsburgh, PA 15219

Kevin E. Walker
President and Chief Executive Officer

Issued: ~~**June 7, 2021**~~XXXXX X, XXXX **Effective:** ~~**June 17, 2021**~~XXXX X, XXXX

Issued pursuant to the Commission's Order
entered XXXXXXX XX, XXXX, at Docket No. P-2024-XXXXXX.

NOTICE

THIS TARIFF SUPPLEMENT UPDATES LANGUAGE IN AN EXISTING RULE AND RIDER
~~**THIS TARIFF SUPPLEMENT UPDATES THE NAME OF THE COMPANY'S PRESIDENT AND CHIEF EXECUTIVE OFFICER ON THIS TITLE PAGE, REMOVES LIST OF MODIFICATIONS PAGES NO. 2A THROUGH 2G AND UPDATES THE TABLE OF CONTENTS**~~

See Page Two

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RULES AND REGULATIONS - (Continued)

12. PAYMENT AND BILLING – (Continued)

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EGSs participating in this POR program will agree not to reject for enrollment a new customer covered by the program based on credit-related issues. Any customer who wishes to be served by an EGS participating in the POR program will be accepted by the EGS if that EGS is actively serving the rate class to which that customer belongs.

12.1.7.2 PURCHASE PRICE DISCOUNT Participating EGSs' applicable electric commodity receivables will be purchased at a discount. The discount rate will be 0.10% for incremental, ongoing operating and administrative expenses associated with the POR Program related to these customers. (C)

(C) – Indicates Change

STANDARD OFFER PROGRAM COST RECOVERY

BACKGROUND

In compliance with Commission Order dated July 16, 2013, at Docket No. P-2012-2301664, the Company implemented a Standard Offer Program ("SOP"). Since implementation, Duquesne has continuously offered an SOP as provided for at Docket No. P-2014-2418242, Docket No. P-2020-3019522, and Docket No. P-2024-XXXXXXX.~~The Company's Standard Offer Program ("SOP") is implemented pursuant to Commission Order entered January 14, 2021, at Docket No. P-2020-3019522.~~ (C) (C) (C) (C) (C)

Under the SOP, EGSs can submit applications agreeing to become SOP Suppliers and provide a Standard Offer that is a fixed price product seven percent (7%) lower than Duquesne Light's' Price to Compare ("PTC"), in effect at the time of the offer, for a twelve-month (12-month) period.

Complete SOP rules and documentation may be found at **https://duquesnelight.com/working-with-us/electric-generation-suppliers**. (C)

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Attn: Supplier Service Center
411 Seventh Avenue ~~(C)~~
14th Floor, MD 14-1 ~~(C)~~
Pittsburgh, PA 15219

or through a wire/ACH transfer per Company instructions. ~~(C)~~

~~(C)~~

If an SOP Supplier fails to make the required payment, Duquesne Light may reduce the amount due to that SOP Supplier from that SOP Supplier's next Purchase of Receivable ("POR") payment by the SOP amount due (but not from amounts that are subject to a bona fide POR payment dispute).

(C) – Indicates Change

DUQUESNE LIGHT STATEMENT NO. 5

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company For Approval Of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	**:**	**Docket No. P-2024_____**

DIRECT TESTIMONY OF
SARAH J. OLEXSAK

Dated: April 19, 2024

Q. Please state your full name and business address.

A. My name is Sarah J. Olexsak. My business address is Duquesne Light Company, 411 Seventh Avenue, Pittsburgh, PA 15219.

Q. What is your position at Duquesne Light Company?

A. I am employed by Duquesne Light Company ("Duquesne Light" or "Company") as Senior Manager, Transportation Electrification.

Q. How long have you worked at Duquesne Light?

A. I have been employed by Duquesne Light since May 2018.

Q. What are your current responsibilities?

A. As the Senior Manager, Transportation Electrification, my primary responsibilities include developing and implementing the Company's transportation electrification ("TE") programs. In this role, I oversaw the execution of the EV ChargeUp Pilot and Transportation Electrification Programs approved as part of the Company's prior base rate cases, Docket No. R-2018-3000124 and Docket No. R-2021-3024750, as well as the Company's current base rate proceeding at Docket No. R-2024-3046523. I also contributed to the development of the Company's EV Time-of-Use Rate for default supply, which was approved by the Commission at Docket No. P-2020-3019522 and has been available to customers since June 2021.

Q. What are your qualifications, work experience and educational background?

A. I have been employed in the energy and automotive sector since 2006. Prior to joining Duquesne Light, I was employed at the U.S. Department of Energy ("U.S. DOE") within the Office of Energy Efficiency and Renewable Energy ("EERE"). During my eight-year tenure in EERE, I held a variety of positions within the Office of Strategic Programs and the Vehicle Technologies Office. These positions included Manager, Electrification and Project Manager, Innovation & Deployment, wherein I managed electric vehicle (EV) market readiness research and performed analysis to inform strategic investment across EERE's research portfolio, and Coordinator of the Workplace Charging Challenge. I also served as a Senior Sustainability Officer on assignment to the White House Council on Environmental Quality. Prior to this, I worked as a consultant to the U.S. DOE under employment by Sentech, Inc. managing the evaluation of EV and battery manufacturing loan and tax credit proposals, and as an analyst at the U.S. Fuel Cell Council (now the Fuel Cell and Hydrogen Energy Association), the trade association of the hydrogen fuel cell industry.

I have previously served on the Pittsburgh Region Clean Cities Board and currently serve on the Pittsburgh Parks Conservancy Board. I have an M.S. in Energy Policy and Climate from Johns Hopkins University, and a B.S. in Biology from Muskingum University.

Q. What is the purpose of your direct testimony?

A. The purpose of my testimony is to provide context regarding the Company's proposal to continue an Electric Vehicle Time-of-Use ("EV TOU") Supply Rate

Pilot for customers with electric vehicles, which is discussed in further detail in Mr. Ogden's Statement No. 4.

Q. Are you sponsoring any Exhibits along with your direct testimony?

A. Yes. Exhibit SO-1 depicts the Company's budget for customer tools, implementation, customer outreach, and customer research associated with the EV TOU Supply Rate Pilot. Exhibit SO-2 is the Company's report on the EV Time-of-Use Pilot Program under Default Service Plan IX filed under Docket No. P-2020-3019522. Exhibit SO-3 depicts the Company's evaluation and assessment plan for the EV TOU Supply Rate Pilot.

I. ELECTRIC VEHICLE TIME-OF-USE SUPPLY RATE PILOT

Q. Describe the Company's current time-of-use supply rate pilot for customers with electric vehicles.

A. Under DSP IX, the Company proposed and received approval to offer an optional EV TOU Supply Rate Pilot to Residential, Small C&I, and Medium C&I < 200kW customers eligible for Rider No. 8 who own or lease a plug-in battery electric vehicle or a plug-in hybrid electric vehicle (collectively "EV") or offer charging infrastructure to employees or visitors. The EV TOU Supply Rate Pilot provides for time-varying prices for electric supply delivered during "Peak," "Off-peak," and "Super off-peak" pricing periods. The EV TOU Supply Rate Pilot is a "whole premises" rate, i.e., it applies to all electric load behind a given meter.

These three pricing periods remain the same each day of the year, regardless of weekends, holidays, etc. The Company obtains default service supply for EV TOU Supply Rate Pilot customers through the same products that provide default service supply for the respective customer classes. The rates for each pricing period are based on price multipliers for each procurement class which are updated annually as further described in Mr. Ogden's Statement No 4. The time periods for the current EV TOU Supply Rate Pilot are as follows:

Current EV TOU Supply Rate Pilot Schedule

Schedule	Time Period
Peak	1pm-9pm
Off-Peak	6am-1pm; 9pm-11pm
Super Off-Peak	11pm-6am

The off-peak pricing periods offer a lower rate than the Company's standard default service rate, with the lowest pricing occurring during the super off-peak period (11 p.m. – 6 a.m. daily) when grid demand is lowest. The peak pricing period (1 – 9 p.m. daily) offers a higher rate than the Company's standard default service rate when grid demand is highest.

Once an eligible customer enrolls, they may un-enroll at any time and return to DLC's standard default service or an EGS rate. After un-enrolling, customers are ineligible to re-enroll for 12 billing months to prevent gaming of the EV TOU Supply Rate Pilot pricing.

Q. Please describe the Company's experience with the current EV TOU Supply Rate Pilot implemented during DSP IX.

A. The Company opened enrollment in the EV TOU Supply Rate Pilot for eligible customers on June 1, 2021. As of December 31, 2023, there were 1,005 cumulative and 836 active enrollments in the EV TOU Supply Rate Pilot. Of the cumulative enrollments, 997 were residential customers, five were small commercial customers, and three were medium commercial customers. The average per bill savings over DLC's standard default service rates for residential customers[1] through December 31, 2023, was $7.19 monthly and $3.83 monthly for commercial customers. In-depth analysis conducted by the Company has demonstrated that the EV TOU Supply Rate Pilot has been highly effective in shifting customer consumption to the super off-peak pricing period that otherwise would have been largely consumed during the off-peak and peak pricing periods. Overall, customers enrolled in the EV TOU Supply Rate Pilot are not using any more energy during the peak period than they were prior to purchasing an EV, which indicates the price signals are a successful motivator for altering customer behavior. Comprehensive findings can be found in Exhibit SO-2.

Q. Why is the Company proposing a continuation of the EV TOU Supply Rate Pilot?

A. The Company is proposing a continuation of the EV TOU Supply Rate Pilot because it provides environmental, economic, and operational benefits for customers and for the Company. Additionally, the Pennsylvania Public Utility Commission has issued a proposed Policy Statement on Electric Utility Rate

[1] Excludes customers enrolled in net metering.

Design for Electric Vehicle Charging, which encourages EDCs to develop EV-specific rates. The proposed Policy Statement includes the following:

"….[T]he Commission is encouraging development of rate structures for electric-vehicle charging customers. Electric-vehicle charging will increase demand on existing infrastructure, and it is imperative that electric distribution companies are prepared to address this increased demand with distribution and default service generation rates structures that properly signal to electric-vehicle charging customer to incentivize increased capacity utilization of the distribution system."[2]

EVs are an ideal flexible load since they are parked most of the time and can be easily programmed to begin charging at specific hours so that they are fully charged when a customer needs their vehicle. The Company expects a significant increase in the number of EVs operating in its service territory in the next decade, from the current approx. 11,000 light-duty EVs to more than 79,000 expected by 2030, under a medium-growth scenario. This growth in EVs is expected to increase the system peak demand by approximately 6.5% and cause the number of circuits that are at or near capacity (≥90%) to increase from 25% to 31% within the next 10 years.[3] As this load expands, the Company wants to optimize existing grid and generation capacity by shifting EV charging to off-peak times, which will reduce the amount of higher-priced, on-peak energy required to serve our customers.

EVs also have environmental, health, and economic benefits that can help the Company's customers:

[2] *See* Proposed Policy Statement Order by the Commission, Docket No. M-2023-3040755.
[3] *See* Duquesne Light Company's Load Management Report, Docket No. R-2024-3046523.

- Reduced Greenhouse Gas ("GHG") Emissions: According to the U.S. Department of Energy, a light duty EV charging in PA has zero tailpipe emissions and is responsible for 80% fewer CO_2 emissions overall compared to a similar gasoline-fueled vehicle.[4]
- Improved Air Quality and Health: Increased transportation electrification will cut criteria pollutants emitted by motor vehicles including ozone, particulate matter, carbon monoxide, nitrogen dioxide and hazardous air pollutants (HAPs), leading to better overall health, including fewer respiratory conditions.
- Customer Savings: Customers can save up to $1,700 annually on fuel and maintenance when driving electric in PA and can save up to $10,500 on the upfront purchase price with the federal tax credit and state rebate.[5]

The EV TOU Supply Rate Pilot is another mechanism to encourage EV adoption by helping to lower the total cost of ownership for EV drivers and operators. Cost continues to be a barrier to more wide-spread EV adoption, and by providing more rate flexibility, the Company aims to give customers additional tools to lower their costs of EV fueling.

Q. Who will be eligible to participate in the EV TOU Supply Rate Pilot Program?

[4] U.S. Department of Energy (2023, December). "Emissions from Electric Vehicles," Obtained from: https://afdc.energy.gov/vehicles/electric_emissions.html
[5] U.S. Department of Energy (2023, October). "Energy Facts: Impact of the Investing in America Agenda on Pennsylvania," Obtained from: https://www.energy.gov/articles/energy-facts-impact-investing-america-agenda-pennsylvania

A. Residential, Small C&I and Medium C&I <200kW customers eligible for Rider 8 – Default Service Supply who own or lease an EV that is registered to their service address or Small and Medium C&I <200 kW customers eligible for Rider 8 that host EV charging at their premise will continue to be eligible for the EV TOU Supply Rate Pilot. Customers eligible for Rider 9 – Day-Ahead Hourly Price Service will continue to be ineligible for the Pilot and will not bear any of the costs associated with the Pilot. Customers must continue to have a valid e-mail address to ensure that the Company can provide enrolled customers with regular and timely communications regarding their savings performance.

Additionally, customers will continue to be ineligible for the EV TOU Supply Rate Pilot if they participate in the Company's CAP, virtual meter aggregation, or budget billing programs. The Company is proposing to continue excluding CAP customers since they may not have the flexibility to shift their load outside of the higher-priced peak period, thus creating a risk of higher generation charges on customers' electric bills. The Company is proposing to continue excluding virtual meter aggregation customers due to the administrative complexities of managing billing for these groups. The Company is proposing to continue excluding budget billing customers due to administrative complexities and because budget billing would "smooth out" the price signals sent by the TOU rate, which may dilute its effectiveness in incenting customer load-shifting. Additionally, customers enrolled in the Company's proposed Managed Charging Pilot or Behavioral Load Management Pilot described in the Company's current base rate proceeding at Docket No. R-2024-304652 will not be eligible for the EV

TOU Supply Rate Pilot. Lastly, the Company is proposing that the customer's account must be in good standing, signifying that the account is active, does not have a past due balance or outstanding payment arrangement at the time of enrollment, and the customer has demonstrated a timely payment history.

Within these parameters, all customers who own an EV or host EV charging will continue to be eligible to participate in the EV TOU Supply Rate Pilot regardless of whether they are currently being served through the Company's default service offering or through an existing EGS.

Q. Is the Company proposing to maintain the same pricing periods for DSP X?

A. No. While the Company proposes to continue with three pricing periods, it proposes to change the time windows of each pricing period to create a larger price differential between each pricing period, thus sending a stronger price signal to customers. The pricing windows were refined by analyzing customer consumption patterns and system load data, as further described in Mr. Ogden's Statement No. 4. The Company's proposed EV TOU Supply Rate Pilot schedule for non-holiday weekdays is defined in the table below. During holidays and weekends, the Peak time period will become part of the Off-Peak time period, while the Super Off-Peak time period will remain the same. Holidays follow the PJM definition and include New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

Proposed EV TOU Supply Rate Pilot Schedule for Non-Holiday Weekdays

Schedule	Time Period
Peak	3pm-9pm
Off-Peak	6am-3pm; 9pm-11pm
Super Off-Peak	11pm-6am

Q. Does the Company propose any other changes to the EV TOU rate?

A. Yes. While the rate will remain a whole-premise rate by default, the Company proposes an option that would allow up to 1,500 residential customers at a time to opt into an EV-only option for the rate.

While the whole-premise approach has proven to be a simple, cost effective, and quick way to encourage EV TOU Supply Rate Pilot enrollment, it does notably limit some customers from participating if they are not able to shift their entire premise load to off-peak pricing periods. Currently, if a customer wants the EV TOU rate to only apply to their EV charging, they must install a separate meter exclusively for the charging. While several customers have inquired about this option, none have chosen to pursue it to enroll in the rate likely due to the high customer cost of installing a separate meter. In a 2022 survey of the Company's residential EV driving customers who had not enrolled in the existing EV TOU Rate, inability to shift load to the off-peak pricing periods was one of most frequently cited reasons for not enrolling in the rate. When asked if they would be more likely to enroll if the rate only applied to their EV charging and not their entire premise, 64% indicated being much or somewhat more interested. As a result, the Company proposes an EV-only TOU rate option to encourage EV drivers who

otherwise might be charging during the peak period to shift their EV load to the off-peak and super off-peak pricing periods.

Q. What customers will be eligible for the EV-only TOU rate option?

A. Residential customers that meet the eligibility criteria for the whole-premise TOU rate will also be eligible for the EV-only TOU rate option if they have a Company-qualified EV or charging station, or consent to another option, like a next-generation meter, that is able to share energy use information with the Company. This will enable the Company to apply the EV-only TOU rate to energy usage only from EV charging at their residence, while the rest of their premise is on the Company's standard default service supply rate. For this purpose, customers that select the EV-only option consent to allow third-party platform access to vehicle telematics or charging station energy consumption data. Customers that are enrolled in the existing whole-premise EV TOU Supply Rate Pilot will be eligible to switch to the EV-only rate option under the new EV TOU Supply Rate Pilot. This option will not be available to commercial customers that are otherwise eligible for the whole-premise TOU rate.

Q. How will the Company track, report, and bill the EV energy consumption for the EV-only Rate?

A. Through a Request for Proposal (RFP) process, the Company will identify and contract with one or more vendors to track and report on energy use for EV charging. The Company will explore a variety of solutions but anticipates that

vendors will communicate with charging stations or vehicle telematics to gather and report this information back to the Company.

Charging stations and vehicles record a wide range of information including the amount of energy consumed at specific intervals via embedded metrology and OEM telematics (or similar) respectively. Third-party managed charging platforms have data relationships with charging stations and vehicles OEMs or aggregators to receive and process this data, typically via API. Once they receive this data, it will be shared with the Company via a defined format and secure platform and integrated into the Company's Meter Data Management system. From there, the EV usage will be subtracted from the overall premise meter usage and billed at the EV-Only rate, while the remainder of the customer's usage will be assessed at the standard default service supply rate.

If a charging station or EV does not transmit data initially, but later comes online and is able to communicate the consumption data, the Company will follow its standard re-bill procedures as it does for all residential customers.

Customers will enroll their charging station or vehicle when they sign-up for the pilot. The Company will seek a vendor that has relationships with a wide number of charging station manufacturers and vehicle OEMs to ensure that as many customers as possible are eligible to participate in the pilot.

Q. Why is the Company not requiring the installation of a second meter?

A. The Company is not requiring the installation of a second meter due to the cost.[6] Today, the Company effectively offers an EV-only rate through its existing EV TOU Supply Rate Pilot since customers are permitted to install a separate meter for their EV charging. However, since its launch, no customers have elected that option. The capabilities exist today through charging stations and vehicle telematics to track and report the energy consumption data necessary to apply the rate to a customer's EV charging and are more cost effective than requiring a second meter. Additionally, more advanced metering technology (AMI 2.0) may also soon eliminate the need for a second meter.

Q. Can customers be un-enrolled from the EV-only Rate?

A. Yes. If an EV-only Rate customer is repeatedly unable to provide timely charging data through their enrolled device then the Company may un-enroll them from the rate after three months if efforts to resolve the issue are unsuccessful or if the customer is non-communicative or non-cooperative. For example, if a customer enrolls their charging station in the EV-only Rate but does not have their station connected to wi-fi for 3 months so it cannot transmit its charging data, then the Company may elect to un-enroll the customer. The customer will then be charged at their standard default service supply rate for all their household load. The Company will make good-faith efforts to work with customers to resolve any technology issues and will notify customers prior to un-enrollment.

6 The expected cost of installing a second meter is approximately $900 based on online research for local providers. Costs would likely be higher if additional work is required to refinish walls, etc. Xcel Energy estimates the cost of a second meter installation at $2,000. See: https://ev.xcelenergy.com/ev-charging-programs.

Q. How will the Company validate the charging station or vehicle telematics data?

A. Under the Company's current base rate proceeding at Docket No. R-2024-3046523, the Company proposes to install 50 non-billing sub-meters at select participating customer homes to compare sub-metered EV electricity consumption to electricity consumption reported by the vehicle and/or charging station. This will help to assess the accuracy of the charging station metrology or telematics data for energy consumption reporting and billing purposes. Through this effort, the Company will sample the equipment accuracy of approximately 10% of customers enrolled in this pilot. For comparison, in a typical year the Company sample tests less than 1% of residential customer meters. Customers will be asked if they would be willing to participate in this effort during the EV-Only Rate enrollment process. These sub-meters would be installed at no cost to the participating customers.

Q. How does the Company propose to address EVs participating in the EV TOU rate beginning to charge at the same time when the super off-peak period begins?

A. To help prevent timer peaks[7] which can also put undue strain on distribution assets, for a sub-set of customers, the Company will test controlling when those customers begin charging to avoid having all EVs begin charging at exactly 11:01 pm at the start of the super off-peak period, for example. The Transportation Electrification Team will collaborate with the Company's System Planning Team to identify high-

[7] A timer peak can occur when EVs in enrolled in a TOU rate all begin to charge at the start of the super off-peak period and can create new peaks that strain the grid.

EV penetration areas where circuits may already be overloaded or are forecasted to become overloaded to pilot this approach with customers and study the effects. Although timer peaks are not a challenge to the distribution system today, the Company recognizes that as EV growth continues this could be an issue in the future and wants to test the technology and customer comfort with more optimized charging.

Q. Does the Company have any similar distribution pilot programs?

A. Not currently. However, the Company is proposing a similar EV TOU Distribution Rate Pilot and Residential Managed Charging Pilot as part of its Distribution Rate Review filed with the PUC on March 20, 2024, under Docket No. R-2024-3046523. Costs of the pilot program platform and IT set-up are divided between EV TOU Distribution Rate, Residential Managed Charging Pilot, and the EV TOU Supply Rate Pilot since all the programs will be able leverage the same technology platform.

Q. Does the Company propose any limitations on the EV TOU Supply Rate Pilot options customers can elect between distribution and supply rates?

A. Yes, the Company is proposing some limitations on rate options for this pilot phase due to technical and customer experience challenges of implementing certain rate combinations and to prioritize rate combinations that the Company thinks will be of greatest interest to customers. Table 5 shows which rate combinations will be permitted. Customers interested in selecting an Energy Generation Supplier will

not be restricted from participating in any distribution rate option. The Company will reexamine rate options in the future based on the results of the pilot.

Permitted Distribution and Supply EV TOU Rate Combinations

Supply Rate Options	Distribution Rate Options		
	WholeHome	EV-Only	Standard Distribution Rate
Default Service - WholeHome	Permitted	Not Permitted	Permitted
Default Service - EV-Only	Not Permitted	Permitted*	Not Permitted
Default Service - Standard	Not Permitted	Not Permitted	Permitted
Energy Generation Supplier	Permitted	Permitted	Permitted

*Remainder of supply must be on Default Service - Standard

Q. How will customers enroll in the EV TOU Pilot Program?

A. To enroll in the EV TOU Pilot Program, customers must complete an online EV TOU Supply Rate Pilot enrollment application and provide a copy of their electric vehicle registration or related documentation. For residential customers to enroll, the vehicle registration must have the same address as the address associated with the account. If a customer moves during the course of the DSP period, the customer will remain enrolled in the EV TOU Supply Rate Pilot unless they direct otherwise.

Customer that are enrolling in the EV-only TOU rate option will also be required to complete an enrollment process verifying they have a Company-qualified vehicle, charging station, or meter to participate.

Q. Will annual recertification be required to remain enrolled in the EV TOU Supply Rate Pilot?

A. Annual recertification will not be required. Once customers have signed up for the rate and provided appropriate documentation, they will not be required to provide documentation again during the DSP X period.

Q. Will customers participating in the EV TOU Supply Rate Pilot be able to switch to default service fixed rate or select an EGS?

A. Yes. Customers may un-enroll from the EV TOU Pilot Supply Rate and switch to an EGS or default service fixed rate at any time.

Q. Can customers re-enroll in the EV TOU Supply Rate Pilot after un-enrolling?

A. Yes. However, EV TOU customers leaving the EV TOU Supply Rate Pilot will be prohibited from re-enrolling in the Pilot for twelve billing months after switching off the Pilot. Having this provision in place will help reduce customers' abilities to game rates.

Q. Will customers enrolled in the existing EV TOU Supply Rate Pilot under DSP IX be automatically enrolled in the EV TOU Supply Rate Pilot under DSP X?

A. Yes. Customers will be automatically enrolled in the whole-premise version of the EV TOU rate under DSP X. However, the Company will conduct education and outreach with existing customers to ensure they understand and have advanced notice of the changes to the rate under DSP X to also ensure they have sufficient opportunity to un-enroll before the changes take effect.

Q. What is expected enrollment for the EV TOU Supply Rate Pilot?

A. Based on the experiences under DSP IX, the Company anticipates residential enrollment of about 9% of EV-driving customers in 2025 with gradual increase to around 11% over the 4-year period as awareness of the EV TOU Supply Rate Pilot grows and more customers become interested.

Auto manufacturers are heavily investing in the EV space and consumer adoption is expected to grow as more options come to market. Additionally, EV costs are expected to continue dropping and become more cost competitive with gas vehicles as EV production grows in scale and component costs, like batteries, decrease in price.

The table below estimates the total number of accounts enrolled at the end of each DSP year (June-May):

Estimated EV TOU Supply Rate Pilot Enrollment*

DSP Year	EVs Registered in DLC Service Territory	Enrollment %	Cumulative EV TOU Enrollment
2025-26	27,664	9%	2,490
2026-27	37,115	10%	3,712
2027-28	48,020	10%	4,802
2028-29	60,084	11%	6,609

**EV Registration projections based on Electric Power Research Institute medium EV adoption projections for the Company's service territory.*

Based on existing enrollment history, the Company expects a much smaller proportion of small and medium C&I customers to enroll in the EV TOU Supply Rate Pilot, but proposes the pilot remain open to these customers as more of them begin installing EV charging infrastructure.

Q. How will the Company make customers aware of and keep them informed about the EV TOU Supply Rate Pilot?

A. The Company will continue to provide and expand upon its educational tools and resources through a variety of channels to help customers select the rate that works best for them. The Company will host information about the EV TOU Supply Rate Pilot and enrollment on its website, on its "Electric Vehicles" page and in the Retail Tariff. The Company will also continue to include a tool on its website that will enable customers to compare their supply rate options and will offer suggestions for shifting EV and other energy usage. The existing rate tool has been used

substantially by customers under DSP IX. Since its launch in October 2021 through December 2023, the tool was used more than 10,300 times and about one-third of surveyed EV-driving customers reported they have used the tool.[8]

The Company will also continue to engage customers that have claimed its EV Registration Incentive and likely EV drivers via email to make them aware of the EV TOU Supply Rate Pilot, available resources, and enrollment process. Periodically, the Company will also run social media posts and digital advertisements to spread awareness of the rate option. When the Company holds EV-related events, it will provide information to customers about the EV TOU Supply Rate Pilot. The Company will also coordinate with local stakeholder groups to disseminate information about the EV TOU Supply Rate Pilot, including local auto dealerships and non-profit partners.

Exhibit SO-1 displays the proposed customer tools, outreach, and research budget for the EV TOU Supply Rate Pilot. The recovery of these costs is addressed in Mr. Ogden's Statement No. 4.

Q. Does the Company provide information to enrolled EV TOU Supply Rate Pilot customers about the opportunity for bills savings?

A. Yes. After a residential customer enrolls in the EV TOU Supply Rate Pilot, they begin receiving behavioral load shaping (BLS) communications via email from a third-party provider, which informs them how much electricity they use during each TOU period and provides them with tips for shifting consumption away from the

[8] EV driving customers were identified from customers who had registered their EV with the Company.

peak period. Additionally, enrolled residential customers have access to a unique electricity usage dashboard on the Company's website which allows them to evaluate how much electricity they use in each TOU period. In total, the Company dispatched nearly 37,000 BLS communications to residential customers enrolled in the EV TOU Supply Rate Pilot and customers used the unique online dashboard more than 3,300 times from October 2021 to December 2023. These communications and tools have positively influenced the consumption shift away from the peak period as further described in Exhibit SO-2. As such, these communications and tools or similar will continue to be available to customers under DSP X.

Q Does this conclude your direct testimony?

A. Yes, it does.

SO-1

EV TOU Supply Rate Pilot Costs	Year 1	Year 2	Year 3	Year 4	Total	Notes
Customer Tools						
Pre-Enrollment Rate Advisor	$ 50,600	$ 25,600	$ 25,600	$ 25,600	**$ 127,400**	Based on historical costs. Splitting costs with distribution TOU.
Post-Enrollment Behavioral Load Shaping Communications	$ 70,000	$ 40,000	$ 40,000	$ 40,000	**$ 190,000**	Based on historical costs and vendor quotes. Splitting costs with distribution TOU.
Implementation						
EV-Only Platform & Administration	$ 72,000	$ 72,000	$ 72,000	$ 72,000	**$ 288,000**	Based on vendor quotes. Splitting costs with distribution TOU.
IT & Billing Administration	$ 31,250	$ -	$ -	$ -	**$ 31,250**	Based on historical costs. Splitting costs with distribution TOU.
Customer Outreach						
Webpage (Design and Development)	$ 5,000	$ -	$ -	$ -	**$ 5,000**	Based on historical costs.
Print Materials (Design and Printing)	$ 7,500	$ 1,000	$ 3,000	$ 1,000	**$ 12,500**	Based on historical costs.
Advertising	$ 15,000	$ 15,000	$ 10,000	$ 10,000	**$ 50,000**	Based on historical costs.
Email Deployments	$ 5,000	$ -	$ 5,000	$ -	**$ 10,000**	Based on historical costs. Email distribution costs covered under existing subscription.
Customer Research						
Surveys (Non-Enrolled, Enrolled, and Exit)	$ 6,000	$ 6,000	$ 1,000	$ 1,000	**$ 14,000**	Based on historical costs.
EV TOU Effectiveness Study	$ 5,000	$ 10,000	$ 20,000	$ -	**$ 35,000**	Based on historical costs. Splitting costs with distribution TOU.
Total	**$ 267,350**	**$ 169,600**	**$ 176,600**	**$ 149,600**	**$ 763,150**	

Customer Class Breakout	Year 1	Year 2	Year 3	Year 4	Total
Residential	$ 255,683	$ 162,267	$ 161,267	$ 148,933	$ 728,150
Small C&I	$ 5,833	$ 3,667	$ 7,667	$ 333	$ 17,500
Medium C&I	$ 5,833	$ 3,667	$ 7,667	$ 333	$ 17,500
Total	$ 267,350	$ 169,600	$ 176,600	$ 149,600	$ 763,150

Category Breakout	Year 1	Year 2	Year 3	Year 4	Total
Customer Tools	$ 120,600	$ 65,600	$ 65,600	$ 65,600	$ 317,400
Implementation	$ 103,250	$ 72,000	$ 72,000	$ 72,000	$ 319,250
Customer Outreach	$ 32,500	$ 16,000	$ 18,000	$ 11,000	$ 77,500
Customer Research	$ 11,000	$ 16,000	$ 21,000	$ 1,000	$ 49,000
Total	$ 267,350	$ 169,600	$ 176,600	$ 149,600	$ 763,150

SO-2

Shelly-Ann Maye
Sr. Manager, Regulatory Claims

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March 6, 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
Time-Of-Use Pilot Program Report
Docket No. P-2020-3019522

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of Duquesne Light Company's ("Duquesne Light" or the "Company") June 1, 2021 through December 31, 2023 Time-Of-Use Pilot Program Report. Should you have any questions, please do not hesitate to contact me.

Respectfully,

Shelly-Ann Maye
Sr. Manager, Regulatory Claims

Enclosure

cc: Certificate of Service

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):

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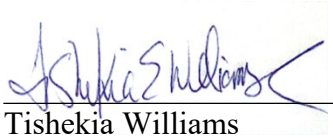

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Dated: March 6, 2024

DSP IX
EV TOU Pilot Program Report
June 1, 2021 through December 31, 2023

March 6, 2024

Background

On June 1, 2021, Duquesne Light Company ("DLC" or "Company") launched its Electric Vehicle Time-of-Use Pilot default service supply rate program ("Pilot") for residential, small commercial and industrial ("C&I") and medium C&I customers with less than 200 kW[1] of demand who use default service supply. The Company's Pilot was approved by the Pennsylvania Public Utility Commission ("Commission") on January 14, 2021, as part of the Company's Default Service Plan IX ("DSP IX").[2]

Pursuant to the Final Order[2] the Company submits this EV TOU Pilot Program Report assessing the Pilot for the period June 1, 2021, through December 31, 2023.

Overview

As previously noted, the Company's Pilot began on June 1, 2021. The Pilot is an optional time-of-use ("TOU") default service supply rate available to eligible customers. To be eligible for the Pilot, a residential, small C&I or medium C&I customer with demand less than 200 kW must own or lease an EV or operate EV charging infrastructure at the service location. Customers who are eligible for hourly price service ("HPS"), or those who participate in the Customer Assistance Program ("CAP"), virtual meter aggregation or budget billing are not eligible for the Pilot. Participating customers may withdraw from the Pilot at any time without penalty but may not re-enroll for a period of twelve months thereafter.

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[1] DLC customers with demands less than 200kW are eligible for default service under the Company's tariffed Rider No. 8 – Default Service Supply. The Company evaluates a customer's twelve (12) most recent months of monthly billing demand of the preceding year. If the customer's average monthly billing demand is greater than or equal to 200 kW, the customer will become eligible for default service under Rider No. 9 – Day Ahead Hourly Price Service.

[2] *See Petition of Duquesne Light Company for Approval of its Default Service Plan for the Period from June 1, 2021 through May 31 2025*, Opinion and Order, Docket No. P-2020-3019522, entered Jan. 14, 2021. The Order included approval of the EV-TOU Stipulation, which required, among other things, DLC to file a report prior to its next DSP filing that includes information regarding customer enrollments, bill impacts, energy usage shifts and customer installation of separate meters for EV charging. The EV-TOU Stipulation also provided for stakeholder review and feedback on EV-TOU Pilot customer education materials and required DLC to convene a collaborative meeting around the midpoint of DSP IX to discuss the EV-TOU Pilot Program implementation, results to-date and rates for mass transit and fleet EVs.

Participating customers receive Pilot TOU service for the entire usage served by their smart meter. Customers are charged different supply rates for the Peak, Off-Peak and Super Off-Peak[3] periods as follows:

Schedule	Time Period
Peak	1 p.m. – 9 p.m.
Off-Peak	6 a.m. – 1 p.m. 9 p.m. – 11 p.m.
Super Off-Peak	11 p.m. – 6 a.m.

This schedule is year-round, seven days a week, including holidays. The Company obtains default service supply for Pilot customers through the same products that provide default service supply for the respective customer classes.

The Company determines the Pilot default service supply rates for the peak, off-peak, and super off-peak periods by modifying the adjusted wholesale price for each class using rate class factors that are based in part upon hourly locational marginal prices for energy, respective energy consumption patterns and capacity requirements. The Company annually updates the rate factors as part of its tariff supplements updating Rider No. 8 - Default Service Supply rates effective June 1 of each year.

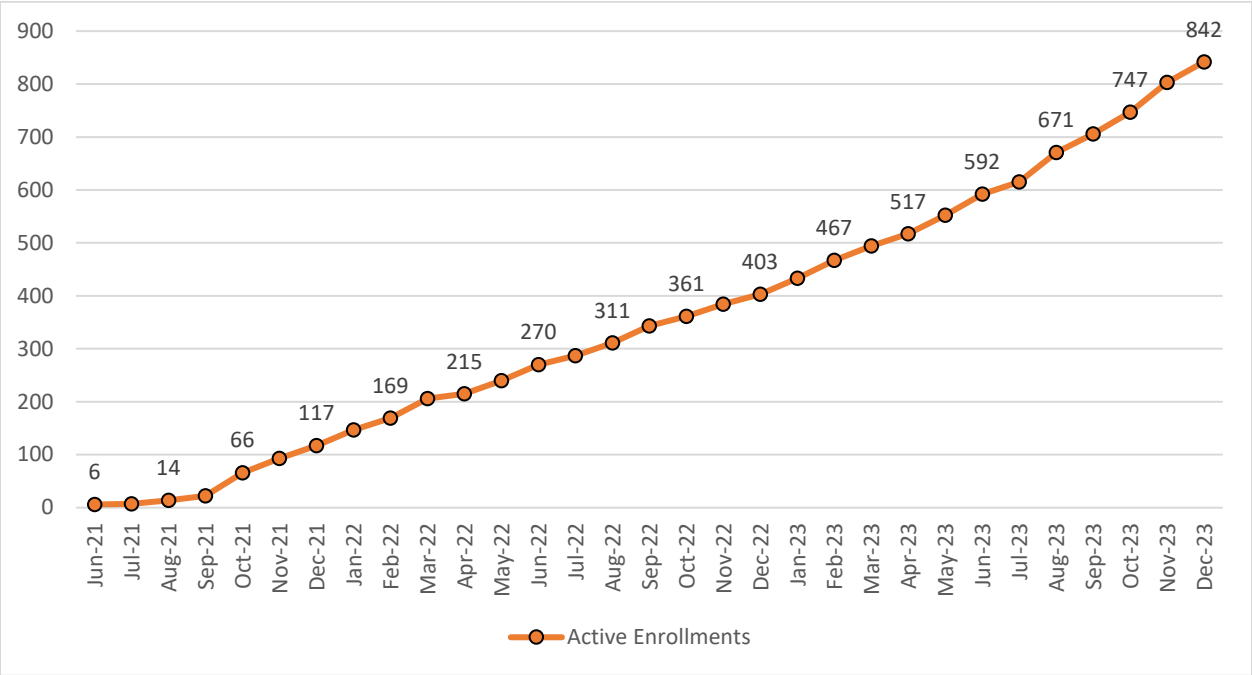
Customer Enrollment Levels

Eligible customers were able to enroll in the Pilot beginning June 1, 2021. As of December 31, 2023, 836 residential, 4 small C&I and 2 medium C&I customers were

[3] DLC's initial DSP IX filing included the terms "On-Peak," "Shoulder" and "Off-Peak" for the EV-TOU time periods. In its Supplement No. 23 replacement pages, DLC amended the period names to "Peak," "Off-Peak" and "Super Off-Peak" for consistency with other utilities' terminology and customer preference. *See Duquesne Light Company – Tariff Electric – PA P.U.C. No. 25; Supplement No. 23 Replacement Pages and Request for Waiver of 60-Day Notice Period*, Docket No. P-2020-3019522, submitted Apr. 28, 2021. The Commission served, at this docket, a Secretarial Letter on May 11, 2021, approving the replacement pages.

actively enrolled, including 139 residential customers also participating in net metering. Please see Figure 1 below for a breakdown of active Pilot enrollment by month.

Figure 1: Active Pilot Enrollment by Month



In total, there were 1,005 customers that enrolled in the Pilot during this reporting period. This includes nine confirmed low-income customers and 26 customers living in multi-unit dwellings.

While there were three residential customers that expressed interest in installing a separate meter for their EV charging for the purposes of the Pilot, no customers pursued this option likely due to the costs associated with the installation and separate service charges.

Customer Outreach Summary

DLC conducts periodic customer outreach and education regarding the Pilot through various efforts, including emails and website updates. In all communications, DLC encourages customers to compare the Pilot TOU rate with the standard default service rates and with supply offerings from electric generation suppliers, including on its residential customer webpage and its commercial customer webpage for the Pilot.

In October 2021, DLC launched its Rate Advisor Tool, an online tool residential customers can use to help determine if the Pilot is right for them. Using the Rate Advisor, customers can compare the Pilot TOU rates with DLC's standard default service rates and electric generation supplier rates to estimate bill impacts. The Rate Advisor was used by customers more than 10,300 times during this reporting period with 1/3 of surveyed EV driving customers reporting having used the tool.[4]

Customer Bill Impacts

The average per bill savings over DLC's standard default service rates for non-net metering residential customers enrolled in the Pilot during this report period was $7.19 monthly and the median was $5.91 monthly. For commercial customers, the average savings was $3.83 monthly, and the median savings was $3.56 monthly.

Consumption Impacts

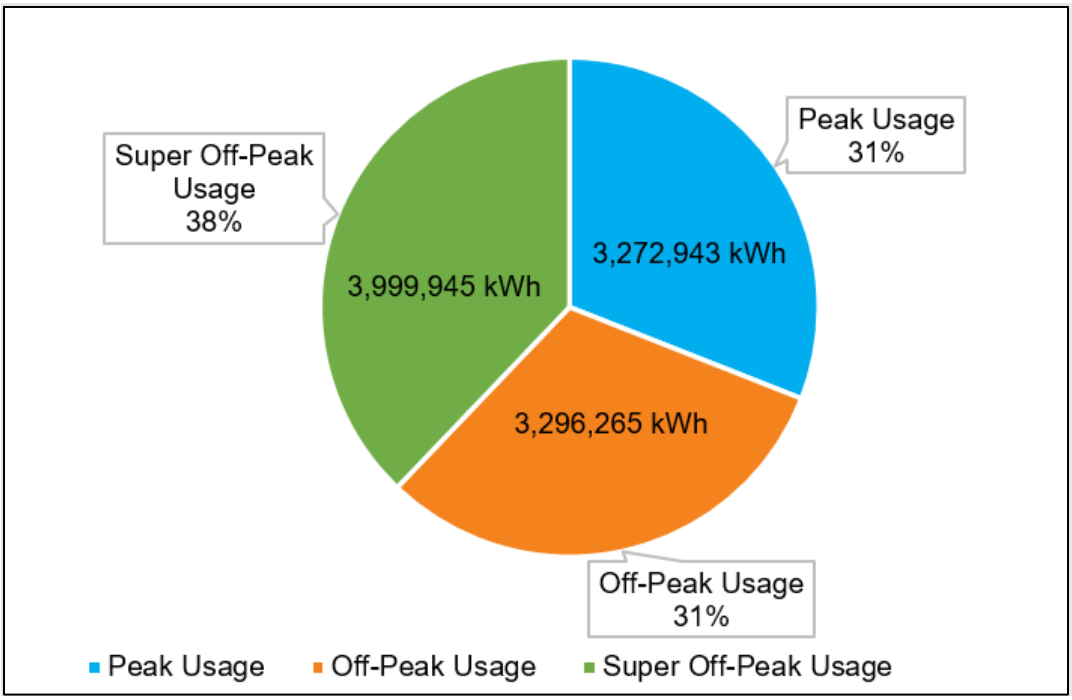
After a residential customer enrolls in the Pilot, they begin receiving behavioral load shaping (BLS) communications via email from a third-party provider, which informs them how much electricity they use during each TOU period and provides them with tips for shifting consumption away from the peak period. Additionally, enrolled residential customers have access to a unique electricity usage dashboard on the Company's website which allows them to evaluate how much electricity they use in each TOU period. In total, the Company dispatched nearly 37,000 BLS communications to residential customers enrolled in the Pilot and customers used the unique online dashboard more than 3,300 times during this report period, which positively influenced the consumption shift away from the peak period as further described below.

DLC evaluated the proportion of energy that was consumed during each Pilot TOU pricing period for non-net metering Pilot participants. During this reporting period, 69% of the Pilot participants' usage occurred during the super off-peak and off-peak periods,

[4] Schmidt Market Research. DLC Survey of EV customers. September-October 2022.

with 38% of consumption occurring during the super off-peak period and 31% occurring during the off-peak period.

Figure 3: Pilot Customers' Energy Usage by TOU Pricing Period



DLC compared the share of utilization by TOU period by month for the non-net metering Pilot customers and EV driving customers who were not enrolled in the Pilot.[5] As shown in Figures 4 and 5, customers enrolled in the Pilot used a much larger share of electricity during the super off-peak period, as compared to EV driving customers who were not enrolled in the Pilot. Notably, the share of energy consumed during the peak period among Pilot customers increased during the summer months likely due to increased use of air conditioning during the daytime hours. This increase was also true of non-pilot enrolled customers with EVs.

The Company also compared those Pilot participants' usage profile to that of EV owners who did not participate in the Pilot program. If the customers enrolled in the Pilot had

[5] EV driving customers were identified from customers who had registered their EV with the Company.

used electricity at the same time period as non-enrolled EV driving customers, DLC estimates an additional 1,033,064 kWh would have been consumed during the peak period and an additional 28,460 kWh would have been consumed during the off-peak period. Instead, 1,061,524 kWh was consumed during the super off-peak period (see Figures 4 and 5 below). This demonstrates a correlation between Pilot participation and proportionally lower peak electricity consumption.

Figure 4: Share of Total Utilization by TOU Period and Month for Pilot Enrolled Customers

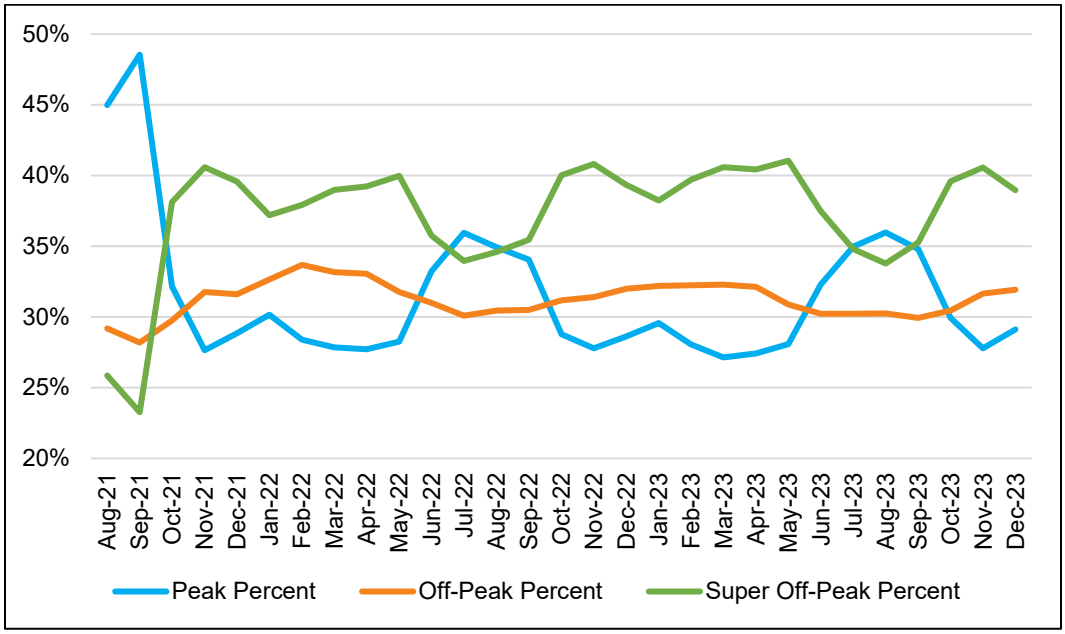
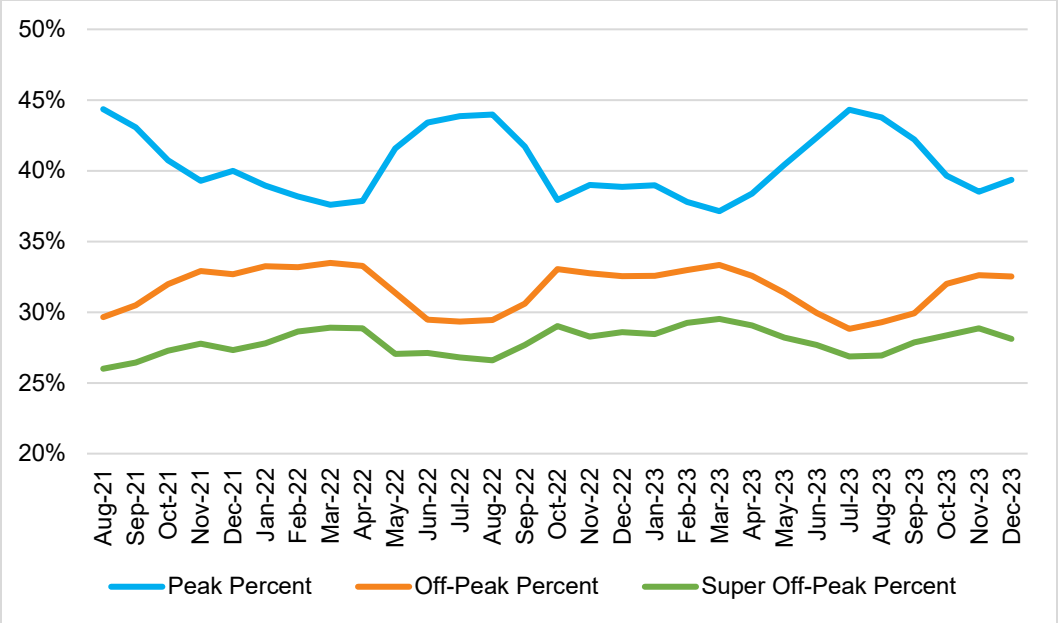


Figure 5: Share of Total Utilization by TOU Time Period and Month for Non-Pilot enrolled customers with EVs



Further, the Company conducted additional pre- and post-enrollment analysis to demonstrate a causal relationship that enrollment in the Pilot led residential customers to change their behaviors and shift their consumption away from the peak period. Since the analysis required an evaluation of customer behavior while driving electric before and after enrolling in the Pilot, customers were excluded from the analysis if they were enrolled in the Pilot for less than 180 days or if they did not drive electric for at least 180 days before enrolling in the Pilot. Due to these limitations, approximately 200 customers were included in the analysis, representing approximately 23% of total Pilot enrollment at the time of the analysis. Additionally, commercial customers were not included in this analysis due to low enrollment among commercial customers.

As shown in Figure 6 below, the analysis demonstrates that residential customers that eventually enroll in the Pilot do consume more electricity after purchasing or leasing an EV across all time periods and this total customer usage does not change significantly after enrolling in the Pilot. However, residential customers enrolled in the Pilot reduce their consumption in the peak and off-peak periods and shift it to the super off-peak period. This shift in consumption neutralizes the increase in peak period consumption associated with a residential customer driving an EV. This means a customer enrolled in the Pilot is not using any more energy during the peak period than they were prior to

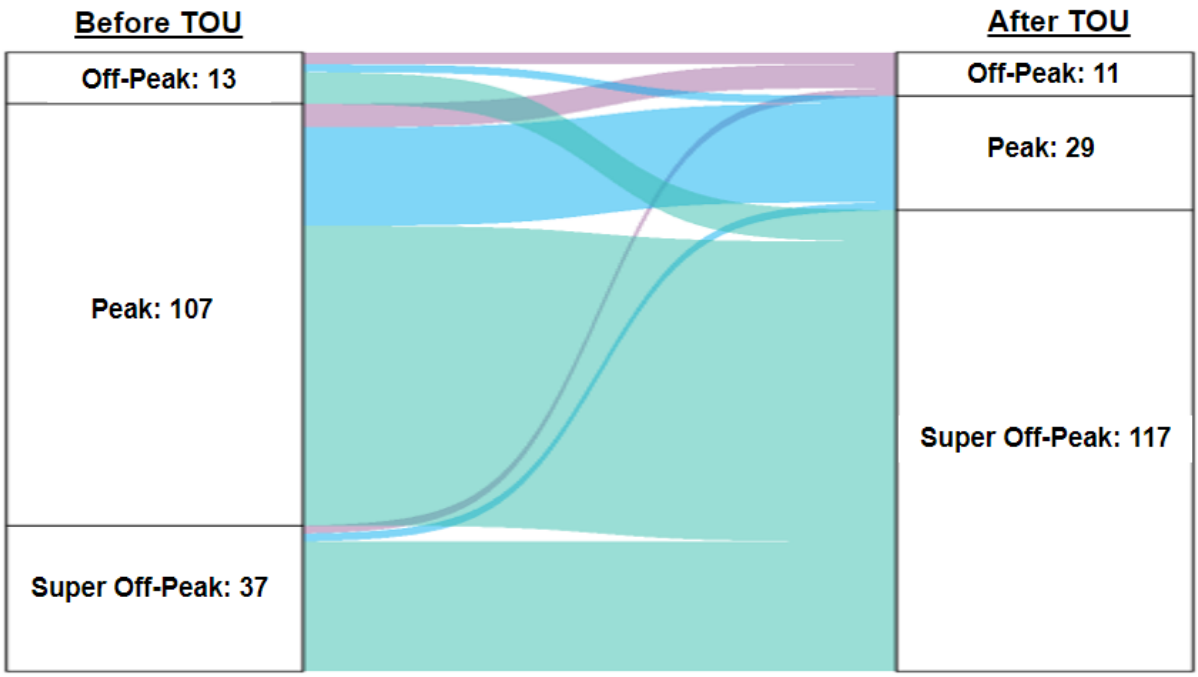
purchasing an EV and indicates the price signals are a successful motivator for altering customer behavior.

Figure 6: Average hourly change in kWh by TOU period

	Avg. Hourly Change by Time of Use		
	After EV, Before TOU (kWh)	After TOU (kWh)	**Total Difference from Pre-EV (kWh)**
Super Off-Peak	+0.43	+0.65	**+1.08**
Off-Peak	+0.27	-0.12	**+0.15**
Peak	+0.34	-0.35	**-0.01**

As shown in Figure 7 below, only 24% of standard metering residential customers used the most electricity in the super off-peak period prior to enrolling in the Pilot, but, after enrolling, 75% of customers used the most electricity in the super off-peak period.

Figure 7: Customer Count by Highest Utilization Bucket



Conclusion

Collectively, these results demonstrate the Pilot has been highly effective in shifting customer consumption to the super off-peak period that otherwise would have been largely consumed during the off-peak and peak periods.

SO-3

Electric Vehicle Time-of-Use Supply Rate Pilot Evaluation and Assessment Plan

Dated: April 19, 2024

EV TOU Supply Rate Pilot

The Company's EV TOU Supply Rate Pilot is designed to encourage off-peak charging to mitigate increased peak demand. The pilot will provide the Company insights into customer response to, administration of, and efficacy of passive load management solutions, allowing it to leverage data to help inform its on-going load management strategy.

Objectives

- Assess the degree to which an EV TOU Supply Rate can be a reliable and meaningful load management asset for the grid.
- Assess customer participation and response to rate price signals.
- Assess the ability of a third-party platform to successfully report on customer EV-only charging and enable customer interactions.

Evaluation Components:

- Report on the types of customers who enrolled, including by:
  - Rate type (WholeHome or EV-only)
  - Rate class
  - Year
  - Census tract
  - Five-digit zip code
  - Vehicle type (i.e., BEV vs. PHEV)
- Report on net customer bill impacts as compared to the standard default service supply rate by:
  - Rate type
  - Rate class
- Report on energy usage shifted from on-peak hours (for those customers for whom the Company has sufficient historical usage data) from pre- to post-enrollment by:
  - Rate type
  - Rate class
  - Distribution rate type enrollment (e.g., Standard or time-of-use distribution rate).
- Produce EV charging load curves, including average load shape by:
  - Household
  - Rate Class
  - Season
  - Weekday/Weekend.
- Report on customer satisfaction with the Pilot.
- Report on success of tracking and reporting EV-only customer energy use by technology pathway. Describe any challenges encountered and how they were addressed.
- Report on customer usage of pre-enrollment tools.
- Report on customer interaction with post-enrollment behavioral load shaping communications.
- Describe how pilot results have been used to estimate longer-term grid impacts and benefits.

KPIs, Targets and Data Sources

In addition to the evaluation components described above, the Company has established and will report on the below KPIs and targets.

KPIs	2025-26 Target	2026-27 Target	2027-28 Target	2028-29 Target	Measurement/ Data Source
Cumulative EV-Only Participants	100	225	400	500	Enrollment based on capturing 9% of EVs in Operation
Cumulative WholeHome Participants	2,390	3,115	3,922	4,908	
Share of energy consumed by WholeHome participants during off-peak periods	65%	65%	65%	65%	Customer meter data
Share of energy consumed by EV-only participants during off-peak periods	90%	90%	90%	90%	
Customer Satisfaction – % of customer reporting being satisfied or greater with the pilot program	80%	80%	80%	80%	Customer surveys

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Docket No. P-2024-3048592

Duquesne Light Company

Statement No. 1-R

Rebuttal Testimony of C. James Davis

Dated: August 9, 2024

INTRODUCTION AND PURPOSE OF TESTIMONY

Q. Please state your name and occupation.

A. My name is C. James Davis. I am the Director – Rates, Energy Procurement, and Federal/RTO Affairs for Duquesne Light Company ("Duquesne Light" or the "Company").

Q. Have you previously submitted testimony in this proceeding?

A. Yes, I submitted Direct Testimony on April 19, 2024, on behalf of Duquesne Light before the Pennsylvania Public Utility Commission ("Commission").

Q. What is the purpose of your Rebuttal Testimony?

A. My Rebuttal Testimony responds to the Office of Consumer Advocate's ("OCA") witness' and Retail Energy Suppliers Association's ("RESA") witness' issues regarding the Green Tariff Pilot proposed in my Direct Testimony.

I. Green Tariff Pilot Program

Q. How do you respond to OCA's comment that you do not clearly cite the U.S. government's definition of CFE?[1]

A. The President's Executive Order 14057 issued December 8, 2021, "Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability" defines ''Carbon pollution-free electricity'' as follows:

[1] OCA Statement No. 1, p. 14, and OCA Statement No. 2, p. 17.

> 'Carbon pollution-free electricity' means electrical energy produced from resources that generate no carbon emissions, including marine energy, solar, wind, hydrokinetic (including tidal, wave, current, and thermal), geothermal, hydroelectric, nuclear, renewably sourced hydrogen, and electrical energy generation from fossil resources to the extent there is active capture and storage of carbon dioxide emissions that meets EPA requirements.[2]

The Company has adopted this definition of carbon pollution-free electricity in its proposed Green Tariff. Carbon-free electricity ("CFE"), as defined by the U.S. government, clearly includes renewable and non-renewable CFE technologies, including nuclear generation.

Q. Why does the Company support a technology-inclusive definition of CFE?

A. Large electric buyers, including governments and corporations, and industry experts have increasingly recognized the importance of both retaining existing CFE and adding all forms of new CFE resources (not just renewables) to achieve net zero emission targets. For example, the Renewable Energy Buyers Association (REBA) changed its name in November 2021 to the Clean Energy Buyers Association (CEBA)[3] and both President Biden's Executive Order 14057 and UN 24/7 Carbon-Free Energy Compact focus on CFE, not just renewable resources. In addition, in several states customers are required to pay their share of the costs to extend the economic lives of existing nuclear generation assets, backstopped by state legislation and utility non-bypassable distribution charges (e.g., in

[2] Executive Order 14057, 86 Fed. Reg. 236, Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability (Dec. 8, 2021), Sec. 603 (d).

[3] CEBA is a community of 400+ energy customer companies and partners committed to achieving a 90% carbon-free U.S. electricity system by 2030.

New York, New Jersey, Illinois, and Connecticut).

Q. Does the Greenhouse Gas Protocol include all forms of CFE (e.g., nuclear generation) in its Scope 1 and Scope 2 accounting for emissions?

A. Yes. The GHG Protocol is the world's most established and widely used accounting standards for how companies, cities, and countries measure, manage, and report GHG emissions. A generator or company purchasing a megawatt-hour ("MWh") of wind, solar, hydro, nuclear, or other forms of CFE can all report zero carbon emissions associated with each MWh generated from these resources.

Q. Why is the inclusion of all forms of CFE important?

A. Based on research assessing the potential costs and uncertainties associated with different energy transition pathways, there is broad agreement that a technology-inclusive carbon-free energy approach, including firm[4] and dispatchable carbon-free resources to complement variable renewable generation, is likely to be a less risky and cost-effective pathway to deep decarbonization.[5]

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[4] Firm CFE technologies can supply electricity on demand such as hydropower, geothermal, energy storage, nuclear, hydrogen, and fossil fuels with carbon capture and storage.

[5] Neil Fisher, Roger Ballentine, Benjamin F. Hobbs, Armond Cohen, Jeanette Pablo and Iain Kaplan, *Modernizing GHG Accounting Rules and Climate Leadership Programs: How Attributional and Consequential Measures Differ and Why Both are Essential to Measure and Incentivize Progress Towards GHG Reduction Goals*, The NorthBridge Group, Green Strategies, Johns Hopkins University, and Clean Air Task Force, May 8, 2024, p. 8. Bruce Phillips, Neil Fisher, and Anjie Liu, *Review and Assessment of Literature on Deep Decarbonization in the United States: Importance of System Scale and Technological Diversity*, The NorthBridge Group, April 2021. Sepulveda et al., *The Role of Firm Low-Carbon Electricity Resources in Deep Decarbonization of Power Generation*, November 2018. Jesse Jenkins, Max Luke, and Samuel Thernstrom, *Getting to Zero Carbon Emissions in the Electric Power Sector*, December 2018. Studies cited and described briefly in Roger Ballentine, Patrick Falwell, Liana Biasucci and Neil Fisher, *Modernizing How Electricity Buyers Account and are Recognized for Decarbonization Impact and Climate Leadership*, Green Strategies and The NorthBridge Group, August 2022, at 9-11. Jay Dietrich, *24×7 carbon-free energy (part two): getting to 100%*, Uptime Institute, July 12, 2023.

Q. OCA notes several differences in what CFE resources may or may not be included in U.S. government procurement versus Duquesne Light's Green Tariff.[6] How do you respond?

A. Duquesne Light's Green Tariff is designed to reflect the reasonable preferences of customers within its service territory. It is not uncommon for government and corporate buyers to tailor their voluntary procurement preferences when establishing goals for their jurisdiction, organization, or leadership program.[7]

Similarly, differences in the market boundary[8] used for voluntary and compliance market reporting are common. For example, the RE100[9] initiative launched in 2014 encouraged companies to match their annual electricity consumption with REC purchases. Currently, RE100 allows companies operating in the United States to claim certificates anywhere in the United States or Canada.[10] For purposes of reporting GHG Protocol Scope 2 market-based emissions, the entire United States currently is considered a single market for energy attribute certificate (EAC) use when calculating an emissions inventory.[11] And

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[6] OCA Statement No. 1, p. 14.

[7] RPS and CES programs can vary significantly in terms of their resource requirements and compliance timeframes. In some cases, alternative compliance payments can be made in lieu of REC purchases. Some RPS states have multipliers to incentivize specific technologies. In some states, the LSE must procure EACs for the load they serve. In other states, a central procurement agency or the utility obtains EACs on behalf of all customers in the region.

[8] The geographic market boundary defines the area from which clean energy certificates can be purchased and claimed.

[9] RE100 is the global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity.

[10] *RE100 Technical Criteria*, December 12, 2021, Appendix B, 3.1, at 25.

[11] GHG Protocol, *Scope 2 Guidance*, at 65. More granular market boundaries are currently being considered as part of an update to the GHG Protocol.

as Dr. Ogur correctly points out, the U.S. Government is voluntarily following a tighter requirement – delivery of CFE to the same grid region, which would be PJM for Duquesne Light customers.[12] For the Company's Green Tariff, the Company has proposed an even stricter requirement. Duquesne Light would require the provider of the Green Tariff service to procure and retire EACs associated with carbon-free generation located within Pennsylvania. The Company believes that more granular market boundaries than currently allowed by the GHG Protocol are necessary to ensure that clean energy sources are deliverable to customers in Duquesne Light's service area, and believes it is reasonable for Pennsylvania customers to voluntarily support clean energy generation sources within Pennsylvania, as opposed to faraway generation that is not deliverable to them.

Q. If the Commission were to adopt a broader market boundary beyond Pennsylvania, such as PJM, would the Company oppose this change?

A. No, although the Company's preference is to encourage the retention and expansion of clean energy generation within Pennsylvania.

Q. Do you agree with Dr. Ogur's interpretation that CFE under the Executive Order 14057 Implementing Instructions must be sourced from generation resources that were placed in service on or after October 1, 2021?[13]

A. No. Dr. Ogur cites the White House Council on Environmental Quality's ("CEQ's") Implementing Instructions issued in August 2022. Mr. Ogur ignores that CEQ also includes

[12] OCA Statement No. 1, p. 14.

[13] OCA Statement No. 1, p. 14.

in its formula "Grid-supplied CFE" when calculating its "Net Annual CFE." CEQ defines Grid-supplied CFE" as CFE delivered as part of default electricity service or the electricity grid mix from a utility or electric service provider.[14] This "Grid-supplied CFE" can include existing nuclear generation.

Dr. Ogur also fails to mention that CEQ issued a subsequent memo in August 2023 (a year later) that clarified the preferred method for calculating grid-supplied CFE for purposes of implementing Federal agency procurement of CFE pursuant to Executive Order 14057.[15] This memo considers CFE that is delivered to a Federal customer as part of default electricity service or the grid mix from a utility or service provider. This updated memo specifically includes an allocation of supplier-attested existing nuclear generation attributes and RPS-related RECs that agencies purchase in the calculation of Net Annual CFE to satisfy U.S. Government procurement goals.

Q. Do you have further evidence that the U.S. Government includes existing nuclear generation in its calculation of CFE?

A. Yes. The procurement principles outlined by the White House are being implemented in the *Entergy Arkansas Go Zero Tariff*. In October 2022, the U.S. General Service Administration signed a memo of understanding ("MOU") with Entergy Arkansas, LLC (EAL). This MOU explicitly recognizes the critical importance of EAL's existing nuclear

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[14] *Implementing Instructions for Executive Order 14057 Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability*, CEQ, August 2022, p. 11.

[15] *Clarification of Grid-Supplied Carbon Pollution-Free Electricity Calculation Methodology*, White House Council of Environmental Quality, August 4, 2023.

generation to ensure that this source of CFE will be applied to reaching the U.S. Government's procurement goals.

> In developing the Plan, the Federal Government, as represented by GSA, and EAL **recognize the critical importance of EAL's existing nuclear generation and will work together to ensure that this source of CFE will be applied to reaching the annual and hourly matching CFE targets of Executive Order 14057**. The parties further recognize that the Plan should provide benefits to the Federal Government and to EAL's other customers, which EAL has an obligation to serve consistent with the regulation and oversight of the Arkansas Public Service Commission.[16]

It is my understanding that existing nuclear generation represents a significant portion (more than 50%) of EAL's standard default service supply. While Dr. Ogur implies that Duquesne Light is not following a voluntary preference adopted by the U.S. Government that EACs must be sourced from generation resources that were placed in service on or after October 1, 2021,[17] he fails to acknowledge the critical role of existing nuclear generation in achieving U.S. Government procurement targets. Both existing and new CFE resources should be considered when matching deliverable clean energy with consumption.

Q. Does the GHG Protocol require CFE or clean energy attribute certificates to be sourced from new generation resources or ones placed in service on or after October 1, 2021?

A. No. The GHG Protocol market-based method for Scope 2 accounting applies to all energy

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[16] *Memorandum of Understanding by and Between the United States General Services Administration and Entergy Arkansas, LLC*, October 21, 2022, p. 2 (emphasis added).

[17] OCA Statement No. 1, p. 14.

generation, not just "low-carbon" or renewable energy. It concerns the larger allocation process of all energy emissions across all end users. All energy has a direct emission factor associated with generation, and the use of that emission factor does not depend on whether the generation facility is existing or new, or why the generation has occurred. So regardless of whether a resource is existing or new or what causes a project to be built, the EAC still serves as the instrument conveying claims about the attributes of the underlying energy generation for consumers purchasing that generation. According to the Scope 2 Guidance, sourcing EACs from new generation resources is not required and additionality is "not fundamental to, or largely compatible with, the underlying rules" for market-based accounting and allocation.[18] Maintaining and extending the operating lives of existing CFE resources, even if as a transition to new technology development, is a vital component of meeting grid decarbonization goals.

Q. The OCA claims that it is questionable whether customers who responded to the Company's survey would consider nuclear energy, one of the CFE technologies permitted in the Green Tariff, to be "clean" or "green."[19] How do you respond?

A. The OCA witnesses are speculating and I decline to join in that speculation. The Company's plan is guided by research. The fact is that all forms of CFE are considered vital to decarbonize our economy. As noted above, the predominant body of analysis on decarbonization of the electricity sector indicates that the fastest, most cost-effective, and

[18] GHG Protocol, *Scope 2 Guidance*, at 90-91.

[19] OCA Statement No. 1, p. 15, and OCA Statement No. 2, p. 17.

reliable pathway to grid decarbonization is through a diverse portfolio of carbon-free technologies, including wind and solar, along with firm CFE and advanced storage technologies. This "all of the above approach" (including the value of both maintaining existing and new nuclear generation technologies) is consistent with decarbonization studies, recent actions by the U.S. and state governments, corporate procurement practices, CEBA's name change, and treatment of CFE in the GHG Protocol standards.

An important part of the Company's proposed pilot program is intended to inform how default service customers and suppliers could further support on a voluntary basis the retention and expansion of clean energy supply in Pennsylvania. Reliance on all forms of CFE, not just variable wind and solar resources, is consistent with the research and analysis on how to decarbonize the electric grid reliably and affordably. Finally, as described below, the Company intends to communicate clearly with eligible Green Tariff customers the CFE resources used to generate clean energy certificates.

Q. OCA witness Alexander states that the Company could acquire more renewable or CFE resources as part of its default service portfolio[20] and Dr. Ogur opines that it is questionable whether retiring EACs without purchasing and delivering the energy associated with the EACs would be perceived as "procuring clean energy."[21] How do you respond?

A. As described further below, the Company decided not to bundle EACs with default service

[20] OCA Statement No. 2, p. 18.

[21] OCA Statement No. 1, p. 15.

energy supply because it did not want to impact the default service supply obligations and introduce supply-related costs or risks on suppliers serving non-participants of the Green Tariff. RECs (and EACs) were created to separate the environmental attributes from the underlying electricity flows, disconnecting RECs from the physical deliverability of power. Separation of environmental attributes and energy supply is already prevalent in state RPS/CES programs, international GHG accounting and reporting, and competitive retail green products. In fact, unbundled RECs represent the largest share of voluntary market sales of green products.[22] RESA also acknowledges consumers have the option to purchase RECs as a stand-alone product.

> A REC is a common type of energy attribute certificate ("EAC") in North America. RECs can be unbundled from the underlying electricity at the point of generation and are used to assign ownership to the generation delivered to the grid. Generally, the purchase of RECs supports the development and use of green energy in the United States.[23]

Therefore, the OCA's concern that customers may think that they are enrolling in a program which will deliver clean energy to them ignores how voluntary clean energy markets operate today.

Further, as noted earlier, the Company has proposed a more stringent market boundary than is required under GHG standards by supporting clean energy generation within Pennsylvania that is deliverable to customers in Duquesne Light's service area. The

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[22] Jenny Heeter, *Status and Trends in the Voluntary Market (2021 data)*, NREL, Renewable Energy Markets Conference, September 2022.

[23] RESA Statement No. 1, pp. 21-22.

OCA's concern, as described below, also can be addressed with clear customer education and communication. Finally, it is also possible that the OCA's underlying concern may not be applicable, since a default service supplier who supplies energy could also provide EACs in the Green Tariff.

Q. How do you respond to OCA's claims that Duquesne Light's objective to mitigate the impact on electricity suppliers participating in default service auctions and to minimize the impact on non-Green Tariff participants are unclear or vague?[24]

A. Dr. Ogur's claims are unsubstantiated and without merit. In my direct testimony, I made clear that the default service suppliers' obligations, including their Pennsylvania AEPS requirements, would remain the same regardless of the extent to which default service customers elect to enroll in the Green Tariff.[25] From a default service supplier's standpoint, Green Tariff customers would be treated like other default service customers. Electricity supply costs will continue to be based on Duquesne Light's default service auction process. There would be no change in the default service supply obligation whether or not a default service customer elects to voluntarily enroll or exit the Green Tariff Pilot.

Q. What is your response to OCA witness Alexander's concern that she is not aware of any database or publicly accessible information that could be used to identify carbon-free generation resources in Pennsylvania?[26]

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[24] OCA Statement No. 1, p. 15.

[25] Duquesne Light Statement No. 1, p. 14.

[26] OCA Statement No. 2, p. 17.

A. PJM has an all generation tracking system and could be used to register and retire EACs for purposes of the Green Tariff.

Q. How do you respond to OCA's assertion that expanding market opportunities for EGSs and/or third parties to offer green product services to residential customers does not appear to be a legitimate function of a default service provider and would be better left to the competitive retail market and handled by EGSs?[27]

A. Over many years, Duquesne Light has implemented programs (such as the purchase of receivables and standard offer program) and customer education programs to promote retail access and support customer shopping. Supporting the retention and development of clean energy in Pennsylvania is equally, if not more important.

Q. Do you agree with Dr. Ogur's characterization that Duquesne Light is proposing to procure EACs as a "load following product"?[28]

A. No. Dr. Ogur is correct that additional EACs will be purchased corresponding to seven percent of the usage of the customers who enroll in the Green Tariff. However, the seven percent is based on *annual* usage and will not follow hourly customer load patterns. Typically, load following products, such as standard default service supply, require the provider to ramp up or down supply on a much more frequent basis (e.g., hourly) to follow actual customer load patterns. While this may be a question of semantics, there is an important distinction between load following on an hourly basis (commonly referred to as

[27] OCA Statement No. 1, p. 15.

[28] OCA Statement No. 1, p. 16.

24/7) and matching attributes with a percentage share of a customer's annual consumption. If the Green Tariff program is successful and granular, time-stamped load-following certificates become more prevalent, the Company could consider a load-following green product as well as higher levels of load matching in future default service proceedings.

Q. How do you respond to OCA's concern that the Green Tariff may not be attractive to EGSs or third party suppliers?[29]

A. Again, this statement is speculative. The Company's Green Tariff is designed to allow EGSs and/or third-party suppliers and aggregators an opportunity to reach residential customers that they may not otherwise be able to serve, or who may be reluctant to leave utility default service for whatever reason. Duquesne Light will list the name of the provider on customer bills who participate in the Green Tariff. EGSs and third-party suppliers already have experience purchasing clean energy certificates. The Company expects that most costs to them will be variable. In other words, they will incur negligible costs if customers do not elect the Green Tariff and higher costs (and revenues) if customers do enroll. While the OCA merely speculates that EGSs will not want to participate, as I described in my direct testimony, the purpose of the Green Tariff Pilot seeks to actually test and learn whether EGSs and/or third-party providers are willing to participate in the proposed Green Tariff auction process.[30]

Q. What is your response to RESA's concern that the Company does not specify how

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[29] OCA Statement No. 1, pp. 17-18.

[30] Duquesne Light Statement No. 1, p. 16.

payments from customers participating in the Green Tariff Pilot will be transferred to the winning bidder?[31]

A. Similar to the Company's default service supplier agreements, the winning Green Tariff provider of EACs will be paid the per unit price that they bid multiplied by the EACs they provide in accordance with a Green Tariff contract. They will not bear the risk of customer non-payment.

Q. How do respond to OCA's concerns about consumer protection and costs related to the Green Tariff?[32]

A. OCA hypothesizes a list of various customer protection issues related to what customers might think or how they might be possibly confused about different aspects of the Green Tariff offering. The Company has demonstrated over many years its support for providing residential customers reasonable and stable default service rates.[33] The Company has no interest and receives no financial benefit in confusing or misleading customers related to the Green Tariff. The Company understands the importance of providing customers accurate and clear information. Therefore, the Company is willing to work with the OCA (and other interested parties) to ensure that communications with residential customers related to the Green Tariff provide accurate and transparent information and are consistent with or exceed the requirements of widely-accepted GHG accounting and reporting

[31] RESA Statement No. 1, p. 15.

[32] OCA Statement No. 1, pp. 18-20, and OCA Statement No. 2, pp. 17-18.

[33] As illustrated in the OCA Statement No. 1, pp. 9-11 and supported by OCA testimony in current and prior default service proceedings.

standards (such as those included in the GHG Protocol).

Q. Do you agree with OCA's conclusion that considering the fact that this program is not mandated by the Commission, and that it is not an essential service for customers, it would not be prudent for the Commission to approve the Green Tariff proposal?

A. No. The Company believes we need to consider all the facts. While we agree that this program is not mandated by the Commission and agree with the OCA and RESA that competitive suppliers can offer green products, the OCA's and RESA's "solution" is simply to find comfort that similar products are available in the EGS market.[34] This logic, however, ignores reality. After more than two decades of retail access, we know that the competitive retail market for residential customers in Duquesne Light's service area is not sufficient to address the serious environmental challenges we face. Roughly 80% of residential customers in Duquesne Light's service area remain on default service for a variety of reasons. And not all customers who switch to an EGS select a green product. Given that most residential customers remain on default service for whatever reason and government/Commission mandates are not sufficient to address climate change,[35] the Company believes it is even more important that we and all parties explore alternative market-based solutions. The Green Tariff is designed to test whether residential default service customers (and EGSs and third party providers) are interested in addressing this problem on a voluntary basis. Therefore, I believe it would be prudent for the Commission

[34] RESA Statement No. 1, pp. 22-23 and OCA Statement No. 1, p. 20.

[35] The Company also supports government policies to address the threats of climate change.

to recognize that continuation of the status quo (i.e., relying on the hope that residential customers will somehow be persuaded to switch to EGS green products or that government mandates will soon be adopted and implemented) is not a viable solution to address climate change in a timely manner. The Company's proposed Green Tariff provides a voluntary pathway to expand access to carbon-free supply for customers who remain on default service. The Company recognizes the importance of customer protections and the potential need for Green Tariff program improvements and expansion over time. I believe it would be prudent for the Commission to begin the process of solving this critical problem.

Q. What is your response to OCA's concerns that customers may not realize that the Green Tariff reflects the "greening up" of merely seven percent of their usage, customers may think that they are enrolling in a tariff to purchase additional conventional clean or renewable energy attributes, or the program is untested?[36]

A. The Company is willing to seek OCA's input and review of Green Tariff customer communications and is also willing to consider modifications to the program (e.g., increasing the percentage and/or expanding the market boundary to PJM), if desirable. Put simply, new approaches and customer communications are necessary to solve the problem of supporting clean energy procurement, especially as it relates to default service for residential customers.

Q. Does the Company support EGSs offering green products in the competitive market?

A. Yes, but after several decades of retail choice in Pennsylvania, there is no basis to support

[36] OCA Statement No. 1, p. 18.

the position that "doing nothing" and relying on competitive markets to lure residential customers to green products is a viable solution. The Company's Green Tariff is designed to allow EGSs and/or third-party suppliers and aggregators an opportunity to reach customers that they may not otherwise be able to serve.

Q. How do you respond to OCA's concern about the lack of a Green Tariff price or rate cap?[37]

A. The price of the product will be known in advance prior to customer enrollment. Customers also could exit the Green Tariff and receive regular default service or switch to an EGS at any time without penalty in accordance with current switching rules. Further, the Company also would be willing to allow the Commission to review and approve the Green Tariff solicitation results using the same process as other default service supply products.

Q. The OCA expresses concern about the level of administrative costs associated with the Green Tariff What is your response?

A. As Dr. Ogur acknowledges, the costs associated with administering the Green Tariff are a projection and not binding. However, the Company does not agree that it is appropriate to compare the administrative cost of the Green Tariff to the costs of the EACs to determine if the pilot would be beneficial. This comparison is simply not a complete and accurate method of conducting a cost-benefit analysis. Comparing administrative costs to the costs of the EACs is part of a cost-benefit analysis but a proper analysis should consider both direct and indirect costs, as well as tangible and intangible benefits. Administrative costs

[37] OCA Statement No. 1, p. 19.

and EAC costs are just two elements of the overall cost structure.

Q. Does this conclude your rebuttal testimony?

A. Yes, at this time.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition Of Duquesne Light Company For Approval Of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : : :	**Docket No. P-2024-3048592**

REBUTTAL TESTIMONY OF SCOTT G. FISHER

Duquesne Light Company

Statement No. 3-R

Dated: August 9, 2024

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I. Introduction

Q. Please state your full name, professional position, and business address.

A. My name is Scott G. Fisher. I am a Partner at The NorthBridge Group, which is an economic and strategic consulting firm serving the electric and natural gas industries. My business address is 30 Monument Square, Suite 105, Concord, Massachusetts, 01742.

Q. Have you previously submitted testimony in this proceeding?

A. Yes, I submitted direct testimony that is marked as Duquesne Light Statement No. 3. My background and qualifications are set forth in that statement.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my testimony is threefold:

1. I respond to Retail Energy Supply Association ("RESA") witness Frank Caliva III's arguments to support his view that the competitive market has become stagnant. I conclude that Mr. Caliva's arguments about the competitive market are not valid.
2. I clarify aspects of analysis that I performed which Office of Small Business Advocate ("OSBA") witness Robert D. Knecht received in discovery and which he presents in his direct testimony.
3. I provide a revised version of Figure 1 ("Duquesne Light Has One of the Lower kW Thresholds for Hourly Price Default Service for Commercial and Industrial Customers in the United States") presented in my direct testimony.

Q. Are you sponsoring any Exhibits as part of your rebuttal testimony?

A. No, I am not.

II. RESA's Arguments about the Competitive Market Are Not Valid

Q. RESA witness Caliva argues that his proposed changes to Duquesne Light's DSP X are necessary due to his belief that the market has become stagnant.[1] Are Mr. Caliva's arguments about the competitive market valid?

A. No. First of all, it is important to recognize that, under the existing default service model which Duquesne Light proposes to continue, regardless of how many customers are being served through default service, they are all being provided the benefits of competitive markets even if they choose not to enroll with an EGS, because the default service model that Duquesne Light proposes to continue requires qualified bidders in the default service supply product solicitations to compete and be selected based on the lowest price. Duquesne Light simply passes through the resultant supply costs to customers. Any insinuation that a greater number of default service customers equates to a less competitive default service offering is invalid.

Furthermore, as I noted in my testimony, Duquesne Light is one of the top twenty utilities in the United States in terms of percentage of total load switched to a competitive

[1] RESA Statement No. 1, pp. 8-16.

supplier; as of February 2024, 67% of the load in Duquesne Light's service area is receiving supply from an EGS.[2] According to PAPowerSwitch, there are 50 different EGSs currently offering 137 different supply options for residential customers in Duquesne Light's service area.[3] Clearly, there are many options available to default service customers to take advantage of the benefits of the competitive retail market, if they choose to do so, and there are many EGSs competing to serve Duquesne Light's customers.

Finally, Mr. Caliva's characterization of the statistics he uses to argue that the competitive market has become stagnant is misleading. Mr. Caliva uses statistics on customer accounts being served by EGSs and EGS sales from the Commission's Retail Electricity Choice Activity Report for Calendar Year 2022 and statistics on switching rates from the Commission's PowerSwitch Monthly Update as of June 2024 to argue that the competitive market has become stagnant.[4] He repeatedly refers to these statistics as describing the percentage of customers that are shopping in the state of Pennsylvania.[5] His use of the word "shopping" implies that no other customers aside from those represented by these statistics (of switched customers) are considering or have considered switching to EGS service. However, the statistics from the Commission's PowerSwitch Monthly Update, which Mr. Caliva primarily relies upon to make his argument about alleged market stagnation, only represent "customers who have switched to an electric generation supplier

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[2] Duquesne Light Company Statement No. 3, p. 12.

[3] Source: https://www.papowerswitch.com/, accessed July 27, 2024, applicable for RS customers in zip code 15222.

[4] RESA Statement No. 1, pp. 9-11.

[5] *Id.* pp. 9-11.

as of June 2024"[6] and do not claim to represent either the customers who have considered switching to EGS service but decided against it, or the customers who have switched in the past but who are now back on default service, whether for reasons of cost or some other issue with the products that were offered or with their experience in the retail market. Similarly, the statistics that Mr. Caliva cites from the Commission's Retail Electricity Choice Activity Report for Calendar Year 2022 also do not represent anything more than the customer accounts or loads switched to EGS service at a given time.[7] As a result, there may be many more customers who are aware of their choices but choose not to switch to an EGS than are accounted for in the statistics that Mr. Caliva cites.

Q. Has the fact that switching statistics do not necessarily represent the extent of customer shopping been recognized in past Duquesne Light proceedings?

A. Yes. This fact was recognized by Administrative Law Judge Katarina L. Dunderdale during Duquesne Light's DSP VI Proceeding. In her Recommended Decision, Judge Dunderdale states:

> The presence of default service customers does not automatically mean customers are not shopping. Not all but a large number of default service customers read the literature, look at the Commission's website for the Price to Compare, contact the default service provider or the Commission with questions, and generally consider his/her options before finally electing (i.e., choosing) to remain with the default service provider. Consumers who remain on default service may be shoppers who did not find an offer attractive enough to entice them away from default service.

[6] RESA Ex. FC-3 PA PowerSwitch Monthly Update as of June 2024.

[7] *See* RESA Exh. FC-2 PaPUC Retail Electricity Choice Activity Report 2022 dated October 2023.

> Or they may be consumers who are too timid to dip their toes into the competitive waters. Or they may be consumers who are more concerned about the volatility and lack of stability in the pricing options available, and willing to trade off a slightly higher commodity rate in order to know what their rate will be.[8] (emphasis included)

Q. Are there reasons why customers might choose not to be served by an EGS, other than any competitive market issues that Mr. Caliva implies?

A. Yes. In his direct testimony, TURN/CAUSE-PA witness Harry Geller documents his findings of "a disturbing and prolonged pattern of excessive pricing in the residential competitive market."[9] According to his analysis, "in each and every month over the last eight and a half years, DLC's residential customers [receiving supply from an EGS] were charged millions of dollars more than the default service price."[10] He also notes that "confirmed low income shopping customers who were not enrolled in CAP – a subset of DLC's most vulnerable customers – were charged substantially higher charges for electricity each and every year, totaling over $1.8 million in excess of the default service price since 2017."[11] While these facts may not be the same for all EGSs, a reasonable explanation for why customers choose to not be served by an EGS is that EGSs have systematically charged customers rates that are higher than the default service rate.

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[8] Recommended Decision, Petition of Duquesne Light Company for Approval of Its Default Service Program, Docket No. P-2012-2301664, November 9, 2012, p. 28.

[9] CAUSE-PA Statement 1, p. 6.

[10] CAUSE-PA Statement 1, pp. 6-7.

[11] CAUSE-PA Statement 1, p. 7.

The trend of residential customers experiencing higher electricity costs while on third party competitive supply is also a phenomenon in many other service areas both inside and outside Pennsylvania. As Mr. Geller explains in his direct testimony, "A number of states have initiated investigations into their local competitive markets and found not only that residential customers pay more for third party service, but that low income and minority communities are uniquely harmed."[12] Mr. Geller also explains that "data across the residential energy markets in nearly a dozen states, as well as other utility service territories in Pennsylvania, demonstrates a clear pattern of suppliers overcharging residential consumers, with low income and minority customers bearing disproportionately severe consequences."[13]

In addition, even in cases in which an EGS offer is lower than the default service supply rate, there are other legitimate reasons why customers might opt not to enroll with an EGS. For some residential and small commercial customers who have not switched from default service to an EGS, the potential cost savings or other benefits (offset by any risk of being charged a higher price after an introductory period if they do not take affirmative action) may be insufficient to divert from their other affairs to devote additional time to making and managing choices in the retail electricity market.

[12] CAUSE-PA Statement 1, p. 12.

[13] CAUSE-PA Statement 1, pp. 17-18.

III. Clarifications Regarding Duquesne Light Analysis Presented by the OSBA

Q. In his rebuttal testimony, does OSBA witness Knecht present any analysis that you performed?

A. Yes, Mr. Knecht presents analysis that I performed of the results of Duquesne Light's fixed-price full requirements ("FPFR") default service solicitations since September 2018.[14] This analysis was provided to the OSBA as a part of Duquesne Light's response to a data request, OSBA-II-2, which Mr. Knecht attaches to his direct testimony.[15]

Q. Please describe this analysis.

A. For each solicitation, I used market price information and load data available at the time of the solicitation to quantify underlying cost components related to energy (including the effect of load shaping), capacity, and alternative energy credits (AEC). After summing these different cost components, I deducted the resulting values from the winning bid price to determine how much was left over – the "residual compensation" for all other cost and risk items that were not individually quantified. Suppliers require residual compensation to cover these costs and risks. These costs and risks include ancillary services, usage and price uncertainty, unexpected congestion, customer migration, adverse developments in energy markets during the time a bid is held open, potential changes in laws and regulations, administrative and legal costs, and credit-related costs.

[14] OSBA Statement No. 1, pp. 4-5.

[15] OSBA Statement No. 1, Exhibit RDK-3.

Q. How does Mr. Knecht characterize your analysis?

A. Mr. Knecht characterizes my analysis as follows:

> In discovery, the Company presents a comparison of the winning bid prices in the…wholesale auctions to the expected prices based on contemporaneous market conditions and load shapes. A summary of the "risk premium" for DSP bids for each of the default service rate class groups is shown in the figures below, with detail provided in RDK WP2.[16]

In the figures referenced by Mr. Knecht, Mr. Knecht refers to the sums of the cost components that I individually quantified as the "Estimated Market Cost."[17]

Q. Do you have any issues with Mr. Knecht's characterization of your analysis?

A. Mr. Knecht states that he has no disagreement with the default service supply product mix that Duquesne Light has proposed and that I support,[18] so I have no issues with Mr. Knecht's recommendation regarding the default service supply product mix. My only issue pertains to the nomenclature Mr. Knecht applies to aspects of my analysis. Specifically, by referring to the sum of the cost components that I individually quantified as the "Estimated Market Cost" and by referring to the remainder (to which I refer as the "residual compensation") as the "risk premium," the Commission could misinterpret what these

[16] OSBA Statement No. 1, p. 4.

[17] OSBA Statement No. 1, pp. 4-5.

[18] OSBA Statement No. 1, pp. 1, 10, 12.

values represent. This could inadvertently affect the Commission's understanding of the solicitation results.

Specifically, while Mr. Knecht refers to the sum of the cost components that I individually quantified as the "Estimated Market Cost," I did not individually quantify all the costs to satisfy the supply obligation. My analysis was designed to quantify only individual cost components that tend to be larger and that can be quantified in a fairly simple way.[19] Therefore, some of the costs to the supplier must be covered by the remaining amount of the supplier's bid price, to which Mr. Knecht refers as the "risk premium." In other words, I want to clarify that the "risk premium" values presented by Mr. Knecht do not represent the levels of additional compensation required by the FPFR product suppliers to cover only risks with outcomes that could be symmetrically higher or lower, because in fact there are additional expected positive costs that suppliers must bear and cover through these "risk premia."

Q. Please elaborate on the costs that you did not individually quantify.

A. Examples of costs that I did not individually quantify are as follows. I did not individually quantify the cost of the ancillary services obligations of the FPFR default service supply products, nor did I individually quantify the administrative, legal, or credit-related costs that are necessary for a supplier to satisfy the obligation and provide the fixed-price

[19] Furthermore, taking the term "Estimated Market Cost" literally, the entire winning bid price is, by definition, the "Estimated Market Cost" because the winning bid price is the price obtained from a competitive solicitation for the solicited product.

protection that customers receive from the FPFR default service supply products. Furthermore, my individual cost component estimates did not include additional expected costs associated with the FPFR default service supply obligation that are borne by the supplier to the benefit of customers, such as those due to positive correlations between overall load levels and overall wholesale market price levels. Specifically, separate from the effect on cost due to the hour-to-hour load and price shapes, FPFR default service product suppliers face additional expected costs because the supplier is likely to serve a greater amount of load in a year of higher average market prices than in a year of lower average market prices. This can be due to the economic incentive for customers to elect default service when wholesale market (and therefore EGS-offered) prices rise above default service price levels and not to elect default service when wholesale market prices drop below default service price levels. It also can be due to customers using more or less electricity on average throughout the year for any reason, with this having a corresponding upward or downward effect on average wholesale market prices.

Since these additional expected costs are not a part of what Mr. Knecht refers to as the "Estimated Market Cost," they mathematically must be covered by what Mr. Knecht refers to as the "risk premium" (because the values that Mr. Knecht refers to as "risk premia" are calculated as the winning bid prices minus the values that Mr. Knecht refers to as the "Estimated Market Costs").

IV. <u>Revised Figure Portraying kW Thresholds for Hourly Price Default Service for Commercial and Industrial Customers in the United States</u>

Q. Do you have any corrections to make to your direct testimony?

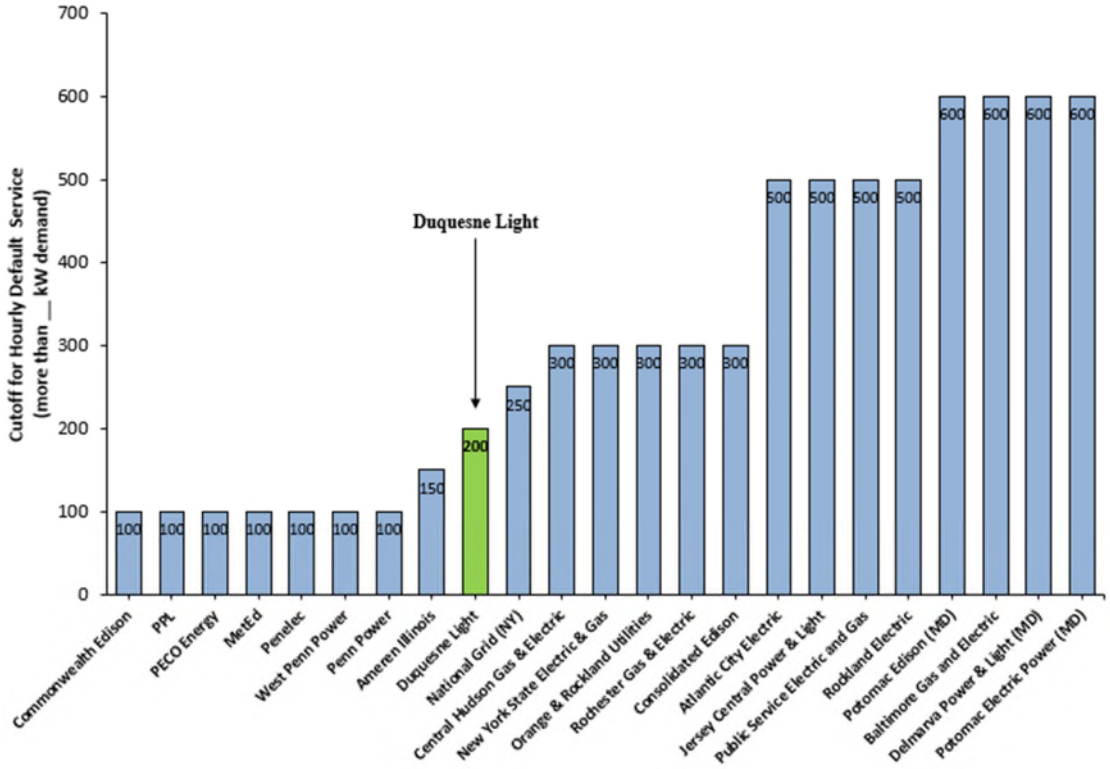
A. Yes. Figure 1 of my direct testimony displays the hourly price default service threshold for the Pennsylvania FirstEnergy utilities[20] as being 400 kW.[21] This value previously was the hourly default service threshold for the Pennsylvania First Energy utilities, but it has been lowered to 100 kW.[22] Below is a corrected version of Figure 1, updated to reflect the corrected hourly price default service threshold for the Pennsylvania FirstEnergy utilities.

[20] The Pennsylvania FirstEnergy utilities include MetEd, Penelec, West Penn Power, and Penn Power.

[21] Duquesne Light Company Statement No. 3, p. 6.

[22] *Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of Their Default Service Programs*, Met-Ed/Penelec/Penn Power/West Penn Statement No. 1, Docket Nos. P-2017-2637855, P-2017-2637857, P-2017-2637858, P-2017-2637866, December 12, 2017, p. 3-4.

Figure 1 Duquesne Light Has One of the Lower kW Thresholds for Hourly Price Default Service for Commercial and Industrial Customers in the United States



Even with this correction, Duquesne Light still has one of the lower demand thresholds for hourly price default service in the United States.

Q. Does this conclude your rebuttal testimony?

A. Yes, it does.

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Docket No. P-2024-3048592

Duquesne Light Company

Statement No. 5-R

Rebuttal Testimony of Sarah J. Olexsak

Subject: Electric Vehicle TOU Rate

Date: August 9, 2024

I. INTRODUCTION AND PURPOSE OF REBUTTAL TESTIMONY

Q. Please state your full name, business affiliation and address.

A. My name is Sarah J. Olexsak. I am the Manager, Transportation Electrification for Duquesne Light Company ("Duquesne Light" or "Company"). My business address is Duquesne Light Company, 411 Seventh Avenue, Pittsburgh, PA 15219.

Q. Did you previously submit testimony in this proceeding on behalf of Duquesne Light Company?

A. Yes, I did. I submitted my direct testimony (Duquesne Light Statement No. 5) on April 19, 2024.

Q. What is the purpose of your rebuttal testimony?

A. The purpose of my rebuttal testimony is to respond to Retail Energy Supply Association ("RESA") witness Caliva (RESA Statement No. 1), Office of Consumer Advocate ("OCA") witness Alexander (OCA Statement No. 2), and Pennsylvania Office of Small Business Advocate ("OSBA") witness Knecht (OSBA Statement No. 1), with respect to the Company's proposed Electric Vehicle Time-of-Use ("EV TOU") supply rate pilot. I will also propose an update to the Company's proposed EV TOU rate.

Q. Are you sponsoring any Exhibits along with your rebuttal testimony?

A. No.

II. EV TOU Supply Rate Pilot

Q. Please summarize stakeholder comments and recommendations regarding the Company's EV TOU Supply Rate Pilot.

A. OCA Witness Alexander recommends that the EV TOU rate design "should reflect the final decision in Duquesne's pending base rate case at Docket No. R-2024-3046523 on these rate design options since the Company has proposed rate design options that are clearly coordinated in both proceedings."[1] Witness Alexander references the Company's proposed Residential Managed Charging pilot, although that pilot is outside the scope of the DSP proceeding and is part of the Company's base rate case docket (Docket No. R-2024-3046523). She notes her support for well-designed EV rate options and the importance of considering customer acceptance and participation. Witness Alexander believes it is "reasonable"[2] that the EV rate options for distribution and supply are linked so that customers see the impact of both options on their bill. She recommends that DLC work with stakeholders to develop an evaluation and reporting plan for the rate options.

OSBA Witness Knecht takes no position on the Company's proposed EV TOU rate pilot. Witness Knecht notes that to-date C&I customer participation in the EV TOU rate has been minimal and attributes this low participation to the fact that many businesses do not operate during hours that would make the EV TOU rate advantageous. He also notes that the C&I EV TOU rates are designed to be "revenue-neutral" for the average customer in the class.[3]

RESA Witness Calvia recommends that the Commission reject DLC's proposed EV-only TOU rate option from its EV TOU Pilot Program. Witness Caliva notes that

[1] OCA Statement No. 2, p. 5, lines 6-9.
[2] OCA Statement No. 2, p. 5, lines 12.
[3] OSBA Statement No. 1, p. 12, lines 21-22.

RESA members support offering TOU rates that support EV charging. He states that the competitive market will respond much more quickly than a utility as EV demand increases within the state and that utility intervention in the competitive EV market is unnecessary given the availability of private investment. Witness Caliva also objects that DLC is creating an unnecessary barrier to competitive market development by not sharing the EV-only usage data it plans to collect with Electric Generation Suppliers (EGSs) and there is no basis for not providing access to this data.

Q. Is the Company proposing any changes to the EV TOU Supply Rate Pilot from its original proposal?

A. Yes. The Company proposes to withdraw the EV-only rate option from its EV TOU Supply Rate Pilot. This aligns with the Company's approach in its base rate proceeding at Docket No. R-2024-3046523.

Q. Why is the Company proposing to withdraw the EV-only rate option?

A. The Company has worked diligently to stay abreast of the state of EV charging station and EV telematics data from the default service proceeding case filing in April through present day. This additional time has afforded the Company a clearer understanding of some of the current limitations of relying on EV charging station and telematics data for subtractive billing purposes as proposed in my direct testimony. The Company believes that this approach, at this point in time, would likely lead to a high number of re-bills, require substantial internal efforts to vet the data, and likely lead to higher levels of customer dissatisfaction with the proposed pilot. The Company will continue to monitor developments in this space and will reevaluate in the future as warranted.

Q. Does the Company agree with OCA Witness Alexander's statement that "it is particularly important to consider customer acceptance and participation in these two rate options"[4]?

A. Yes, the Company agrees with Witness Alexander that understanding customer acceptance and participation in these rate options is critical to understanding how to best manage the growing energy use and demand[5] that EVs are expected to generate in the coming decades.

Q. Does the Company agree with OCA Witness Alexander's recommendation that the final EV TOU supply rate structure be adopted based on the base rates proceeding (Docket No. R-2024-3046523)?

A. No. The Company disagrees with Witness Alexander's recommendation that the final EV TOU supply rate structure be adopted based on DLC's base rate proceeding. These are two separate proceedings addressing different issues – distribution rates and supply rates. Although there is overlap on certain issues on EV TOU between the cases, what may be appropriate or settled in one case, may not be appropriate for the other. The Company believes aligning the distribution and supply rate options to make the rates easily understandable to customers is important, while also ensuring that each case is addressed on its own merits.

[4] OCA Statement No. 2, p.5, lines 10-12.
[5] DLC Statement No. 5, p. 7, lines 1-9.

Q. Does the Company agree with OCA Witness Alexander's recommendation to develop a comprehensive evaluation and reporting plan with stakeholder input?

A. The Company welcomes input from stakeholders into what should be included in evaluation of its EV TOU supply rate pilot as part of this default service proceeding. Witness Alexander does not comment on or acknowledge that the Company has put forward a comprehensive evaluation and reporting plan in Exhibit SO-3: Electric Vehicle Time-of-Use Supply Rate Pilot Evaluation and Assessment Plan.

Q. Does the Company agree with RESA Witness Caliva's assertion that the Company's EV TOU proposal creates "further barriers to competitive market development"[6]?

A. No. EGSs have shown limited interest to-date in offering EV-TOU options in Pennsylvania. Witness Caliva provides one example of an NRG EV plan[7], which does not appear to be offered in the Company's territory, but otherwise offers no evidence of EV-related EGSs offerings in Pennsylvania. It is unreasonable and unfair to customers to prohibit the Company from offering an EV-TOU rate because an EGS might offer one when it believes demand warrants it, especially when the Company has had 1,000+ customers enroll in its current EV TOU supply rate offering.

The Company's rate can be an option, but certainly does not preclude other potential EGS offerings to this growing group of customers. The Company will be ready to support EGS programs when launched through its dual billing or bill-ready billing options. Additionally, the information the Company plans to report about this pilot can also be used by EGSs to help them learn based on the Company's experiences.

[6] RESA Statement No. 1, p. 27, line 17.
[7] RESA Statement No. 1, p. 26, lines 11-18.

Q. Does the Company agree with RESA's reasoning and recommendation to reject the EV-only TOU rate option?

A. No. The Company's proposed withdrawal of its EV-only TOU rate option should in no way be viewed as agreeing or acquiescing to RESA's position. The Company's withdrawal of the rate is due to technical and customer service concerns and the Company continues to disagree with RESA's stated reasons for rejecting the rate.

Q. Does this conclude your rebuttal testimony?

A. Yes, it does.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company	**:**	
For Approval Of Default Service Plan	**:**	**Docket Nos. P-2024-3048592*, et al*.**
For The Period June 1, 2025 Through	**:**	
May 31, 2029	**:**	

PREPARED REBUTTAL TESTIMONY OF

Edwin Schuck

Duquesne Light Company

Statement No. 6-R

DATE: August 9, 2024

PREPARED REBUTTAL TESTIMONY OF
Edwin Schuck

I. **INTRODUCTION AND BACKGROUND**

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Edwin Schuck. My business address is 411 7th Avenue, Pittsburgh, PA 15219.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Duquesne Light Company ("Duquesne Light" or "Company") as the Director of Customer Transformation and Revenue Operations.

Q. HAVE YOU PREVIOUSLY SUBMITTED DIRECT TESTIMONY IN THIS PROCEEDING?

A. No.

Q. PLEASE PROVIDE YOUR BACKGROUND AND QUALIFICATIONS.

A. I have a Bachelor of Science in industrial engineering and a Master of Science in energy systems engineering from Lehigh University. I spent 5 years as a technology and strategy consultant for utility companies prior to joining Duquesne Light. I have been directly supporting customer service operations and strategy for the past 6 years.

Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION?

A. Yes, I recently submitted testimony as part of Duquesne Light's rate case proceeding at Docket No. R-2024-3046523.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. I will respond to the testimony set forth by the Office of Consumer Advocate's ("OCA") witness, Barbara Alexander – OCA Statement No. 2, regarding the Standard Offer Program ("SOP") and her proposed bill revisions; the Office of Small Business Advocate's ("OSBA") witness, Robert Knecht regarding SOP issues; the Coalition for Affordable Utility and Energy Services in Pennsylvania's ("CAUSE-PA") witness, Harry Geller regarding the SOP, Customer Assistance Program ("CAP") related shopping issues and Bill Ready billing issues; and the Retail Energy Supply Association's ("RESA") witness, Frank Caliva regarding default service messaging issues. Certain of these identified witnesses' testimony have overlapping subject matters. Where possible, I will address issues in kind and by subject matter, rather than by specific witness.

Q. ARE YOU SPONSORING ANY EXHIBITS?

A. No.

Q. HOW HAVE YOU ARRANGED YOUR REBUTTAL TESTIMONY?

A. I address each issue in kind in the following sections: (II) rebuttal testimony related to the other parties' SOP proposals; (III) rebuttal testimony related to CAUSE-PA's recommendation to prohibit Electric Generation Suppliers ("EGS") from charging fees when Duquesne Light customers enroll in the Company's CAP and other CAP related

issues; (IV) rebuttal testimony related to OCA's proposed bill revisions; (V) CAUSE-PA's recommendation to end the Company's Bill Ready Program; (VI) rebuttal testimony related to RESA's default service messaging issues.

II. STANDARD OFFER PROGRAM

Q. PLEASE BRIEFLY EXPLAIN THE COMPANY'S SOP PROPOSAL.

A. The Company did not propose modifications to the current SOP program. The Company requested that the Commission evaluate the SOP to determine if the program should continue.

Q. DID OTHER PARTIES SUBMIT DIRECT TESTIMONY REGARDING THE SOP?

A. Yes. OCA and CAUSE-PA both recommended that the SOP be terminated. Both OCA and CAUSE-PA recommend that, should the SOP continue, it be modified such that customers enrolled with an EGS through the SOP should be returned to the Company's default supply automatically absent an affirmative agreement to continue with the supplier at the end of the initial one-year term. OSBA witness Knecht also proposes that customers be notified when the SOP period ends and remind customers of their shopping options.

Q. DO YOU AGREE WITH THE OCA AND CAUSE-PA'S RECOMMENDATION THAT THE SOP SHOULD BE TERMINATED?

A. Yes. After reviewing the other parties' direct testimony, I support the recommendation that SOP should be terminated to serve the best interests of our customers.

Q. IF THE SOP IS NOT TERMINATED, SHOULD SOP CUSTOMERS BE RETURNED TO DEFAULT SERVICE AT THE END OF THE SOP TERM?

A. Yes. As evidenced in the analysis provided in response to OCA-I-8 (CAUSE-PA St. No. 1, Appx. B), the Company completed an internal analysis to understand customer actions following the end of their 12-month fixed price contract with the EGS. Of the customers who remained with their standard offer supplier, but were no longer on SOP, a vast majority, or approximately 75%, were paying 25% or higher than the Price to Compare (PTC).

Q. PLEASE SUMMARIZE TO OSBA'S COMMENTS ABOUT THE SOP.

A. OSBA witness Knecht raises several points with respect to the Company's SOP. First, Mr. Knecht notes that residential and small commercial and industrial ("C&I") customers that are not already taking competitive service from an EGS are eligible to participate in the Commission-sponsored SOP administered by Duquesne Light and provides a general description of the mechanics of the SOP. OSBA St. No. 1, pp. 16-17. Mr. Knecht also notes that "other default service providers have expressed a concern that customers who remain with their EGSs at the end of the 12-month SOP period often face prices that exceed or substantially exceed the default service price." OSBA St. No. 1, p. 17. In pointing this out, Mr. Knecht recommends that, at minimum, Duquesne Light should notify customers participating in the SOP when their 12-month enrollment is about to expire and remind those customers of their shopping options. OSBA St. No. 1, pp. 17-18.

Q. DO YOU HAVE ANY RESPONSE TO OSBA'S COMMENTS?

A. If the SOP is not terminated May 31st, 2025, the Company does not agree with Mr. Knecht's recommendation that the Company should be responsible for notifying customers of the expiration date of the SOP program. CAUSE also requested the Company be responsible for this notification 30-days prior to the end date of SOP with shopping education. The Company recommends that the EGS be required to notify the customer of the end date of the SOP term 30 days prior to the contract end date, and following the recommendation from the OCA, receive affirmative agreement to continue with that EGS as the customer's supplier at the end of the initial 12-month term. The Company currently offers its customers the choice to sign up for a notification if their supply price increases above that of the Price to Compare. This communication also provides shopping education information. The Company encourages customers to sign up for notifications multiple times throughout the year through various marketing channels.

Q. WHAT OTHER MODIFICATIONS DID CAUSE-PA PROPOSE?

A. CAUSE-PA witness Geller suggests that further changes are made in regard to low-income customers. Specifically, Mr. Geller suggests that income screening is performed prior to SOP enrollment and SOP enrollment is no longer recommended to customers concerned with high bills.

Q. DO YOU AGREE WITH THE CAUSE-PA'S RECOMMENDATION?

A. No. The Company is committed to finding the best solution for customers facing hardship and recommending any programs that may be beneficial based on specific circumstances. Placing additional limitations on enrollment are not in the best interest of the customer.

III. CAP CUSTOMER RECOMMENDATIONS

Q. PLEASE DESCRIBE CAUSE-PA'S RECOMMENDATIONS WITH RESPECT TO CAP CUSTOMERS.

A. CAUSE-PA witness Mr. Geller makes several points and recommendations with respect to the Company's CAP and customers enrolled in the CAP. Namely, Mr. Geller generally supports restricting CAP participants from shopping for service in the competitive market and notes that the Company's current restrictions "have likely prevented millions of dollars in unnecessary programmatic costs and higher charges to low income CAP participants. CAUSE-PA St. No. 1, p. 27. That being said, Mr. Geller also argues that Duquesne Light's current CAP shopping restrictions have created barriers for enrollment in CAP. Then, Mr. Geller recommends that the Company prohibit suppliers from charging cancellation or termination fees when a customer seeks to enroll in CAP. CAUSE-PA St. No. 1, p. 30. In turn, Mr. Geller recommends that the Company amend its CAP program rules to "institute a clearly defined and streamlined process for low income shopping customers to return to default service and enroll in CAP" by including a check-box option on its CAP application that permits shopping customers to elect to automatically return to default service upon enrollment in CAP. CAUSE-PA St. No. 1, p. 30. Further, Mr. Geller recommends that, if a CAP applicant does not check that box to automatically return to default service, but is

otherwise deemed eligible for CAP, the Company provide a letter explaining that CAP shopping rules and providing detailed instructions for how the applicant can return to default service. CAUSE-PA St. No. 1, p. 31.

Q. DO CAP CUSTOMERS OF DUQUESNE LIGHT CURRENTLY HAVE THE ABILITY TO SHOP FOR EGS SUPPLY?

A. No. Duquesne Light's CAP customers currently are not eligible to shop for an Electric Generation Supplier ("EGS"). A customer that has an EGS and wishes to participate in CAP will be advised that Duquesne Light can switch the customer back to default service; however, the customer may be subject to a cancellation fee. The customer should check his/her EGS agreement to determine whether there are any fees associated with cancellation.

Q. DO YOU AGREE WITH CAUSE-PA'S RECOMMEDATIONS RELATED TO CAP CUSTOMERS?

A. No. Customers have the right to shop with the supplier of their choice at a rate set by the supplier and with contract terms defined by the supplier. Further control over the termination and cancellation fees should be addressed directly with the EGS. Additionally, the Company remains committed to educating customers on the assistance and programs available to support their individual circumstances.

IV. PROPOSED BILL REVISIONS

Q. PLEASE DESCRIBE OCA'S RECOMMENDATIONS REGARDING PROPOSED BILL REVISIONS. OCA St. 2, pp. 13-15.

A. OCA witness Alexander recommends a series of changes to the Company's presentation of its bill(s). Namely, Ms. Alexander recommends that the Company revise its bill to show a dollars and cents calculation of the customer's supplier charges with the dollars and cents calculation of what the customer would pay under the Company's PTC. OCA St. No. 2, p. 15. Further, Ms. Alexander recommends that Duquesne Light not allow suppliers to submit "bill ready" charges that do not include a properly calculated cents per kWh rate that reflects all of the supplier's charges. OCA St. No. 2, p. 15. Lastly, Ms. Alexander recommends that Duquesne not present any supplier cents per kWh charge on its bills that is not an accurate reflection of the total supplier charges divided by the customer's monthly usage. OCA St. No. 2, p. 15.

Q. DOES THE COMPANY AGREE WITH OCA'S RECOMMENDATIONS?

A. No. Duquesne Light's current bill presentation allows customers to compare their supplier rates with the price to compare. The Company does not always know the conditions of agreements between customers and suppliers, which may include complex rate designs, additional monthly fees, tiered pricing, or other conditions. Thus, the Company would be unable to provide accurate bill comparisons. The price to compare provides customers with a direct point of reference that is simple to understand using information that the Company has access to.

V. BILL READY BILLING ISSUES

Q. PLEASE DESCRIBE CAUSE-PA's RECOMMENDATIONS WITH RESPECT TO BILL READY BILLING.

A. CAUSE-PA recommends that the Company end its Bill Ready program because, according to Mr. Geller, the Company cannot verify whether supplier charges assessed through the program properly delineate non-basic service charges to permit lawful billing and collection activities. CAUSE-PA St. No. 1, p. 35.

Q. WHAT IS BILL READY BILLING?

A. Bill Ready Consolidated Billing is a billing option available to suppliers where the EGS does not provide Duquesne Light with the customer's supply rate ($/kWh). Instead, at the time of billing, Duquesne Light will send the EGS the customer's usage then the EGS calculates and returns the charges to Duquesne Light within 4 business days to present on the customer's bill.

Q. DO YOU AGREE WITH CAUSE-PA'S RECOMMENDATIONS?

A. No. Customers have the right to shop with the supplier of their choice at a rate set by the supplier and supplier pricing is outside the Company's control. Further control over the lawful billing and collection activities should be addressed directly with the EGS. Additionally, the Commission's regulations specifically note that "[t]he public interest would be served by the consideration of the availability of rate and bill ready billing each service territory." 52 Pa. Code § 69.1813.

VI. PRICE TO COMPARE AND DEFAULT SERVICE MESSAGING

Q. DOES ANY PARTY TAKE ISSUE WITH THE COMPANY'S USE OF "PRICE TO COMPARE?"

A. Yes. RESA witness Caliva raised a number of concerns with respect to the Company's use of "price to compare."

Q. WHAT ARE RESA'S CONCERNS WITH RESPECT TO THE COMPANY'S PRICE TO COMPARE?

A. Mr. Caliva expresses a number of concerns with respect to the use of "price to compare." Namely, Mr. Caliva argues that the messaging could be "improved to support the ability of customers to make more informed decisions when the evaluate competitive offers." RESA St. No. 1, pp. 16-17. Further, Mr. Caliva argues that Duquesne Light's current messaging encourages customers to only consider the price of the default service rate when judging competitive market offers. RESA St. No. 1, p. 17.

Q. WHAT DOES RESA RECOMMEND?

A. RESA recommends that the Company replace the term "Price-to-Compare" with "Default Service Rate."

Q. DO YOU AGREE WITH RESA'S RECOMMENDATION RELATED TO THE PRICE TO COMPARE?

A. No, the Company prefers to maintain the existing terminology due to prior investments in customer education on "price to compare." Ultimately, the Company defers to any future

determinations made by the Commission on what is most appropriate to improve customer understanding and maintain consistency.

Q. DOES RESA RECOMMEND ANYTHING ELSE WITH RESPECT TO THE PRICE TO COMPARE OR DEFAULT SERVICE?

A. Yes. RESA witness Caliva also recommends that a statewide collaborative be instituted regarding default service messaging. (RESA St. No. 1, pp. 16-17.)

Q. DOES MR. CALIVA PROVIDE ANY DETAILS AS TO THIS PROPOSAL AND HOW IT WOULD WORK?

A. While Mr. Caliva recommends that a statewide investigation be instituted by the Commission regarding default service messaging, the only detail that he provides is of intent, and not of substance. Namely, he recommends that an "investigation be opened to investigate Commission approved messaging of the default service as the 'Price-to-Compare' to include discontinuing use of that term and replacing it with 'Default Service Rate' and how the messaging can be improved to support the ability of customers to make more informed decisions when they evaluate competitive offers." RESA St. No. 1, p. 16.

Q. DO YOU AGREE WITH THIS RECOMMENDATION?

A. No. I do not believe the significance of this proposed terminology change justifies the dedicated resources and time to investigate. I am supportive of continued education and services to enable customers to make the best choices when shopping.

Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY AT THIS TIME?

A. Yes. I reserve the right to supplement my testimony as additional issues arise during the course of this proceeding. Thank you.

OCA STATEMENT NO. 1

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF DUQUESNE LIGHT COMPANY	**)**	
FOR APPROVAL OF ITS DEFAULT SERVICE	**)**	**DOCKET NO.**
PLAN FOR THE PERIOD FROM JUNE 1, 2025	**)**	**P-2024-3048592**
THROUGH MAY 31, 2029	**)**	

DIRECT TESTIMONY

OF

SERHAN OGUR

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

July 12, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

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APPENDIX A – Summary of Qualifications for Serhan Ogur, Ph.D.

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Serhan Ogur. I am a Principal and Senior Economist at Exeter Associates, Inc. ("Exeter"). My office is located at 10480 Little Patuxent Parkway, Suite 300, Columbia, Maryland, 21044. Exeter is a consulting firm specializing in issues pertaining to public utilities.

Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND.

A. I received a B.A. degree in Economics from Bogazici University (Istanbul, Turkey) in 1996 and a Ph.D. in Economics from Northwestern University (Evanston, IL) in 2007.

Q. WHAT IS YOUR PROFESSIONAL BACKGROUND?

A. I have 23 years of experience in the energy industry specializing in organized wholesale and retail electricity markets. My diverse background comprises energy management and consulting; analysis, design, and reporting of Regional Transmission Organization ("RTO") electricity markets and products; and state and federal regulation of electric utilities. I was employed as Economic Analyst at the Illinois Commerce Commission ("ICC") between 2001 and 2005; Senior Economist at PJM Interconnection, LLC ("PJM") between 2005 and 2014; and Senior System Operator at Fellon-McCord & Associates, LLC ("Fellon-McCord") between 2014 and 2015. I joined Exeter as Senior Analyst in 2015 and became a Principal of the firm in 2020. A complete description of my professional background is provided in Appendix A.

Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THIS COMMISSION?

A. Yes. I testified in Docket No. P-2016-2534980 in PECO Energy Company's Default Service Program IV proceeding; Docket Nos. P-2020-3019383 and P-2020-3019384

in the joint Default Service Plan VI of Citizens' Electric Company of Lewisburg, Pennsylvania and Wellsboro Electric Company; Docket No. P-2020-3019522 in Duquesne Light Company's Default Service Plan IX proceeding; Docket No. P-2020-3019907 in UGI Utilities, Inc. – Electric Division's Default Service Plan IV proceeding; Docket No. P-2020-3022988 in Pike County Light & Power Company's Default Service Plan; Docket Nos. A-2021-3025659 and A-2021-3025662 in the case concerning the acquisition of Pike County Light & Power Company and Leatherstocking Gas Company, LLC; Docket Nos. P-2021-3030012, P-2021-3030013, P-2021-3030014 and P-2021-3030021 in the joint Default Service Plan of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company; Docket No. A-2023-3038771 et al in the merger of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company; Docket No. P-2023-3039927 in Pike County Light & Power Company's Default Service Plan; Docket No. P-2024-3046008 in PECO Energy Company's Default Service Program VI proceeding; and in Docket No. P-2024-3047290 in PPL Electric Utilities Corporation's Default Service Plan VI proceeding. All of my prior testimony before the Commission was on behalf of the Pennsylvania Office of Consumer Advocate ("OCA").

Q. ON WHOSE BEHALF ARE YOU OFFERING THIS TESTIMONY?

A. I am offering this testimony on behalf of the OCA.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. My testimony addresses certain elements of the proposed Default Service Plan X ("DSP X" or "Plan") of Duquesne Light Company ("DLC" or the "Company") for

providing default service to its residential customers for the 48-month period from June 1, 2025 through May 31, 2029. The specific issues I address include the wholesale power supply products to be procured to satisfy residential default service requirements; the Green Tariff Pilot being proposed by the Company; load caps applicable to the residential customer class; and the Company's proposed method of reconciling Default Service Plan revenues and costs. While I am not directly addressing the Company's proposed Electric Vehicle Time-of-Use Pilot Program in this Direct Testimony, I support OCA witness Ms. Barbara R. Alexander's recommendations presented in her Direct Testimony filed as OCA Statement No. 2 in this docket.

Q. ARE YOU ADDRESSING ANY IMPLEMENTATION OR POLICY ISSUES ASSOCIATED SPECIFICALLY WITH DEFAULT SERVICE FOR COMMERCIAL OR INDUSTRIAL CUSTOMERS?

A. No, I am not. My testimony relates only to issues affecting the residential class. However, some of the recommendations I make to improve the process for residential customers may also impact the commercial and industrial customer classes.

Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?

A. Section I is an introduction. Section II presents a summary of the Company's proposed Plan as it affects the residential class. Section III, the final section of my Direct Testimony, provides a discussion of my recommendations concerning the Company's proposed DSP X, and addresses the proposed wholesale supply product portfolio, DLC's Green Tariff Pilot proposal, residential load caps, and the operation of the reconciliation charge.

Q. ARE YOU RECOMMENDING AN ALTERNATIVE DEFAULT SERVICE SUPPLY PORTFOLIO FOR THE RESIDENTIAL CLASS?

A. No, I am not. I find DLC's proposed exclusive reliance on 12- and 24-month fixed-price full-requirements ("FPFR") load-following supply contracts, as well as the Company's reasoning for this choice, satisfactory. As I explain in greater detail in this Direct Testimony, the proposed residential supply portfolio performed reasonably well during the wholesale power market volatility during DSP IX in terms delivering an acceptable level of rate stability at market-reflective rates.

Q. ARE THERE DESIRABLE FEATURES OF THE RESIDENTIAL DEFAULT SERVICE PORTFOLIO PROPOSED BY DLC?

A. I find two features of DLC's proposed residential default service portfolio particularly desirable. First, the overlapping or laddering of the delivery terms of the supply contracts helps manage the market price risk for residential default service customers by not subjecting them to price changes on the full portfolio at any one time. Second, the overhanging contracts avoid the "hard stop" problem and the associated market price risk that residential default service customers would otherwise face at the conclusion of DSP X.

Q. ARE YOU MAKING ANY ADDITIONAL RECOMMENDATIONS?

A. Yes, my testimony includes recommendations on: (1) rejecting the proposed Green Tariff Pilot; and (2) revising the residential load caps.

II. SUMMARY OF THE COMPANY'S PROPOSED DSP IX

Q. HAVE YOU REVIEWED THE COMPANY'S PETITION FOR APPROVAL IN THIS PROCEEDING?

A. Yes. I have reviewed the Company's Petition for the DSP X. I have also reviewed the Direct Testimony and exhibits submitted by DLC in support of its Petition.

Q. WHAT IS THE TIME PERIOD COVERED BY THE PROPOSED DSP X?

A. DLC has proposed a 48-month plan to cover the period from June 1, 2025 through May 31, 2029.

Q. HOW DOES THE COMPANY PROPOSE TO PROVIDE DEFAULT SERVICE TO RESIDENTIAL CUSTOMERS DURING THE JUNE 1, 2025 THROUGH MAY 31, 2029 PLAN PERIOD?

A. DLC proposes to use a competitive descending clock auction process to acquire a series of FPFR contracts to provide generation service for the residential default service load. The Company's lighting load is included with the residential load as a matter of practicality because the lighting load is too small to effectively allow the Company to solicit default service power supply for that class on a stand-alone basis. My references to the "residential class" implicitly include the lighting class.

Q. PLEASE BRIEFLY DESCRIBE DLC'S PROPOSED PLAN AS IT RELATES TO RESIDENTIAL CUSTOMERS.

A. Residential customers are grouped with lighting customers under DLC's DSP X. Generation supply will be provided through competitively procured, laddered, FPFR contracts. Half of these FPFR contracts will have a duration of 12 months and half will have a duration of 24 months. The FPFR contracts will be procured through descending clock auctions every six months. The Plan proposes that solicitations be conducted in March and September in each of the four years covered by the proposed Plan. According to the proposed procurement schedule, the procurements will be made two to three months prior to the commencement of delivery periods. The proposed procurement schedule will result in contracts covering a portion of the load extending past the end of the proposed Plan period (May 31, 2029). The laddering proposed by DLC results in 50 percent of the portfolio consisting of the 12-month

FPFR contracts being replaced every six months and 25 percent of the 24-month FPFR contracts being replaced every six months. As a result, 37.5 percent of the residential supply arrangements will be replaced every six months and 75 percent will be replaced every year.

Q. PLEASE EXPLAIN HOW DLC WOULD MEET ITS RESIDENTIAL DEFAULT SERVICE OBLIGATION USING FPFR CONTRACTS.

A. Using an auction procurement process, DLC would solicit wholesale supply bids to supply load "tranches," each under a fixed-price contract. A tranche is a fixed percentage of the total residential and lighting default service load. DLC will split the residential and lighting default service load into 48 equal tranches, each representing slightly over 2 percent of the total residential and lighting class default service load in each hour[1]. The suppliers would bid a dollar-per-megawatt-hour ("MWh") price to supply all generation products required to serve load – energy, capacity, ancillary services, and required alternative energy credits ("AECs"). The contract price would be fixed for the 12- or 24-month contract period associated with the particular FPFR. Over the course of the one- or two-year contract period, as proposed by DLC, load responsibility measured on a megawatt ("MW") and MWh basis can change substantially from initial expectations due to factors such as customer migration to competitive suppliers, migration back to default service from an Electric Generation Supplier ("EGS"), growth (or decline) in the number of residential customers, and weather conditions. Under DLC's proposed approach, wholesale suppliers are exposed to the volumetric risk of uncertain load responsibility while DLC and its residential default service customers are insulated from this risk.

[1] Duquesne Light Statement No. 2, p. 6, lines 9-11.

Q. HOW OFTEN WOULD RESIDENTIAL RATES CHANGE UNDER DLC'S DEFAULT SERVICE PROPOSAL?

A. Residential rates would change twice per year, on June 1 and December 1[2]. This is the same rate change schedule as under DLC's current Default Service Plan (DSP IX).

Q. HOW OFTEN WOULD DLC CHANGE ITS REVENUE RECONCILIATION RATE?

A. Revenue/cost reconciliation, which is anticipated to be small given the nature of the supply product portfolio proposed by the Company to meet its residential default service requirements, would be calculated every six months (as is the case under the current plan).

III. ISSUES AND RECOMMENDATIONS

Q. WHAT ISSUES DO YOU ADDRESS IN THE REMAINDER OF YOUR DIRECT TESTIMONY?

A. In this final section of my testimony, I address (1) DLC's proposed residential default service supply arrangement; (2) DLC's Green Tariff Pilot proposal; (3) residential class load caps; and (4) the proposed reconciliation mechanism.

A. Proposed Wholesale Supply Product Portfolio and Related Issues

Q. ARE THERE PENNSYLVANIA STATUTES THAT GOVERN AN EDC'S PROVISION OF DEFAULT SERVICE?

A. Yes. The provision of default service is required under Pennsylvania's Electricity Generation Customer Choice and Competition Act, which was amended by Act 129 in 2008. Act 129 requires that the default generation supply for customers reflect a

[2] Duquesne Light Statement No. 2, p. 6, lines 8-9.

prudent mix of spot, short- and long-term supply resources to ensure adequate and reliable service to customers at least cost over time. Default service also must comply with the Alternative Energy Portfolio Standards Act ("AEPS Act"). DLC states that its filed plan complies with these requirements.

Q. ARE YOU RECOMMENDING ANY CHANGES TO THE WHOLESALE SUPPLY PRODUCT PORTFOLIO PROPOSED BY DLC?

A. No, I am not. The Company is proposing to procure 100 percent of the generation supply for the residential default service customers through laddered FPFR contracts, half of which with 12-month delivery periods and half with 24-month delivery periods. My assessment is that the products that DLC is proposing to use to meet its residential default service obligations provide a reasonable balance between price stability, which is extremely important to residential customers, and market responsiveness, and are consistent with Act 129.

Q. PLEASE SUMMARIZE YOUR ASSESSMENT OF THE PERFORMANCE OF DLC'S PROPOSED RESIDENTIAL DEFAULT SERVICE SUPPLY PORTFOLIO IN TERMS OF RATE STABILITY.

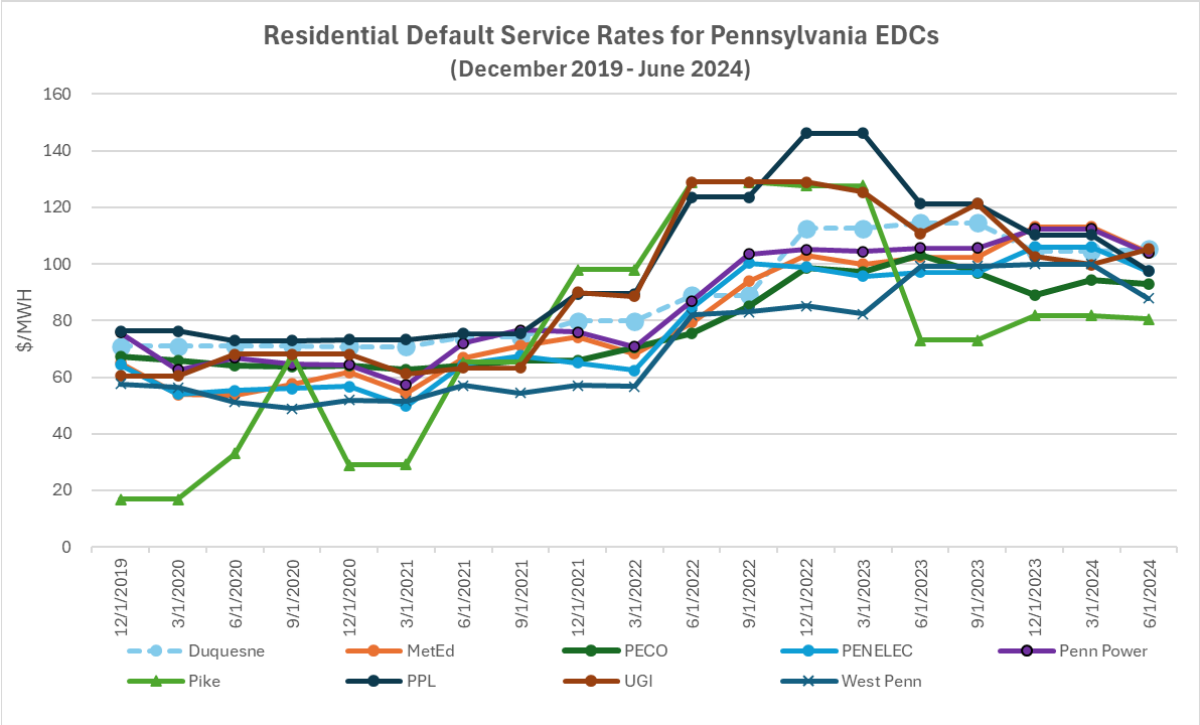
A. Table 1 and Figure 1 below show that DLC's proposed residential default service portfolio, which is identical to its residential portfolio in DSP IX, performed well, relative to other electric distribution companies ("EDCs") in Pennsylvania, in terms of default service rate (price-to-compare, or "PTC") stability during the recent wholesale power and natural gas market volatility. Table 1 presents the relative standard deviation (the ratio of standard deviation to average) of Pennsylvania EDCs' quarterly PTC, sorted in descending order, from December 2019 to June 2024. Figure 1 is a visual representation of the trend of PTCs of Pennsylvania EDCs. PECO Energy Company ("PECO") had the lowest PTC volatility among

Pennsylvania EDCs over the last four years, followed closely by DLC. PECO also procures residential default service supplies in the form of 24-month (61 percent of supplies) and 12-month (38 percent of supplies) FPFR contracts, and PECO also has a small (less than 1 percent) spot market component. I conclude that the residential default service supply portfolio composition employed by PECO and DLC delivered the smallest default service rate volatility among Pennsylvania EDCs during a 4.5-year period which comprised of sub-periods of both stable and volatile wholesale market conditions.

Table 1

Volatility of Residential Default Service Rates of Pennsylvania EDCs			
EDC	**Standard Deviation**	**Average**	**Relative Standard Deviation**
PECO	$15.01/MWh	$78.26/MWh	19%
Duquesne	17.83	88.40	20%
Penn Power	19.54	85.58	23%
PPL	25.74	98.67	26%
PENELEC	20.64	77.82	27%
Met-Ed	21.60	80.94	27%
West Penn	19.77	71.67	28%
UGI	26.99	91.78	29%
Pike	37.66	74.87	50%

Figure 1



Q. DO YOU AGREE WITH DLC'S PROPOSAL TO PROCURE "OVERHANGING" CONTRACTS?

A. Yes. Overhanging contracts are used to avoid the problem of a "hard stop," which occurs when 100 percent of a new portfolio needs to be procured at the beginning of the subsequent default service plan period because all of the power purchase agreements expire at the conclusion of the prior plan period. I agree with the Company's proposal to procure FPFR contracts with delivery periods extending into the subsequent default service plan period, as well as DLC witness Mr. John A. Peoples' reasoning for doing so.[3] The use of overhanging FPFRs extend the price stability benefits of DLC's proposed DSP X into the beginning part of the Company's subsequent default service plan period.

[3] Duquesne Light Statement No. 2, p. 7, line 12 through p. 8, line 8.

Q. IS DLC'S PROCUREMENT SCHEDULE ADEQUATE REGARDING THE RESIDENTIAL CLASS FPFR CONTRACTS?

A. I find DLC's proposed procurement schedule to be adequate. The Company proposes to acquire the FPFRs two to three months before the start of the delivery period of each product. This allows sufficient time to make changes to the solicitation and conduct a new auction, if necessary, in the event that a solicitation is unsuccessful (e.g., DLC does not receive a sufficient number of offers, the bids are deemed uncompetitive or too high by the independent auction monitor or by the Commission). On the other hand, two to three months is not so long as to entail the incurrence of excessive price risk by wholesale suppliers.

Q. PLEASE DESCRIBE THE COMPANY'S CAPACITY PROXY PRICE ("CPP") PROPOSAL.

A. The CPP is meant to serve as a placeholder if the PJM Base Residual Auction ("BRA") clearing price is not known for all months of the delivery period for an FPFR product offered as of the day prior to the date of the Company's corresponding solicitation. If this occurs bidders would use the CPP as the proxy for the final zonal PJM capacity rate (expressed in dollars per megawatt of PJM capacity obligation per day) to formulate their bids. The CPP would be calculated as the average of the most recent results under PJM's Reliability Pricing Model from the two most recent delivery years for which PJM has held a capacity auction. Winning bidders would then be made whole through a reconciliation mechanism. For each month for which the capacity price was not known at the time of the FPFR auction, a true-up for a given day would be calculated as the difference between the final zonal PJM capacity

rate and the CPP, multiplied by the winning bidder's daily capacity obligation.[4] If the CPP is less than the actual capacity price, the winning bidder would receive an additional payment to ensure that it is fully compensated for its capacity cost to serve the FPFR contract. Conversely, if the CPP is greater than the actual capacity price from PJM, DLC's payment to the winning bidder under the contract would be reduced based on the same calculation.

Q. WHAT ARE SOME OTHER OPTIONS FOR HANDLING DELAYS IN PJM'S CAPACITY AUCTIONS?

A. There are three alternatives to the Company's CPP proposal. First, the bidders could be asked to include capacity costs in their bids, without a subsequent true-up, even if PJM has not conducted a capacity auction for part or all of the delivery period of the FPFR contract. Second, the Company could assign PJM capacity charges to itself (and not to the FPFR suppliers) and recover those costs from customers through a Commission-approved rate. Third, DLC could shorten the term of the FPFR products (likely from 24 to 12 months) for which capacity price is unknown for at least a part of the delivery period.

Q. DO YOU AGREE WITH PPL'S CPP PROPOSAL?

A. Yes. The CPP proposal is preferable to the other three identified alternatives. The first identified alternative should not be adopted because it places the price risk of an unhedgeable, large, and highly variable component on the FPFR suppliers, which in turn would result in the incorporation of large risk premiums into the bids. This would have the effect of increasing costs to consumers. The second identified alternative should not be adopted because it appears to be administratively

[4] Duquesne Light Exhibit JP-3, Pennsylvania Default Service Supplier Master Agreement, Section 9.1(a), pp. 62-64.

cumbersome both for the Company and for the Commission, without a clear corresponding benefit. The third alternative is particularly unattractive because it would adversely affect residential default service rate stability by forcing DLC to procure shorter term hedges and exposing the overall portfolio to wholesale market volatility through more frequent repricing of the portfolio than necessary. Therefore, the CPP approach proposed by the Company is the best option among the available alternatives. I also note that the CPP approach is utilized by other EDCs in Pennsylvania, as well as EDCs in other retail choice states.

B. <u>Green Tariff Pilot</u>

Q. PLEASE DESCRIBE THE COMPANY'S PROPOSAL TO OFFER A GREEN TARIFF PILOT.

A. DLC is proposing to offer a Green Tariff Pilot to residential default service customers on an opt-in basis, which would afford customers the opportunity to have an additional seven percent of their generation supply "greened up" by carbon-free electricity ("CFE") certificates sourced from within Pennsylvania.[5] The proposed seven percent would be in addition to the AEPS Act requirements. The Company is proposing to cap the Green Tariff program at 5,000 customers.[6]

Q. WHAT WOULD QUALIFY AS CFE IN THE GREEN TARIFF?

A. Mr. C. James Davis, a witness for DLC, states that for purposes of the Green Tariff, the Company would follow the U.S. government's definition of CFE in its implementing instructions for federal electricity procurement, where CFE is electrical energy produced from resources that generate no carbon emissions. CFE could include marine energy, solar, wind, hydrokinetic (including tidal, wave, current, and

[5] Duquesne Light Statement No. 1, p. 9, lines 11-14.
[6] Duquesne Light Statement No. 1, p. 13, lines 6-7.

thermal), geothermal, hydroelectric, nuclear, renewably sourced hydrogen, and electrical energy generation from fossil resources to the extent there is active capture and storage of carbon emissions that meets the U.S. Environmental Protection Agency's requirements.[7] While Mr. Davis does not cite it clearly, I believe by "U.S. government's definition of CFE" he is referring to the "Implementing Instructions for Executive Order 14057, Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability" issued by The White House Council on Environmental Quality in August 2022.[8] I note that the Company adopted only part of the Executive Order 14057 Implementing Instructions requirements for CFE. For "energy attribute certificates" ("EACs") to be considered CFE under the Executive Order 14057 Implementing Instructions, they must be sourced from generation resources that were placed in service on or after October 1, 2021, and deliver CFE to the same grid region as the customer (which would be PJM for DLC customers). The Company's CFE definition does not include (any) generator in-service date requirement.[9]

Q. WHAT ARE THE OBJECTIVES OF THE GREEN TARIFF ACCORDING TO THE COMPANY?

A. Mr. Davis states that the Company is proposing this pilot program partly in response to a customer survey conducted by the Company which indicated that 36 percent of customers were interested in procuring more clean energy. According to Mr. Davis, the structure proposed by DLC meets other several other important objectives, including:

- Mitigating the impact on electricity suppliers participating in default service auctions,

[7] Duquesne Light Statement No. 1, p. 13, lines 11-20.
[8] https://stage.sustainability.gov/pdfs/EO_14057_Implementing_Instructions.pdf
[9] DLC's Response to OCA-II-1i, provided in OCA Exhibit SO-1.

- Expanding market opportunities for EGSs and/or third parties to offer green product services to residential customers,
- Minimizing the impact on non-Green Tariff participants, and
- Providing a customer-friendly design to increase the likelihood of success of the pilot program.[10]

Q. PLEASE COMMENT ON DLC'S REASONS AND OBJECTIVES IN PROPOSING THE GREEN TARIFF.

A. The customer interest in more clean energy as expressed in the survey mentioned by Mr. Davis appears too vague to justify the offering of this specific Green Tariff. It is questionable whether customers who responded to this survey would consider nuclear energy, one of the CFE technologies permitted in the Green Tariff, to be "clean" or "green." It is also questionable whether retiring EACs without purchasing and delivering the energy associated with the EACs would be perceived as "procuring clean energy" for the customers who responded to the survey mentioned by Mr. Davis. It is unlikely that customers would recognize the difference between the financial transaction involved and actually buying the energy from the CFE generator. The several other objectives, which Mr. Davis characterizes as "important," are either vague or they do not appear to belong to DLC's role as the default service supplier. For example, it is unclear what "mitigating the impact on electricity suppliers participating in default service auctions" means. It is also unclear how and by what measure the Company is proposing to "minimize the impact on non-Green Tariff participants." "Expanding market opportunities for EGSs and/or third parties to offer green product services to residential customers" does not appear to be a legitimate function of a default service provider. This function would be better left to the competitive retail market and handled by EGSs.

[10] Duquesne Light Statement No. 1, p. 12.

Q. WHAT WILL BE THE COMPANY'S COST OF IMPLEMENTING AND ADMINISTERING THE GREEN TARIFF?

A. The Company is projecting RFP and customer outreach costs of $156,000 in the first year of DSP X and $81,700 in each year of the remaining three years of DSP X, for a total projected administrative cost of more than $400,000 during the term of DSP X.[11] However, this is merely a projection, and it is not binding. The Company has not set a maximum cost for implementing and administering the Green Tariff program.[12]

Q. HOW WILL THE EACs FOR THE GREEN TARIFF BE SUPPLIED?

A. DLC proposes to conduct an annual auction where qualified EGSs and/or third-party suppliers will bid a fixed cost per kilowatt-hour ("kWh") to procure EACs on behalf of customers who enroll in the Green Tariff. The winning provider will be paid the per unit price which it bid. DLC is proposing to procure the EACs as a "load following product;" that is, the provider will provide the EACs corresponding to seven percent of the usage of the customers who enrolled in the Green Tariff, regardless of how many customers enrolled (be it zero, 5,000, or any number in between).

Q. PLEASE PROVIDE AN ESTIMATE OF THE ANNUAL AMOUNT AND COST OF EACs UNDER THE GREEN TARIFF.

A. Assuming that a typical DLC residential customer uses 600 kWh per month,[13] which would correspond to 7.2 MWh per year, and also assuming that the Green Tariff would be fully subscribed for an entire year, 5,000 residential customers enrolled in the Green Tariff would use 36,000 MWh in a year. Since the Green Tariff is

[11] DLC's Response to OCA-II-1b, provided in OCA Exhibit SO-1.
[12] DLC's Response to OCA-II-1c, provided in OCA Exhibit SO-1.
[13] https://newsroom.duquesnelight.com/duquesne-light-company-making-prudent-investments-to-better-serve-customers-and-local-communities

proposed to "green up" seven percent of usage via EACs, 2,520 EACs would be needed to fulfill the Green Tariff requirements. Assuming that Pennsylvania CFE EACs would be priced similarly to Pennsylvania AEPS Act-compliant AECs, which are currently trading at approximately $35 per AEC, the approximate cost of EACs to meet the requirements of a fully-subscribed Green Tariff would be $88,200 per year.[14] I find it concerning that DLC's program administration costs, which the Company projects to be slightly above $100,000 per year on average over the four-year term of DSP X, would be higher than the EAC-related costs of the Green Tariff. I note that $88,200 for EAC-related costs is a high sensitivity estimate and the costs can be substantially lower if suppliers can obtain nuclear EACs at a lower price than the current market price of AEPS Act-compliant AECs.

Q. DO YOU EXPECT THE GREEN TARIFF TO BE ATTRACTIVE TO EGSs OR THIRD-PARTY SUPPLIERS?

A. No. First, the gross volume (2,520 EACs or $88,200 per year under an optimistic scenario) appears to be small. A provider would need to earn a high profit margin on this "cost of goods sold" volume to make its participation worthwhile. However, if the profit margin is very high, even if such a profit margin could be justified by a provider's program overhead costs, then the program design becomes unreasonable for customers because they would be buying EACs at an unnecessarily inflated price. If the profit margin is high, then the customers' cost of program enrollment is also high, which may discourage participation. Second, there is no guarantee that customers will enroll in the Green Tariff at or near the cap level, so providers could choose not to participate at all because they will get no (or very little) revenue if

[14] The EAC price assumption of $35 per EAC should be thought of as a ceiling. If providers meet the requirements through nuclear EACs, the price can be substantially lower because nuclear EACs currently do not have a robust market so they may be available at a fraction of the AEPS Act-compliant EACs (e.g., wind, solar).

program enrollment is zero (or very low). Third, because providers would need to commit to a per-kWh price without knowing the enrollment level at the time of the auction, they would not know how many EACs they would need to buy to hedge their exposure. This may discourage participation or cause the providers to build a large risk premium into their bid prices, or both. Since this program does not have any enrollment history, providers would not have any reasonable way to forecast future enrollment.

Q. DID THE COMPANY CONDUCT ANY MARKET RESEARCH WITH POTENTIAL PROVIDERS TO GAUGE THEIR INTEREST AND/OR THE VIABILITY OF THE DESIGN OF THIS OFFERING?

A. No.[15]

Q. ARE THERE ANY CONSUMER PROTECTION RELATED ISSUES WITH THE PROPOSED GREEN TARIFF OFFERING?

A. Yes, there are numerous consumer protection issues. First, customers are accustomed to their EDC offering regulated rates. They may think that DLC is offering a Green Tariff rate at fair, cost-based or market-based rates. However, due to the untested and unresearched nature of the program design, we cannot be reasonably assured that the Green Tariff provider bids and thus rates would reflect true costs or EAC market prices. Second, customers may not realize that the per-kWh Greet Tariff rate reflects the "greening up" of merely seven percent of their usage. They may assess the tariff rate for 100 percent "greening up" and perceive the tariff rate to be a much better value than it actually is. Third, by looking at the name and description of the tariff, customers may think that they are enrolling in a tariff to purchase additional more conventional clean or renewable energy attributes (e.g., wind, solar), whereas the

[15] DLC's Response to OCA-II-1d, provided in OCA Exhibit SO-1.

Green Tariff attributes may come from nuclear energy, which may or may not be considered "green" or "clean" by those customers. Finally, customers may think that they are enrolling in a program which will deliver clean energy to them, without understanding that the program merely acquires EACs, and not any energy or capacity from green energy generation facilities. Therefore, even if DLC is fully transparent about the nature of the program, it may still end up being deceptive to the customers due to the complexity and unfamiliarity of the Green Tariff offering. Considering the fact that this program is not mandated by the Commission, and that it is not an essential service for customers, it would not be prudent for the Commission to approve the Green Tariff proposal.

Q. IS THE COMPANY PROPOSING TO CAP THE RATE WHICH SUPPLIERS CAN OFFER THE PRODUCT IN THE AUCTION?

A. No.[16] The lack of a price or rate cap increases the risk of this product to customers.

Q. PLEASE STATE YOUR ULTIMATE RECOMMENDATION REGARDING THE PROPOSED GREEN TARIFF AND SUMMARIZE YOUR REASONING FOR THIS RECOMMENDATION.

A. I recommend that the Commission reject the Company's Green Tariff proposal. I base this recommendation on four reasons. First, the definition of CFE for the purposes of the proposed Green Tariff, as well as the name chosen for this tariff, is potentially misleading because the EACs which would qualify for it, particularly those sourced from nuclear energy, are unfamiliar for residential electric customers in Pennsylvania. Second, the projected program costs are high relative to the projected cost of the EACs to be acquired and delivered under the program. As I explained above, the Company would incur approximately $100,000 annually in program

[16] DLC's Response to OCA-II-1k, provided in OCA Exhibit SO-1.

administration costs to deliver EACs likely worth no more than $88,200 per year. Third, there is a non-negligible likelihood that the program would fail due to lack of provider interest or lack of customer enrollment. As I noted above, the Company did not conduct any market research with potential providers while developing the Green tariff idea and designing the product. Residential default customers would be harmed financially if this untested and unresearched program fails because they will pay the Company's program implementation expenses while the Company would be unharmed regardless of the outcome of this experiment. Fourth, this program is unnecessary, particularly as an element of a default service supplier's default service plan, because it is not mandated by the Commission and similar products (energy with various levels of clean energy attributes, including 100 percent renewable) are available in the EGS market. I note that OCA witness Ms. Alexander also addresses additional consumer protection issues with the proposed Green Tariff in her Direct Testimony. I concur with her concerns and with her ultimate recommendation that the Green Tariff proposal be rejected.

C. Residential Class Load Caps

Q. PLEASE DESCRIBE THE COMPANY'S RESIDENTIAL LOAD CAP PROPOSAL.

A. The Company proposes that a given supplier in a given auction cannot be awarded more than half of the Residential & Lighting (and Small C&I) supply tranches solicited on that auction date, rounded up to the nearest integer number of tranches.[17] On each auction date (and in each auction), the Company solicits 12 12-month and six 24-month residential tranches, for a total of 18 residential tranches. Under the

[17] Duquesne Light Statement No. 2, p. 8, lines 10-16.

Company's proposal, no single FPFR supplier can be awarded more than nine residential tranches in a given auction.

Q. ARE YOU PROPOSING A MODIFICATION TO THE COMPANY'S PROPOSED RESIDENTIAL LOAD CAP?

A. Yes. I am proposing a modest modification to the residential load cap mechanism proposed by DLC. DLC's proposal ensures that a wholesale FPFR supplier cannot supply more than half of the default service load for the residential class at any time. However, it achieves this counterparty risk reduction by unnecessarily imposing a 50 percent load cap in each auction. I recommend that a 50 percent single supplier load cap be imposed for FPFR contracts serving residential customers at any given time, but without imposing a 50 percent load cap for each auction. The difference between the Company's proposal and my suggested modification is that under my modification FPFR suppliers have the flexibility to win more than half of the tranches awarded in a residential auction while still being restricted to supplying no more than half of the total number of residential tranches at any given time (i.e., no more than 24 out of 48 residential tranches). More flexibility for suppliers would lead to higher participation and more competitive outcomes for residential customers.

Q. ARE THERE ANY PENNSYLVANIA EDCs WHICH IMPLEMENT RESIDENTIAL CLASS LOAD CAPS IN THEIR DSPs IN THE WAY YOU ARE PROPOSING?

A. Yes. Both PECO's and PPL Electric Utilities Corporation's ("PPL's") DSPs entail a 50 percent residential class load cap for any given supplier. PECO does not impose an auction-specific load cap; that is, an FPFR supplier to PECO can be awarded all residential tranches in any given auction if that supplier would not be supplying more

than half of all residential tranches on any given day.[18] PPL, on the other hand, also imposes an auction-specific load cap of 85 percent for the residential auctions in addition to the 50 percent load cap for the entire residential default service load at any given time.[19]

Q. WHAT ARE THE BENEFITS OF YOUR PROPOSED LOAD CAP APPROACH FOR RESIDENTIAL CUSTOMERS COMPARED TO THE COMPANY'S PROPOSAL?

A. The modification which I am proposing has two benefits compared to the Company's proposal. First, my proposed modification gives more flexibility to each supplier to manage its 50 percent load cap for any given day over the four auctions which procure tranches for delivery on that given day. More flexibility would encourage supplier participation and drive more competition, which in turn would lead to lower prices for residential customers. Second, it harmonizes DLC's load cap procedures with those of some other Pennsylvania EDCs, which would facilitate wholesale supplier participation for all EDCs. I note that these benefits would be realized without increasing the maximum exposure of DLC and residential default service customers to a single supplier at any point in time, which is 50 percent under my modification and under the Company's proposal.

[18] Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2025 through May 31, 2029 Docket No. P-2024-3046008, Direct Testimony of Katie Orlandi (PECO Statement No. 4), p. 6, lines 4-15.

[19] Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period June 1, 2025 through May 31, 2029 Docket No. P-2024-3047290, Direct Testimony of Andrew Castanaro (PPL Statement No. 1), p. 39, lines 1-5.

D. Reconciliation Mechanism

Q. PLEASE EXPLAIN DLC'S PROPOSED MECHANISM TO RECONCILE ACTUAL DEFAULT SERVICE COSTS AND DEFAULT SERVICE REVENUES FOR THE RESIDENTIAL CLASS.

A. DLC is proposing a six-month reconciliation mechanism, where cost recovery of over- or under-collections occurring over a six-month period would be collected over the subsequent six-month period, with a lag of four months.[20]

Q. DO YOU EXPECT THE "E FACTOR RATE" TO BE HIGH FOR RESIDENTIAL DEFAULT SERVICE CUSTOMERS?

A. It is anticipated that the differences between revenues and costs would be small, as the Company is proposing a residential default service portfolio consisting exclusively of FPFR contracts. Under those circumstances, the E Factor Rate, which is the (positive or negative) amount subject to reconciliation ($) divided by the projected default service loads (kWh), will be small. However, if the Company ever needs to invoke its proposed contingency plan (in the event of supplier defaults or inability to award the required number of FPFR contracts), then a portion of the residential default supply load may need to be provided through the PJM spot market, which in turn would result in higher amounts subject to reconciliation and a higher E Factor Rate.

Q. ARE THERE OTHER ELEMENTS IN DLC'S PROPOSED DSP X THAT WILL INCREASE THE RECONCILIATION AMOUNTS?

A. Yes, there are three elements that I expect to contribute to the volatility of the E Factor Rates. First, DLC proposes to supply residential EV-TOU loads from the same wholesale supply products as the rest of the residential and lighting default

[20] Duquesne Light Statement No. 4, p. 28, lines 4-14.

service customers,[21] which will generate a mismatch between energy revenue collected (using time-differentiated rates) and the costs recovered (which compensate the wholesale suppliers at fixed, per-kWh rates). Second, DLC proposes to sell the energy (and perhaps ancillary services as well) it plans to acquire as part of the long-term solar PPA into the PJM spot market (rather than netting this energy from default service loads). The difference between the projected and realized solar energy revenues will be included in the amounts subject to reconciliation. Third, DLC proposes to recover the cash-out payment for net metering customers through the reconciliation mechanism as part of the E Factor Rate.[22]

Q. ARE YOU RECOMMENDING A DIFFERENT RECONCILIATION MECHANISM?

A. No, I am not recommending a different reconciliation mechanism at this point. DLC's average residential E Factor rate has been small (less than 1 percent of the supply rate on average). However, if in the future the elements I listed above become larger factors and the residential E Factor rate represents a material share of the total supply rate, a longer amortization period (e.g., a six-month reconciliation mechanism, with cost recovery of over- or under-collections occurring over the subsequent 12-month period) should be adopted. In the event of larger reconciliation balances, a longer amortization period would provide additional stability in rates for residential default service customers. It would also permit the default service rates to be more reflective of market prices since the E factor rate can be expected to be smaller under a 12-month amortization period than if amortization of the amounts were made over a six-month period. My analysis of the estimated residential E Factor rates with 12-

[21] Duquesne Light Statement No. 4, p.20, line 20 through p. 21, line 9.
[22] Duquesne Light Statement No. 4, p. 33, lines 19-23.

month amortization of semiannual reconciliations provided by the Company in its response to OCA Interrogatory II-9a revealed that residential E Factor rates with 12-month amortization would indeed have been smaller on average and less volatile than the status quo.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

OCA STATEMENT NO. 1

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF DUQUESNE LIGHT COMPANY	**)**	
FOR APPROVAL OF ITS DEFAULT SERVICE	**)**	**DOCKET NO.**
PLAN FOR THE PERIOD FROM JUNE 1, 2025	**)**	**P-2024-3048592**
THROUGH MAY 31, 2029	**)**	

EXHIBIT ACCOMPANYING THE

DIRECT TESTIMONY OF

SERHAN OGUR

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

July 12, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set II

Witness: C. James Davis

OCA-II-1

1. Referencing page 12, line 1 through page 17, line 2.
    a. Why did Duquesne choose the name, "Green Tariff" for its program and what did Duquesne hope to convey with the name?
    b. Please provide Duquesne Light's projected cost of implementing and administering the Green Tariff program by calendar or DSP year.
    c. Please provide the maximum implementation and administrative cost by calendar or DSP year to which Duquesne Light is committing or can commit for the Green Tariff program.
    d. Did Duquesne Light conduct market research with potential providers while developing this idea and designing the product?
    e. Why is Duquesne Light capping the enrollment in the Green Tariff at 5,000 customers?
    f. Why is Duquesne Light limiting customer eligibility for the Green Tariff to residential customers only?
    g. Why is Duquesne Light limiting customer eligibility for the Green Tariff to default service customers only, rather than making it available to all distribution customers?
    h. Why is Duquesne Light proposing CFE as defined by the federal government rather than AEC as defined in the Pennsylvania AEPS Act as the resource eligibility requirement for the Green Tariff?
    i. Executive Order No. 14057 requires a resource to have been placed in service on or after October 1, 2021 for its output to qualify as CFE. Is Duquesne Light proposing the same in-service date condition for a resource's eligibility for the Green Tariff?
    j. Will there be a single provider to the Green Tariff at any given time, or can there be multiple providers supplying the certificates to the Green Tariff at any given time?
    k. Will Duquesne Light cap the rate at which suppliers can offer this product in the auctions to be conducted by Duquesne Light?

Response:

a. The Company chose the name "Green Tariff" to differentiate it from other areas of our distribution tariff and to convey to residential customers who choose not to shop for an electric generation supplier while also expressing a desire to support an "off-the-shelf" renewable electricity product that helps to reduce the overall emissions of the electric grid that they have an option to do so.
b. The projected cost of implementing and administering the Green Tariff program is as follows:
    - 6/1/25 through 5/31/26 - $156,000 (RFP and Customer Outreach)
    - 6/1/26 through 5/31/27 - $81,700 (RFP and Customer Outreach)
    - 6/1/26 through 5/31/28 - $81,700 (RFP and Customer Outreach)
    - 6/1/27 through 5/31/29 - $81,700 (RFP and Customer Outreach)
c. The Company has not set a maximum cost for implementing and administering the Green Tariff program.
d. No.
e. The program was capped at 5,000 customers to give potential CFE suppliers an upper bound of exposure.
f. In reference to my direct testimony Page 12 Line 6 through 9, after conducting a survey with residential customers it was determined that 36% of residential customers were interested in procuring more clean energy.
g. The Company wasn't looking to directly compete with other EGS products.
h. Based on research assessing the potential costs and uncertainties associated with different energy transition pathways, there is broad agreement that a technology-inclusive carbon-free energy approach, including firm and dispatchable carbon-free resources to complement variable renewable generation, is likely to be a less risky and cost-effective pathway to deep decarbonization. See Bruce Phillips, Neil Fisher, and Anjie Liu, "Review and Assessment of Literature on Deep Decarbonization in the United States: Importance of System Scale and Technological Diversity," at https://www.nbgroup.com/docs/CATF_Deep_Decarbonization_Literature_Review_2021.pdf.
i. No.
j. There could be multiple suppliers of the CFE's
k. The Company is not proposing to cap the rate which suppliers can offer the product in the auction.

APPENDIX A

SUMMARY OF QUALIFICATIONS

for

SERHAN OGUR, Ph.D.

SERHAN OGUR, Ph.D.

Dr. Ogur is a Principal of Exeter Associates, Inc. with 23 years of experience in the energy industry specializing in organized wholesale (Regional Transmission Organization / Independent System Operator) and retail electricity markets. Dr. Ogur's diverse background comprises energy management and consulting; analysis, design, and reporting of RTO electricity markets and products; and state and federal regulation of electric utilities.

Dr. Ogur's coursework in graduate school focused on Microeconomic Theory, Game Theory, and Industrial Organization. His doctoral dissertation investigates imperfect competition in deregulated wholesale electricity markets and oligopolistic competition between private and public generators.

Education

Ph.D. (Economics), 2007
Northwestern University
Evanston, Illinois

B.A. (Economics), 1996
Bogazici University
Istanbul, Turkey

Previous Employment

2014-2015	Senior System Operator Fellon-McCord & Associates, LLC Louisville, KY
2005-2014	Senior Economist PJM Interconnection, LLC Audubon, PA
2001-2005	Economic Analyst Illinois Commerce Commission Springfield, IL

Professional Experience

Dr. Ogur's work at Exeter includes analysis of electricity supply contracts; utility rates and tariffs; energy markets and prices; power procurement; default electric service design; project evaluation; demand response opportunities; congestion hedging strategies; and price forecasting.

Prior to joining Exeter, Dr. Ogur's responsibilities at Fellon-McCord encompassed overseeing and performing the daily tasks of the "24/7" wholesale electricity desk, including all aspects of scheduling, managing, and monitoring direct market participant load and generation assets (mostly in ISO/RTO markets) as well as their settlements and custom reporting. He was also in charge of developing strategies and making recommendations, through

analytical, financial, and market research, for longer-term management of clients' load obligations and generation assets such as Auction Revenue Rights (ARR) nominations; participation in energy, ancillary services, and capacity markets; load forecasting; energy, basis, and capacity price forecasting; hedging; and peak load management. Dr. Ogur also served as the company's lead analyst in various special consulting projects.

In PJM Interconnection's Market Strategy and Market Analysis departments, Dr. Ogur was responsible for analyzing and reporting on all PJM-administered electricity market products, including day-ahead and real-time energy, operating reserve, regulation, synchronized reserve, virtual transactions, financial transmission rights, capacity, demand response, energy efficiency, and renewables. He was part of the team that developed the protocols and business rules for participation of energy efficiency in PJM markets as well as a lead reviewer for energy efficiency plans and post-installation measurement and verification (M&V) reports for PJM's capacity market auctions. He also has training and experience in PJM's stakeholder management process.

Dr. Ogur's responsibilities at the Illinois Commerce Commission (ICC) included monitoring all Illinois-related developments under federal jurisdiction, mostly Federal Energy Regulatory Commission (FERC) filings and rulings concerning major Illinois electric public utilities. In addition, Dr. Ogur reviewed all actions concerning Illinois public utilities at the FERC level (applications to join RTOs, market-based rate authority filings, merger applications, transmission rate cases, etc.), and developed positions and official comments for the consideration of the ICC to file in the related FERC dockets. Dr. Ogur also filed written testimony and served as staff witness (including standing cross-examination) in the ICC dockets establishing auction-based competitive wholesale energy procurement mechanisms for major Illinois electric public utilities.

Sample Major Publications and Reports

New Hampshire Solicitation and Procurement of Default Energy Service, prepared for the New Hampshire Department of Energy, March 2023 (with Matthew Hoyt, Olivia Kuykendall, Grace Koenig, and Cali Clark of Exeter Associates)

Review of the Non-Market-Based Services Riders Established by Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company and Associated Pilot Program, prepared for the Public Utilities Commission of Ohio in response to Case No. 22-391-EL-RDR, July 2023 (with Matthew Hoyt and Ari Weissfeld of Exeter Associates)

Retail Supply and Standard Offer Service Reform for Maine, prepared for Maine Office of the Public Advocate, February 2023 (with Steven Estomin, Matthew Hoyt, Olivia Kuykendall, Afton Hauer, and Cali Clark of Exeter Associates)

Expert Testimony

Before the Pennsylvania Public Utility Commission, Docket No. P-2024-3047290, PPL Electric Utilities Corporation, 2024, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket No. P-2024-3046008, PECO Energy Company, 2024, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket No. P-2023-3039927, Pike County Light & Power Company, 2023, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket Nos. A-2023-3038771 *et al*, Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company, 2023, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed public utility merger and acquisition issues.

Before the Pennsylvania Public Utility Commission, Docket Nos. P-2021-3030012, P-2021-3030013, P-2021-3030014 and P-2021-3030021, Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company, 2022, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Ontario Superior Court of Justice, In the Matter of Just Energy Group Inc. et al, Court File No. CV-21-00658423-00CL, 2021, on behalf of the *Donin and Jordet* Plaintiffs. Testified on overcharges by a retail electric supplier in a class action suit with plaintiffs in 11 states in the U.S.

Before the Pennsylvania Public Utility Commission, Docket Nos. A-2021-3025659 and A-2021-3025662, Pike County Light & Power Company and Leatherstocking Gas Company, LLC, 2020, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed public utility merger and acquisition issues.

Before the U.S. District Court for the District of New Jersey, Civil Action No. 3:17-cv-02680-MAS- LHG, 2021, on behalf of Janet Rolland, et al. Testified on systematic overcharges by a retail electric supplier in a class action suit with plaintiffs in eight states.

Before the Pennsylvania Public Utility Commission, Docket No. P-2020-3022988, Pike County Light & Power Company, 2020, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket No. P-2020-3019907, UGI Utilities, Inc. – Electric Division, 2020, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket No. P-2020-3019522, Duquesne Light Company, 2020, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket Nos. P-2020-3019383 and P-2020-3019384, Citizens' Electric Company of Lewisburg, PA and Wellsboro Electric Company, 2020, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Pennsylvania Public Utility Commission, Docket No. P-2016-2534980, PECO Energy Company, 2016, on behalf of the Pennsylvania Office of Consumer Advocate. Testimony addressed default service issues.

Before the Illinois Commerce Commission, Docket No. 05-0159, Commonwealth Edison Company, 2005, on behalf of the Staff of Illinois Commerce Commission. Testimony addressed default service design and competitive procurement issues.

Before the Illinois Commerce Commission, Docket Nos. 05-0160, 05-0161, and 05-0162 (Consolidated), Central Illinois Light Company d/b/a AmerenCILCO, 2005, on behalf of the Staff of Illinois Commerce Commission. Testimony addressed default service design and competitive procurement issues.

Before the Illinois Commerce Commission, Docket No. 02-0428, Central Illinois Light Company and Ameren Corporation, 2002, on behalf of the Staff of Illinois Commerce Commission. Testimony addressed competition issues in a utility merger case.

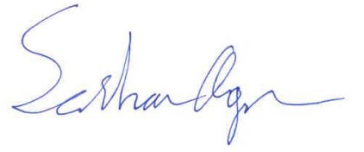
BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : :	Docket No. P-2024-3048592

VERIFICATION

I, Serhan Ogur, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 1, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: July 12, 2024

Signature: 

Serhan Ogur

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OCA Statement No. 2

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company	:	
For Approval of a Default Service Program	:	Docket No. P-2024-3048592
And Procurement Plan for the Period	:	
June 1, 2025 through May 31, 2029	:	

DIRECT TESTIMONY

OF

BARBARA R. ALEXANDER

Barbara Alexander Consulting LLC

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

July 12, 2024

I. INTRODUCTION AND SUMMARY

Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.

A. My name is Barbara R. Alexander. I am the sole member manager of Barbara Alexander Consulting LLC. My address is 44 Beech St., Hallowell, ME 04347. I appear in this case as a witness on behalf of the Office of Consumer Advocate (OCA).

Q. WHAT IS YOUR BACKGROUND AND EXPERIENCE WITH RESPECT TO THE ISSUES ON WHICH YOU ARE PROVIDING TESTIMONY IN THIS PROCEEDING?

A. I opened my consulting practice in March 1996, after nearly ten years as the Director of the Consumer Assistance Division of the Maine Public Utilities Commission. While there, I testified as an expert witness on consumer protection, customer service and low-income issues in rate cases and other investigations before the Commission. My consulting practice is directed to consumer protection, customer service and low-income programs and policies relating to the regulation of the telephone, electric and gas industries. In particular, I have focused on the changes in policies and procedures required by state regulation in the transition to retail competition. Among my areas of expertise are policies and programs related to Default Service and related issues concerning the transition to retail competition for both the electric and natural gas industries. I have appeared in over 30 U.S. and Canadian provinces on these issues and made numerous presentations on this issue before state regulatory commissions and at national conferences.

I am a graduate of the University of Michigan (B.A. 1968) and the University of Maine School of Law (J.D. 1976).

I have been involved in the implementation of retail electric and natural gas competition in Pennsylvania on behalf of the OCA since 1997. I testified on consumer education, consumer protection, supplier licensing, customer enrollment, default service, and Code of Conduct issues for the OCA in the Pennsylvania Public Utility Commission's (Commission) electric restructuring proceedings in 1997 and 1998 and in the natural gas restructuring cases beginning in 1999. I have provided testimony submitted on behalf of the OCA on service quality and low-income program issues associated with recent electric and natural gas distribution company mergers. With respect to issues relating to retail market competition policies, I testified on behalf of the OCA on policies that should govern the planning and acquisition of Default Service for residential customers and on proposals to adopt Purchase of Receivables (POR) programs, Customer Referral Programs, and other "retail market enhancement" programs for electric and natural gas utilities, including FirstEnergy distribution companies, Duquesne Light Co., Duquesne Energy (both gas and electric service), Duquesne Electric, UGI Utilities, Columbia Gas of Pennsylvania, T.W. Phillips Gas and Oil Co. and Peoples Natural Gas. I testified on behalf of the OCA in Duquesne's prior Default Service Program proceedings with regard to retail market programs. I have opined on the design and impacts of various "smart meter" enabled rate programs, including incentive rate options and time of use rate options in Maryland, Massachusetts, and Maine. My updated CV with the specific identification of these proceedings is attached as Exhibit BA-1.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

Q. I am filing Direct Testimony on behalf of the OCA with respect to the proposal by Duquesne Light Company ("Duquesne" or "Company") to continue its current Standard

Offer Program (SOP) with several changes and the Company's proposals for Electric Vehicle rate design for its generation supply rate for residential customers and the Green Tariff Rate Pilot. My testimony on these rate design issues complements the testimony of OCA Witness Serhan Ogur.

Q. PLEASE SUMMARIZE YOUR CONCLUSIONS AND RECOMMENDATIONS WITH REGARD TO DUQUESNE'S STANDARD OFFER PROGRAM.

A. Regarding Duquesne's Standard Offer Program, I recommend that Duquesne terminate this program. Alternatively, the program should be reformed to require customers to be returned to default service at the end of the 12-month Standard Offer program contract. I will explain both recommendations below.

- The Standard Offer Program (SOP) has been in effect for 10 years. The purpose of this program, to expose Duquesne's residential and small commercial customers to the retail energy supply market, has been fulfilled. Duquesne as the Electric Distribution Company should not operate further as the marketing and enrollment arm of the Electric Generation Suppliers (EGS) whose profits and service quality is unregulated and rife with a long history of charging more than the Price to Compare (PTC) or default service. During this decade long program there is substantial evidence as reflected in prior Default Service Proceedings that many customers who enroll at the fixed price contract suffer charges in excess of the PTC during periods in which the PTC decreases during the 12-month term of the SOP contract. My current evaluation of the recent implementation of the SOP program confirms once again that customers who sign up for a 7% discount based on the current rate lose the value of that discount when the PTC changes to a lower rate than the one in effect when the customer enrolled. Furthermore, even if the customer does not see a price

higher than the PTC during the 12-month contract that Duquesne and its agents promote, the price that the supplier charges the customer after the end of the contract is a significant concern in light of the supplier's ability to retain the customer under the negative option renewal rules currently in effect.

- If the Commission declines to terminate this program, I recommend a substantial reform regarding the customer's rights at the end of the 12-month contract. Specifically, the SOP should require the supplier to return the customer to Duquesne's PTC unless the supplier has obtained an affirmative agreement from the customer to enroll or renew the contract. This feature would require the EGS to either submit a drop order to Duquesne to return the customer to default service or submit a new enrollment after obtaining the necessary proof of customer authorization.
- I recommend that Duquesne promptly revise its bill to show a dollars and cents calculation of the customer's supplier charges with the dollars and cents calculation of what the customer would pay under the PTC. The current presentation that relies on comparing a cents per kWh comparison is insufficient, particularly when the supplier either does not include such information in its billing detail or actually misrepresents its cents per kWh presentation by failing to include the impact of fixed or additional monthly charges. Duquesne should not present any supplier presentation of a cents per kWh charge on its bills that is not an accurate reflection of the total supplier charges divided by the customer's monthly kWh usage.

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS FOR DUQUESNE'S TIME OF USE RATE OPTION FOR RESIDENTIAL CUSTOMERS.

A. I acknowledge that Duquesne has an obligation to offer a TOU rate program that takes

advantage of the expensive Advanced Metering Infrastructure, or "smart meters" paid for by ratepayers. In its prior DSP proceeding, Duquesne obtained approval to establish an optional Electric Vehicle Time of Use Pilot Program ("EV-TOU") for residential and small commercial customers. Duquesne's recommendations for changing the EV-TOU rate design (changing the pricing; shifting time periods) and implementing a Managed Charging option in addition to the TOU rate in this DSP proceeding should reflect the final decision in Duquesne's pending base rate case at Docket No. R-2024-3046523 on these rate design options since the Company has proposed rate design options that are clearly coordinated in both proceedings. I support the development of properly designed EV targeted rate options as a pilot program. Regarding the proposed EV-TOU and Managed Charging pilots, it is particularly important to consider the customer acceptance and participation in these two rate options. And it would be reasonable to link the design of any EV rate options to both the distribution and supply side of the customer's bill so that the customer sees the impact of either EV rate option for both portions of the customer's bill. I recommend that the final structure and approval of EV rate options in the pending BRC also be adopted for this DSP proceeding. I also recommend that Duquesne be required to develop a comprehensive evaluation and reporting plan for both rate options that reflects stakeholder input.

Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS FOR DUQUESNE'S GREEN TARIFF RATE OPTION.

A. I support OCA Witness Ogur's recommendation to reject this proposed pilot rate program, as the proposal conflicts with ongoing retail market offers by Electric Generation Suppliers (EGS). Alternative approaches exist to support customer desire for more renewable energy by purchasing renewable energy that will directly impact the generation supply portfolio

via the portfolio mix for generation supply. Furthermore, Duquesne's recommendation raises significant consumer protection concerns that I detail below.

II. DUQUESNE'S STANDARD OFFER PROGRAM SHOULD BE TERMINATED OR SUBSTANTIALLY REFORMED

Q. PLEASE DESCRIBE DUQUESNE'S SOP.

A. Duquesne's SOP was approved in its DSP VI proceeding and was given permission to use a third party contractor to handle the presentation and enrollment for the Standard Offer in 2021. Duquesne's program has been reviewed and approved in all of the following DSP proceedings with various changes to the scripts used by Duquesne's customer representatives and Duquesne's third-party agent who actually presents the program, obtains the customer's approval to participate in the program, and enrolls customers with a supplier authorized by Duquesne to participate in this program. Duquesne requires EGSs to offer a fixed price agreement for 12 billing cycles to participating customers. The fixed price is set at 7% below the PTC in effect at the time of a customer's agreement to participate in the program. However, the actual discount varies during the term of the contract because Duquesne's PTC is adjusted semi-annually. As a result, if the PTC drops during the SOP contract, the customer may lose the value of the promised discount or pay more than default service as I have documented in prior DSP proceedings for this program.[1] This same adverse impact on participating customers has occurred in the current SOP as I describe below. If the PTC increases during the SOP contract, the customer's discount is

[1] *See*, Direct Testimony of Barbara Alexander on behalf of the OCA, *Petition of Duquesne Light Company For Approval of Default Service Plan for the Period June 1, 2021 through May 31, 2025*, Docket No. P-2020-3019522.

more than 7% compared to the PTC for those months. Even more confusing for customers, their actual discount can change several times during the 12-month contract depending on the month in which the customer enrolls because of timing of the semi-annual PTC changes, thus contributing to confusion and a lack of understanding of these risks.

Q. DO DUQUESNE'S SCRIPTS EXPLAIN THE PROGRAM?

A. Duquesne uses script language based on the Commission's previous orders. The Commission issued an Order in a prior FirstEnergy DSP proceeding that provided guidance on CAP Shopping programs and Standard Offer Program scripts.[2] In this Order the Commission set forth specific script language for the EDC customer representatives and their SOP contractors to use with customers. In addition, the Commission issued a Secretarial Letter on January 23, 2020 to give direction to the EDCs about certain aspects of the implementation of Default Service.[3] In this Secretarial Letter the Commission referenced SOP Referral Scripting and directed the EDCs to the scripting language included in the FirstEnergy DSP Order quoted above, stating, "We suggest that EDCs, when preparing their upcoming DSP filings, review the Commission's actions in the above noted FirstEnergy proceeding and to include in their filings analysis of their SOPs, the current scripting, and any proposed scripting that adequately informs customers about the SOPs while maintaining important safeguards and protections."[4]

[2] *Petition of Metropolitan Edison Company et al. for Approval of Its Default Service* Plan, Docket No. P-2017-2637855 et al. Order (February 28, 2019).
[3] *Investigation into Default Service and PJM Interconnection, LLC Settlement Reforms*, Docket No. M-2019-3007101 (January 23, 2020).
[4] Ibid., at 10.

Q. DOES THIS LANGUAGE PROPERLY EXPLAIN THE RISK TO CUSTOMERS ABOUT THEIR ACTUAL SAVINGS OR LACK THEREOF DURING THE TERM OF THE CONTRACT?

A. No. The EDC and the SOP vendor presents the program to customers with the term "potential savings." The customer is secondarily informed correctly that the contract will provide a 7% discount on the PTC currently in effect. Then the customer is also told that the PTC will change semi-annually. The statement that the PTC will change during the 12-month contract period does not plainly inform the customer that the 7% discount is not guaranteed during the term of the contract. The use of the term "potential savings" and a later reference that the PTC will change during the contract is contradictory and confusing. It is also important to remember that when people call their utility, they are often calling for something other than to inquire about retail choice and are then asked about whether they want to be referred to this program to save money on their bill. Customers may or may not be readily interested in comparing offers that are available and may simply latch on to the prospect of savings. I remain concerned about what I consider as the contorted and contradictory disclosures that reflect a program design that transfers market risk of future PTC changes to the customer. Furthermore, the program offers no protections to customers about the terms of the supplier contract after the 12-month fixed price contract, terms that can change based on a negative option renewal notice.[5] In addition, in the scripts used by Duquesne's third-party agent to enroll customers in the SOP, a section of these

[5] The term "negative option" refers to the policy that allows a supplier to retain the customer under new contract terms based on issuing notices to the customer but does not require the customer to affirmatively agree to the new terms. In other words, silence by the customer is interpreted as consent.

materials is entitled "sell the benefits" and the agent is instructed to tell the customer, "…the program will help them save money."[6] In addition, these internal scripts include language that states that "The Commission wants customer to choose," although Duquesne's response to a request to explain the basis for this statement indicates that this language will be removed from the agent's training materials and scripts.[7] These promotional and marketing scripts reflects the obvious incentive to support customer enrollments due to the payment structure under the contract that pays $30 to Duquesne's agent for each successful enrollment in the Standard Offer.

Q. DOES THE SOP REQUIRE SUPPLIERS WHO PARTICIPATE TO INCLUDE ANY OTHER SERVICES OTHER THAN "PLAIN VANILLA" GENERATION SERVICE?

A. No. These SOP contracts focus specifically on the customer's cents per kWh rate compared to the current PTC.

Q. PLEASE DESCRIBE THE EVIDENCE THAT DOCUMENTS THAT CUSTOMERS WHO ENROLL IN THE SOP DO NOT ALWAYS EXPERIENCE A 7% DISCOUNT DURING THEIR 12-MONTH CONTRACT.

A. Duquesne provided a document that shows the residential customer's PTC and the SOP discount rate for each month from January 2021 through March 2023.[8] When the customer's SOP contract rate is lower than the PTC during the 12 months of their contract, the customer sees a lower monthly bill for generation supply service. This happens when the PTC rate change during their SOP contract term remains the same or higher than the

[6] Duquesne Response to OCA-I-3-3(a).
[7] Duquesne Response to OCA-III-6.
[8] Duquesne's Response to OCA-I-06.

PTC at the time of enrollment. However, when the PTC decreases during the term of the SOP contract, the discount is less than 7% or disappears altogether. In December 2023, the Duquesne PTC dropped from $0.1145 to $0.1046 and the 479 residential customers who enrolled with a supplier in the SOP at a rate of $0.1065 in November lost their entire 7% discount and actually paid slightly more than the PTC during the rest of their SOP contract term. Again, in April 2024, 240 residential customers enrolled in the SOP at a rate of $0.1046 but the following month the PTC dropped to $0.0707, thus eliminating the discount and requiring these customers to pay over 3 cents per kWh MORE for supply service. I attach this information as Exhibit BA-2 based on Duquesne's Response to OCA-I-6. The unpredictability of the customer's actual discount under the SOP compared to the applicable PTC during the term of their 12-month fixed price SOP contract is a feature that contributes to my recommendation to end this program.

Q. IS THERE A GROWING LACK OF CUSTOMER INTEREST IN ENROLLMENT IN THE SOP?

A. Yes. A large percentage of customers after hearing about the program do not agree to be transferred to Duquesne's agent, an increase of 31% in 2012 to 50% in 2024. Of those who agree to be transferred to the agent, 73% decline to participate in 2024 compared to 60% in 2021.[9]

Q. DO SUPPLIERS PARTICIPATE IN THIS PROGRAM BASED ON THEIR ABILITY TO MAKE A PROFIT?

A. It appears so. EGS participation has varied widely with the changes in the PTC and

[9] Duquesne Response to OCA-I-9.

wholesale market developments: only 4 participated in each month in 2021, none participated from October 2022 through February 2023, followed by higher participation of 7-8 in early 2023 but dropping to 4 by October 2023.[10] The Company's SOP for small commercial customers has seen a lack of customer participation from June 1, 2021, through January 31, 2024. In 2024, the Company had zero small commercial referrals and zero small commercial enrollments.[11]

Q. ARE LOW INCOME CUSTOMERS PARTICIPATING IN THE SOP?

A. Duquesne rejects enrollments for customers participating in the Customer Assistance Program (CAP) and does not refer CAP customers to the SOP agent. However, customers who are "confirmed low income" (based on their income and payment history) but not enrolled in CAP are referred to the third party agent for potential enrollment. From January 2021 through April 2024, 678 confirmed low income customers enrolled in the SOP.[12]

Q. HAS DUQUESNE EVALUATED THE PRICE CUSTOMERS PAY AFTER THEIR SOP CONTRACT?

A. Yes. Duquesne has evaluated what price SOP customers pay to suppliers after their 12-month SOP contract. After four months post-SOP, only 12% of these customers are paying less than the PTC and 75% are paying 25% or more than the PTC.[13] I attach this analysis as Exhibit BA-3.

Q. WHAT REFORMS DOES DUQUESNE RECOMMEND FOR THE SOP?

A. Duquesne does not propose any specific reforms to the SOP. However, Duquesne Witness

[10] Duquesne Response to OCA-I-4(a).
[11] Duquesne St. No. 1, page 19, lines 3-6.
[12] Duquesne Response to OCA-I-14 (a).
[13] Duquesne Response to OCA-I-8, attachment.

Davis suggests that the Commission should review the SOP: "However, the Company believes that the Commission should revisit the SOP program given that over ten years has passed since its inception and Duquesne Light has experienced disruptions in the ability to offer SOP during a seven month period of elevated prices and price volatility."[14]

Q. BASED ON YOUR REVIEW OF THE SOP, WHAT ARE YOUR RECOMMENDATIONS?

A. My primary recommendation is to terminate the SOP. Based on the continuing documentation that customers who enroll may experience either a discount less than 7% as promised or pay more than the PTC during their SOP contract term, as well as the documented impact of higher prices under the negative option renewal policy after the SOP contract ends, the program reflects defects that cannot be corrected. It is inappropriate to inject the EDC into marketing and enrolling customers with an EGS in a mature market that has existed for over 10 years. Furthermore, the lack of consistent EGS participation in the SOP supports my concern that the program is tilted to favor the EGS rather than the customer because the EGSs are clearly deciding when or whether to incur market price risks based on information not available to consumers. What I find very troubling is that Duquesne enrolls customers in the SOP with a discount that it knows is not actually a benefit to the customer because of the forthcoming change in the PTC, a fact that is known to the Company and the suppliers for at least a 60-day period prior to the rate change. A second best solution is to require that the customer be returned to default service at the end of the 12-month SOP contract unless the customer has affirmatively agreed to the new

[14] Duquesne St. No. 1, page 11, lines 10-13.

contract terms. My primary recommendation to terminate the program responds to both Duquesne's research as well as my concerns about the basic flawed design of the SOP itself.

Q. SHOULD DUQUESNE AND ITS AGENT CONTINUE TO ACT AS A MARKETING AND ENROLLMENT AGENT FOR SUPPLIERS AS A RESULT OF THIS PROGRAM?

A. No. This is not an appropriate role for the EDC and contributes to the confusion among customers. Furthermore, customers have access to robust information about the offers available to them with the upgraded and well-designed PaPowerSwitch web portal that includes many features that did not exist when the web portal was launched in 2010. It is far past time to reconsider the value of this program.

III. DUQUESNE SHOULD REFORM ITS PRESENTATION OF SUPPLIER CHARGES ON CUSTOMER BILLS

Q. CAN A DUQUESNE CUSTOMER SERVED BY AN EGS (THROUGH SOP OR OTHERWISE) ACTUALLY COMPARE THE IMPACT OF THE SUPPLIER PRICE WITH THE PTC ON DUQUESNE'S BILL?

A. No. Duquesne's residential customer bill provides the supplier's total monthly charges in a line item but does not calculate and compare the customer's supplier charges to what the customer would pay had they remained on the PTC.[15] Duquesne's bill gives the customer the total dollar amount of the EGS charges and includes a statement that gives the current PTC as a cents per kWh rate.[16] I attach this sample EGS bill as Exhibit BA-4. As

[15] Duquesne Response to OCA-I-36 (a).
[16] Duquesne Response to OCA-I-36 (a).

presented, the customer would have to manually calculate their PTC charges by multiplying the current usage by the PTC rate to compare to the EGS charges. As a result, there is a significant defect or discrepancy in the customer's ability to even understand whether their EGS contract (whether obtained in the SOP or otherwise) provides savings compared to the PTC. When Duquesne is asked to explain to a customer how to determine the comparison between the supplier charges and the PTC, their explanation reflects the obligation of the customer to know what data on the bill that appear in different locations on the bill and how to mathematically make such a calculation.[17] I attach this response as Exhibit BA-5.

Q. ARE THERE ADDITIONAL CONCERNS WHEN A SUPPLIER PRICE REFLECTS BOTH A FIXED CHARGE AND A CENTS PER KWH RATE?

A. Yes. Duquesne allows suppliers to bill either as a rate ready or a bill ready. A supplier bill that presents their charges as a fixed or additional customer charge and a cents per kWh based on actual usage presents another barrier to a customer's ability to compare their supplier charges to the PTC. I attach such a bill provided in response to OCA-III-13, attachment A as Exhibit BA-6. On the first page of the bill, the "Supply" charge is listed as $101.98. On the third page of the bill, the detail of the "Supply" charge lists a "customer charge" of $59.31 and a "Generation-Trans" charge that presents the customer's usage times a cents per kWh rate of $.0936 for a subtotal of $42.67. The PTC is listed above the supplier charges in this same section of account detail as $0.1046 per kWh. A customer might conclude that their supplier rate is below the PTC, but this would not be correct.

[17] Duquesne Response to OCA-III-9.

The customer is actually paying a rate of **22 cents per kWh** when the impact of the customer charge and the usage rate is reflected in the calculation of total supplier charges divided by the kWh usage. As a result, the customer is misled into thinking that their supplier rate is lower than the PTC disclosed on this page of the bill when in fact it is considerably higher.

Q. WHAT BILL DISCLOSURE REFORMS DO YOU RECOMMEND?

A. I recommend that Duquesne promptly revise its bill to show a dollars and cents calculation of the customer's supplier charges with the dollars and cents calculation of what the customer would pay under the PTC. Duquesne should not allow suppliers to submit "bill ready" charges that do not include a properly calculated cents per kWh rate that reflects all supplier charges. The reliance on comparing a cents per kWh comparison is insufficient, particularly when the supplier either does not include such information in its billing detail or misrepresents its cents per kWh presentation by failing to include the impact of fixed or additional monthly charges. Furthermore, Duquesne should not present any supplier cents per kWh charge on its bills that is not an accurate reflection of the total supplier charges divided by the customer's monthly kWh usage.

IV. DUQUESNE'S PROPOSED GREEN TARIFF RATE PILOT SHOULD BE REJECTED.

Q. PLEASE DESCRIBE DUQUESNE'S PROPOSAL.

A. Based on a survey response that indicated customers are interested in more options for access to renewable energy, Duquesne is proposing a Green Tariff for residential customers who are on Default Service and who select an increase in their "carbon free electricity"

(CFE) above what is already required for Default Service portfolio requirements under the Alternative Energy Portfolio Standards.[18] The tariff offer would provide an additional 7% of the customer's annual consumption with CFE sourced within Pennsylvania. Duquesne will require this product in an auction and EGSs and "other third parties" can bid for the right to provide this supply. The resulting auction will produce a fixed price cost per kWh for an additional 7% of CFE based on the customer's annual usage. The winning bidder will be listed on the customer's bill. The cost of the program will be determined annually and paid for by those who elect this offer, but Duquesne's administrative costs are proposed to be recovered under existing riders from all customers. Duquesne proposes that this tariff product be treated as a "non-basic" service which means that a customer could not have their service terminated for nonpayment of this part of the customer's bill and partial payments will be allocated first to regulated services. According to Duquesne Witness Davis, "The Company's proposed pilot program is intended to inform how default service customers and suppliers could further support on a voluntary basis the expansion of clean energy supply within its service area."[19]

Q. WHAT IS CARBON FREE ELECTRICITY?

A. This term is not defined in Pennsylvania law. According to the U.S. Environmental Protection Agency, "Carbon pollution-free electricity (CFE) is electrical energy produced from resources that generate no carbon emissions, including marine energy, solar, wind, hydrokinetic (including tidal, wave, current, and thermal), geothermal, hydroelectric, nuclear, renewably sourced hydrogen, and electrical energy generation from fossil

[18] Duquesne St. No. 1, pages 12-16.
[19] Ibid., page 13, lines 1-3.

resources to the extent there is active capture and storage of carbon dioxide emissions that meets EPA requirements."[20] This is a term that is different from the qualified "alternative" resources that comply with the Pennsylvania AEPS which does not use this term. The AEPS includes other resources that would not otherwise comply with this definition of CFE. Duquesne Witness Mr. Davis accepts the "U.S. government's" definition to define the types of energy that would be acquired in this program but does not provide any citation to this definition in his testimony.[21]

Q. IS THERE A DATABASE OR PUBLICLY ACCESSIBLE INFORMATION ABOUT WHAT ENERGY RESOURCES LOCATED IN PENNSYLVANIA WOULD QUALIFY FOR THIS DEFINITION?

A. Not to my knowledge.

Q. IS THERE ANOTHER ISSUE WITH RESPECT TO THE INCLUSION OF NUCLEAR ENERGY IN THIS DEFINITION?

A. I do not opine on whether nuclear energy resources of which there are several in Pennsylvania should quality as "green", but I do think it is reasonable to question whether residential customers would agree with this approach or even understand this definition.

Q. DO YOU AGREE WITH THE INTENT TO ENABLE EGSs TO PROVIDE THIS SERVICE?

A. No. I disagree with Mr. Davis' stated intent for this program. First, this attempt by Duquesne to allow an EGS to provide this service and be listed on the Duquesne bill confuses and conflicts with the retail market construct that allows an EGS to acquire

[20] https://www.epa.gov/greeningepa/carbon-pollution-free-electricity-epa
[21] Duquesne St. No. 1, page 13, lines 14-15.

customers for their retail generation supply service. This proposal does not appear to transfer any residential customer to an EGS. Second, injecting Duquesne into the business or engaging EGSs to provide a product on the Duquesne bill that would be acquired in the wholesale market is not appropriate. Even treating this product as "non-basic" service does not solve the confusion and contradictory role of the EDC and the EGS in this proposal. There is no advantage to Duquesne's residential customers to inject the EGS as the middleman in the acquisition of CFE since such a role is likely to only increase the price of the product.

Q. ARE THERE CUSTOMER PROTECTION ISSUES ASSOCIATED WITH THIS PROPOSAL THAT DUQUESNE HAS NOT IDENTIFIED OR ADDRESSED?

A. Yes. I am concerned about how this rate option will be marketed and described, how Duquesne will document the incremental growth of CFEs in Pennsylvania as opposed to purchasing attributes of existing facilities, and how this option will be distinguished from regular EGS marketing of renewable energy as part of their retail market portfolio of products. Another set of concerns will arise with the annual price change for this tariff rate and whether customers should be enrolled in a program in which the price will change without their affirmative consent or the normal opportunities for notice and ability to provide input associated with base rate proceeding.

Q. CAN'T DUQUESNE JUST ACQUIRE MORE RENEWABLE OR CFE RESOURCES AS PART OF ITS DEFAULT SERVICE PORTFOLIO?

A. Yes. It is not clear why Duquesne would want to create a separate product that allows both Duquesne and a potential EGS to obtain publicity and potential promotional benefits instead of just seeking more generation supply for its default service portfolio. It is possible

that this proposal by Duquesne is intended to generate favorable publicity for the Company for providing a product, but such a role does not reflect the restructuring policy to eliminate the EDCs from the generation supply market.

Q. DO YOU AGREE WITH OCA WITNESS OGUR THAT THIS PROGRAM SHOULD NOT BE ADOPTED?

A. Yes.

Q. DOES THIS COMPLETE YOUR TESTIMONY AT THIS TIME?

A. Yes.

Exhibit BA-1

BARBARA R. ALEXANDER
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Recent Clients:

AARP
The Utility Reform Network (TURN) (California)
Pennsylvania Office of Consumer Advocate
Public Counsel Unit, Attorney General, Washington
Arkansas Attorney General
The Public Utility Project of New York
Ohio Office of Consumer Counsel
District of Columbia Office of People's Counsel
Delaware Division of Public Advocate
Maryland Office of People's Counsel

Areas of Expertise:

- Default Service, Consumer Protection, Service Quality, and Universal Service policies and programs associated with the alternative rate plans and mergers;
- Consumer Protection and Service Quality policies and programs associated with the regulation of competitive energy and telecommunications providers;
- The regulatory policies associated with the regulation of Credit, Collection, Consumer Protection, Low Income, and Service Quality programs and policies for public utilities;
- Customer Education and Rate design and pricing policies applicable to residential customers; and
- Advanced Metering Infrastructure and Grid Modernization costs and benefits, time-based pricing proposals, and performance standards.

Prior Employment

DIRECTOR

1986-96

Consumer Assistance Division

Maine Public Utilities Commission *Augusta, Maine*

One of five division directors appointed by a three-member regulatory commission and part of commission management team. Direct supervision of 10 employees, oversight of public utility consumer complaint function, appearance as an expert witness on customer services, consumer protection, service quality and low income policy issues before the PUC. Chair, NARUC Staff Subcommittee on Consumer Affairs.

SUPERINTENDENT

1979-83

Bureau of Consumer Credit Protection
Department of Professional and Financial Regulation *Augusta, Maine*

Director of an independent regulatory agency charged with the implementation of Maine Consumer Credit Code and Truth in Lending Act. Investigations and audits of financial institutions and retail creditors, enforcement activities, testimony before Maine Legislature and U.S. Congress.

Education

JURIS DOCTOR

1973-76

University of Maine School of Law *Portland, Maine*

Admitted to the Bar of the State of Maine, September 1976. Currently registered as "inactive."

B.A. (WITH DISTINCTION) IN POLITICAL SCIENCE 1964-68
University of Michigan *Ann Arbor, Michigan*

Boards and Commissions

Councilor, Winthrop (ME) City Council 2020-2022

Member, Board of Trustees, University of Maine System May 2022

Publications and Testimony

"How to Construct a Service Quality Index in Performance-Based Ratemaking", The Electricity Journal, April, 1996

"The Consumer Protection Agenda in the Electric Restructuring Debate", William A. Spratley & Associates, May, 1996

Direct Testimony on behalf of the Telecommunications Workers Union, Telecom Public Notice 96-8, Price Cap Regulation and Related Issues, Canadian Radio-Television and Telecommunications Commission, September, 1996. [Analysis of and recommendations concerning the need to regulate service quality in move to price cap regulation]

Direct Testimony on behalf of Public Counsel Section, Office of Attorney General, Docket No. UE-960195, Application by Puget Sound Power and Light Co. And Washington Natural Gas Co. For Approval of Merger), Washington Utilities and

Transportation Commission, September, 1996 [Need for and design of a Service Quality Index for both electric and gas business units as part of a multi-year rate plan]

Consumer Protection Proposals for Retail Electric Competition: Model Legislation and Regulations", Regulatory Assistance Project, Gardiner, ME, October, 1996

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Oppenheim, Gerald (NCLC) and Alexander, Barbara, Model Electricity Consumer Protection Disclosures, A Report to the National Council on Competition and the Electric Industry, April 1998.

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"Cramming is the Last Straw: A Proposal to Prevent and Discourage the Use of the Local Telephone Bill to Commit Fraud," NRRI Quarterly Bulletin, Fall. 1998.

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Alexander, Barbara, "Consumer Protection Issues in Electric Restructuring for Colorado: A Report to the Colorado Electricity Advisory Panel," on behalf of the Colorado Office of Consumer Counsel, February 1999.

Testimony on Proposed Interim Rules (Consumer Protection, Customer Enrollment, Code of Conduct, Supplier Licensing) on behalf of the New Jersey Division of Ratepayer Advocate before the New Jersey BPU, May 1999.

Direct Testimony on behalf of AARP, West Virginia PUC Investigation into Retail Electric Competition (consumer protection, universal service, Code of Conduct), June 15, 1999.

Direct and Surrebuttal Testimony on behalf of the Pennsylvania OCA, Natural Gas Restructuring proceedings (8 natural gas utilities): consumer protection; consumer education; code of conduct, before the Pennsylvania PUC, October 1999-April 2000.

Comments on Draft Rules addressing Slamming and Cramming (Docket No. RMU-99-7) on behalf of the Iowa Office of Consumer Advocate, before the Iowa Utilities Board, October 1999.

Alexander, Barbara, "Door to Door Sales of Competitive Energy Services," LEAP Letter, January-February 2000 [Wm. A. Spratley & Associates, Columbus, OH]

Direct Testimony on behalf of the Maine Office of Public Advocate, Central Maine Power Company Alternative Regulation Plan [Docket 99-666] on service quality issues, before the Maine PUC, May 2000.

Direct Testimony on behalf of AARP, Universal Service Programs and Funding of low-income programs for electric and natural gas service, before the New Jersey Board of Public Utilities, Docket No. EX000200091, July, 2000.

Comments (on behalf of NASUCA and AARP) on Uniform Business Practices Reports, May and September 2000.

Direct Testimony on behalf of the Pennsylvania OCA, Verizon-Pennsylvania Structural Separation Plan on service quality, customer service and consumer protection issues [Docket No. M-00001353] before the Pennsylvania PUC, October 2000.

Direct and Rebuttal Testimony on behalf of the Maine Office of Public Advocate, Verizon-Maine Alternative Form of Regulation on service quality issues [Docket No. 99-851] before the Maine PUC, January and February 2001.

Direct and Rebuttal Testimony on behalf of the Citizens Utility Board, Nicor Gas Customer Select Pilot Program, on consumer protection and regulation of competitive natural gas suppliers [Docket Nos. 00-0620 and 00-0621] before the Illinois Commerce Commission, December 2000 and February 2001.

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate on consumer protection and service quality issues associated with the pending merger between GPU Energy and FirstEnergy, before the Pennsylvania PUC, Docket Nos. A-110300F0095 and A-110400F.0040 (February and March, 2001)

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Direct and Surrebuttal Testimony on behalf of the New Jersey Division of Ratepayer Advocate on service quality, consumer protection, and universal service issues associated with the pending merger between Conectiv and Pepco, before the New Jersey Board of Public Utilities, BPU Docket No. EM101050308 (September and November 2001).

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Comments on behalf of Consumer Groups before the Texas PUC on Rulemaking Proceeding to Amend Requirements for Provider of Last Resort Service, Docket No. 25360, June 28, 2002.

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Comments on behalf of Wisconsin Citizens' Utility Board before the Wisconsin Public Service Commission's Gas Service Standards, Docket No. 1-AC-210 (July 2004).

Comments on behalf of the Colorado Office of Consumer Counsel before the Public Utilities Commission of Colorado, In the Matter of the Proposed Repeal and Reenactment of all Rules Regulating Telephone Utilities and Providers (Docket No. 03R-524T) (September 2004).

Direct Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania PUC, Investigation if Metropolitan Edison Co., Pennsylvania Electric Co. and Pennsylvania Power Co. Reliability Performance, Docket no. I-00040102, [customer service and reliability performance] (June 2004).

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Direct and Rebuttal Testimony on behalf of AARP Montana before the Montana Public Service Commission, Northwestern Energy Electric Cost Tracker, Docket No. D2004.6.90 [Default Service cost recovery policies and integration with low income programs] (December 2004 and July 2005).

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Direct Testimony on behalf of Illinois Citizens' Utility Board, City of Chicago, and Community Action for Fair Utility Practice, before the Illinois Commerce Commission, Petition to Initiate Rulemaking with Notice and Comment for Approval of Certain Amendments to Illinois Administrative Code Part 280 Concerning Deposit Requests and Deposit Refunds by Utilities, Docket No. 05-0237 (June 2005).

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Direct Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania PUC, In Re Application of UGI Utilities, Inc., UGI Utilities Newco, Inc., and Southern Union Co., Docket Nos. A-120011F2000, A-125146, A-125146F5000 (June 2006). [Customer Service, Service Quality, and Universal Services]

Direct and Rebuttal Testimony on behalf of the Maryland Office of People's Counsel before the Maryland PSC, In The Competitive Selection of Electricity Supplier/Standard Offer or Default Service for Investor-Owned Utility Small Commercial Customers and, Delmarva Power and Light and Potomac Electric Power Residential Customers, Case No. 9064 (August and September 2006). [Default Service policies]

Direct and Rebuttal Testimony on behalf of the Maryland Office of People's Counsel before the Maryland PSC, In The Matter of the Optimal Structure of the Electric Industry of Maryland, Case No. 9063 (October and November 2006). [Default service policies]

Comments on behalf of AARP Maine before the Maine PUC on various dockets and notices concerning the implementation of Standard Offer Service for residential customers, Docket Nos. 2006-314, 2006-557, and 2006-411 (July-November 2006). [Default service policies]

Comments on behalf of AARP District of Columbia before the District of Columbia PSC, In the Matter of the Development and Designation of Standard Offer Service in the District of Columbia, Case No. 1017 (2006). [Default service policies]

Comments on behalf of AARP New Jersey before the New Jersey Board of Public Utilities, In the Matter of the Establishment of a Universal Service Fund Pursuant to Section 12 of the Electric Discount and Energy Competition Act of 1999, Docket No. EX00020091 (August 2006) [Recommendations for USF program changes]

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Direct Testimony on behalf of Pennsylvania Office of Consumer Advocate before the Pennsylvania PUC, Pennsylvania PUC v. Natural Fuel Gas Distribution Corp., Docket No. R-00061493 (September 2006) [Supplier Purchase of Receivables Program]

Direct Testimony on behalf of AARP Montana before the Montana Public Service Commission, Joint Application of NorthWestern Energy and BBI to purchase NorthWestern Energy, Docket No. 2006.6.82 [December 2006] [Conditions for approval of merger; low income and customer service programs]

Rebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania PUC, Petition by PPL Electric Utilities Corp. for Approval of a Competitive Bridge Plan, Docket No. P-00062227 (December 2006) [Default Service policies]

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Comments on behalf of AARP District of Columbia before the D.C. Public Service Commission, In the Matter of The Application Of Potomac Electric Power Co. For Authorization to Establish A Demand Side Management Surcharge and an Advanced Metering Infrastructure Surcharge And to Establish a DSM Collaborative and an AMI Advisory Group, Formal Case No. 1056 (August 10, September 10, November 13, 2007, April 2008) [Default Service policies; AMI deployment]

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Direct Testimony on behalf of Local 223, UWUA before the Michigan Public Service Commission, In the Matter of the application of Detroit Edison Co. for authority to increase its rates, Case No. U-15244 (July 2008) [Customer Service standards; Advanced Metering proposal]

Reply Testimony on behalf of AARP before the Mississippi Public Service Commission, Proceeding to Review Statewide Energy Generation Needs, Docket No. 2008-AD-158 (August 2008) [Integrated Resource Planning]

Comments on behalf of Local 223, UWUA before the Michigan Public Service Commission, In the matter, on the Commission's own Motion, to investigate the development of minimum functionality standards and criteria for advanced metering infrastructure (AMI), Case No. U-15620 {August 2008) [Advanced Metering policies and standards]

Direct and Rebuttal Testimony on behalf of Illinois Citizens Utility Board and AARP before the Illinois Commerce Commission, Citizens Utility Board, Citizens Action/Illinois and AARP vs. Illinois Energy Savings Corp. d/b/a U.S. Energy Savings Corp., Complaint pursuant to 220 ILCS 5/19-110 or 19-115, Docket 08-0175. (August and November 2008) [Investigation of marketing activities and licensing conditions of an alternative gas supplier]

Direct Testimony on behalf of Ohio Partners for Affordable Energy before the Public Utilities Commission of Ohio on filings by electric utilities pursuant to SB 221: Market Rate Option plan filed by FirstEnergy (Case No. 08-936-EL-SSO), Electric Security Plan filed by FirstEnergy (Case No. 08-935-EL-SSO), and Electric Security Plan filed by AEP Ohio (Case No.08-917-EL-SSO & Case No. 08-918-EL-SSO) (September-November 2008) [Default Service procurement policies; energy efficiency and smart meter proposals]

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Comments on behalf of AARP before the Idaho Public Utilities Commission, In the Matter of the Application Of Idaho Power Co. for a Certificate of Public Convenience and Necessity to Install Advanced Metering Infrastructure ("AMI") Technology Throughout its Service Territory, Case No. IPC-E-08-16 (December 2008) [Smart Meter costs and benefits]

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Co-Author of Comments on behalf of The Utility Reform Network (TURN) before the California Public Utilities Commission, Order Instituting Rulemaking to consider Smart Grid Technologies Pursuant to Federal Legislation and on the Commission's own Motion to Actively Guide Policy in California's Development of a Smart Grid System, Docket R. 08-12-009 (2009 and 2010) [Smart Grid policies]

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Direct Testimony of Barbara Alexander on behalf of TURN before the California Public Utility Commission, Southern California Edison Charge Ready 2 Infrastructure and Market Education Programs, Docket No. A.18-06-015 (November 30, 2018) [Analysis of proposed mass market customer education proposal]

Direct, Surrebuttal and Supplemental Surrebuttal Testimony of Barbara Alexander on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Implementation of Chapter 32 of The Public Utility Code Regarding Pittsburgh Water and Sewer Authority – Stage 1, Docket Nos. M-2018-2640802 and M-2018-2640803 (April, May and August 2019) [Analysis of consumer protection, customer service, and customer education programs of large water and wastewater utility]

Direct, Rebuttal, and Surrebuttal Testimony of Barbara Alexander on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Application of Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company, LLC and Peoples Gas Company, LLC for all of the Authority and the Necessary Certificates of Public Convenience to Approve a Change in Control of Peoples Natural Gas Company, LLC and Peoples Gas Company LLC by Way of the Purchase of All of LDC Funding, LLC's Membership Interests by Aqua America, Inc., Docket Nos. A-2018-3006061, A-2018-3006062, and A-2018-3006063 (April and May 2019) [Customer Service, Consumer Protection, and Universal Service conditions for merger]

Testimony in Opposition to Settlement on behalf of The Office of the Ohio Consumers' Council, before the Ohio Public Utilities Commission, In the Matter of the Commission's Investigation of PALMco Power OH, LLC dba Indra Energy and PALMco Energy OH, LLC dba Indra Energy, Case No. 19-957-GE-COI (September 4, 2019) [Analysis of proposed settlement for consumer protections and customer remedies]

Testimony in Opposition to Settlement on behalf of The Office of the Ohio Consumers' Council, before the Ohio Public Utilities Commission, In the Matter of the Commission's Investigation of Verde Energy USA Ohio LLC, Case No. 19-0958-GE-COI (October 2, 2019) [Analysis of proposed settlement for consumer protections and customer remedies]

Direct Testimony and Supplemental Direct Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Joint Petition of Metropolitan Edison Co., Pennsylvania Electric Co., Pennsylvania Power Co. and West Penn Power Co. for Approval of Their Involuntary Remote Disconnect Procedures, Docket No. P-2019-3013979 et al. (March 20, 2020 and July 15, 2022) [Criteria for remote disconnection of service with AMI]

Rebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Interstate Gas Supply, Inc., Direct Energy Services LLC and Shipley Choice LLC v. Metropolitan Edison Co., Pennsylvania Electric Col, Pennsylvania Power Col, West Penn Power Co., Docket Nos. C-2019-30138-5 et al. (May 2020) [Complaint by retail suppliers seeking to bill non-basic services on utility bill]

Alexander, Barbara, "An Evaluation of Arizona Public Service Company's Customer Education Plan and its Implementation," prepared on behalf of the Staff of the Arizona Corporation Commission, Docket Nos. E-01345A-19-0236 and E-01345A-19-0003 (May 15, 2020)

Direct and Supplemental Testimony, Rebuttal Testimony, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program for the Period of June 1, 2021 through May 31, 2025, Docket No. P-2020-3019356 (June-August 2020) [Standard Offer Program and low income shopping program for retail market programs]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Petition of PECO Energy for Approval of Default Service Program for the Period June 1, 2021 through May 31, 2025, Docket No. P-2020-3019290 (June-July 2020),) [Standard Offer Program and low income shopping program for retail market programs]

Direct, Rebuttal, and Surrebuttal Testimony, on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Petition of Duquesne Light Co. for Approval of Default Service Program for the Period June 1, 2021 through May 31, 2025, Docket No. P-2020-3019522 (July-September 2020), [Standard Offer Program and low income shopping program for retail market programs]

Direct and Surrebuttal Testimony, on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority, Docket Nos. R-2020-3017951 (water), C-2020-3019348, R-2020-3017970 (wastewater), C-2020-3019349 (July-September 2020) [Base rate case; analysis of customer service and consumer protection programs and policies]

Affidavit of Barbara R. Alexander, Analysis of Washington Gas Light Co. Root Cause Analysis Report, on behalf of the Office of the People's Counsel of the District of Columbia, submitted to the Public Service Commission in Formal Case No. 1142 (October 2020).

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Pennsylvania American Water Co, Docket R-2020-3019369, et al., (September-October 2020) [Base rate case; analysis of customer service and consumer protection programs and policies]

Direct and Surrebuttal Testimony, on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority, Docket Nos. R-2021-3024773, et al. (July-September 2021) [Base rate case; analysis of customer service and consumer protection programs and policies]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc, Docket Nos. R-2021-3027385 et al. (November-December 2021) [Base rate case; analysis of customer service and consumer protection programs and policies]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Joint Petition of Metropolitan Edison Co., Pennsylvania Electric Co., Pennsylvania Power Co. and West Penn Power Co. for Approval of their Default Service Programs, Docket Nos. P-2021-3030012 et al. (February, March, and April 2022) [Standard Offer program; retail market policies; Time of Use rate option; low income consumer protections]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Pennsylvania American Water Co., Docket Nos. R-2022-3031672, et al (July and September 2022) [Base rate case: analysis of customer service and consumer protection performance]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, York Water Company base rate increase, Docket Nos. R-2022-3031340, R-2022-3032806 (August and September 2022) [Base rate case: analysis of customer service and consumer protection performance]

Direct, Rebuttal and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utility Commission, Columbia Gas of Pennsylvania Proposal for Green Path Tariff, Docket Nos. R-2022-3032167 and C-2022-3032404 (December 2022 and January and February 2023) [Proposal to offer an optional "green" product to residential customers with Renewable Natural Gas and Carbon Offsets]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of AARP Maine before the Maine Public Utilities Commission, Central Maine Power Company Request for Distribution Rate Increase and Rate Design Changes, Docket No. 2022-00152 (December 2022, March and April 2023) [Rate impacts; multi-year rate plan; rate design]

Direct and Surrebuttal Testimony on behalf of AARP Maine before the Maine Public Utilities Commission, Versant Power Request for Approval of Rate Change, Docket No. 2022-00255 (January and April 2023) [Rate impacts, AMI costs and benefits]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Application of Manwalamink Water and Sewer and NextEra Water Pennsylvania, Docket Nos. A-2022-3035298, et al. (January and March 2023) [consumer protection; service quality; acquisition of small water and sewer utility]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, National Fuel Gas Distribution Corp. Base Rate Case, Docket No. R-2022-3035730 (January and March 2023) [analysis of consumer protection and service quality performance in base rate case]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Philadelphia Gas Works Base Rate Case, Docket No.R-2023-3037933 (May and July 2023) [analysis of consumer protection and service quality performance in base rate case]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, FirstEnergy Pennsylvania Electric Distribution Companies Application for Merger, Docket No. A-2023-3038771 et.al (June and August 2023) [analysis of implication of proposed merger for customer service performance and low income programs]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Pittsburgh Water and Sewer Authority Base Rate Case, Docket No. R-2023-3039920, et al., (August and September 2023) [customer service performance; compliance with statutory and regulatory rules; multi-year rate plan conditions]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Application of Pennsylvania-American Water Co. to Acquire Wastewater Assets of Borough of Brentwood, Docket No. A-2021-3024058 (October and November 2023) [analysis of public benefits of acquisition]

Direct, Supplemental Direct, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Pennsylvania PUC v. Pennsylvania American Water Co., Docket Nos. R-2023-3043189 and R-2023-3043190 (February and March 2024) [customer service performance, compliance with statutory and regulatory rules; billing for non-basic services; tariffs]

Direct and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Pennsylvania PUC v. Peoples Natural Gas Company LLC, Docket No. R-2023-3044549 (March and May 2024) [customer service performance, compliance with statutory and regulatory rules; billing for non-basic services; tariffs]

Direct, Rebuttal, and Surrebuttal Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Petition of PECO Energy for Default Service Program for June 1, 2025 through May 31, 2029, Docket No. P-2024-3046008 (April and May 2024) [Retail Market Enhancement Programs; Standard Offer Program; TOU Rate; Billing Disclosures]

Direct Testimony on behalf of the Pennsylvania Office of Consumer Advocate before the Pennsylvania Public Utilities Commission, Petition of PPL Electric for Default Service Program for June 1, 2025 through May 31, 2029, Docket No.

P-2024-3047290 (June 2024) [Retail Market Enhancement Programs; Standard Offer Program; TOU Rate; Billing Disclosures]

Presentations and Training Programs:

- Presentation on Consumer Protection Policies for Solar Providers, New Mexico Public Regulatory Commission, Santa Fe, NM, January 2017
- Presentation on Residential Rate Design Policies, National Energy Affordability and Energy Conference, Denver, CO., June 2016
- Presentation on "Regulatory-Market Arbitrage: From Rate Base to Market and Back Again," before the Harvard Electricity Policy Group, Washington, D.C., March 2016.
- Presentation on Residential Rate Design and Demand Charges, NASUCA, November 2015.
- Alexander, Barbara, "Residential Demand Charges: A Consumer Perspective," presentation for Harvard Electricity Policy Group, Washington, D.C., June 2015.
- Presentation on "Future Utility Models: A Consumer Perspective," for Kleinman Center for Energy Policy, U. of Pennsylvania, August 2015.
- Presentation, EUCI Workshop on Demand Rates for Residential Customers, Denver, CO [May 2015]
- Presentation, Smart Grid Future, Brookings Institute, Washington, DC [July 2010]
- Participant, Fair Pricing Conference, Rutgers Business School, New Jersey [April 2010]
- Presentation on Smart Metering, National Regulatory Conference, Williamsburg, VA [May 2010]
- Presentation on Smart Metering, Energy Bar Association Annual Meeting, Washington, DC [November 2009]
- Presentation at Workshop on Smart Grid policies, California PUC [July 2009]
- National Energy Affordability and Energy Conference (NEAUC) Annual Conference
- NARUC annual and regional meetings
- NASUCA annual and regional meetings
- National Community Action Foundation's Annual Energy and Community Economic Development Partnerships Conference
- Testimony and Presentations to State Legislatures: Virginia, New Jersey, Texas, Kentucky, Illinois, and Maine
- Training Programs for State Regulatory Commissions: Pennsylvania, Georgia, Kentucky, Illinois, New Jersey
- DOE-NARUC National Electricity Forum
- AIC Conference on Reliability of Electric Service
- Institute of Public Utilities, MSU (Camp NARUC) [Instructor 1996-2006]
- Training Programs on customer service and service quality regulation for international regulators (India and Brazil) on behalf of Regulatory Assistance Project
- Georgia Natural Gas Deregulation Task Force [December 2001]
- Mid Atlantic Assoc. of Regulatory Utility Commissioners [July 2003]
- Illinois Commerce Commission's Post 2006 Initiative [April 2004]
- Delaware Public Service Commission's Workshop on Standard Offer Service [August 2004]

Exhibit BA-2

(Alexander RS customers SOP experience from OCA-I-6 (a))

202101	4	RS	0.0707	SUPRATE	ZZ007	0.0613
202101	4	RS	0.0707	SUPRATE	ZZ028	0.0723
202101	5	RS	0.0707	SUPRATE	ZZ050	0.067
202101	27	RS	0.0707	SUPRATE	ZZ098	0.0586
202101	60	RS	0.0707	SUPRATE	ZZ111	0.0658
202101	2	RS	0.0707	SUPRATE	ZZ034	0.0751
202101	13	RS	0.0707	SUPRATE	ZZ079	0.0693
202101	3	RS	0.0707	SUPRATE	ZZ107	0.062
202101	22	RS	0.0707	SUPRATE	ZZ065	0.0698
202101	2	RS	0.0707	SUPRATE	ZZ016	0.0752
202101	204	RS	0.0707	SUPRATE	ZZ097	0.066
202101	2	RS	0.0707	SUPRATE	ZZ082	0.0604
202101	2	RS	0.0707	SUPRATE	ZZ091	0.0689
202101	498	RS	0.0707	SUPRATE	ZZ105	0.0661
202101	16	RS	0.0707	SUPRATE	ZZ106	0.0574
202101	9	RS	0.0707	SUPRATE	ZZ112	0.057
202101	3	RS	0.0707	SUPRATE	ZZ010	0.0751
202101	39	RS	0.0707	SUPRATE	ZZ049	0.0728
202101	3	RS	0.0707	SUPRATE	ZZ066	0.0613
202101	9	RS	0.0707	SUPRATE	ZZ085	0.0689
202101	202	RS	0.0707	SUPRATE	ZZ035	0.0655
202101	8	RS	0.0707	SUPRATE	ZZ113	0.0617
202101	4	RS	0.0707	SUPRATE	ZZ043	0.0724
202101	5	RS	0.0707	SUPRATE	ZZ055	0.074
202101	40	RS	0.0707	SUPRATE	ZZ067	0.066
202101	41	RS	0.0707	SUPRATE	ZZ099	0.0638
202101	1	RS	0.0707	SUPRATE	ZZ051	0.0715
202101	1	RS	0.0707	SUPRATE	ZZ080	0.0607
202101	1	RS	0.0707	SUPRATE	ZZ022	0.0742
202101	8	RS	0.0707	SUPRATE	ZZ073	0.0693
202101	4	RS	0.0707	SUPRATE	ZZ081	0.0655
202102	4	RS	0.0707	SUPRATE	ZZ007	0.0613
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202102	4	RS	0.0707	SUPRATE	ZZ028	0.0723
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202102	13	RS	0.0707	SUPRATE	ZZ065	0.0698
202102	1	RS	0.0707	SUPRATE	ZZ066	0.0613
202102	9	RS	0.0707	SUPRATE	ZZ085	0.0689
202102	93	RS	0.0707	SUPRATE	ZZ111	0.0658
202102	19	RS	0.0707	SUPRATE	ZZ049	0.0728
202102	7	RS	0.0707	SUPRATE	ZZ073	0.0693
202102	2	RS	0.0707	SUPRATE	ZZ082	0.0604
202102	2	RS	0.0707	SUPRATE	ZZ034	0.0751
202102	3	RS	0.0707	SUPRATE	ZZ107	0.062
202102	16	RS	0.0707	SUPRATE	ZZ106	0.0574
202102	202	RS	0.0707	SUPRATE	ZZ035	0.0655

202102	2	RS	0.0707	SUPRATE	ZZ016	0.0752
202102	4	RS	0.0707	SUPRATE	ZZ043	0.0724
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202102	1	RS	0.0707	SUPRATE	ZZ051	0.0715
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202102	1	RS	0.0707	SUPRATE	ZZ080	0.0607
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202102	3	RS	0.0707	SUPRATE	ZZ010	0.0751
202102	4	RS	0.0707	SUPRATE	ZZ081	0.0655
202102	17	RS	0.0707	SUPRATE	ZZ113	0.0617
202102	13	RS	0.0707	SUPRATE	ZZ079	0.0693
202102	21	RS	0.0707	SUPRATE	ZZ098	0.0586
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202103	4	RS	0.0707	SUPRATE	ZZ007	0.0613
202103	3	RS	0.0707	SUPRATE	ZZ028	0.0723
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202103	1	RS	0.0707	SUPRATE	ZZ055	0.074
202103	1	RS	0.0707	SUPRATE	ZZ066	0.0613
202103	9	RS	0.0707	SUPRATE	ZZ085	0.0689
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202103	1	RS	0.0707	SUPRATE	ZZ034	0.0751
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202104	1	RS	0.0707	SUPRATE	ZZ016	0.0752
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202104	13	RS	0.0707	SUPRATE	ZZ079	0.0693

202104	1	RS	0.0707	SUPRATE	ZZ091	0.0689
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202104	152	RS	0.0707	SUPRATE	ZZ035	0.0655
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202104	1	RS	0.0707	SUPRATE	ZZ066	0.0613
202104	3	RS	0.0707	SUPRATE	ZZ107	0.062
202104	15	RS	0.0707	SUPRATE	ZZ106	0.0574
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202104	7	RS	0.0707	SUPRATE	ZZ073	0.0693
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202106	4	RS	0.0741	SUPRATE	ZZ081	0.0655
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202107	1	RS	0.0741	SUPRATE	ZZ034	0.0751
202107	1	RS	0.0741	SUPRATE	ZZ022	0.0742
202107	4	RS	0.0741	SUPRATE	ZZ079	0.0693
202107	2	RS	0.0741	SUPRATE	ZZ107	0.062
202107	3	RS	0.0741	SUPRATE	ZZ067	0.066
202107	7	RS	0.0741	SUPRATE	ZZ073	0.0693
202107	7	RS	0.0741	SUPRATE	ZZ085	0.0689
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202107	1	RS	0.0741	SUPRATE	ZZ016	0.0752
202107	2	RS	0.0741	SUPRATE	ZZ043	0.0724
202107	2	RS	0.0741	SUPRATE	ZZ098	0.0586
202107	3	RS	0.0741	SUPRATE	ZZ035	0.0655
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202107	10	RS	0.0741	SUPRATE	ZZ097	0.066
202107	2	RS	0.0741	SUPRATE	ZZ099	0.0638

202107	4	RS	0.0741	SUPRATE	ZZ081	0.0655
202107	1	RS	0.0741	SUPRATE	ZZ066	0.0613
202107	47	RS	0.0741	SUPRATE	ZZ112	0.057
202108	2	RS	0.0741	SUPRATE	ZZ028	0.0723
202108	1	RS	0.0741	SUPRATE	ZZ034	0.0751
202108	1	RS	0.0741	SUPRATE	ZZ016	0.0752
202108	10	RS	0.0741	SUPRATE	ZZ097	0.066
202108	1	RS	0.0741	SUPRATE	ZZ043	0.0724
202108	3	RS	0.0741	SUPRATE	ZZ035	0.0655
202108	46	RS	0.0741	SUPRATE	ZZ112	0.057
202108	888	RS	0.0741	SUPRATE	ZZ111	0.0658
202108	1	RS	0.0741	SUPRATE	ZZ022	0.0742
202108	5	RS	0.0741	SUPRATE	ZZ065	0.0698
202108	7	RS	0.0741	SUPRATE	ZZ073	0.0693
202108	4	RS	0.0741	SUPRATE	ZZ081	0.0655
202108	1	RS	0.0741	SUPRATE	ZZ066	0.0613
202108	3	RS	0.0741	SUPRATE	ZZ079	0.0693
202108	5	RS	0.0741	SUPRATE	ZZ085	0.0689
202108	1	RS	0.0741	SUPRATE	ZZ107	0.062
202108	2	RS	0.0741	SUPRATE	ZZ099	0.0638
202108	4	RS	0.0741	SUPRATE	ZZ067	0.066
202108	1	RS	0.0741	SUPRATE	ZZ098	0.0586
202108	207	RS	0.0741	SUPRATE	ZZ105	0.0661
202108	15	RS	0.0741	SUPRATE	ZZ106	0.0574
202108	41	RS	0.0741	SUPRATE	ZZ113	0.0617
202108	847	RS	0.0741	SUPRATE	ZZ117	0.0689
202109	4	RS	0.0741	SUPRATE	ZZ067	0.066
202109	48	RS	0.0741	SUPRATE	ZZ112	0.057
202109	38	RS	0.0741	SUPRATE	ZZ113	0.0617
202109	1	RS	0.0741	SUPRATE	ZZ022	0.0742
202109	5	RS	0.0741	SUPRATE	ZZ065	0.0698
202109	7	RS	0.0741	SUPRATE	ZZ073	0.0693
202109	9	RS	0.0741	SUPRATE	ZZ097	0.066
202109	10	RS	0.0741	SUPRATE	ZZ106	0.0574
202109	4	RS	0.0741	SUPRATE	ZZ081	0.0655
202109	1	RS	0.0741	SUPRATE	ZZ066	0.0613
202109	1	RS	0.0741	SUPRATE	ZZ043	0.0724
202109	921	RS	0.0741	SUPRATE	ZZ111	0.0658
202109	2	RS	0.0741	SUPRATE	ZZ028	0.0723
202109	2	RS	0.0741	SUPRATE	ZZ099	0.0638
202109	1025	RS	0.0741	SUPRATE	ZZ117	0.0689
202109	1	RS	0.0741	SUPRATE	ZZ016	0.0752
202109	3	RS	0.0741	SUPRATE	ZZ079	0.0693
202109	1	RS	0.0741	SUPRATE	ZZ034	0.0751
202109	3	RS	0.0741	SUPRATE	ZZ035	0.0655
202109	1	RS	0.0741	SUPRATE	ZZ098	0.0586
202109	3	RS	0.0741	SUPRATE	ZZ085	0.0689

202109	122	RS	0.0741	SUPRATE	ZZ105	0.0661
202109	1	RS	0.0741	SUPRATE	ZZ107	0.062
202110	5	RS	0.0741	SUPRATE	ZZ065	0.0698
202110	36	RS	0.0741	SUPRATE	ZZ113	0.0617
202110	1387	RS	0.0741	SUPRATE	ZZ117	0.0689
202110	1	RS	0.0741	SUPRATE	ZZ066	0.0613
202110	1	RS	0.0741	SUPRATE	ZZ016	0.0752
202110	3	RS	0.0741	SUPRATE	ZZ079	0.0693
202110	2	RS	0.0741	SUPRATE	ZZ085	0.0689
202110	2	RS	0.0741	SUPRATE	ZZ067	0.066
202110	3	RS	0.0741	SUPRATE	ZZ035	0.0655
202110	1	RS	0.0741	SUPRATE	ZZ034	0.0751
202110	2	RS	0.0741	SUPRATE	ZZ107	0.062
202110	1	RS	0.0741	SUPRATE	ZZ098	0.0586
202110	1	RS	0.0741	SUPRATE	ZZ022	0.0742
202110	1	RS	0.0741	SUPRATE	ZZ043	0.0724
202110	8	RS	0.0741	SUPRATE	ZZ097	0.066
202110	7	RS	0.0741	SUPRATE	ZZ106	0.0574
202110	3	RS	0.0741	SUPRATE	ZZ081	0.0655
202110	2	RS	0.0741	SUPRATE	ZZ028	0.0723
202110	7	RS	0.0741	SUPRATE	ZZ073	0.0693
202110	2	RS	0.0741	SUPRATE	ZZ099	0.0638
202110	35	RS	0.0741	SUPRATE	ZZ105	0.0661
202110	48	RS	0.0741	SUPRATE	ZZ112	0.057
202110	777	RS	0.0741	SUPRATE	ZZ111	0.0658
202111	2	RS	0.0741	SUPRATE	ZZ028	0.0723
202111	3	RS	0.0741	SUPRATE	ZZ079	0.0693
202111	7	RS	0.0741	SUPRATE	ZZ073	0.0693
202111	799	RS	0.0741	SUPRATE	ZZ111	0.0658
202111	1	RS	0.0741	SUPRATE	ZZ098	0.0586
202111	1	RS	0.0741	SUPRATE	ZZ066	0.0613
202111	1	RS	0.0741	SUPRATE	ZZ067	0.066
202111	8	RS	0.0741	SUPRATE	ZZ097	0.066
202111	2	RS	0.0741	SUPRATE	ZZ081	0.0655
202111	1	RS	0.0741	SUPRATE	ZZ034	0.0751
202111	2	RS	0.0741	SUPRATE	ZZ107	0.062
202111	3	RS	0.0741	SUPRATE	ZZ035	0.0655
202111	1602	RS	0.0741	SUPRATE	ZZ117	0.0689
202111	1	RS	0.0741	SUPRATE	ZZ043	0.0724
202111	19	RS	0.0741	SUPRATE	ZZ105	0.0661
202111	5	RS	0.0741	SUPRATE	ZZ106	0.0574
202111	49	RS	0.0741	SUPRATE	ZZ112	0.057
202111	1	RS	0.0741	SUPRATE	ZZ016	0.0752
202111	5	RS	0.0741	SUPRATE	ZZ065	0.0698
202111	2	RS	0.0741	SUPRATE	ZZ099	0.0638
202111	1	RS	0.0741	SUPRATE	ZZ022	0.0742
202111	2	RS	0.0741	SUPRATE	ZZ085	0.0689

202111	33	RS	0.0741	SUPRATE	ZZ113	0.0617
202112	1	RS	0.0798	SUPRATE	ZZ043	0.0724
202112	7	RS	0.0798	SUPRATE	ZZ097	0.066
202112	3	RS	0.0798	SUPRATE	ZZ035	0.0655
202112	1	RS	0.0798	SUPRATE	ZZ081	0.0655
202112	2	RS	0.0798	SUPRATE	ZZ085	0.0689
202112	43	RS	0.0798	SUPRATE	ZZ112	0.057
202112	758	RS	0.0798	SUPRATE	ZZ111	0.0658
202112	1	RS	0.0798	SUPRATE	ZZ107	0.062
202112	2	RS	0.0798	SUPRATE	ZZ028	0.0723
202112	2	RS	0.0798	SUPRATE	ZZ079	0.0693
202112	3	RS	0.0798	SUPRATE	ZZ106	0.0574
202112	2	RS	0.0798	SUPRATE	ZZ099	0.0638
202112	30	RS	0.0798	SUPRATE	ZZ113	0.0617
202112	1	RS	0.0798	SUPRATE	ZZ066	0.0613
202112	100	RS	0.0798	SUPRATE	ZZ123	0.0742
202112	1720	RS	0.0798	SUPRATE	ZZ117	0.0689
202112	1	RS	0.0798	SUPRATE	ZZ016	0.0752
202112	7	RS	0.0798	SUPRATE	ZZ073	0.0693
202112	7	RS	0.0798	SUPRATE	ZZ105	0.0661
202112	5	RS	0.0798	SUPRATE	ZZ065	0.0698
202112	1	RS	0.0798	SUPRATE	ZZ067	0.066
202201	7	RS	0.0798	SUPRATE	ZZ073	0.0693
202201	6	RS	0.0798	SUPRATE	ZZ105	0.0661
202201	1665	RS	0.0798	SUPRATE	ZZ117	0.0689
202201	2	RS	0.0798	SUPRATE	ZZ106	0.0574
202201	2	RS	0.0798	SUPRATE	ZZ028	0.0723
202201	5	RS	0.0798	SUPRATE	ZZ065	0.0698
202201	2	RS	0.0798	SUPRATE	ZZ079	0.0693
202201	3	RS	0.0798	SUPRATE	ZZ035	0.0655
202201	24	RS	0.0798	SUPRATE	ZZ113	0.0617
202201	341	RS	0.0798	SUPRATE	ZZ123	0.0742
202201	37	RS	0.0798	SUPRATE	ZZ112	0.057
202201	1	RS	0.0798	SUPRATE	ZZ081	0.0655
202201	1	RS	0.0798	SUPRATE	ZZ016	0.0752
202201	2	RS	0.0798	SUPRATE	ZZ085	0.0689
202201	721	RS	0.0798	SUPRATE	ZZ111	0.0658
202201	1	RS	0.0798	SUPRATE	ZZ043	0.0724
202201	1	RS	0.0798	SUPRATE	ZZ107	0.062
202201	2	RS	0.0798	SUPRATE	ZZ099	0.0638
202201	1	RS	0.0798	SUPRATE	ZZ067	0.066
202201	6	RS	0.0798	SUPRATE	ZZ097	0.066
202201	1	RS	0.0798	SUPRATE	ZZ066	0.0613
202202	2	RS	0.0798	SUPRATE	ZZ028	0.0723
202202	1	RS	0.0798	SUPRATE	ZZ067	0.066
202202	1574	RS	0.0798	SUPRATE	ZZ117	0.0689
202202	7	RS	0.0798	SUPRATE	ZZ073	0.0693

202202	684	RS	0.0798	SUPRATE	ZZ111	0.0658
202202	1	RS	0.0798	SUPRATE	ZZ066	0.0613
202202	1	RS	0.0798	SUPRATE	ZZ043	0.0724
202202	6	RS	0.0798	SUPRATE	ZZ097	0.066
202202	2	RS	0.0798	SUPRATE	ZZ099	0.0638
202202	3	RS	0.0798	SUPRATE	ZZ035	0.0655
202202	14	RS	0.0798	SUPRATE	ZZ113	0.0617
202202	1	RS	0.0798	SUPRATE	ZZ016	0.0752
202202	5	RS	0.0798	SUPRATE	ZZ065	0.0698
202202	2	RS	0.0798	SUPRATE	ZZ085	0.0689
202202	2	RS	0.0798	SUPRATE	ZZ079	0.0693
202202	31	RS	0.0798	SUPRATE	ZZ112	0.057
202202	636	RS	0.0798	SUPRATE	ZZ123	0.0742
202202	6	RS	0.0798	SUPRATE	ZZ105	0.0661
202202	1	RS	0.0798	SUPRATE	ZZ081	0.0655
202202	2	RS	0.0798	SUPRATE	ZZ106	0.0574
202202	1	RS	0.0798	SUPRATE	ZZ107	0.062
202202	1	RS	0.0798	SUPRATE	ZZ034	0.0751
202203	2	RS	0.0798	SUPRATE	ZZ028	0.0723
202203	1517	RS	0.0798	SUPRATE	ZZ117	0.0689
202203	2	RS	0.0798	SUPRATE	ZZ106	0.0574
202203	1	RS	0.0798	SUPRATE	ZZ034	0.0751
202203	1	RS	0.0798	SUPRATE	ZZ043	0.0724
202203	5	RS	0.0798	SUPRATE	ZZ113	0.0617
202203	5	RS	0.0798	SUPRATE	ZZ065	0.0698
202203	3	RS	0.0798	SUPRATE	ZZ097	0.066
202203	2	RS	0.0798	SUPRATE	ZZ099	0.0638
202203	628	RS	0.0798	SUPRATE	ZZ111	0.0658
202203	1	RS	0.0798	SUPRATE	ZZ067	0.066
202203	1	RS	0.0798	SUPRATE	ZZ016	0.0752
202203	6	RS	0.0798	SUPRATE	ZZ105	0.0661
202203	2	RS	0.0798	SUPRATE	ZZ055	0.074
202203	958	RS	0.0798	SUPRATE	ZZ123	0.0742
202203	7	RS	0.0798	SUPRATE	ZZ073	0.0693
202203	1	RS	0.0798	SUPRATE	ZZ107	0.062
202203	2	RS	0.0798	SUPRATE	ZZ079	0.0693
202203	2	RS	0.0798	SUPRATE	ZZ085	0.0689
202203	3	RS	0.0798	SUPRATE	ZZ035	0.0655
202203	22	RS	0.0798	SUPRATE	ZZ112	0.057
202203	1	RS	0.0798	SUPRATE	ZZ081	0.0655
202204	1	RS	0.0798	SUPRATE	ZZ081	0.0655
202204	1165	RS	0.0798	SUPRATE	ZZ123	0.0742
202204	1	RS	0.0798	SUPRATE	ZZ034	0.0751
202204	2	RS	0.0798	SUPRATE	ZZ085	0.0689
202204	3	RS	0.0798	SUPRATE	ZZ097	0.066
202204	6	RS	0.0798	SUPRATE	ZZ065	0.0698
202204	7	RS	0.0798	SUPRATE	ZZ073	0.0693

202204	2	RS	0.0798	SUPRATE	ZZ035	0.0655
202204	1	RS	0.0798	SUPRATE	ZZ043	0.0724
202204	2	RS	0.0798	SUPRATE	ZZ106	0.0574
202204	1	RS	0.0798	SUPRATE	ZZ067	0.066
202204	6	RS	0.0798	SUPRATE	ZZ105	0.0661
202204	1452	RS	0.0798	SUPRATE	ZZ117	0.0689
202204	2	RS	0.0798	SUPRATE	ZZ079	0.0693
202204	537	RS	0.0798	SUPRATE	ZZ111	0.0658
202204	4	RS	0.0798	SUPRATE	ZZ113	0.0617
202204	1	RS	0.0798	SUPRATE	ZZ107	0.062
202204	2	RS	0.0798	SUPRATE	ZZ055	0.074
202204	2	RS	0.0798	SUPRATE	ZZ099	0.0638
202204	15	RS	0.0798	SUPRATE	ZZ112	0.057
202205	6	RS	0.0798	SUPRATE	ZZ073	0.0693
202205	1444	RS	0.0798	SUPRATE	ZZ123	0.0742
202205	2	RS	0.0798	SUPRATE	ZZ079	0.0693
202205	5	RS	0.0798	SUPRATE	ZZ105	0.0661
202205	2	RS	0.0798	SUPRATE	ZZ106	0.0574
202205	1	RS	0.0798	SUPRATE	ZZ119	0.0656
202205	1	RS	0.0798	SUPRATE	ZZ043	0.0724
202205	1	RS	0.0798	SUPRATE	ZZ107	0.062
202205	6	RS	0.0798	SUPRATE	ZZ065	0.0698
202205	3	RS	0.0798	SUPRATE	ZZ113	0.0617
202205	8	RS	0.0798	SUPRATE	ZZ112	0.057
202205	413	RS	0.0798	SUPRATE	ZZ111	0.0658
202205	3	RS	0.0798	SUPRATE	ZZ097	0.066
202205	1391	RS	0.0798	SUPRATE	ZZ117	0.0689
202205	2	RS	0.0798	SUPRATE	ZZ099	0.0638
202205	2	RS	0.0798	SUPRATE	ZZ055	0.074
202205	2	RS	0.0798	SUPRATE	ZZ085	0.0689
202205	2	RS	0.0798	SUPRATE	ZZ035	0.0655
202205	1	RS	0.0798	SUPRATE	ZZ067	0.066
202205	1	RS	0.0798	SUPRATE	ZZ034	0.0751
202206	6	RS	0.0936	SUPRATE	ZZ073	0.0693
202206	2	RS	0.0936	SUPRATE	ZZ106	0.0574
202206	1	RS	0.0936	SUPRATE	ZZ035	0.0655
202206	280	RS	0.0936	SUPRATE	ZZ111	0.0658
202206	8	RS	0.0936	SUPRATE	ZZ112	0.057
202206	1293	RS	0.0936	SUPRATE	ZZ117	0.0689
202206	1	RS	0.0936	SUPRATE	ZZ107	0.062
202206	3	RS	0.0936	SUPRATE	ZZ113	0.0617
202206	1	RS	0.0936	SUPRATE	ZZ043	0.0724
202206	6	RS	0.0936	SUPRATE	ZZ065	0.0698
202206	4	RS	0.0936	SUPRATE	ZZ105	0.0661
202206	1646	RS	0.0936	SUPRATE	ZZ123	0.0742
202206	2	RS	0.0936	SUPRATE	ZZ079	0.0693
202206	2	RS	0.0936	SUPRATE	ZZ085	0.0689

202206	3	RS	0.0936	SUPRATE	ZZ097	0.066
202206	2	RS	0.0936	SUPRATE	ZZ055	0.074
202207	5	RS	0.0936	SUPRATE	ZZ073	0.0693
202207	2	RS	0.0936	SUPRATE	ZZ079	0.0693
202207	1	RS	0.0936	SUPRATE	ZZ097	0.066
202207	4	RS	0.0936	SUPRATE	ZZ105	0.0661
202207	1088	RS	0.0936	SUPRATE	ZZ117	0.0689
202207	1	RS	0.0936	SUPRATE	ZZ107	0.062
202207	2	RS	0.0936	SUPRATE	ZZ113	0.0617
202207	1	RS	0.0936	SUPRATE	ZZ106	0.0574
202207	2	RS	0.0936	SUPRATE	ZZ055	0.074
202207	4	RS	0.0936	SUPRATE	ZZ065	0.0698
202207	189	RS	0.0936	SUPRATE	ZZ111	0.0658
202207	1	RS	0.0936	SUPRATE	ZZ119	0.0656
202207	1	RS	0.0936	SUPRATE	ZZ124	0.0657
202207	2	RS	0.0936	SUPRATE	ZZ085	0.0689
202207	1	RS	0.0936	SUPRATE	ZZ035	0.0655
202207	8	RS	0.0936	SUPRATE	ZZ112	0.057
202207	1574	RS	0.0936	SUPRATE	ZZ123	0.0742
202207	1	RS	0.0936	SUPRATE	ZZ043	0.0724
202208	4	RS	0.0936	SUPRATE	ZZ065	0.0698
202208	4	RS	0.0936	SUPRATE	ZZ105	0.0661
202208	1	RS	0.0936	SUPRATE	ZZ035	0.0655
202208	1	RS	0.0936	SUPRATE	ZZ118	0.0604
202208	1	RS	0.0936	SUPRATE	ZZ107	0.062
202208	1	RS	0.0936	SUPRATE	ZZ043	0.0724
202208	1515	RS	0.0936	SUPRATE	ZZ123	0.0742
202208	4	RS	0.0936	SUPRATE	ZZ073	0.0693
202208	802	RS	0.0936	SUPRATE	ZZ117	0.0689
202208	119	RS	0.0936	SUPRATE	ZZ111	0.0658
202208	1	RS	0.0936	SUPRATE	ZZ106	0.0574
202208	2	RS	0.0936	SUPRATE	ZZ079	0.0693
202208	2	RS	0.0936	SUPRATE	ZZ085	0.0689
202208	1	RS	0.0936	SUPRATE	ZZ097	0.066
202208	2	RS	0.0936	SUPRATE	ZZ113	0.0617
202208	8	RS	0.0936	SUPRATE	ZZ112	0.057
202209	4	RS	0.0936	SUPRATE	ZZ065	0.0698
202209	67	RS	0.0936	SUPRATE	ZZ111	0.0658
202209	2	RS	0.0936	SUPRATE	ZZ113	0.0617
202209	4	RS	0.0936	SUPRATE	ZZ105	0.0661
202209	1	RS	0.0936	SUPRATE	ZZ106	0.0574
202209	1	RS	0.0936	SUPRATE	ZZ043	0.0724
202209	1	RS	0.0936	SUPRATE	ZZ035	0.0655
202209	544	RS	0.0936	SUPRATE	ZZ117	0.0689
202209	1	RS	0.0936	SUPRATE	ZZ124	0.0657
202209	2	RS	0.0936	SUPRATE	ZZ079	0.0693
202209	6	RS	0.0936	SUPRATE	ZZ112	0.057

202209	4	RS	0.0936	SUPRATE	ZZ073	0.0693
202209	1	RS	0.0936	SUPRATE	ZZ097	0.066
202209	1458	RS	0.0936	SUPRATE	ZZ123	0.0742
202209	1	RS	0.0936	SUPRATE	ZZ085	0.0689
202209	1	RS	0.0936	SUPRATE	ZZ107	0.062
202210	2	RS	0.0936	SUPRATE	ZZ112	0.057
202210	2	RS	0.0936	SUPRATE	ZZ079	0.0693
202210	4	RS	0.0936	SUPRATE	ZZ105	0.0661
202210	41	RS	0.0936	SUPRATE	ZZ111	0.0658
202210	1398	RS	0.0936	SUPRATE	ZZ123	0.0742
202210	2	RS	0.0936	SUPRATE	ZZ113	0.0617
202210	404	RS	0.0936	SUPRATE	ZZ117	0.0689
202210	1	RS	0.0936	SUPRATE	ZZ043	0.0724
202210	4	RS	0.0936	SUPRATE	ZZ073	0.0693
202210	1	RS	0.0936	SUPRATE	ZZ035	0.0655
202210	4	RS	0.0936	SUPRATE	ZZ065	0.0698
202210	1	RS	0.0936	SUPRATE	ZZ097	0.066
202210	1	RS	0.0936	SUPRATE	ZZ085	0.0689
202210	1	RS	0.0936	SUPRATE	ZZ106	0.0574
202211	1	RS	0.0936	SUPRATE	ZZ043	0.0724
202211	4	RS	0.0936	SUPRATE	ZZ065	0.0698
202211	4	RS	0.0936	SUPRATE	ZZ073	0.0693
202211	1	RS	0.0936	SUPRATE	ZZ035	0.0655
202211	4	RS	0.0936	SUPRATE	ZZ105	0.0661
202211	1366	RS	0.0936	SUPRATE	ZZ123	0.0742
202211	10	RS	0.0936	SUPRATE	ZZ111	0.0658
202211	290	RS	0.0936	SUPRATE	ZZ117	0.0689
202211	1	RS	0.0936	SUPRATE	ZZ097	0.066
202211	2	RS	0.0936	SUPRATE	ZZ079	0.0693
202211	1	RS	0.0936	SUPRATE	ZZ085	0.0689
202212	4	RS	0.1125	SUPRATE	ZZ073	0.0693
202212	1	RS	0.1125	SUPRATE	ZZ085	0.0689
202212	190	RS	0.1125	SUPRATE	ZZ117	0.0689
202212	1	RS	0.1125	SUPRATE	ZZ043	0.0724
202212	1	RS	0.1125	SUPRATE	ZZ097	0.066
202212	4	RS	0.1125	SUPRATE	ZZ105	0.0661
202212	1	RS	0.1125	SUPRATE	ZZ035	0.0655
202212	1301	RS	0.1125	SUPRATE	ZZ123	0.0742
202212	1	RS	0.1125	SUPRATE	ZZ119	0.0656
202212	4	RS	0.1125	SUPRATE	ZZ065	0.0698
202212	2	RS	0.1125	SUPRATE	ZZ079	0.0693
202212	60	RS	0.1125	SUPRATE	ZZ129	0.1046
202212	4	RS	0.1125	SUPRATE	ZZ111	0.0658
202301	1	RS	0.1125	SUPRATE	ZZ043	0.0724
202301	4	RS	0.1125	SUPRATE	ZZ105	0.0661
202301	1	RS	0.1125	SUPRATE	ZZ085	0.0689
202301	1170	RS	0.1125	SUPRATE	ZZ123	0.0742

202301	3	RS	0.1125	SUPRATE	ZZ111	0.0658
202301	114	RS	0.1125	SUPRATE	ZZ117	0.0689
202301	4	RS	0.1125	SUPRATE	ZZ073	0.0693
202301	4	RS	0.1125	SUPRATE	ZZ065	0.0698
202301	1	RS	0.1125	SUPRATE	ZZ035	0.0655
202301	2	RS	0.1125	SUPRATE	ZZ079	0.0693
202301	1	RS	0.1125	SUPRATE	ZZ097	0.066
202301	168	RS	0.1125	SUPRATE	ZZ129	0.1046
202302	2	RS	0.1125	SUPRATE	ZZ079	0.0693
202302	4	RS	0.1125	SUPRATE	ZZ065	0.0698
202302	4	RS	0.1125	SUPRATE	ZZ073	0.0693
202302	1	RS	0.1125	SUPRATE	ZZ085	0.0689
202302	3	RS	0.1125	SUPRATE	ZZ105	0.0661
202302	1	RS	0.1125	SUPRATE	ZZ035	0.0655
202302	98	RS	0.1125	SUPRATE	ZZ117	0.0689
202302	1022	RS	0.1125	SUPRATE	ZZ123	0.0742
202302	1	RS	0.1125	SUPRATE	ZZ125	0.0709
202302	1	RS	0.1125	SUPRATE	ZZ119	0.0656
202302	159	RS	0.1125	SUPRATE	ZZ129	0.1046
202302	1	RS	0.1125	SUPRATE	ZZ043	0.0724
202302	1	RS	0.1125	SUPRATE	ZZ097	0.066
202302	3	RS	0.1125	SUPRATE	ZZ111	0.0658
202303	1	RS	0.1125	SUPRATE	ZZ125	0.0709
202303	4	RS	0.1125	SUPRATE	ZZ065	0.0698
202303	1	RS	0.1125	SUPRATE	ZZ085	0.0689
202303	90	RS	0.1125	SUPRATE	ZZ117	0.0689
202303	787	RS	0.1125	SUPRATE	ZZ123	0.0742
202303	1	RS	0.1125	SUPRATE	ZZ097	0.066
202303	1	RS	0.1125	SUPRATE	ZZ079	0.0693
202303	1	RS	0.1125	SUPRATE	ZZ035	0.0655
202303	4	RS	0.1125	SUPRATE	ZZ073	0.0693
202303	1	RS	0.1125	SUPRATE	ZZ043	0.0724
202303	3	RS	0.1125	SUPRATE	ZZ111	0.0658
202303	219	RS	0.1125	SUPRATE	ZZ129	0.1046
202303	1	RS	0.1125	SUPRATE	ZZ130	0.0941
202303	3	RS	0.1125	SUPRATE	ZZ105	0.0661
202304	278	RS	0.1125	SUPRATE	ZZ129	0.1046
202304	1	RS	0.1125	SUPRATE	ZZ125	0.0709
202304	1	RS	0.1125	SUPRATE	ZZ043	0.0724
202304	602	RS	0.1125	SUPRATE	ZZ123	0.0742
202304	3	RS	0.1125	SUPRATE	ZZ111	0.0658
202304	4	RS	0.1125	SUPRATE	ZZ065	0.0698
202304	1	RS	0.1125	SUPRATE	ZZ079	0.0693
202304	1	RS	0.1125	SUPRATE	ZZ035	0.0655
202304	1	RS	0.1125	SUPRATE	ZZ097	0.066
202304	3	RS	0.1125	SUPRATE	ZZ105	0.0661
202304	1	RS	0.1125	SUPRATE	ZZ085	0.0689

202304	4	RS	0.1125	SUPRATE	ZZ073	0.0693
202304	79	RS	0.1125	SUPRATE	ZZ117	0.0689
202305	1	RS	0.1125	SUPRATE	ZZ097	0.066
202305	1	RS	0.1125	SUPRATE	ZZ035	0.0655
202305	1	RS	0.1125	SUPRATE	ZZ043	0.0724
202305	315	RS	0.1125	SUPRATE	ZZ123	0.0742
202305	4	RS	0.1125	SUPRATE	ZZ073	0.0693
202305	1	RS	0.1125	SUPRATE	ZZ079	0.0693
202305	1	RS	0.1125	SUPRATE	ZZ085	0.0689
202305	424	RS	0.1125	SUPRATE	ZZ129	0.1046
202305	4	RS	0.1125	SUPRATE	ZZ065	0.0698
202305	31	RS	0.1125	SUPRATE	ZZ117	0.0689
202305	3	RS	0.1125	SUPRATE	ZZ105	0.0661
202305	3	RS	0.1125	SUPRATE	ZZ111	0.0658
202306	3	RS	0.1145	SUPRATE	ZZ105	0.0661
202306	73	RS	0.1145	SUPRATE	ZZ135	0.1065
202306	4	RS	0.1145	SUPRATE	ZZ073	0.0693
202306	7	RS	0.1145	SUPRATE	ZZ117	0.0689
202306	155	RS	0.1145	SUPRATE	ZZ123	0.0742
202306	1	RS	0.1145	SUPRATE	ZZ079	0.0693
202306	2	RS	0.1145	SUPRATE	ZZ136	0.0967
202306	1	RS	0.1145	SUPRATE	ZZ043	0.0724
202306	3	RS	0.1145	SUPRATE	ZZ111	0.0658
202306	4	RS	0.1145	SUPRATE	ZZ065	0.0698
202306	1	RS	0.1145	SUPRATE	ZZ097	0.066
202306	1	RS	0.1145	SUPRATE	ZZ035	0.0655
202306	469	RS	0.1145	SUPRATE	ZZ129	0.1046
202306	1	RS	0.1145	SUPRATE	ZZ085	0.0689
202307	4	RS	0.1145	SUPRATE	ZZ073	0.0693
202307	1	RS	0.1145	SUPRATE	ZZ085	0.0689
202307	2	RS	0.1145	SUPRATE	ZZ136	0.0967
202307	3	RS	0.1145	SUPRATE	ZZ105	0.0661
202307	7	RS	0.1145	SUPRATE	ZZ117	0.0689
202307	1	RS	0.1145	SUPRATE	ZZ137	0.1022
202307	3	RS	0.1145	SUPRATE	ZZ111	0.0658
202307	82	RS	0.1145	SUPRATE	ZZ123	0.0742
202307	441	RS	0.1145	SUPRATE	ZZ129	0.1046
202307	195	RS	0.1145	SUPRATE	ZZ135	0.1065
202307	1	RS	0.1145	SUPRATE	ZZ079	0.0693
202307	1	RS	0.1145	SUPRATE	ZZ097	0.066
202307	1	RS	0.1145	SUPRATE	ZZ035	0.0655
202307	1	RS	0.1145	SUPRATE	ZZ043	0.0724
202307	4	RS	0.1145	SUPRATE	ZZ065	0.0698
202308	493	RS	0.1145	SUPRATE	ZZ129	0.1046
202308	1	RS	0.1145	SUPRATE	ZZ137	0.1022
202308	1	RS	0.1145	SUPRATE	ZZ097	0.066
202308	2	RS	0.1145	SUPRATE	ZZ105	0.0661

202308	337	RS	0.1145 SUPRATE	ZZ135	0.1065
202308	4	RS	0.1145 SUPRATE	ZZ065	0.0698
202308	1	RS	0.1145 SUPRATE	ZZ035	0.0655
202308	2	RS	0.1145 SUPRATE	ZZ136	0.0967
202308	1	RS	0.1145 SUPRATE	ZZ085	0.0689
202308	2	RS	0.1145 SUPRATE	ZZ111	0.0658
202308	4	RS	0.1145 SUPRATE	ZZ073	0.0693
202308	47	RS	0.1145 SUPRATE	ZZ123	0.0742
202308	1	RS	0.1145 SUPRATE	ZZ079	0.0693
202308	6	RS	0.1145 SUPRATE	ZZ117	0.0689
202309	1	RS	0.1145 SUPRATE	ZZ097	0.066
202309	1	RS	0.1145 SUPRATE	ZZ085	0.0689
202309	420	RS	0.1145 SUPRATE	ZZ135	0.1065
202309	1	RS	0.1145 SUPRATE	ZZ137	0.1022
202309	1	RS	0.1145 SUPRATE	ZZ079	0.0693
202309	5	RS	0.1145 SUPRATE	ZZ117	0.0689
202309	2	RS	0.1145 SUPRATE	ZZ136	0.0967
202309	2	RS	0.1145 SUPRATE	ZZ105	0.0661
202309	3	RS	0.1145 SUPRATE	ZZ073	0.0693
202309	2	RS	0.1145 SUPRATE	ZZ111	0.0658
202309	4	RS	0.1145 SUPRATE	ZZ065	0.0698
202309	1	RS	0.1145 SUPRATE	ZZ035	0.0655
202309	498	RS	0.1145 SUPRATE	ZZ129	0.1046
202309	39	RS	0.1145 SUPRATE	ZZ123	0.0742
202310	4	RS	0.1145 SUPRATE	ZZ065	0.0698
202310	1	RS	0.1145 SUPRATE	ZZ035	0.0655
202310	2	RS	0.1145 SUPRATE	ZZ111	0.0658
202310	1	RS	0.1145 SUPRATE	ZZ079	0.0693
202310	1	RS	0.1145 SUPRATE	ZZ085	0.0689
202310	1	RS	0.1145 SUPRATE	ZZ097	0.066
202310	2	RS	0.1145 SUPRATE	ZZ105	0.0661
202310	495	RS	0.1145 SUPRATE	ZZ129	0.1046
202310	455	RS	0.1145 SUPRATE	ZZ135	0.1065
202310	2	RS	0.1145 SUPRATE	ZZ136	0.0967
202310	1	RS	0.1145 SUPRATE	ZZ137	0.1022
202310	3	RS	0.1145 SUPRATE	ZZ073	0.0693
202310	4	RS	0.1145 SUPRATE	ZZ117	0.0689
202310	29	RS	0.1145 SUPRATE	ZZ123	0.0742
202311	1	RS	0.1145 SUPRATE	ZZ079	0.0693
202311	2	RS	0.1145 SUPRATE	ZZ105	0.0661
202311	1	RS	0.1145 SUPRATE	ZZ085	0.0689
202311	2	RS	0.1145 SUPRATE	ZZ111	0.0658
202311	1	RS	0.1145 SUPRATE	ZZ097	0.066
202311	4	RS	0.1145 SUPRATE	ZZ117	0.0689
202311	493	RS	0.1145 SUPRATE	ZZ129	0.1046
202311	1	RS	0.1145 SUPRATE	ZZ137	0.1022
202311	479	RS	0.1145 SUPRATE	ZZ135	0.1065

202311	2	RS	0.1145	SUPRATE	ZZ136	0.0967
202311	3	RS	0.1145	SUPRATE	ZZ073	0.0693
202311	10	RS	0.1145	SUPRATE	ZZ123	0.0742
202311	4	RS	0.1145	SUPRATE	ZZ065	0.0698
202311	1	RS	0.1145	SUPRATE	ZZ035	0.0655
202312	4	RS	0.1046	SUPRATE	ZZ065	0.0698
202312	1	RS	0.1046	SUPRATE	ZZ085	0.0689
202312	1	RS	0.1046	SUPRATE	ZZ137	0.1022
202312	1	RS	0.1046	SUPRATE	ZZ079	0.0693
202312	1	RS	0.1046	SUPRATE	ZZ097	0.066
202312	1	RS	0.1046	SUPRATE	ZZ035	0.0655
202312	2	RS	0.1046	SUPRATE	ZZ136	0.0967
202312	67	RS	0.1046	SUPRATE	ZZ141	0.0973
202312	2	RS	0.1046	SUPRATE	ZZ105	0.0661
202312	10	RS	0.1046	SUPRATE	ZZ123	0.0742
202312	2	RS	0.1046	SUPRATE	ZZ111	0.0658
202312	3	RS	0.1046	SUPRATE	ZZ073	0.0693
202312	476	RS	0.1046	SUPRATE	ZZ135	0.1065
202312	445	RS	0.1046	SUPRATE	ZZ129	0.1046
202401	1	RS	0.1046	SUPRATE	ZZ097	0.066
202401	2	RS	0.1046	SUPRATE	ZZ136	0.0967
202401	4	RS	0.1046	SUPRATE	ZZ065	0.0698
202401	2	RS	0.1046	SUPRATE	ZZ111	0.0658
202401	2	RS	0.1046	SUPRATE	ZZ105	0.0661
202401	1	RS	0.1046	SUPRATE	ZZ085	0.0689
202401	1	RS	0.1046	SUPRATE	ZZ035	0.0655
202401	454	RS	0.1046	SUPRATE	ZZ135	0.1065
202401	104	RS	0.1046	SUPRATE	ZZ141	0.0973
202401	3	RS	0.1046	SUPRATE	ZZ073	0.0693
202401	1	RS	0.1046	SUPRATE	ZZ079	0.0693
202401	8	RS	0.1046	SUPRATE	ZZ123	0.0742
202401	1	RS	0.1046	SUPRATE	ZZ137	0.1022
202401	369	RS	0.1046	SUPRATE	ZZ129	0.1046
202402	1	RS	0.1046	SUPRATE	ZZ079	0.0693
202402	4	RS	0.1046	SUPRATE	ZZ065	0.0698
202402	1	RS	0.1046	SUPRATE	ZZ035	0.0655
202402	1	RS	0.1046	SUPRATE	ZZ085	0.0689
202402	1	RS	0.1046	SUPRATE	ZZ137	0.1022
202402	8	RS	0.1046	SUPRATE	ZZ123	0.0742
202402	348	RS	0.1046	SUPRATE	ZZ129	0.1046
202402	152	RS	0.1046	SUPRATE	ZZ141	0.0973
202402	2	RS	0.1046	SUPRATE	ZZ105	0.0661
202402	2	RS	0.1046	SUPRATE	ZZ111	0.0658
202402	2	RS	0.1046	SUPRATE	ZZ136	0.0967
202402	440	RS	0.1046	SUPRATE	ZZ135	0.1065
202402	1	RS	0.1046	SUPRATE	ZZ097	0.066
202402	3	RS	0.1046	SUPRATE	ZZ073	0.0693

202402	1	RS	0.1046	SUPRATE	ZZ130	0.0941
202403	2	RS	0.1046	SUPRATE	ZZ105	0.0661
202403	304	RS	0.1046	SUPRATE	ZZ129	0.1046
202403	190	RS	0.1046	SUPRATE	ZZ141	0.0973
202403	2	RS	0.1046	SUPRATE	ZZ136	0.0967
202403	3	RS	0.1046	SUPRATE	ZZ073	0.0693
202403	1	RS	0.1046	SUPRATE	ZZ137	0.1022
202403	4	RS	0.1046	SUPRATE	ZZ065	0.0698
202403	1	RS	0.1046	SUPRATE	ZZ079	0.0693
202403	1	RS	0.1046	SUPRATE	ZZ097	0.066
202403	425	RS	0.1046	SUPRATE	ZZ135	0.1065
202403	1	RS	0.1046	SUPRATE	ZZ035	0.0655
202403	6	RS	0.1046	SUPRATE	ZZ123	0.0742
202403	2	RS	0.1046	SUPRATE	ZZ111	0.0658
202404	1	RS	0.1046	SUPRATE	ZZ079	0.0693
202404	1	RS	0.1046	SUPRATE	ZZ137	0.1022
202404	226	RS	0.1046	SUPRATE	ZZ141	0.0973
202404	4	RS	0.1046	SUPRATE	ZZ065	0.0698
202404	1	RS	0.1046	SUPRATE	ZZ097	0.066
202404	403	RS	0.1046	SUPRATE	ZZ135	0.1065
202404	3	RS	0.1046	SUPRATE	ZZ073	0.0693
202404	5	RS	0.1046	SUPRATE	ZZ123	0.0742
202404	2	RS	0.1046	SUPRATE	ZZ111	0.0658
202404	2	RS	0.1046	SUPRATE	ZZ136	0.0967
202404	240	RS	0.1046	SUPRATE	ZZ129	0.1046
202404	2	RS	0.1046	SUPRATE	ZZ105	0.0661
202101	1	RS-N	0.0707	SUPRATE	ZZ035	0.0655
202101	2	RS-N	0.0707	SUPRATE	ZZ097	0.066
202101	1	RS-N	0.0707	SUPRATE	ZZ105	0.0661
202102	1	RS-N	0.0707	SUPRATE	ZZ105	0.0661
202102	1	RS-N	0.0707	SUPRATE	ZZ035	0.0655
202102	2	RS-N	0.0707	SUPRATE	ZZ097	0.066
202103	2	RS-N	0.0707	SUPRATE	ZZ097	0.066
202103	1	RS-N	0.0707	SUPRATE	ZZ105	0.0661
202103	1	RS-N	0.0707	SUPRATE	ZZ035	0.0655
202104	2	RS-N	0.0707	SUPRATE	ZZ105	0.0661
202104	2	RS-N	0.0707	SUPRATE	ZZ097	0.066
202104	1	RS-N	0.0707	SUPRATE	ZZ035	0.0655
202105	3	RS-N	0.0707	SUPRATE	ZZ105	0.0661
202105	1	RS-N	0.0707	SUPRATE	ZZ112	0.057
202105	2	RS-N	0.0707	SUPRATE	ZZ097	0.066
202106	1	RS-N	0.0741	SUPRATE	ZZ112	0.057
202106	2	RS-N	0.0741	SUPRATE	ZZ097	0.066
202106	3	RS-N	0.0741	SUPRATE	ZZ105	0.0661
202107	2	RS-N	0.0741	SUPRATE	ZZ097	0.066
202107	2	RS-N	0.0741	SUPRATE	ZZ105	0.0661
202107	1	RS-N	0.0741	SUPRATE	ZZ112	0.057

202107	1	RS-N	0.0741	SUPRATE	ZZ117	0.0689
202108	1	RS-N	0.0741	SUPRATE	ZZ112	0.057
202108	2	RS-N	0.0741	SUPRATE	ZZ105	0.0661
202108	2	RS-N	0.0741	SUPRATE	ZZ097	0.066
202109	2	RS-N	0.0741	SUPRATE	ZZ112	0.057
202109	2	RS-N	0.0741	SUPRATE	ZZ105	0.0661
202109	1	RS-N	0.0741	SUPRATE	ZZ117	0.0689
202109	2	RS-N	0.0741	SUPRATE	ZZ097	0.066
202110	1	RS-N	0.0741	SUPRATE	ZZ097	0.066
202110	2	RS-N	0.0741	SUPRATE	ZZ112	0.057
202111	1	RS-N	0.0741	SUPRATE	ZZ117	0.0689
202111	1	RS-N	0.0741	SUPRATE	ZZ097	0.066
202111	2	RS-N	0.0741	SUPRATE	ZZ112	0.057
202112	2	RS-N	0.0798	SUPRATE	ZZ112	0.057
202112	1	RS-N	0.0798	SUPRATE	ZZ117	0.0689
202112	1	RS-N	0.0798	SUPRATE	ZZ097	0.066
202201	2	RS-N	0.0798	SUPRATE	ZZ112	0.057
202201	2	RS-N	0.0798	SUPRATE	ZZ117	0.0689
202201	1	RS-N	0.0798	SUPRATE	ZZ097	0.066
202202	1	RS-N	0.0798	SUPRATE	ZZ097	0.066
202202	1	RS-N	0.0798	SUPRATE	ZZ117	0.0689
202202	1	RS-N	0.0798	SUPRATE	ZZ123	0.0742
202202	2	RS-N	0.0798	SUPRATE	ZZ112	0.057
202203	2	RS-N	0.0798	SUPRATE	ZZ112	0.057
202203	2	RS-N	0.0798	SUPRATE	ZZ123	0.0742
202203	1	RS-N	0.0798	SUPRATE	ZZ097	0.066
202203	1	RS-N	0.0798	SUPRATE	ZZ117	0.0689
202204	2	RS-N	0.0798	SUPRATE	ZZ112	0.057
202204	1	RS-N	0.0798	SUPRATE	ZZ117	0.0689
202204	2	RS-N	0.0798	SUPRATE	ZZ123	0.0742
202204	1	RS-N	0.0798	SUPRATE	ZZ097	0.066
202205	1	RS-N	0.0798	SUPRATE	ZZ112	0.057
202205	1	RS-N	0.0798	SUPRATE	ZZ117	0.0689
202205	2	RS-N	0.0798	SUPRATE	ZZ123	0.0742
202205	1	RS-N	0.0798	SUPRATE	ZZ097	0.066
202206	1	RS-N	0.0936	SUPRATE	ZZ112	0.057
202206	3	RS-N	0.0936	SUPRATE	ZZ123	0.0742
202206	1	RS-N	0.0936	SUPRATE	ZZ117	0.0689
202206	1	RS-N	0.0936	SUPRATE	ZZ097	0.066
202207	1	RS-N	0.0936	SUPRATE	ZZ112	0.057
202207	1	RS-N	0.0936	SUPRATE	ZZ097	0.066
202207	4	RS-N	0.0936	SUPRATE	ZZ123	0.0742
202207	1	RS-N	0.0936	SUPRATE	ZZ117	0.0689
202208	1	RS-N	0.0936	SUPRATE	ZZ112	0.057
202208	5	RS-N	0.0936	SUPRATE	ZZ123	0.0742
202208	1	RS-N	0.0936	SUPRATE	ZZ117	0.0689
202208	1	RS-N	0.0936	SUPRATE	ZZ097	0.066

202209	5	RS-N	0.0936	SUPRATE	ZZ123	0.0742
202209	1	RS-N	0.0936	SUPRATE	ZZ097	0.066
202209	1	RS-N	0.0936	SUPRATE	ZZ117	0.0689
202210	1	RS-N	0.0936	SUPRATE	ZZ097	0.066
202210	6	RS-N	0.0936	SUPRATE	ZZ123	0.0742
202211	7	RS-N	0.0936	SUPRATE	ZZ123	0.0742
202211	1	RS-N	0.0936	SUPRATE	ZZ097	0.066
202212	6	RS-N	0.1125	SUPRATE	ZZ123	0.0742
202212	1	RS-N	0.1125	SUPRATE	ZZ097	0.066
202212	1	RS-N	0.1125	SUPRATE	ZZ129	0.1046
202301	7	RS-N	0.1125	SUPRATE	ZZ123	0.0742
202301	1	RS-N	0.1125	SUPRATE	ZZ129	0.1046
202301	1	RS-N	0.1125	SUPRATE	ZZ097	0.066
202302	1	RS-N	0.1125	SUPRATE	ZZ129	0.1046
202302	1	RS-N	0.1125	SUPRATE	ZZ097	0.066
202302	7	RS-N	0.1125	SUPRATE	ZZ123	0.0742
202303	1	RS-N	0.1125	SUPRATE	ZZ097	0.066
202303	5	RS-N	0.1125	SUPRATE	ZZ123	0.0742
202303	1	RS-N	0.1125	SUPRATE	ZZ129	0.1046
202304	1	RS-N	0.1125	SUPRATE	ZZ129	0.1046
202304	1	RS-N	0.1125	SUPRATE	ZZ097	0.066
202304	5	RS-N	0.1125	SUPRATE	ZZ123	0.0742
202305	1	RS-N	0.1125	SUPRATE	ZZ129	0.1046
202305	3	RS-N	0.1125	SUPRATE	ZZ123	0.0742
202305	1	RS-N	0.1125	SUPRATE	ZZ097	0.066
202306	3	RS-N	0.1145	SUPRATE	ZZ123	0.0742
202306	1	RS-N	0.1145	SUPRATE	ZZ097	0.066
202307	3	RS-N	0.1145	SUPRATE	ZZ123	0.0742
202307	1	RS-N	0.1145	SUPRATE	ZZ129	0.1046
202308	2	RS-N	0.1145	SUPRATE	ZZ123	0.0742
202308	1	RS-N	0.1145	SUPRATE	ZZ129	0.1046
202309	1	RS-N	0.1145	SUPRATE	ZZ123	0.0742
202309	1	RS-N	0.1145	SUPRATE	ZZ129	0.1046
202310	1	RS-N	0.1145	SUPRATE	ZZ123	0.0742
202310	1	RS-N	0.1145	SUPRATE	ZZ129	0.1046
202311	1	RS-N	0.1145	SUPRATE	ZZ123	0.0742
202311	1	RS-N	0.1145	SUPRATE	ZZ129	0.1046
202312	1	RS-N	0.1046	SUPRATE	ZZ123	0.0742
202312	1	RS-N	0.1046	SUPRATE	ZZ129	0.1046
202401	1	RS-N	0.1046	SUPRATE	ZZ129	0.1046
202402	2	RS-N	0.1046	SUPRATE	ZZ129	0.1046
202403	2	RS-N	0.1046	SUPRATE	ZZ129	0.1046
202404	2	RS-N	0.1046	SUPRATE	ZZ129	0.1046
202404	1	RS-N	0.1046	SUPRATE	ZZ135	0.1065
202105	1	RS-R14	0.0707	SUPRATE	ZZ111	0.0658
202106	1	RS-R14	0.0741	SUPRATE	ZZ111	0.0658
202107	1	RS-R14	0.0741	SUPRATE	ZZ111	0.0658

202108	1	RS-R14	0.0741	SUPRATE	ZZ111	0.0658
202109	1	RS-R14	0.0741	SUPRATE	ZZ111	0.0658
202110	1	RS-R14	0.0741	SUPRATE	ZZ111	0.0658
202111	1	RS-R14	0.0741	SUPRATE	ZZ111	0.0658
202112	1	RS-R14	0.0798	SUPRATE	ZZ111	0.0658
202201	1	RS-R14	0.0798	SUPRATE	ZZ111	0.0658
202202	1	RS-R14	0.0798	SUPRATE	ZZ111	0.0658
202203	1	RS-R14	0.0798	SUPRATE	ZZ111	0.0658
202402	1	RS-R14	0.1046	SUPRATE	ZZ141	0.0973
202403	1	RS-R14	0.1046	SUPRATE	ZZ141	0.0973
202404	1	RS-R14	0.1046	SUPRATE	ZZ141	0.0973

Exhibit BA-3

(OCA-I-8 (a))

MLS-1 Residential

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Finaled Account	769	946	1,072	1,193
Kept SO Supplier - Still SOP	9	27	41	50
Switched Supplier - Still SOP	25	53	62	65
Returned to POLR	275	390	512	609
Kept SO Supplier - Not SOP	5,180	4,634	4,238	3,915
Switched Supplier - Not SOP	320	528	653	746
TOTAL	**6,578**	**6,578**	**6,578**	**6,578**

Post-SOP Actions, Percentages of Total SOP

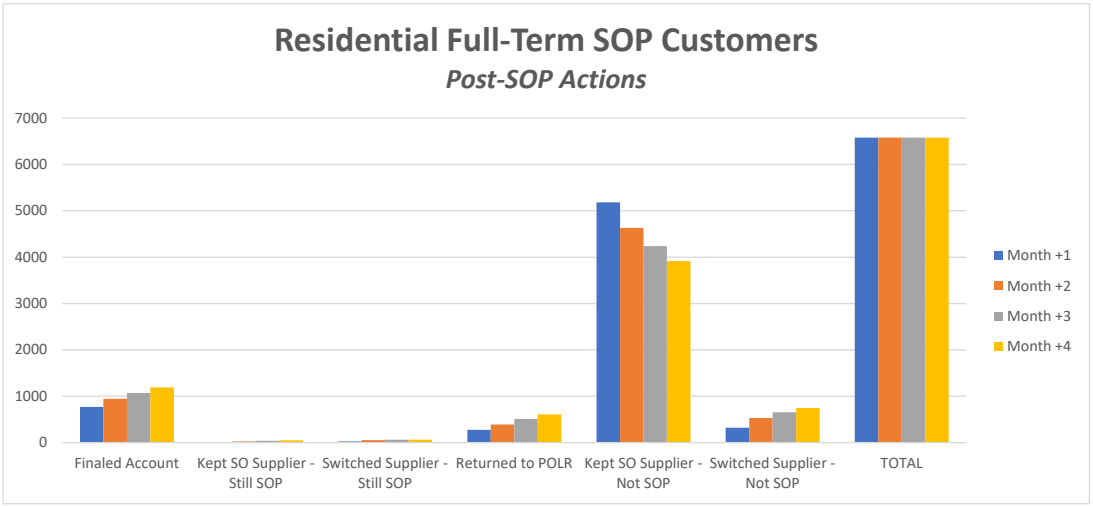
GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Finaled Account	12%	14%	16%	18%
Kept SO Supplier - Still SOP	0%	0%	1%	1%
Switched Supplier - Still SOP	0%	1%	1%	1%
Returned to POLR	4%	6%	8%	9%
Kept SO Supplier - Not SOP	79%	70%	64%	60%
Switched Supplier - Not SOP	5%	8%	10%	11%
TOTAL	**100%**	**100%**	**100%**	**100%**

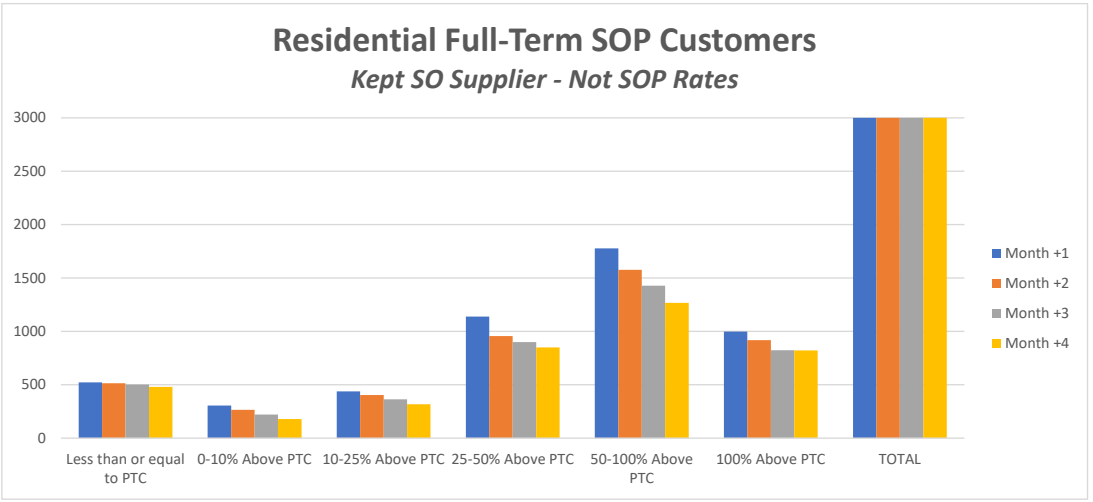
MLS-3 Residential

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Less than or equal to PTC	523	514	502	480
0-10% Above PTC	305	265	221	179
10-25% Above PTC	438	404	364	318
25-50% Above PTC	1,138	956	899	849
50-100% Above PTC	1,777	1,577	1,428	1,268
100% Above PTC	999	918	824	821
TOTAL	**5,180**	**4,634**	**4,238**	**3,915**

Post-SOP Rates, Percentages of Total Kept SO

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Rate < or = PTC	10%	11%	12%	12%
Rate 0-10% Above PTC	6%	6%	5%	5%
Rate 10-25% Above PTC	8%	9%	9%	8%
Rate 25-50% Above PTC	22%	21%	21%	22%
Rate 50-100% Above PTC	34%	34%	34%	32%
Rate > 100% Above PTC	19%	20%	19%	21%
TOTAL	**100%**	**100%**	**100%**	**100%**



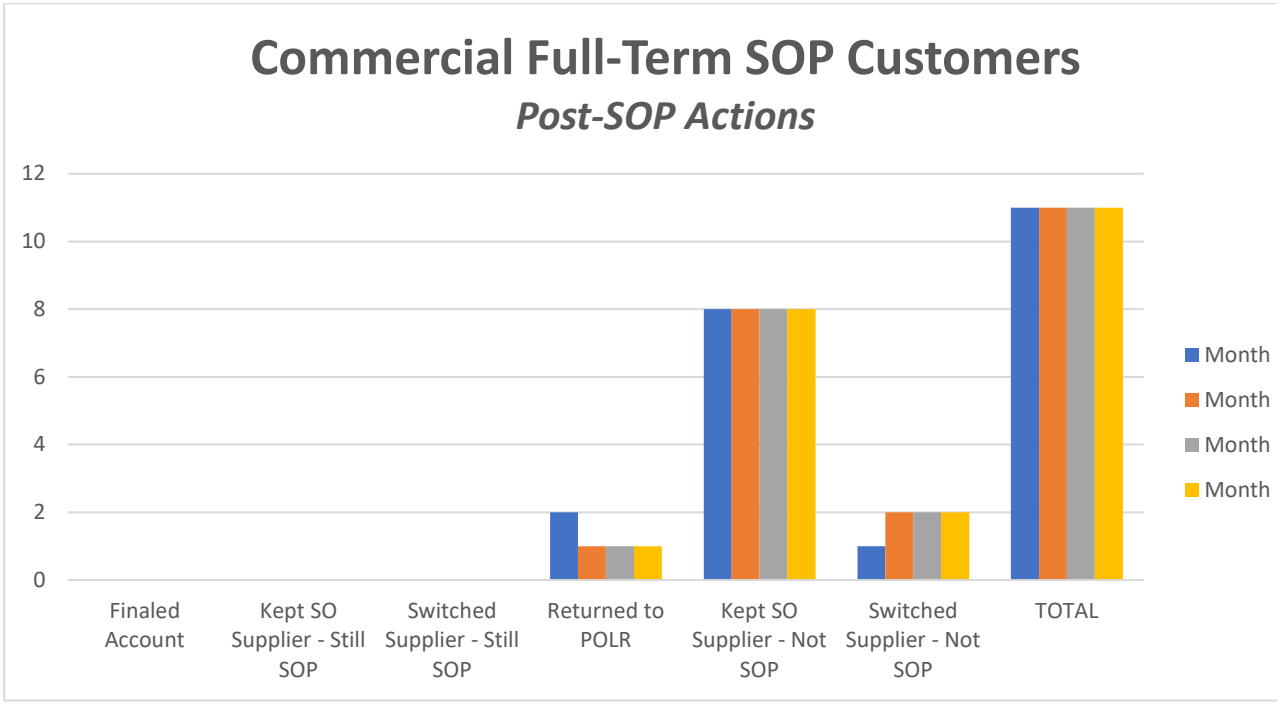


MLS-1 Commercial

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Finaled Account	0	0	0	0
Kept SO Supplier - Still SOP	0	0	0	0
Switched Supplier - Still SOP	0	0	0	0
Returned to POLR	2	1	1	1
Kept SO Supplier - Not SOP	8	8	8	8
Switched Supplier - Not SOP	1	2	2	2
TOTAL	**11**	**11**	**11**	**11**

MLS-3 Commercial

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Less than or equal to PTC	0	0	0	0
0-10% Above PTC	0	0	0	0
10-25% Above PTC	3	3	3	3
25-50% Above PTC	3	3	3	3
50-100% Above PTC	0	0	0	0
100% Above PTC	2	2	2	2
TOTAL	**8**	**8**	**8**	**8**


Commercial Full-Term SOP Customers
Post-SOP Actions
12
10
8
6
4
2
0
Finaled Account
Kept SO Supplier - Still SOP
Switched Supplier - Still SOP
Returned to POLR
Kept SO Supplier - Not SOP
Switched Supplier - Not SOP
TOTAL
Month
Month
Month
Month

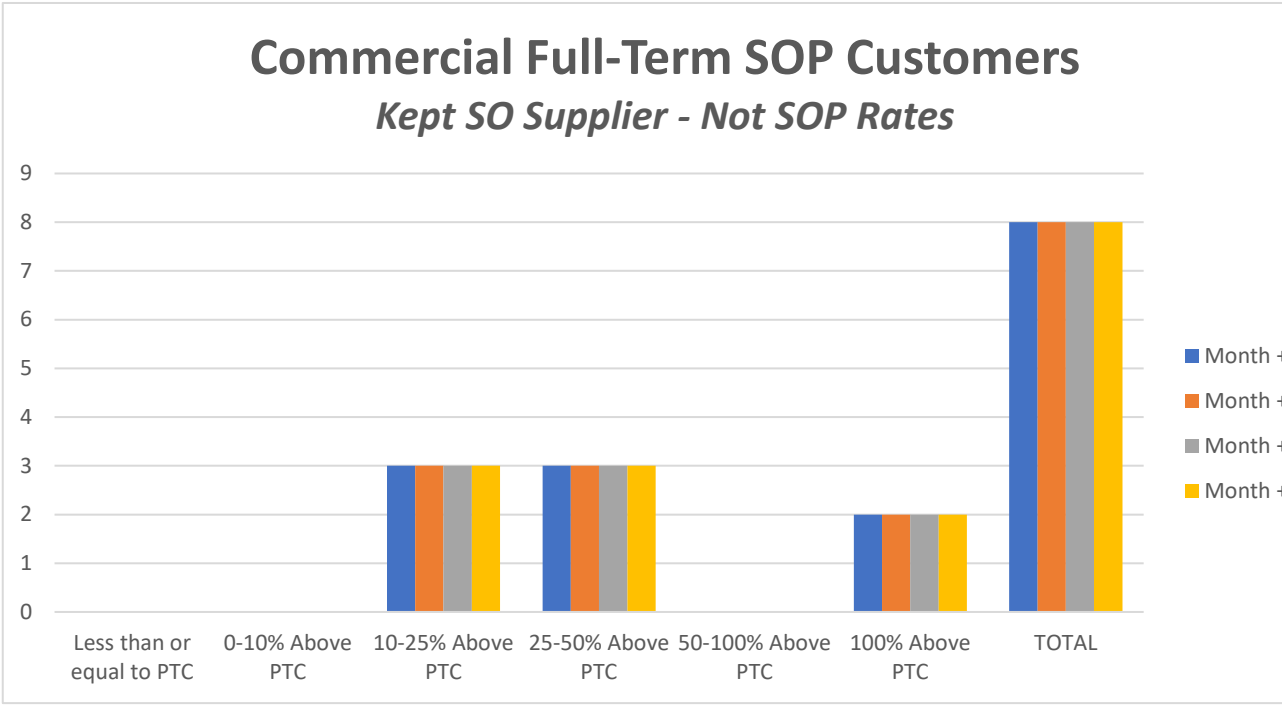

Commercial Full-Term SOP Customers
Kept SO Supplier - Not SOP Rates
9
8
7
6
5
4
3
2
1
0
Less than or equal to PTC
0-10% Above PTC
10-25% Above PTC
25-50% Above PTC
50-100% Above PTC
100% Above PTC
TOTAL
Month
Month
Month
Month

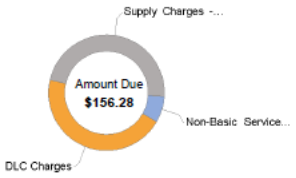
Exhibit BA-4

(OCA-I-36 (a))

Account # [redacted]

Due Date	Amount Due
04/16/2024	$156.28

Bill Summary



Bill ID: [redacted] Date Prepared: 03/26/2024

Previous Account Balance	$190.75
Payment(s) Received as of 03/18/2024	-$190.75
Balance Forward	**$0.00**
DLC Charges	$70.62
Supply Charges - CONSTELLATION NEW ENERGY, INC	$74.18
Non-Basic Service Charges	$11.48
AMOUNT DUE BY 04/16/2024	**$156.28**

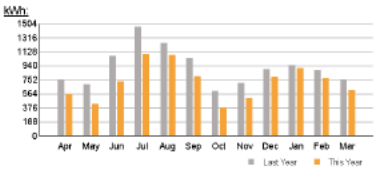
Message Center

Duquesne Light Company partners with Dollar Energy Fund to provide assistance to customers who struggle to pay their electric bill. If you would like to support the Dollar Energy Fund and your neighbors in need, make a tax deductible monthly pledge at **DuquesneLight.com/dollar.**

DOLLAR ENERGY FUND

Usage Comparison Chart

Period	Total kWh Usage	Avg Daily kWh Usage	# of Days	Avg Daily Temp (F)
Current Month	629	22	29	44
Last Month	794	26	31	41
Same Month Last Year	770	27	29	41



Average Monthly Usage for the last 12 months: 739 kWh
Total Annual Usage for the last 12 months: 8871 kWh

B_ESLL_20240326PRD.xml

Online: www.DuquesneLight.com **Phone:** 888-393-7100 *Billing and meter reading details on page 3*

Please return this portion with your payment. Please enclose check facing forward. Make payment payable to Duquesne Light Company in US Currency.

A late charge of 1.25% may be assessed after 2024-04-16

Due Date	Amount Due
04/16/2024	$156.28

$ DO NOT PAY

USD Amount Enclosed

Account # [redacted]

[redacted]

Please mail payment to:

DUQUESNE LIGHT COMPANY
PO BOX 371324
PITTSBURGH PA 15250-7324

DO NOT PAY, YOUR AUTOPAY PAYMENT OF $156.28 WILL BE PROCESSED ON 04/16/2024

Account Detail

[redacted] Supplier Agreement ID: [redacted]

Meter Reading Usage Information

Meter Number		[redacted]
Present	03/25/2024 Act	52,261.5560
Prior	02/25/2024 Act	51,632.3790
Difference		629.1770
Your Meter Multiplier		1
Total kWh Used		629.1770

Current Bill Details

DLC Rate	RS-Residential Service		
Price to Compare	$0.1046 / kWh		
DLC Charges			**$70.62**
Customer Charge		$12.50	
Distribution	629.1770 kWh@ $0.088763	$55.85	
DSIC Surcharge	3.68%	$2.52	
Pennsylvania Tax Adjustment		-$0.25	
Supply Charges - CONSTELLATION NEW ENERGY, INC			**$74.18**
629.2 kWh @ $0.117896		$74.18	
Non-Basic Service Charges			**$11.48**
HomeServe - Sewer Line Repair Plan		$5.49	
HomeServe - Water Line Replacement Plan		$5.99	

Total kWh Used	**629.1770**	**Service Charges**	**$156.28**

Shopping and Supplier Information

When shopping for electricity with an Electric Generation Supplier, please provide the following information:

Supplier Agreement ID: [redacted]
Rate Schedule: RS-Residential Service

The current Price to Compare is listed above in Account Detail and will change every June and December. For more information & supplier offers visit www.PAPowerSwitch.com and www.oca.state.pa.us.

- Generation/Supply prices and charges are set by the electric generation supplier you have chosen
- The Public Utility Commission regulates distribution prices and services
- The Federal Energy Regulatory Commission regulates transmission prices and services

Constellation.

CONSTELLATION NEW ENERGY, INC
1001 LOUISIANA ST STE 2300
HOUSTON TX 77002-5089

For questions regarding the supplier portion of your bill, call CONSTELLATION NEW ENERGY, INC at (855) 465-1244.

Additional Notifications

- Give to Dollar Energy Fund to help people without heat or light. Make a monthly pledge at www.duquesnelight.com or send a check to Duquesne Light Hardship Fund Donations, 411 Seventh Avenue MD 14-1, Pittsburgh, PA 15219. Your gift is tax deductible.
- DLC offers energy efficiency programs to help customers save money by conserving energy and reducing demand. To participate or learn more about these programs, visit WattChoices.com
- CONTACT INFO: For questions about repair plan charges from HomeServe or if you are in need of service as a participant of the repair plan(s), contact us at 1-833-500-2624.
- Join our Budget Plan for consistent bills at DuquesneLight.com/budget. If eligible, the Budget Plan will begin with your next bill. For this bill, please pay the Amount Due shown.
- Your bill contains $4.80 in estimated PA State Taxes, of which $4.17 is PA Gross Receipts Tax.

General Information

Visit us online or call to learn about payment options, or for a copy of our rate schedules. For questions about your bill, please contact us before the bill due date.

Online: www.DuquesneLight.com

Phone: 888-393-7100 **TTY Users:** 711

Mail: Dept 6-1
411 7th Ave Ste 3
Pittsburgh, PA 15219-1942

Billing and Service Options

Sign up online for any of the following services:

- **Phone:** 888-393-7100 **TTY Users:** 711
- **Budget Billing** - Levels out payments across the year
- **Start/Stop Service** - If you're moving and need to have your service turned on or off, you must call Customer Service at 888-393-7100 or visit our website
- **Double Notice Protection** - Sends a payment reminder to you and a person you designate

Dollar Energy Fund

Give to Dollar Energy Fund to help people in our community without heat or light. There are several easy ways to donate and your gift is tax deductible.

Text: Make a one-time donation of $5 by texting POWER to 50000

Online: Visit www.DuquesneLight.com and select "Payment Options" from the Account & Billing menu

Phone: 888-393-7100

Mail: Make a donation by mailing a check to:

Duquesne Light Hardship Fund Donations
Dept 14-1
411 7th Ave Ste 3
Pittsburgh, PA 15219-1942

Understanding Your Bill

- **Customer Charge** – A monthly basic service charge that includes costs for meter reading, customer billing, service equipment, and other expenses. These expenses are incurred even in months when customers do not use electricity.
- **Distribution Charges** – Basic service charges for delivering electricity over a distribution system to the home or business from the transmission system.
- **Distribution System Improvement Charge (DSIC)** – A charge for company investment to improve service quality and increase safety by repairing, improving, or replacing eligible infrastructure used to deliver electricity.
- **DLC Charges** – Services necessary for the physical delivery of electricity service, such as supply, including default service, transmissions and distribution.
- **Kilowatt-Hour (kWh)** – The basic unit of electric energy for which most customers are charged. It equals the amount of electricity used by 10, 100-watt light bulbs left on for one hour.
- **Meter Reading** – An actual (Act) reading is a reading taken from the meter. An estimated (Est) reading is used when no actual reading is available and is based on past electric usage.
- **Non-Basic Service Charges** – Any category of service not related to basic service.
- **Smart Meter Charge** – Charges for advanced metering technology and related infrastructure that will provide the ability for features such as two-way communication and interval usage data.
- **Supply Charges** – Basic service charges for generation supply to retail customers.
- **Transmission Charges** – Basic service charges for the cost of transporting electricity over high voltage wires from the generator to the distribution system.

Customer Assistance Program (CAP)

CAP is Duquesne Light Company's discount program for residential customers whose total household income is at or below 150% of the Federal Poverty Guidelines. Customers who enroll in CAP are eligible for a reduced monthly payment based on their verified household income. The CAP Program also includes an opportunity to have existing debt forgiven. Please call a CAP Specialist at 888-393-7600 with any questions or for information on how to enroll in the program.

High bills?

Get predictable monthly payments with **Budget Billing.**

ENROLL TODAY at
DuquesneLight.com/**budget**

SCAN HERE
to register for AutoPay.

DuquesneLight.com/autopay

Exhibit BA-5

(OCA-III-9)

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set III

Witness: Jennifer Neiswonger

OCA-III-9

9. Please describe how a SOP customer or any customer enrolled with an EGS can compare their supplier charges with the applicable PTC on their customer bill. In your response, provide the calculations that the customer would have to make for such a comparison in the bill provided in response to OCA-I-36(a).

Response:

An SOP customer or any customer enrolled with an EGS can compare their supplier charges with the applicable PTC on their customer bill by completing the following:

1. On page 3 of the bill under the "Current Bill Details" section, take the total kWh used, under "Supply Charges", and multiply by the applicable Price to Compare's cents/kWh rate to get the applicable PTC total charge.
2. Compare the applicable PTC total charge to the Supplier Charge.

Actual calculation from the bill provided in OCA-I-36(a):

1a. Applicable PTC total charge: 629.2*.1046=$65.81
2a. Compare $65.81 to $74.18.

Exhibit BA-6

(OCA Set III-13)

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set III

Witness: Edwin Schuck

OCA-III-13

13. Is Duquesne aware of EGSs that charge both a cents per KWh rate and a fixed monthly or daily customer charge on Duquesne bills? If so, provide any example customer bill with this EGS pricing methodology.

Response:
Yes, Duquesne Light is aware of EGSs that charge both a cents per KWh rate and a fixed monthly or daily customer charge. Please see attachment titled OCA-III-13 Attachment.

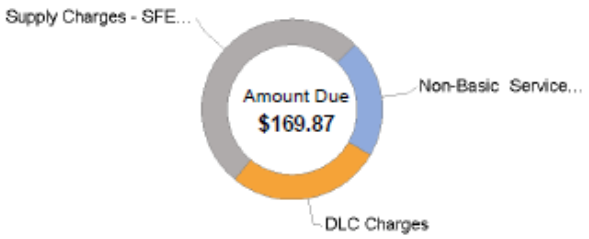
DUQUESNE LIGHT CO.

[redacted]

Account # [redacted]

Due Date	Amount Due
06/06/2024	$169.87

Bill Summary



Bill ID: [redacted] Date Prepared: 05/16/2024

Previous Account Balance	$29.13
Payment(s) Received as of 05/02/2024	-$58.26
Balance Forward	**-$29.13**
DLC Charges	$54.98
Supply Charges - SFE ENERGY	$101.98
Non-Basic Service Charges	$42.04
AMOUNT DUE BY 06/06/2024	**$169.87**

Message Center

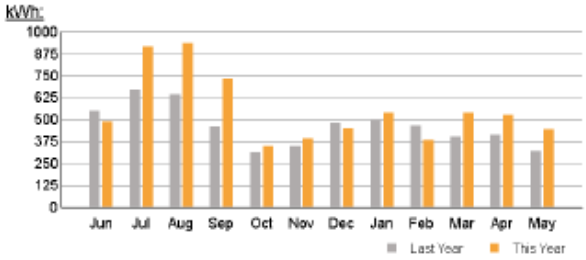
Duquesne Light Company (DLC) shares customer information with some trusted partners that offer programs and services you may find valuable. DLC takes the responsibility to protect customer information seriously and its privacy policy explains how it collects, uses, shares, stores, and protects customer information. The policy also provides information about the DLC website and mobile applications. To access the full text of the policy, including ways to contact the Company with any questions or concerns about the policy, please visit: **DuquesneLight.com/privacy**.

Signing up for our e-Bill program is fast and easy! Enroll today at **DuquesneLight.com/ebill** and you'll receive an email each month when your bill is available.

Duquesne Light Company partners with Dollar Energy Fund to provide assistance to customers who struggle to pay their electric bill. If you would like to support the Dollar Energy Fund and your neighbors in need, make a tax deductible monthly pledge at **DuquesneLight.com/dollar**.

Usage Comparison Chart

Period	Total kWh Usage	Avg Daily kWh Usage	# of Days	Avg Daily Temp (F)
Current Month	456	16	29	59
Last Month	538	18	30	49
Same Month Last Year	334	12	29	57



Average Monthly Usage for the last 12 months: 569 kWh
Total Annual Usage for the last 12 months: 6831 kWh

BI_POSTAL_20240516PRD.xml

Online: www.DuquesneLight.com Phone: 888-393-7100 *Billing and meter reading details on page 3*

DUQUESNE LIGHT CO.

Please return this portion with your payment. Please enclose check facing forward.
Make payment payable to Duquesne Light Company in US Currency.

A late charge of 1.25% may be assessed after 2024-06-06

Due Date	Amount Due
06/06/2024	$169.87

$ _____

USD Amount Enclosed

Account # [redacted]

[redacted]

Please mail payment to:

DUQUESNE LIGHT COMPANY
PO BOX 371324
PITTSBURGH PA 15250-7324

[redacted] 000000000000 000000169873 000000169873

General Information

Visit us online or call to learn about payment options, or for a copy of our rate schedules. For questions about your bill, please contact us before the bill due date.

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Phone: 888-393-7100 **TTY Users:** 711

Mail: Dept 6-1
411 7th Ave Ste 3
Pittsburgh, PA 15219-1942

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- **Start/Stop Service** - If you're moving and need to have your service turned on or off, you must call Customer Service at 888-393-7100 or visit our website
- **Double Notice Protection** - Sends a payment reminder to you and a person you designate

Dollar Energy Fund

Give to Dollar Energy Fund to help people in our community without heat or light. There are several easy ways to donate and your gift is tax deductible.

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Online: Visit www.DuquesneLight.com and select "Payment Options" from the Account & Billing menu

Phone: 888-393-7100

Mail: Make a donation by mailing a check to:

Duquesne Light Hardship Fund Donations
Dept 14-1
411 7th Ave Ste 3
Pittsburgh, PA 15219-1942

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- **Distribution System Improvement Charge (DSIC)** – A charge for company investment to improve service quality and increase safety by repairing, improving, or replacing eligible infrastructure used to deliver electricity.
- **DLC Charges** – Services necessary for the physical delivery of electricity service, such as supply, including default service, transmissions and distribution.
- **Kilowatt-Hour (kWh)** – The basic unit of electric energy for which most customers are charged. It equals the amount of electricity used by 10, 100-watt light bulbs left on for one hour.
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High bills?

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ENROLL TODAY at
DuquesneLight.com/**budget**

SCAN HERE
to register for AutoPay.

DuquesneLight.com/autopay

DLC
DUQUESNE LIGHT CO.

Account Detail

[redacted] **Supplier Agreement ID:** [redacted]

Meter Reading Usage Information

Meter Number		F74444322
Present	05/16/2024 Act	59,880.8830
Prior	04/17/2024 Act	59,425.0360
Difference		455.8470
Your Meter Multiplier		1
Total kWh Used		455.8470

Current Bill Details

DLC Rate	RS-Residential Service		
Price to Compare	$0.1046 / kWh		
DLC Charges			**$54.98**
Customer Charge		$12.50	
Distribution	455.8470 kWh@ $0.088763	$40.46	
DSIC Surcharge	4.18%	$2.21	
Pennsylvania Tax Adjustment		-$0.19	
Supply Charges - SFE ENERGY			**$101.98**
Customer Charge		$59.31	
Generation-Trans	455.8470 kWh@ $0.093600	$42.67	
Non-Basic Service Charges			**$42.04**
HomeServe - Surge Plan (Benefit Limit: 1000) Tax Incl.		$4.22	
HomeServe - Sewer Line Repair Plan		$5.49	
HomeServe - Water Heater Plan		$7.45	
HomeServe - Cooling Repair Plan		$6.45	
HomeServe - Water Service Line Plan		$6.49	
HomeServe - Heating Repair Plan		$6.45	
HomeServe - In-Home Electric Repair Plan		$5.49	

Total kWh Used	**455.8470**
Service Charges	**$199.00**

Shopping and Supplier Information

When shopping for electricity with an Electric Generation Supplier, please provide the following information:

Supplier Agreement ID: [redacted]

Rate Schedule: RS-Residential Service

The current Price to Compare is listed above in Account Detail and will change every June and December. For more information & supplier offers visit www.PAPowerSwitch.com and www.oca.state.pa.us.

- Generation/Supply prices and charges are set by the electric generation supplier you have chosen
- The Public Utility Commission regulates distribution prices and services
- The Federal Energy Regulatory Commission regulates transmission prices and services

SFE ENERGY
PO BOX 967
BUFFALO NY 14240-0967

For questions regarding the supplier portion of your bill, call SFE ENERGY at (877) 316-6344.

Additional Notifications

- Give to Dollar Energy Fund to help people without heat or light. Make a monthly pledge at www.duquesnelight.com or send a check to Duquesne Light Hardship Fund Donations, 411 Seventh Avenue MD 14-1, Pittsburgh, PA 15219. Your gift is tax deductible.
- DLC offers energy efficiency programs to help customers save money by conserving energy and reducing demand. To participate or learn more about these programs, visit WattChoices.com
- CONTACT INFO: For questions about repair plan charges from HomeServe or if you are in need of service as a participant of the repair plan(s), contact us at 1-833-500-2624.

Additional Notifications

- Join our Budget Plan for consistent bills at DuquesneLight.com/budget. If eligible, the Budget Plan will begin with your next bill. For this bill, please pay the Amount Due shown.
- Sign up for AutoPay and learn about other convenient payment options by visiting DuquesneLight.com
- Your bill contains $10.67 in estimated PA State Taxes, of which $9.26 is PA Gross Receipts Tax.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	:: : :	Docket No. P-2024-3048592

VERIFICATION

I, Barbara R. Alexander, hereby state that the facts above set forth in my Direct Testimony, OCA Statement 2, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: July 12, 2024

Signature: Barbara Alexander
Barbara R. Alexander

Address: Barbara Alexander Consulting LLC
44 Beech St.
Hallowell, ME 04347

COMMONWEALTH OF PENNSYLVANIA

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August 9, 2024

Via Electronic Mail Only
The Honorable John Coogan
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Via Electronic Mail Only
The Honorable Mary D. Long
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
Piatt Place
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222

Re: Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029
Docket No. P-2024-3048592

Dear Administrative Law Judges Coogan and Long:

Enclosed please find a copy of the Rebuttal Testimony being submitted on behalf of the Office of Consumer Advocate in the above-referenced proceeding, as follows:

OCA Statement 2R: Rebuttal Testimony of Barbara Alexander

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,
/s/ Christy M. Appleby
Christy M. Appleby
Senior Assistant Consumer Advocate
PA Attorney I.D. # 85824
CAppleby@paoca.org

Enclosures

cc: PUC Secretary Rosemary Chiavetta, (Letter and Certificate of Service only)
Certificate of Service

CERTIFICATE OF SERVICE

Petition of Duquesne Light Company	:	
For Approval of Default Service Plan	:	
For The Period June 1, 2025 Through	:	Docket No. P-2024-3048592
May 31, 2029	:	

I hereby certify that I have this day filed electronically on the Commission's electronic filing system and served a true copy of the following document, the Office of Consumer Advocate's Rebuttal Testimony, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 9th day of August 2024.

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Dated: August 9, 2024

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OCA Statement No. 2-R

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Co.	:	
For Approval of its Default Service Program	:	Docket No. P-2024-3048592
for the Period from	:	
June 1, 2025 through May 31, 2029	:	

REBUTTAL TESTIMONY

OF

BARBARA R. ALEXANDER

Barbara Alexander Consulting LLC

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

August 9, 2024

Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.

A. My name is Barbara R. Alexander. I am the sole member of Barbara Alexander Consulting LLC. My address is 44 Beech St., Hallowell, ME 04347. I appear in this case as a witness on behalf of the Office of Consumer Advocate (OCA).

Q. HAVE YOU PREVIOUSLY TESTIFIED IN THIS PROCEEDING?

A. Yes. I filed Direct Testimony on behalf of the OCA on July 12, 2024.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I am submitting Rebuttal Testimony in response to the Direct Testimony of Mr. Frank Caliva III on behalf of the Retail Energy Supplier Association (RESA).[1]

Q. PLEASE SUMMARIZE YOUR OVERALL RESPONSE TO MR. CALIVA'S TESTIMONY ON BEHALF OF RESA.

A. Mr. Caliva's testimony consists of unsubstantiated claims of benefits associated with the retail energy market and proposals that conflict with the statutory and regulatory policies governing default service in Pennsylvania. Most importantly, his citations to the 2013 End State Order[2] do not reflect the subsequent legislative reforms and Commission proceedings and directives that have occurred as the market has matured and developed over time. Specifically, Mr. Caliva ignores the statutory requirement that default service "shall be procured through competitive procurement processes" (including auctions, requests for proposals and/or competitively procured bilateral agreements procured at no greater than the cost of obtaining generation under comparable terms in the wholesale market), and such procurement must be a "prudent mix" of spot market purchases, short-term contracts and

[1] RESA St. No. 1.
[2] *Investigation of Pennsylvania's Retail Electricity Market: End State of Default Service*, Docket No. I-2011-2237952 (Order entered February 15, 2013) (*End State Final Order*).

long-term purchase contracts.[3] Further Duquesne and other Pennsylvania EDCs are required to recover their actual costs incurred to procure and administer this portfolio in a fully reconcilable Section 1307(e) cost recovery mechanisms for each class.[4] Mr. Caliva's complaints about these policies or attempts to make radical changes may reflect RESA's policy preferences, but they are ill suited to this proceeding.

Q. DOES MR. CALIVA PROVIDE ANY INFORMATION ON PRICES CHARGED BY RESA MEMBERS OR ANY OTHER SUPPLIER?

A. No. In fact, Mr. Caliva relies on anecdotal stories[5] that he does not document with any specific attribution or citation, and he explicitly states that his testimony may not reflect the views of all RESA members[6] or reflect any analysis or presentation of prices charged by RESA members or the products and services they offer or plan to offer. As I will discuss later in this testimony, his claims of products and services offered by some suppliers to Pennsylvania customers are without evidence.

Q. MR. CALIVA STATES THAT RETAIL SUPPLIERS ARE "EAGER FOR THE OPPORTUNITY TO DEVELOP AND OFFER THE INNOVATIVE AND CREATIVE PRODUCTS THAT CONSUMERS WANT…."[7] PLEASE RESPOND.

A. RESA's members have had the ability to offer "innovative and creative products that consumers want" since the onset of retail competition in Pennsylvania. Mr. Caliva offers no description of what these "innovative and creative products" are, why consumers would want them, or why suppliers have not actually offered such products to date. RESA's

[3] 66 Pa. C.S. § 2807(e)(3.1)-(3.2).
[4] 66 Pa. C.S. §§ 1307(e), 2807(e)(3.9).
[5] RESA St. No. 1, page 2, line 16. Mr. Caliva states that his proposals reflect "anecdotal information from members…."
[6] RESA St. No. 1, fn. 1.
[7] Ibid., page 6, lines 9-10.

position that the structure of the default service market is the barrier that prevents such innovation and demonstration of what consumers want has been an ongoing and repeated claim without any evidence to support what products or services would be offered or documentation that most consumers want anything other than a least cost electricity supply to maintain essential electric service. Mr. Caliva ignores the subsidies currently provided to RESA and suppliers generally in their access to the customer bill through Duquesne's POR program that shifts the risk of nonpayment to the utility and its ratepayers. Additionally, the Standard Offer Program (SOP) that enrolls customers with participating suppliers converts the EDC into the marketing and enrollment arm for the participating suppliers, at a modest expense to the suppliers.

Q. DOES THE RECORD IN THIS PROCEEDING DOCUMENT THAT SUPPLIERS CHARGE MORE THAN THE PRICE TO COMPARE (PTC) AND THAT SUCH PRICES RESULT IN HIGHER TERMINATIONS OF SERVICE AND ADVERSE BILL PAYMENT ABILITY FOR MANY KNOWN LOW INCOME CUSTOMERS OF DUQUESNE?

A. Yes. The Direct Testimony of Harry Geller on behalf of CAUSE-PA [8] and my Direct Testimony on behalf of OCA document the actual adverse impacts of higher supplier charges compared to the PTC on Duquesne's residential customers generally and low income customers specifically. It is unreasonable for Mr. Caliva to suggest or opine about

[8] CAUSE-PA St. No. 1. Mr. Geller's analysis concludes, "Since 2017, residential (RS) shopping customers in DLC's service territory were charged more than $224 million more than they would have been charged if they remained on default service. In the first five months of 2024, DLC's residential shopping customers were charged approximately $10.7 million dollars more than the default service price. Since 2017, on a per customer basis, residential shopping customers were charged an average of over $1,698 in excess of the applicable default service price." Page 12, lines 5-10. And, "Since 2017, confirmed low income shopping customers in DLC's service territory were charged a net average of over $1.8 million more than they otherwise would have been charged if they remained on default service." Page 9, lines 15-18.

the "value" of RESA's member products and services without any evidence about what that value is and without confronting the reality of the impact of the retail market on Duquesne's residential customers and their ability to pay for essential service when supplier prices are in excess of the Price to Compare (PTC). This concern is particularly important given the supplier's right to use a negative option renewal practice to change the customer's price after an introductory rate that might be temporarily lower than the PTC or to change a fixed rate contract to a variable rate contract, thus imposing volatile short-term wholesale market prices on the customer.[9]

Q. ACCORDING TO MR. CALIVA, RELIANCE ON THE PTC DISCOURAGES CUSTOMERS FROM ADOPTING "INNOVATIVE PRODUCTS OR SERVICES WHICH ARE FUNDAMENTALLY DIFFERENT AND, THEREFORE, PRICED DIFFERENTLY THAN DEFAULT SERVICE."[10] DO YOU AGREE?

A. No for several reasons. First, Mr. Caliva does not identify or document that suppliers in Pennsylvania offer "innovative products or services" to residential customers. After 20+ years it would be reasonable to assume that actual products and services that differ in any degree or characterization from the generation supply service procured through default service could be identified, but Mr. Caliva does not do so. Second, Mr. Caliva appears to forget that suppliers sought to gain access to the EDC bill for their supply service through the POR program so that they could rely on the EDC to bill and collect their unregulated charges. This approach should be contrasted with the supplier's ability to invest and market their own billing services to residential customers that would allow them to use that bill to

[9] See, e.g., the Statement of Vice Chair Kimberly Barrow in the resolution of the formal complaint *Kevin Brabank vs. PPL Energy Company—Electric and Tomorrow Energy Corp.*, Docket No. F-2023-3042345 (April 25, 2024). I attach Commissioner Barrow's Statement as Exhibit BA-1R.

[10] RESA St. No. 1, page 14, lines 8-10.

market and explain products and services other than plain vanilla generation supply service. In other words, the business plans of the suppliers in Pennsylvania have sought to rely on the EDC to market their generation supply service via the SOP and to bill and collect their services via POR. It is unreasonable to complain about these choices that the supplier community has asked for and been granted.

Q. TURNING TO MR. CALIVA'S SPECIFIC RECOMMENDATIONS, PLEASE COMMENT ON THE PROPOSAL THAT THE COMMISSION OPEN A STATEWIDE INVESTIGATION ON DEFAULT SERVICE MESSAGING.[11]

A. I oppose this recommendation. Mr. Caliva seeks to question the label of "price to compare" (PTC) and change this term to "default service rate" and reform the messaging to promote the potential benefits of "competitive offers." The use of the term PTC permeates the Commission's educational messaging about the retail energy market, appears on all EDC customer bills and is the basis for comparing offers among suppliers and with default service on the Commission's shopping web portal. The suggestion that the costs incurred, and more than twenty years of customer education should be wiped away in favor of a different term for the same service and to promote customer confusion about how to shop and compare is not reasonable.

[11] RESA St. No. 1 at 15-16.

Q. MR. CALIVA OBJECTS TO COMPARING SUPPLIER PRICES TO THE PTC BECAUSE HE CLAIMS THIS IS AN EDC "MONOPOLY" AND THAT IT DISADVANTAGES SUPPLIERS WHO PROVIDE "ACTUAL COMPETITIVE MARKET PRICES."[12] PLEASE RESPOND.

A. Mr. Caliva's characterization is not only incorrect, but also highly misleading. Default service is procured in the same competitive market that suppliers purchase electrons to sell to Pennsylvania consumers. The fact that the procurement policy governing default service is based on a statutory and regulatory obligation to avoid price volatility and reflect a stable and fixed price product reflects what consumers want and what policymakers have required. It is unfortunate that suppliers choose not to compete with this customer preference but that is not a sufficient reason for embarking on a reform of this essential electricity product to allow profit making suppliers to gain market share. Suppliers should look to their own conduct and procurement policies, as well as their troubling and widespread history of violating basic consumer protection policies in Pennsylvania as well as in most states[13], to solve their competitive disadvantage. The EDCs operate in Pennsylvania according to the Commission's directives through the open and transparent process of designing a reasonable default service portfolio, unlike suppliers whose procurement policies and pricing methodologies are not revealed to the public.

[12] Ibid., at 8.

[13] See, e.g., BI&E v. Verde Energy USA, Inc., Docket No. C-2020-3017229, Formal Complaint (Non-Proprietary Version) at ¶ 14 (Jan. 30, 2020)("PPL alerted OCMO to Verde's potential use of the Eligible Customer List to employ deceptive practices and access approximately 4,000 customer accounts on PPL's website without the customer's knowledge or authorization."); BI&E v. Green Mountain Energy Co., Docket No. M-2021-3009235, Settlement at ¶15 (July 9, 2021) (complaints alleged that customer was enrolled with Green Mountain without customer consent and "Green Mountain acknowledged that the switch was unauthorized, occurred at an in-person location and used information obtained from the ECL.").

Q. IS DEFAULT SERVICE IN PENNSYLVANIA "HIGHLY REGULATED" AS ALLEGED BY MR. CALIVA?

A. No. The use of this term by Mr. Caliva is incorrect and misleading.[14] The price for default service reflects competitive bids obtained in the wholesale competitive market. The suppliers who "win" their bids are wholesale market suppliers unrelated to the EDC. The contract terms are developed pursuant to state and regulatory policies in an open and transparent proceeding. The fact that default service is required by law does not mean that the prices that result are "regulated" as that term is used for distribution service that is regulated in base rate cases. The Commission does not approve the resulting prices but does affirm the process by which those prices are obtained in the wholesale market.

Q. WITH REGARD TO THE POR PROGRAM, PLEASE DESCRIBE THE VALUABLE SUPPLIER SUBSIDY OFFERED BY THIS PROGRAM.

A. Mr. Caliva ignores the existence of the POR program that provides a significant benefit and subsidy to suppliers. While I do not agree about the need for any "investigation" of default service messaging, any investigation of messaging about default service or structure of default service should include, among other things, the consideration of eliminating this subsidy or requiring significantly more consumer protections to eliminate the obligation of the EDC to threaten termination of service for these unregulated charges, treating these supplier charges similar to "non-basic" charges. Suppliers who find that the use of the EDC bill to collect their charges is not productive or in the supplier's best interests can always opt to offer dual bills to customers to directly collect for their own service, which allow for a more direct communication with customers and a fuller explanation of their

[14] Ibid., e.g., page 12, line 25 refers to default service as "highly regulated."

billed products and services. Additionally, there is nothing that is preventing a supplier from communicating directly with their customers and offering whatever so called value added goods and services they believe the customer would be interested in purchasing directly from the supplier.

Q. DOES MR. CALIVA RECOGNIZE THAT SUPPLIERS ARE ALSO OFFERED ANOTHER SUBSTANTIAL SUBSIDY THROUGH THE SOP?

A. No. This program turns the EDC into the marketing and enrollment arm of the supplier at a very modest charge, thus allowing the supplier to avoid marketing and enrollment expenses. This program carries the Commission's and EDC's imprimatur, a very valuable marketing advantage for the participating suppliers. I have documented significant defects in this program in my Direct testimony and recommend that it be terminated. I also recommended that customers in the SOP should be returned to default service at the end of the contract unless the supplier has obtained affirmative agreement for a different contract. The purpose of my recommendation is to eliminate the substantial subsidy and advantage given to suppliers in this program and focus on actual customer authorization to continue their relationship with a supplier at the end of their SOP contract term.

Q. MR. CALIVA ALSO OPPOSES DUQUESNE'S PROPOSALS FOR ADDITIONAL TOU RATE OPTIONS AND ITS GREEN TARIFF PILOT. DO YOU AGREE?

A. In part. We both agree that the Green Tariff Pilot should be rejected, although for perhaps different reasons. However, regarding the TOU rate options, Duquesne is under a statutory obligation to offer a TOU rate to default service customers. Duquesne has attempted to focus that obligation on Electric Vehicle (EV) customers and its proposals for additional EV-TOU options reflect its evaluation of the current EV-TOU rate option to improve its

value to customers. In addition, Duquesne has linked these rate option reforms to its pending base rate case for distribution service. As I recommended in my Direct Testimony, Duquesne's two EV rate options should be approved as modified by OCA's witness in the Duquesne base rate proceeding and develop evaluation plans with stakeholder input to determine the value and impact of these rates directed to EV owners. As I also identified in my Direct Testimony, the Commission has a proceeding underway that is designed to explore EV rate options for all Pennsylvania EDCs.

Q. DO SUPPLIERS OFFER EV RATE OPTIONS TO DUQUESNE'S CUSTOMERS?

A. No. My research indicates that suppliers do not offer TOU or EV rate options to Pennsylvania's residential customers and Mr. Caliva does not confirm any such offers either. Mr. Caliva's presentation of EV or TOU rate options in his testimony is belied by the materials he submitted.[15] I clicked on the link to the NRG offers in Pennsylvania and there are no TOU rates offered in the Duquesne service area of zip code 15143 in which 54 customers are currently enrolled in Duquesne's TOU rate option for EV owners.[16] The offers by Constellation are directed to Texas customers in the Texas market, the design of which is radically different from Pennsylvania's restructured market.

Q. SHOULD MR. CALIVA'S TESTIMONY BE RELIED UPON TO SUPPORT ANY OF HIS RECOMMENDATIONS?

A. No. He offers no evidence to support any of his claims of innovative services or value added services to Duquesne's residential customers. On the contrary, my testimony and that of Duquesne's witnesses offer fact-based evidence of the higher prices charged to

[15] Ibid., page 26.
[16] Duquesne identified the zip codes of its EV-TOU rate customers in its response to OCA-III-28.

Duquesne's residential customers and the adverse impacts of the SOP, both during the program and with post-SOP contract prices. I continue to urge the Commission to adopt my recommendations concerning the SOP and the TOU programs as set forth in my Direct.

Q. DOES THIS COMPLETE YOUR TESTIMONY AT THIS TIME?

A. Yes.

EXHIBIT BA-1R

PENNSYLVANIA PUBLIC UTILITY COMMISSION
Harrisburg, Pennsylvania 17120

Kevin Brabank vs.
PECO Energy Company – Electric
and Tomorrow Energy Corp.

Public Meeting held April 25, 2024
3042345-ALJ
Docket No. F-2023-3042345

STATEMENT OF VICE CHAIR KIMBERLY BARROW

On August 21, 2023, Mr. Kevin Brabank filed a Formal Complaint against PECO Energy Company (PECO) and Tomorrow Energy Corporation (Tomorrow Energy) averring various allegations relating to his enrollment in PECO's Standard Offer Program (SOP), and the high variable rate which took effect after the SOP ended. Tomorrow Energy and Mr. Brabank settled the Complaint and PECO filed a Certificate of Satisfaction. An Initial Decision was issued on February 23, 2024, dismissing the Formal Complaint against PECO.

While I agree with the Administrative Law Judge's dismissal of the Formal Complaint, I want to take this opportunity to discuss shopping awareness and the issues that arise after an individual's contract or participation in a SOP ends. First and foremost, customers who choose to shop or utilize SOPs need to be aware of their contract terms and review all documentation provided by the Electric Generation Supplier (EGS). Notably, when the EGS contract is near its expiration, the EGS is required to provide an Initial Notice 45-60 days prior to the expiration date of the fixed duration contract or the effective date of the proposed change in terms.[1] An Options Notice is then provided 30 days prior to the expiration date of the fixed-duration contract or the effective date of the proposed change in terms.[2] If the customer does not respond to either the Initial Notice or the Options Notice, the EGS contract will be converted automatically to either a month-to-month contract or another fixed-duration contract, as explained in the notices.[3] Shopping for a supplier is not a passive act, and customers must remain vigilant and be aware of contract terms and rates.

Additionally, while the Commission's Regulations permit an EGS to convert a non-responsive customer to a month-to-month or fixed-duration contract, I caution the EGS industry to exercise good faith and reasonableness when offering the new contract terms and prices. I am concerned with the fact pattern often seen in shopping complaints. Customers complain that any savings experienced during the initial contract term are more than wiped out once they are moved to a month-to-month or new fixed-duration contract. It is important that shopping customers pay attention to the notices sent near the end of the contract, but it is also important for EGSs to be good ambassadors for their industry to retain customer confidence in the competitive market.

April 25, 2024

Kimberly Barrow, Vice Chair

[1] 52 Pa. Code § 54.10(1).
[2] 52 Pa. Code § 54.10(2).
[3] 52 Pa. Code § 54.10(3).

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : :	Docket No. P-2024-3048592

VERIFICATION

I, Barbara R. Alexander, hereby state that the facts above set forth in my Rebuttal Testimony, OCA Statement 2R, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 9, 2024

Signature: Barbara Alexander

Barbara R. Alexander

Address: Barbara Alexander Consulting LLC
44 Beech St.
Hallowell, ME 04347

COMMONWEALTH OF PENNSYLVANIA

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August 22, 2024

Via Electronic Mail Only
The Honorable John Coogan
Pennsylvania Public Utility Commission
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Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Via Electronic Mail Only
The Honorable Mary D. Long
Pennsylvania Public Utility Commission
Office of Administrative Law Judge
Piatt Place
301 Fifth Avenue, Suite 220
Pittsburgh, PA 15222

Re: Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029
Docket No. P-2024-3048592

Dear Administrative Law Judges Coogan and Long:

Enclosed please find a copy of the Rebuttal Testimony being submitted on behalf of the Office of Consumer Advocate in the above-referenced proceeding, as follows:

OCA Statement 1SR: Surrebuttal Testimony of Serhan Ogur
OCA Statement 2SR: Surrebuttal Testimony of Barbara Alexander

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,
/s/ Christy M. Appleby
Christy M. Appleby
Senior Assistant Consumer Advocate
PA Attorney I.D. # 85824
CAppleby@paoca.org

Enclosures

cc: PUC Secretary Rosemary Chiavetta, (Letter and Certificate of Service only)
Certificate of Service

CERTIFICATE OF SERVICE

Petition of Duquesne Light Company	:	
For Approval of Default Service Plan	:	
For The Period June 1, 2025 Through	:	Docket No. P-2024-3048592
May 31, 2029	:	

I hereby certify that I have this day filed electronically on the Commission's electronic filing system and served a true copy of the following document, the Office of Consumer Advocate's Surrebuttal Testimony, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 22nd day of August 2024.

SERVICE BY E-MAIL ONLY

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STATEMENT NO. 1-SR

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF DUQUESNE LIGHT COMPANY FOR APPROVAL OF ITS DEFAULT SERVICE PLAN FOR THE PERIOD FROM JUNE 1, 2025 THROUGH MAY 31, 2029	)))))	**DOCKET NO. P-2024-3048592**

SURREBUTTAL TESTIMONY

OF

SERHAN OGUR

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

AUGUST 22, 2024

EXETER
ASSOCIATES, INC.
10480 Little Patuxent Parkway, Suite 300
Columbia, Maryland 21044

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Serhan Ogur. I am a Principal and Senior Economist at Exeter Associates, Inc. My office is located at 10480 Little Patuxent Parkway, Suite 300, Columbia, Maryland, 21044.

Q. HAVE YOU PREVIOUSLY TESTIFIED IN THIS PROCEEDING?

A. Yes. I submitted Direct Testimony on July 12, 2024, on behalf of the Pennsylvania Office of Consumer Advocate ("OCA").

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY IN THIS PROCEEDING?

A. My Surrebuttal Testimony responds to certain issues raised by Duquesne Light Company ("DLC" or the "Company") witness Mr. C. James Davis in his Rebuttal Testimony. These issues relate to the Green Tariff Pilot proposed by the Company.

II. GREEN TARIFF PILOT

Q. PLEASE DESCRIBE THE COMPANY'S PROPOSAL TO OFFER A GREEN TARIFF PILOT.

A. DLC is proposing to offer a Green Tariff Pilot to residential default service customers on an opt-in basis, which would afford customers the opportunity to have an additional seven percent of their generation supply "greened up" by carbon-free electricity ("CFE") certificates sourced from within Pennsylvania.[1] The proposed seven percent would be in addition to the Alternative Energy Portfolio Standards Act ("AEPS Act") requirements. The Company is proposing to cap the Green Tariff program at 5,000 customers.[2] Mr. Davis states that, for purposes of the Green Tariff, the Company would follow the U.S. government's definition of CFE in its implementing instructions for federal electricity procurement, where CFE is electrical energy produced from resources that generate no carbon emissions. CFE could include marine energy, solar, wind, hydrokinetic (including tidal, wave, current, and thermal), geothermal, hydroelectric, nuclear, renewably sourced hydrogen, and electrical energy generation from fossil resources to the extent there is active capture and storage of carbon emissions that meets the U.S. Environmental Protection Agency's requirements.[3]

DLC proposes to conduct an annual auction where qualified Electric Generation Suppliers ("EGSs") and/or third-party suppliers will bid a fixed cost per kilowatt-hour to procure energy attribute certificates ("EACs") on behalf of customers who enroll in the Green Tariff. The winning provider will be paid the per unit price which it bid. The provider will provide the EACs corresponding to seven percent of the usage of the

[1] Duquesne Light Statement No. 1, p. 9, lines 11-14.
[2] Duquesne Light Statement No. 1, p. 13, lines 6-7.
[3] Duquesne Light Statement No. 1, p. 13, lines 11-20.

customers who enrolled in the Green Tariff, regardless of how many customers enrolled (be it zero, 5,000, or any number in between).

The Company is projecting request-for-proposals ("RFP") and customer outreach costs of $156,000 in the first year of the Company's proposed Default Service Plan X ("DSP X") and $81,700 in each year of the remaining three years of DSP X, for a total projected administrative cost of more than $400,000 during the term of DSP X.[4]

Q. PLEASE SUMMARIZE YOUR FINDINGS AND RECOMMENDATION REGARDING THE COMPANY'S PROPOSED GREEN TARIFF PILOT.

A. In my Direct Testimony, I recommended that the Pennsylvania Public Utility Commission ("Commission") reject the Company's Green Tariff proposal,[5] based on the following findings and reasons:

- The customer interest in more clean energy as expressed in the survey mentioned by Mr. Davis appears too vague to justify the offering of this specific Green Tariff.[6]
- The definition of CFE for the purposes of the proposed Green Tariff, as well as the name chosen for this tariff, is potentially misleading because the EACs which would qualify for it, particularly those sourced from nuclear energy, are unfamiliar for residential electric customers in Pennsylvania.[7]
- It is questionable whether customers who responded to this survey would consider nuclear energy, one of the CFE technologies permitted in the Green Tariff, to be "clean" or "green."[8]
- It is questionable whether retiring EACs without purchasing and delivering the energy associated with the EACs would be perceived as "procuring clean energy" for the customers who responded to the survey mentioned by Mr. Davis.[9]
- It is unclear how and by what measure the Company is proposing to "minimize the impact on non-Green Tariff participants."[10]
- "Expanding market opportunities for EGSs and/or third parties to offer green product services to residential customers" does not appear to be a legitimate function of a

[4] DLC's Response to OCA-II-1b, provided as OCA Exhibit SO-1 in OCA Statement No. 1.
[5] OCA Statement No. 1, p. 19, line 17.
[6] OCA Statement No. 1, p. 15, lines 8-9.
[7] OCA Statement No. 1, p. 19, lines 18-22.
[8] OCA Statement No. 1, p. 15, lines 9-12.
[9] OCA Statement No. 1, p. 15, lines 12-15.
[10] OCA Statement No. 1, p. 15, lines 20-22.

default service provider. This function would be better left to the competitive retail market and handled by EGSs.[11]

- DLC's program administration costs, which the Company projects to be slightly above $100,000 per year on average over the four-year term of DSP X, would be higher than the EAC-related costs of the Green Tariff.[12]
- The Green Tariff is unlikely to be attractive to EGSs or third-party suppliers.[13]
- The Company did not conduct any market research with potential providers to gauge their interest and/or the viability of the design of this offering.[14] Therefore, there is a non-negligible likelihood that the program would fail due to lack of provider interest or lack of customer enrollment.[15]
- Residential default customers would be harmed financially if this untested and unresearched program fails because they will pay the Company's program implementation expenses while the Company would be unharmed regardless of the outcome of this experiment.[16]
- The proposed Green Tariff Pilot raises numerous consumer protection concerns.[17]
- The lack of a price or rate cap increases the risk of this product to customers.[18]
- This program is unnecessary, particularly as an element of a default service supplier's default service plan, because it is not mandated by the Commission and similar products (energy with various levels of clean energy attributes, including 100 percent renewable) are available in the EGS market.[19]

Q. PLEASE STATE MR. DAVIS' RESPONSE TO YOUR CONCERN REGARDING THE INCLUSION OF NUCLEAR ENERGY IN THE DEFINITION OF CFE UNDER THE GREEN TARIFF, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis responded by explaining why including all forms of CFE is important for decarbonization;[20] pointing out that the Entergy Arkansas Go Zero Tariff recognizes the importance of existing nuclear generation;[21] and stating that the GHG Protocol

[11] OCA Statement No. 1, p. 15, lines 22-25.
[12] OCA Statement No. 1, p. 17, lines 6-8.
[13] OCA Statement No. 1, p. 17, line 12 through p. 18, line 7.
[14] OCA Statement No. 1, p. 18, lines 8-11.
[15] OCA Statement No. 1, p. 20, lines 2-5.
[16] OCA Statement No. 1, p. 20, lines 5-8.
[17] OCA Statement No. 1, p. 18, line 12 through p. 19, line 10.
[18] OCA Statement No. 1, p. 19, lines 11-13.
[19] OCA Statement No. 1, p. 20, lines 8-12.
[20] Duquesne Light Company Statement No. 1-R, p. 3, lines 10-14.
[21] Duquesne Light Company Statement No. 1-R, p. 6, line 13 through p. 7, line 17.

recognizes the importance of existing and new nuclear generation.[22] However, these points made by Mr. Davis are irrelevant to my objection because I have not opined on whether nuclear generation should be deemed "green" or "clean." The issue which I raised is that Mr. Davis states that the Company is proposing this pilot program partly in response to a customer survey conducted by the Company which indicated that 36 percent of customers were interested in procuring more clean energy;[23] yet it is unclear whether customers who responded to this survey would consider nuclear energy, one of the CFE technologies permitted in the Green Tariff, to be "clean" or "green," regardless of the opinions of the U.S. Government, the GHG Protocol, Entergy Arkansas, Duquesne Light Company, or Mr. Davis himself. This is so because according to Mr. Davis, the Company is proposing the Green Tariff in response to customer interest, not to the interest of these other entities.

On this more important and relevant issue of whether customers who responded to this survey would consider nuclear energy, one of the CFE technologies permitted in the Green Tariff, to be "clean" or "green," Mr. Davis finds my (and OCA witness Ms. Barbara Alexander's) concerns speculative, and states that he declines to join in the speculation.[24] The fact is that Mr. Davis and the Company are relying (partially) on vague customer survey responses to propose the Green Tariff, which makes the Company's proposal speculative, not the concerns of OCA witnesses. The burden of proof to justify its own statement is on the Company, not on the intervening parties. The Company did not meet this burden, and calling this into question does not constitute speculation. My conclusion on this issue remains the same; that is, it is questionable whether customers who responded to this survey would consider nuclear energy, one of

[22] Duquesne Light Company Statement No. 1-R, p. 8, line 13 through p. 9, line 6.
[23] Duquesne Light Company Statement No. 1, p. 12.
[24] Duquesne Light Company Statement No. 1-R, p. 8, lines 13-16.

the CFE technologies permitted in the Green Tariff, to be "clean" or "green." Therefore, the cited customer survey responses (which were not provided by the Company in this proceeding), cannot form the basis for approving the proposed Green Tariff.

Q. PLEASE SUMMARIZE MR. DAVIS' RESPONSE TO YOUR CONCERN PERTAINING TO WHETHER RETIRING EACs WITHOUT PURCHASING AND DELIVERING THE ENERGY ASSOCIATED WITH THE EACs WOULD BE PERCEIVED AS PROCURING CLEAN ENERGY, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis responded by stating that separation of environmental attributes and energy supply is already prevalent in state renewable portfolio standard and clean anergy standard programs, international greenhouse gas accounting and reporting, and competitive retail green products; that unbundled renewable energy certificates ("RECs") represent the largest share of voluntary market sales of green products; and that the Retail Energy Supply Association also acknowledges consumers have the option to purchase RECs as a stand-alone product.[25] Mr. Davis concludes that the OCA's concern that customers may think that they are enrolling in a program which will deliver clean energy to them ignores how voluntary clean energy markets operate today.[26]

In his response, Mr. Davis does not refute my claim that it is questionable whether retiring EACs without purchasing and delivering the energy associated with the EACs would be perceived as "procuring clean energy" by the customers who responded to the survey mentioned by Mr. Davis. Therefore, the cited customer survey responses cannot form the basis for approving the proposed Green Tariff. Further, if the consumers have the option to purchase RECs as a standalone product as Mr. Davis states, then the

[25] Duquesne Light Company Statement No. 1-R, p. 10, lines 5-9.
[26] Duquesne Light Company Statement No. 1-R, p. 10, lines 15-17.

Company's proposed Green Tariff is totally redundant because a residential default service customer can purchase as many or as few RECs or EACs from the generation technology of its choice (e.g., wind, solar, hydroelectric, nuclear) it wishes, from the competitive market at a transparent price.

Q. PLEASE COMMENT ON MR. DAVIS'ASSERTION THAT IN SEVERAL STATES CUSTOMERS ARE REQUIRED TO PAY THEIR SHARE OF THE COSTS TO EXTEND THE ECONOMIC LIVES OF EXISTING NUCLEAR GENERATION ASSETS BACKSTOPPED BY STATE LEGISLATION AND UTILITY NON-BYPASSABLE DISTRIBUTION CHARGES.[27]

A. As Mr. Davis acknowledges, the states which implemented such policies (e.g., New York, New Jersey, Illinois, and Connecticut) did so by legislative action, not by a non-mandated proposal of a utility or even by the unilateral action of a state regulatory commission. These policies typically entail both cost and profit sharing (e.g., in Illinois, distribution customers of Commonwealth Edison Company either pay a charge or receive a credit based on PJM energy and capacity revenues of nuclear generators covered by the program cited by Mr. Davis), not just unilateral payments from captive ratepayers to generation owners. The Company's proposed Green Tariff does not meet either criterion, so these examples cited by Mr. Davis are irrelevant to DLC's Green Tariff proposal and cannot be used to justify its approval. If the Pennsylvania legislature deemed it worthwhile to financially support nuclear or other types of generators in Pennsylvania or elsewhere in the PJM footprint, it would enact a law to effect such an outcome and the Commission would order the utilities, including DLC, to put in place tariffs to implement that policy.

[27] Duquesne Light Company Statement No. 1-R, p. 2, line 18 through p. 3, line 1.

Q. PLEASE EXPLAIN MR. DAVIS' RESPONSE TO YOUR ASSERTION THAT OFFERING GREEN PRODUCT SERVICES TO RESIDENTIAL CUSTOMERS IS NOT A LEGITIMATE FUNCTION OF A DEFAULT SERVICE PROVIDER AND WOULD BE BETTER LEFT TO THE COMPETITIVE RETAIL MARKET, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis acknowledges that the Green Tariff program is not mandated by the Commission, and that green products can be offered by competitive suppliers.[28] Mr. Davis states that DLC implemented various programs (such as the purchase of receivables and the standard offer program), as well as customer education programs to promote retail access and support customer shopping, and that supporting the retention and development of clean energy in Pennsylvania is equally, if not more, important.[29] However, Mr. Davis misses the point which I raised in my Direct Testimony. The issue is not whether supporting clean energy development is more or less important than retail market enhancement programs. What is relevant is that those retail market enhancement programs were mandated by the Commission, so the Company had to implement them. On the other hand, as Mr. Davis also acknowledges, supporting clean energy development is not mandated by the Commission and this function can be served by the competitive market. As I also mentioned above, the Pennsylvania legislature could enact legislation (e.g., by amending the AEPS Act, and increasing the requirements or changing the technologies which qualify for compliance under the AEPS Act) to mandate this goal or a similar goal. Therefore, the implementation of retail market enhancement programs by DLC over the years does not form a basis for the Company to implement the proposed Green Tariff.

[28] Duquesne Light Company Statement No. 1-R, p. 15, lines 5-7.
[29] Duquesne Light Company Statement No. 1-R, p. 12, lines 7-10.

Q. PLEASE SUMMARIZE MR. DAVIS' RESPONSE TO YOUR STATEMENT THAT THE GREEN TARIFF IS UNLIKELY TO BE ATTRACTIVE TO EGSs OR THIRD-PARTY SUPPLIERS, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis claims that my statement is speculative,[30] and posits that the purpose of the Green Tariff Pilot is to seek to actually test and learn whether EGSs and/or third-party providers are willing to participate in the proposed Green Tariff auction process.[31] However, DLC acknowledged in discovery that the Company did not conduct any market research with potential providers to gauge their interest and/or the viability of the design of this offering.[32] In other words, instead of conducting basic market research with potential providers to gauge their interest and/or the viability of the design of this offering, the Company is proposing to spend more $400,000 of residential default service customers' money to "test and learn." In essence, Mr. Davis acknowledges that the Company is proposing to conduct a program experiment in an area which is unrelated to the provision of default service on residential default service customers' dime. The Company should have conducted preliminary market research before proposing to spend ratepayer money on a speculative program, instead of calling the criticism of the lack of such market research "mere speculation." It would be an unnecessary and imprudent use of ratepayer money to allow the Company to implement a speculative program the success of which is far from guaranteed, as I explained in my Direct Testimony.[33]

[30] Duquesne Light Company Statement No. 1-R, p. 13, line 7.
[31] Duquesne Light Company Statement No. 1-R, p. 13, line 15-18.
[32] DLC's Response to OCA-II-1b, provided as OCA Exhibit SO-1 in OCA Statement No. 1.
[33] OCA Statement No. 1, p. 17, line 12 through p. 18, line 7.

Q. PLEASE STATE MR. DAVIS' RESPONSE TO YOUR CONCERN PERTAINING TO CONSUMER PROTECTION ISSUES ASSOCIATED WITH THE PROPOSED GREEN TARIFF, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis claims that the OCA witnesses (i.e., Ms. Alexander and I) are merely hypothesizing about a list of various customer protection issues; states that DLC has no interest or benefit in confusing or misleading customers; acknowledges the importance of providing accurate and clear information to customers; and expresses DLC's willingness to work with the OCA on these matters.[34] Even though Mr. Davis attempts to dismiss OCA witnesses' concerns as hypothetical, he fails to explain why any of our concerns, let alone all of our concerns, are unlikely or unrealistic. The only assurance he offers is that the Company has demonstrated over many years its support for providing residential customers reasonable and stable default service rates,[35] which is totally unrelated to the consumer protection issues which were identified by Ms. Alexander and me. I never suggested that the Company would attempt to confuse or mislead customers intentionally. As I also explained in my Direct Testimony, my concern is that even if DLC is fully transparent about the nature of the program, it may still end up being deceptive to the customers due to the complexity and unfamiliarity of the Green Tariff offering.[36] It should be noted that Ms. Alexander identified additional consumer protection concerns that have been addressed in her direct and surrebuttal testimonies, and those concerns should be considered complementary to those that I have identified in my testimony. Mr. Davis' pledge on behalf of the Company to work with the OCA on customer protection issues is appreciated, but it is too vague and it is unclear whether it would be sufficient to address all concerns raised by Ms. Alexander and me. Therefore, after reviewing Mr.

[34] Duquesne Light Company Statement No. 1-R, p. 14, line 7 through p. 15, line 1.
[35] Duquesne Light Company Statement No. 1-R, p. 14, lines 11-12.
[36] OCA Statement No. 1, p. 19, lines 5-7.

Davis' Rebuttal Testimony, I continue to have the same concerns related to customer protection issues associated with the Green Tariff proposal.

Q. PLEASE EXPLAIN MR. DAVIS' RESPONSE TO YOUR CONCERN REGARDING THE LACK OF A GREEN TARIFF PRICE OR RATE CAP, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis appears to dismiss my concern by stating that the price of the product will be known in advance, prior to customer enrollment, and that customers could exit the Green Tariff at any time without penalty.[37] As a potential relief, he suggests that DLC would be willing to allow the Commission to review and approve the Green Tariff solicitation results.[38] The Commission's review of Green Tariff solicitation results would lessen, yet not eliminate, my concern. It would not be sufficient for me to recommend the approval of the proposed Green Tariff because even if the Commission rejects the bids for being too high or uncompetitive, residential default service customers would still incur the Company's administrative costs associated with RFP and customer outreach.

Q. PLEASE SUMMARIZE MR. DAVIS' RESPONSE TO YOUR CONCERN PERTAINING TO THE LEVEL OF ADMINISTRATIVE COSTS ASSOCIATED WITH THE GREEN TARIFF, AND COMMENT ON HIS RESPONSE.

A. Mr. Davis states that the Company does not agree that it is appropriate to compare the administrative cost of the Green Tariff to the costs of the EACs to determine if the pilot would be beneficial, and that a proper analysis should consider both direct and indirect costs, as well as tangible and intangible benefits.[39] However, Mr. Davis does not state any other costs and benefits which should be included in the cost-benefit analysis, nor

[37] Duquesne Light Company Statement No. 1-R, p. 17, lines 7-9.
[38] Duquesne Light Company Statement No. 1-R, p. 17, lines 9-11.
[39] Duquesne Light Company Statement No. 1-R, p. 17, lines 15-20.

does he quantify any other costs or any of the tangible or intangible benefits. Further, Mr. Davis seems to ignore the fact that, as the proposer of the Green Tariff as a product that is not mandated by the Commission and that is unrelated to the provision of default service, it is incumbent on the Company, and not on the OCA or other intervening parties, to conduct a cost-benefit analysis to justify the approval or the rejection of the proposed Green Tariff by the Commission. Therefore, based on the quantitative analysis which I have presented in my Direct Testimony and above, I continue to believe that the level of administrative costs associated with the Green Tariff are too high relative to the maximum possible value of the EACs which would be delivered under the Green Tariff.

Q. PLEASE COMMENT ON MR. DAVIS' ASSERTION THAT THE GREEN TARIFF WOULD BE IMPLEMENTED IN A WAY THAT MINIMIZES THE IMPACT ON NON-GREEN TARIFF PARTICIPANTS.

A. Mr. Davis states that electricity supply costs will continue to be based on DLC's default service auction process, and that there would be no change in the default service supply obligation whether or not a default service customer elects to voluntarily enroll or exit the Green Tariff Pilot.[40] While I agree that the Green Tariff would not have any effect on the electricity suppliers participating in default service auctions, I disagree that it would have no effect on non-Green Tariff participants. The administrative costs of the Green Tariff program, which is not mandated by the Commission and is unrelated to the provision of default service, would be paid by all residential default service customers. Therefore, the Green Tariff would impose costs on all residential default service customers even if they would not or cannot enroll in the Green Tariff.

[40] Duquesne Light Company Statement No. 1-R, p. 11, lines 12-15.

Q. ARE YOU STILL RECOMMENDING THAT THE COMMISSION REJECT THE COMPANY'S GREEN TARIFF PILOT PROPOSAL?

A. Yes. After reviewing Mr. Davis' Rebuttal Testimony, I continue to recommend that the Commission reject DLC's Green Tariff proposal for all the reasons which were detailed in my Direct Testimony and summarized above in this Surrebuttal Testimony.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes, it does.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : :	Docket No. P-2024-3048592

VERIFICATION

I, Serhan Ogur, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 1SR, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 22, 2024

Signature:

Serhan Ogur

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August 22, 2024

Via Electronic Mail Only
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Re: Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029
Docket No. P-2024-3048592

Dear Administrative Law Judges Coogan and Long:

Enclosed please find a copy of the Rebuttal Testimony being submitted on behalf of the Office of Consumer Advocate in the above-referenced proceeding, as follows:

OCA Statement 1SR: Surrebuttal Testimony of Serhan Ogur
OCA Statement 2SR: Surrebuttal Testimony of Barbara Alexander

Copies have been served on the parties as indicated on the enclosed Certificate of Service.

Respectfully submitted,
/s/ Christy M. Appleby
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Enclosures

cc: PUC Secretary Rosemary Chiavetta, (Letter and Certificate of Service only)
Certificate of Service

CERTIFICATE OF SERVICE

Petition of Duquesne Light Company	:	
For Approval of Default Service Plan	:	
For The Period June 1, 2025 Through	:	Docket No. P-2024-3048592
May 31, 2029	:	

I hereby certify that I have this day filed electronically on the Commission's electronic filing system and served a true copy of the following document, the Office of Consumer Advocate's Surrebuttal Testimony, upon parties of record in this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant), in the manner and upon the persons listed below.

Dated this 22nd day of August 2024.

SERVICE BY E-MAIL ONLY

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Dated: August 22, 2024

/s/ Christy M. Appleby
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OCA Statement No. 2-SR

BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Co.	:	
For Approval of its Default Service Program	:	Docket No. P-2024-3048592
for the Period from	:	
June 1, 2025 through May 31, 2029	:	

SURREBUTTAL TESTIMONY

OF

BARBARA R. ALEXANDER

Barbara Alexander Consulting LLC

ON BEHALF OF THE

PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

August 22, 2024

Q. PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION.

A. My name is Barbara R. Alexander. I am the sole member of Barbara Alexander Consulting LLC. My address is 44 Beech St., Hallowell, ME 04347. I appear in this case as a witness on behalf of the Office of Consumer Advocate (OCA).

Q. HAVE YOU PREVIOUSLY TESTIFIED IN THIS PROCEEDING?

A. Yes. I filed Direct Testimony on July 12, 2024 and Rebuttal Testimony on August 9, 2024 on behalf of the OCA.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. I am submitting Surrebuttal Testimony in response to the Rebuttal Testimony of C. James Davis[1], Edwin Schuck[2], and Sarah J. Olexsak[3] on behalf of Duquesne Light Co. ("Duquesne" or "Company") and the Rebuttal Testimony of Mr. Frank Caliva III on behalf of the Retail Energy Supplier Association (RESA).[4]

RESPONSE TO DUQUESNE REBUTTAL

Q. MR. DAVIS PROVIDES ADDITIONAL TESTIMONY IN SUPPORT OF THE COMPANY'S GREEN TARIFF PROPOSAL. DOES HIS TESTIMONY CHANGE YOUR RECOMMENDATION TO REJECT THIS PROPOSAL?

A. No. In fact, Mr. Davis's Rebuttal Testimony confirms my recommendation. This proposal is likely to result in significant customer confusion as to the description of this product as "green" when it is not necessarily "renewable." Specifically, as I understand it, Duquesne is going to craft future consumer messages about this product or option that will, based on

[1] Duquesne St. No. 1-R
[2] Duquesne St. No. 6-R.
[3] Duquesne St. No. 5-R.
[4] RESA St. No. 1-R.

his admissions in his testimony, have to inform customers of the following attributes of this product:

- Customers will pay for currently existing as well as potentially incremental generation located in Pennsylvania[5];
- Customers may pay for the output of existing nuclear power plants based in Pennsylvania[6];
- Customers will not necessarily be provided incremental renewable energy added to the current electrons flowing into their homes, but rather will pay for energy that the U.S. Government has labeled "clean" for the purposes of generation supply attributes for federal facilities;[7] and
- The price for this bill option does not impact the generation supply purchased via competitive bids in the wholesale market that appears under the bill as the Price to Compare.[8]

Based on these criteria associated with the "green" tariff proposal, I opine that customers are likely to be confused and mislead unless all of these statements are identified in any presentation of Duquesne's marketing materials. Even then, I think it is unlikely given the complexity of these issues that most customers would associate this proposal as "green" or that the Company can adequately explain that customers are not actually purchasing so called "green" energy for their homes.

[5] Duquesne St. No. 1-R, page 2, line 13.
[6] Ibid., page 6.
[7] Ibid., page 7, line 21 and page 8 line 1: "The GHG Protocol market-based method for Scope 2 accounting applies to all energy generation, not just "low-carbon" or renewable energy."
[8] Ibid., pages 9-10.

Q. DOES MR. DAVIS PROPERLY JUSTIFY THE ROLE OF DUQUESNE AS A DISTRIBUTION COMPANY IN PROMOTING THIS PRODUCT?

A. No. Mr. Davis emphasizes that this is a distribution service and not part of the generation portion or default service portion of the bill. However, his proposal would allow an Electric Generation Supplier (EGS) to bid and provide this service and be listed as the provider of this service on the distribution portion of the bill.[9] There is no Competition Act or Commission policy that would support such a policy since the EGS is licensed to provide generation supply service and their contacts with customers are purchased by Duquesne and appear as a "supply" product under the Purchase of Receivables (POR) program. The potential for customer confusion and injection of the EGS appearing on the bill as offering a "regulated" distribution service raises significant policy and consumer protection concerns. Furthermore, Mr. Davis's attempt to attribute the genesis of this proposal as "an expansion of clean energy supply in Pennsylvania,"[10] assumes an obligation that has not been imposed on Duquesne as a distribution company.

Q. DUQUESNE WITNESS SCHUCK SUPPORTS THE TERMINATION OF THE STANDARD OFFER PROGRAM.[11] DO YOU AGREE?

A. Yes. The evidence in this proceeding presented by Duquesne supports this recommendation. As I recommended in my Direct Testimony, if this program is allowed to continue, EGSs should be required to obtain an affirmative consent from the customer for any contract beyond the 12-month SOP contract. I support Mr. Schuck's recommendation in this regard as well.

[9] Ibid., page 13.
[10] Ibid., page 5, lines 13-14.
[11] Duquesne St. No. 6-R, page 3, lines 23-24.

Q. MR. SHUCK REJECTS YOUR RECOMMENDATIONS FOR REFORMING THE DUQUESNE BILL THAT SEEKS TO COLLECT SUPPLIER CHARGES PURCHASED BY DUQUESNE. PLEASE RESPOND.

A. Mr. Schuck's rejection of my recommendation to properly present EGS charges and educate customers by calculating what the customer's total supply charges would be under the PTC is without justification.[12] He ignores the fact that Duquesne has purchased the EGS receivables and is required to bill and collect those charges under threat of termination of service. It is totally within Duquesne's obligation to ensure that those charges are presented in a manner that is not deliberately misleading or that does not allow the customer to readily understand the comparison between their EGS supply charges and the amount the customer would pay under the applicable PTC. Such disclosures reflect the core obligation of the distribution company to present an accurate bill and that informs the customer of how their bill is calculated.

Q. DUQUESNE WITNESS OLEXSAK WITHDRAWS THE EV TOU RATE OPTION.[13] DO YOU AGREE?

A. My only response to this change in the Company's approach is to emphasize that the supply-side rate options should mirror those adopted in the pending base rate case. To avoid customer confusion and to enhance the potential for customer participation, it is important that rate designs impact all the customer's usage since most customers do not change their usage behavior based on whether the rate option applies to one portion of customer bill.

[12] Ibid., page 8.
[13] Duquesne St. No. 5-R, page 3, lines 9-13.

RESPONSE TO RESA REBUTTAL

Q. PLEASE SUMMARIZE YOUR OVERALL RESPONSE TO MR. CALIVA'S REBUTTAL TESTIMONY ON BEHALF OF RESA.

A. Mr. Caliva's Rebuttal Testimony repeats his previous testimony of unsubstantiated claims of benefits associated with the retail energy market and proposals that conflict with the statutory and regulatory policies governing default service in Pennsylvania. I documented why his overall recommendations should not be adopted in my Rebuttal Testimony and I will not repeat those reasons here. Mr. Caliva's Rebuttal also includes additional statements and recommendations that I will address here, specifically:

- Mr. Caliva doubles down on his claim that comparing the EGS charges to the PTC is "spurious;"
- His reliance on his "Retail Market Savings Reports" to justify his allegations of savings;
- His support for continuing the SOP and use of the "negative option" renewal policy to change the terms of the customer's SOP contract without affirmative customer consent;
- His attempt to characterize default service as not based on market prices; and
- His support for allowing EGSs to use the "bill ready" POR option that misleads customers about the cents per kWh charged by their supplier.

Q. PLEASE RESPOND TO MR. CALIVA'S CLAIMS THAT CUSTOMERS SHOULD NOT COMPARE SUPPLIER PRICES WITH THE PTC.

A. Mr. Caliva continues to denigrate the comparison between a supplier's price and that of default service by claiming that the supplier's price or its charges do not reflect values or

benefits that cannot be captured in a cents per kWh comparison to the PTC.[14] He states that this type of "point in time" comparison on the customer bill fails to take into account the attributes of the EGS supply product that differs from default service supply. However, from the customer's perspective the monthly bill reflects the same electrons flowing into his/her home under either scenario. He argues that the supplier charges must include the risk of inability for full recovery, but that is not correct since the POR guarantees the supplier full recovery every month with a tiny percentage discount for uncollectible expense that every competitive business must factor into their prices. These unsupported arguments reflect the long standing attempt by EGSs to justify higher prices, a history that customers may simply not agree with. He also ignores or rejects the obvious solutions to this "problem." EGSs could offer Time of use (TOU) rates or other innovative rate options to Duquesne's customers, but they do not as I documented in my Rebuttal Testimony. EGSs could communicate to their customers to justify their higher prices, but they do not. The EGS could plainly inform their customers that they pay more than the PTC in return for the assurance of a stable price but that ignores the price stability built into the default service portfolio. Nonetheless, suppliers have every option in their marketing and other communication tools to explain the value of their product compared to the PTC. EGSs could issue their own bills to their customers to fully explain the "value" of their higher prices or the attributes of their service, but they do not. Instead, EGSs rely on the subsidy provided by Duquesne and other distribution companies under the Purchase of Receivables program to bill and collect their charges. This subsidy makes the EGS whole in terms of collection expenses and shifts the cost of collections to Duquesne's ratepayers. Mr. Caliva

[14] RESA St. No. 1-R, pages 2-10.

ignores this benefit in his complaints about default service messaging and his unsupported justification for the higher charges billed by EGSs on the Duquesne bill.

Q. PLEASE COMMENT ON MR. CALIVA'S EXHIBITS ENTITLED "RETAIL MARKET SAVINGS REPORTS."[15]

A. These compilations of supplier offers are not relevant to any issue in this proceeding. They provide a "point in time" comparison of the offers that are available at any given time and do not compare actual prices charged by suppliers to Duquesne's customers over a reasonable period of time, an approach that is the basis for the conclusion that suppliers charge more than the PTC over any reasonable period of time. These reports are self-serving industry-generated reports that show an array of offers at any given time but based on the data in this proceeding those offers do not translate into real savings. Finally, Mr. Caliva does not present any information on what suppliers actually charge customers under these or other contract offers after the negative option renewal process has been relied upon to retain customers after the initial offer expires.

Q. WITH REGARD TO MR. CALIVA'S SUPPORT FOR THE SOP, PLEASE RESPOND.

A. According to Mr. Caliva, the trend of lower customer interest in choosing EGSs should support the continuation of the SOP.[16] However, Mr. Caliva does not apparently view consumers as educated sufficiently to choose not to shop and to rely on default service after 15+ years of experience in the retail energy market. Shopping statistics reflect customer decisions that should be viewed as valid and not relied upon to promote the choice of an ESG as an end in itself. The competitive market is a success or not based on whether

[15] Ibid, page 7 and Exhibits FC-6 through FC-8.
[16] RESA St. No. 1-R, pages 10-13.

customers view offers as desirable and based as well on their previous experience in the market. Mr. Caliva, on the other hand, apparently views the market as successful only when EGSs have more customers. He ignores the basic economic principles associated with competitive markets. I continue to raise significant concerns about the use of Duquesne's role as the distribution service provider to subsidize the marketing and enrollment function that should rightly be allocated to EGSs.

Q. MR. CALIVA CORRECTLY STATES THAT IF SUPPLIERS RELY ON THEIR OWN BILLS TO THEIR CUSTOMERS, THEY WILL LOSE THE RIGHT TO TERMINATE SERVICE FOR NONPAYMENT.[17] PLEASE COMMENT.

A. Mr. Caliva is correct and this admission identifies the subsidy that the POR program provides to suppliers. Even with the SOP which turns the marketing and enrollment role from the EGS to Duquesne and the POR that subsidizes suppliers in terms of billing and collection costs, Mr. Caliva still cannot admit that suppliers who charge higher prices with these advantages is a defect of the supplier market and not the regulatory policies governing default service. Instead, he seeks "guaranteed" cost recovery.

Q. SHOULD MR. CALIVA'S TESTIMONY BE RELIED UPON TO SUPPORT ANY OF HIS RECOMMENDATIONS?

A. No. He offers no evidence to support any of his claims of innovative services or value added services to Duquesne's residential customers. On the contrary, my testimony and that of Duquesne's witnesses offer fact-based evidence of the higher prices charged to Duquesne's residential customers and the adverse impacts of the SOP, both during the

[17] Ibid., page 17, lines 6-11: "While Duquesne's Tariff does permit EGSs to issue a "dual bill" for its charges if an EGS elects to do this, it will not be able to participate in POR and will lose the ability to have service terminated for nonpayment. Without use of this very effective payment collection tool for mass market customers and no guaranteed cost recovery, EGSs are unlikely to offer competitive products and services to residential customers."

program and with post-SOP contract prices. Nor does Mr. Caliva document any actual prices charged to Duquesne's residential customers or innovative products or services offered to Duquesne's customers. Mr. Caliva wants to rewrite the rules governing Pennsylvania's default service policies and the Commonwealth's historical reliance on using the PTC to educate customers about supplier offers. I continue to urge the Commission to reject RESA's recommendations adopt my recommendations concerning the SOP as set forth in my Direct.

Q. DOES THIS COMPLETE YOUR TESTIMONY AT THIS TIME?

A. Yes.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2025 Through May 31, 2029	: : :	Docket No. P-2024-3048592

VERIFICATION

I, Barbara R. Alexander, hereby state that the facts above set forth in my Surrebuttal Testimony, OCA Statement 2SR, are true and correct (or are true and correct to the best of my knowledge, information, and belief) and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

DATED: August 22, 2024

Signature: Barbara Alexander

Barbara R. Alexander

Address: Barbara Alexander Consulting LLC
44 Beech St.
Hallowell, ME 04347

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for approval of a Default Service Plan for the Period June 1, 2025 through May 31,2029	**:** **:** **:**	**Docket No.: P-2024-3048592**

ADMITTED TESTIMONY AND EXHIBITS
OF THE
OFFICE OF SMALL BUSINESS ADVOCATE

The Office of Small Business Advocate ("OSBA") admitted the attached testimony and exhibits as evidence into the evidentiary record at the Evidentiary Hearing on August 28, 2024, in the above-captioned proceeding:

- Direct Testimony of labelled OSBA Statement No. 1 and associated Exhibits RDK-1 through RDK-3, with signed Verification signed by Robert D. Knecht
- Surrebuttal Testimony, labelled OSBA Statement No. 1-S, with Verification signed by Robert D. Knecht

Date: August 28, 2024

COMMONWEALTH OF PENNSYLVANIA

July 12, 2024

The Honorable Mary D. Long
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place, Suite 220
201 Fifth Avenue
Pittsburgh, PA 15222

The Honorable John Coogan
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

Re: Petition of Duquesne Light Company for approval of a Default Service Plan for the Period June 1, 2025 through May 31, 2029 / Docket No: P-2024-3048592

Dear Presiding Judges:

Enclosed please find the Direct Testimony of Robert D. Knecht, labelled **OSBA Statement No. 1 and associated Exhibits RDK-1 through RDK-3,** 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: PA PUC, Secretary Rosemary Chiavetta (Cover Letter & Certificate of Service only)
Robert D. Knecht
Parties of Record

OSBA Statement No. 1

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF DUQUESNE LIGHT COMPANY FOR APPROVAL OF DEFAULT SERVICE PLAN FOR THE PERIOD JUNE 1, 2025 THROUGH MAY 31, 2029	:	**Docket No. P-2024-3048592**

Direct Testimony and Exhibits of

ROBERT D. KNECHT

On Behalf of the

Pennsylvania Office of Small Business Advocate

Topics:

Historical Pricing and Shopping Trends
DLC Commercial Class Procurement Method
Other Default Service Issues

Date Served: July 12, 2024

Date Submitted for the Record: _____

DIRECT TESTIMONY OF ROBERT D. KNECHT

1. Introduction

Q. Please state your name and briefly describe your qualifications.

A. My name is Robert D. Knecht. I am an independent consultant, specializing in the preparation of analyses and expert testimony in the field of regulatory economics. For over thirty years, I was a Principal of Industrial Economics, Incorporated ("IEc"), and I served as Treasurer of that firm for fifteen years. I obtained a B.S. degree in Economics from the Massachusetts Institute of Technology in 1978, and a M.S. degree in Management from the Sloan School of Management at M.I.T. in 1982, with concentrations in applied economics and finance. I am appearing in this proceeding on behalf of the Pennsylvania Office of Small Business Advocate ("OSBA"), and this work was performed under an agreement between OSBA and IEc. My résumé and a listing of the expert testimony that I have filed in utility regulatory proceedings during the past five years are attached in Exhibit RDK-1.

Q. What is the purpose of this testimony?

A. OSBA asked me to review the specifics of the Duquesne Light Company's ("DLC" or "the Company") tenth default service plan ("DSP X"), to evaluate whether the plan is consistent with sound economics and regulatory policy, and whether the plan is equitable to small business customers.

This testimony provides the results of my review, based on the information available to me at present. Overall, I have no material disagreements with the Company's proposals, although some issues are subject to clarification through discovery. This testimony provides the basis for my conclusions, and it identifies certain issues that merit ongoing review.

Q. Please provide an overview of the Company's current default service offerings.

A. DLC offers default service to four rate class groups: Residential and Lighting, Small Commercial and Industrial ("Small C&I"), Medium Commercial and

Industrial ("Medium C&I"), and Large Commercial and Industrial ("Large C&I"). The C&I classes consist of non-Residential general service customers, which includes both business and non-business customers. The Small C&I rate class group includes customers with maximum demand up to 25 kW, which includes customers in the GS, GM<25 and GMH<25 rate classes. The Medium C&I group includes customers that have demands from 25 kW to 200 kW, which includes customers in the GM>=25 and GMH>=25 classes up to 200 kW. Large C&I consists of customers over 200 kW.

DSP rates for the Residential/Lighting, Small C&I and Medium C&I are flat per-kWh rates that are reset either every six months (Residential/Lighting and Small C&I) or quarterly (Medium C&I). Large C&I default service rates are based on day-ahead hourly market (PJM LMP) prices, plus an adder for PJM capacity and ancillary services costs.

DLC's upper limit for fixed default rate service is 200 kW, which is higher than the Commission's "preferred" level of 100 kW. The Commission's preferred 100 kW demarcation rate for hourly default service is generally lower than that in other jurisdictions.[1] DLC proposes to retain the 200 kW upper limit. I take no exception to this proposal.

For time-of-use ("TOU") service to customers who are not hourly priced, DLC offers an electric vehicle ("EV") TOU option for customers who have installed EV chargers. These TOU rates are offered as a multiple of the regular default service rate for three periods: peak, off-peak and super off-peak.

The balance of this testimony addresses the following aspects of the Companies' proposals:

Section 2: Historical review of the Companies' default service rates and shopping trends;

[1] OSBA-I-12(b).

Section 3: Review of proposed procurement plan for Small C&I and Medium C&I customers;

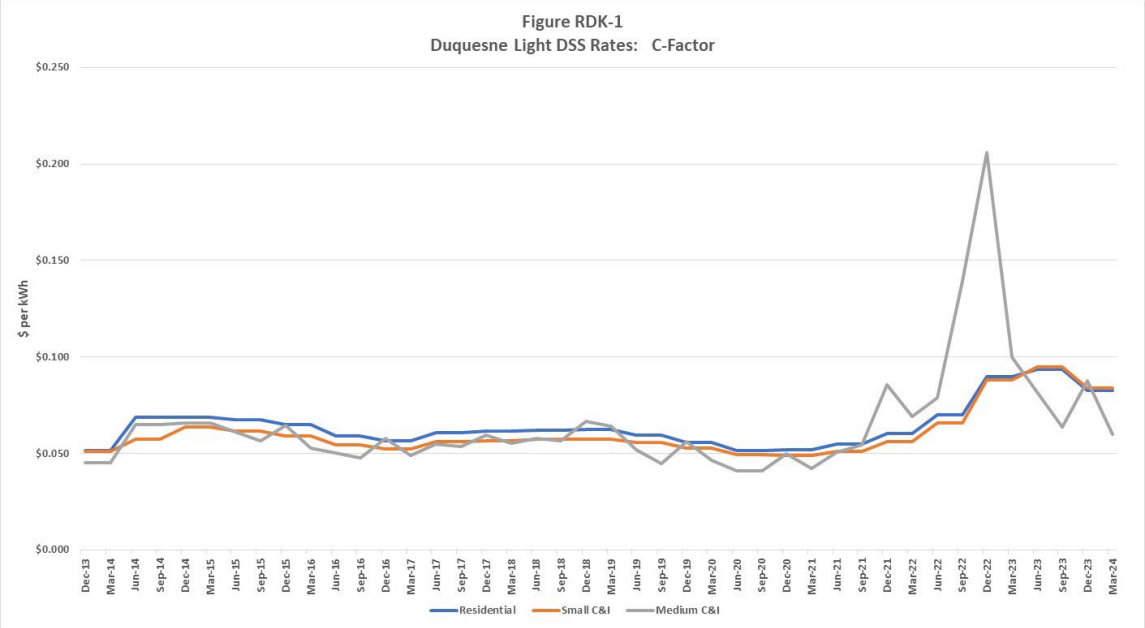
Section 4: Review of issues affecting Pennsylvania default service.

2. Historical Trends

Q. Please summarize the history of the Company's DS charges.

A. My electronic workpapers attached to this testimony present a statistical and graphical history of each of the Companies' DS charges from the beginning of 2011 to the end of 2021, showing C- and E-Factors, as well as comparing Residential, Small C&I and Medium C&I DS rates.[2] A summary chart of the "C-Factor" component of default service rates is shown in Figure RDK-1 below.

Figure RDK-1
Duquesne Light DSS Rates: C-Factor



Based on my review of the pricing history, I observe the following:

[2] See RDK WP1.

- Prior to the beginning of DSP IX in June 2021, the Residential/Lighting and Small C&I DSP rates tracked closely, with the Small C&I rate being discounted modestly below the Residential/Lighting rate. The Medium C&I also tracked the rates for the smaller customers, albeit with a larger average rate discount and more quarterly price volatility.

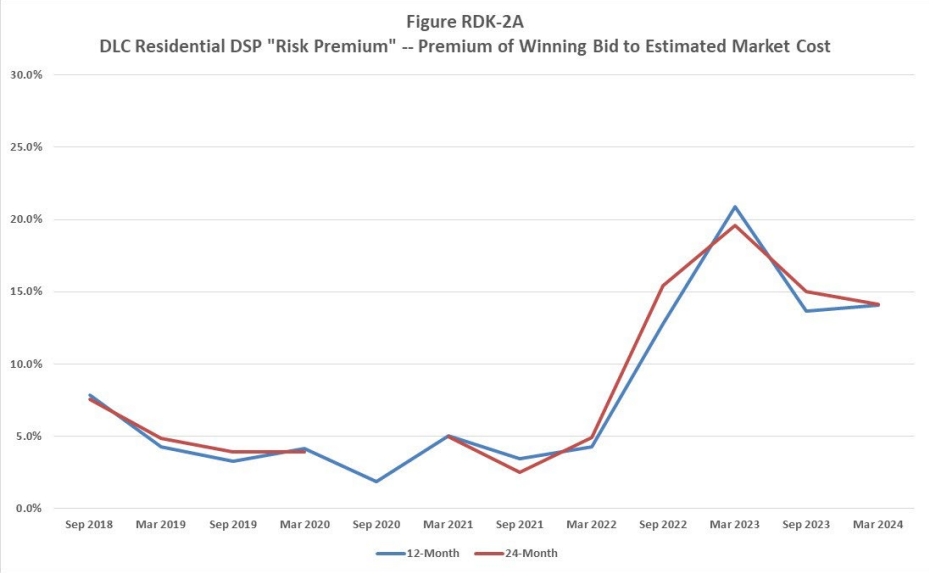
- Since 2021, the discount for Small C&I relative to Residential/Lighting has disappeared.

- DLC's Medium C&I default service rates showed an extreme spike in the fall/winter of 2022/2023, which resulted in prices that far exceeded those for Residential and Small C&I customers.

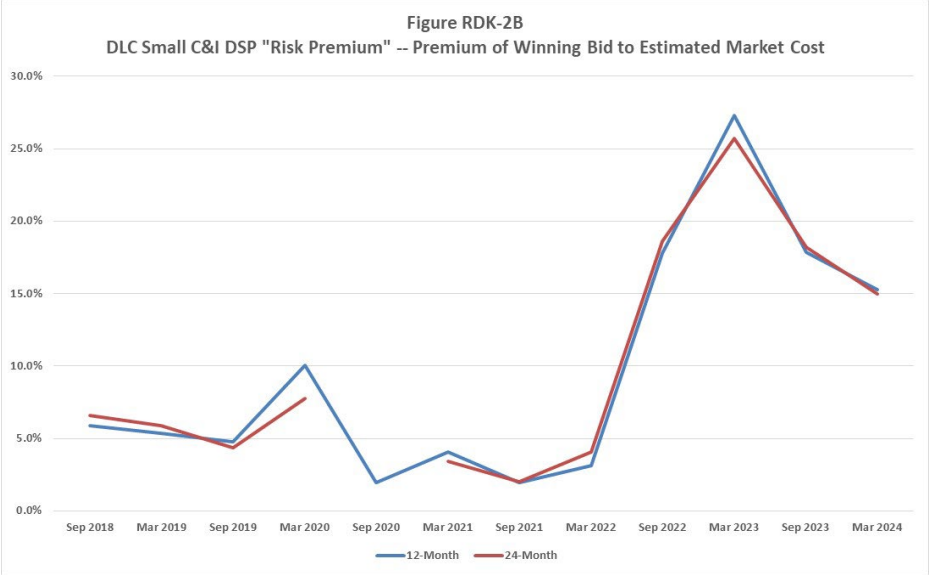
Q. How have DLC's default service prices tracked against market prices?

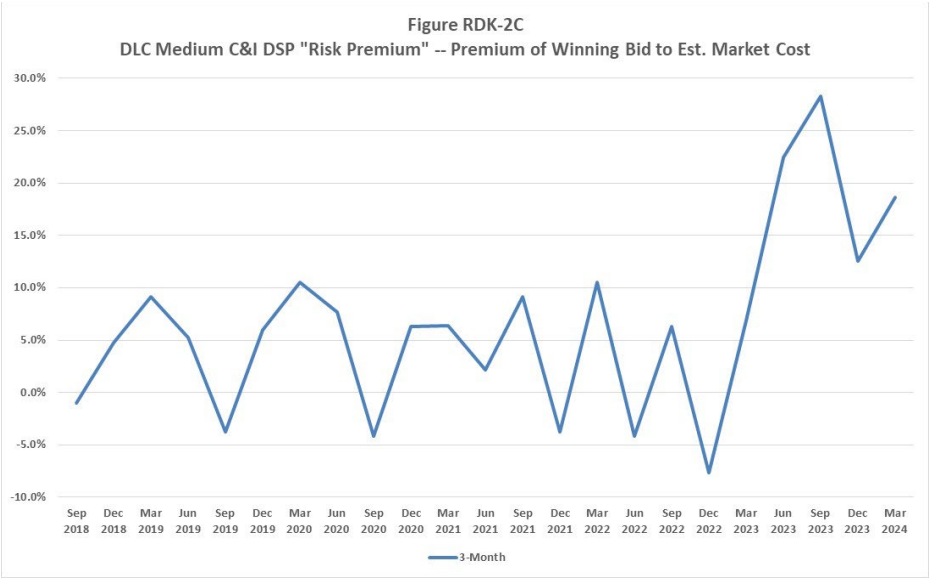
A. In discovery, the Company presents a comparison of the winning bid prices in the Residential/Lighting wholesale auctions to the expected prices based on contemporaneous market conditions and load shapes.[3] A summary of the "risk premium" for DSP bids for each of the default service rate class groups is shown in the figures below, with detail provided in RDK WP2.

Figure RDK-2A
DLC Residential DSP "Risk Premium" -- Premium of Winning Bid to Estimated Market Cost



[3] OCA-II-7.



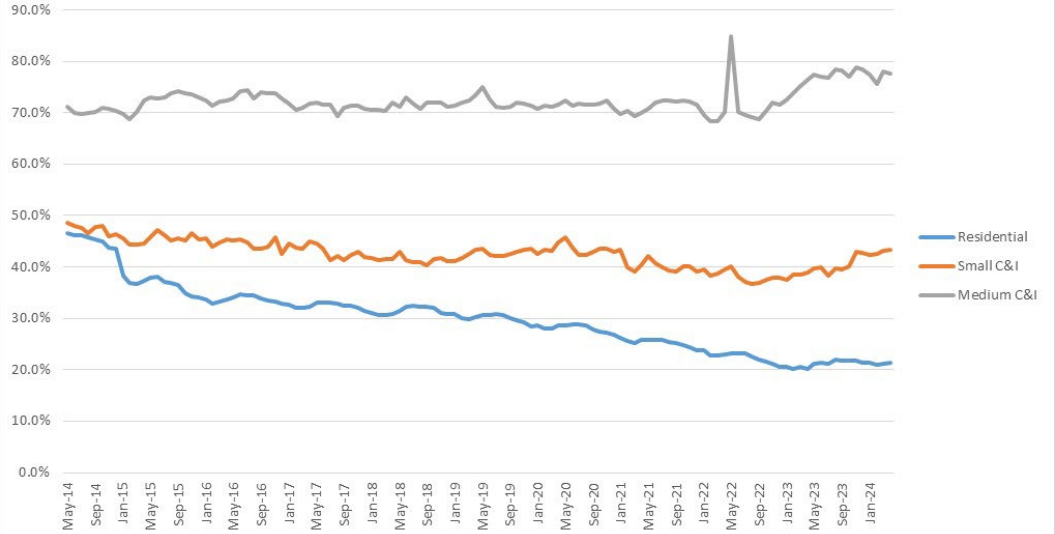


As shown, the risk premium in the winning bids was reasonably low from 2018 through the middle of 2022 to early 2023, but since then it spiked up in mid-2023 and has since remained relatively high for all three rate class groups. The upward spike for both C&I classes was moderately higher than that for the Residential class. The risk premium for the 3-month procurements for the Medium C&I class has been more volatile than the longer-term procurements for the other rate class groups, reflecting the greater frequency of procurements, the shorter terms, and possibly changes in bidder interest.

Q. Please summarize the shopping trends for the Companies' Small C&I and Medium C&I customers.

A. A summary of shopping rates is shown in Figure RDK-3 below, with further detail provided in RDK WP3.

Figure RDK-3
Duquesne Light: Customer Shopping Rates (kWh Basis)



The historical shopping rates indicate the following:

- Residential/Lighting shopping has generally declined for the past decade on both a kWh and customer count basis, although the past couple years have been relatively stable.

- Small C&I shopping declined steadily from 2014 to 2022 on both a kWh and customer basis, albeit at a slower pace than Residential/Lighting. Small C&I shopping has recently increased (at the time when Small C&I default service prices increased compared to Residential/Lighting prices. Small C&I shopping rates are modestly higher on a kWh basis than a customer basis, indicating that larger customers within the Small C&I rate class group are more likely to shop.

- Medium C&I shopping rates are materially higher than those for Small C&I customers (on both a kWh and customer basis), and they remained reasonably stable from 2014 through 2022. With the price spike for Medium C&I default service rates shown in Figure RDK-1 in 2022, shopping by Medium C&I customers unsurprisingly exhibited a material increase.

3. C&I Default Service Procurement

Q. Please identify the salient features of the Company's proposal to procure default supplies for C&I customers who do not opt for competitive electric supply.

A. The key features of the proposed DSP as it pertains to Small and Medium C&I customers are as follows:

- The plan term is four years, from June 1, 2025 to May 31, 2029. Supply contracts are permitted to extend past the end date to avoid a "hard stop" price change at May 31, 2029 and the associated potential for a large price shift.

- DLC's price-to-compare ("PTC") is the charge avoided by customers who choose to purchase electric supply from a competitive electric generation supplier ("EGS"). It includes the costs of purchasing supplies from wholesale suppliers, network integrated transmission service ("NITS") costs incurred by DLC, and various administrative costs. In effect, default service wholesale suppliers are not required to provide transmission (NITS) service, while competitive electric generation suppliers ("EGSs") have that obligation.

- Default supplies for Small C&I customers are procured in the same manner as those for Residential/Lighting, with a 50/50 combination of 12-month and 24-month fixed-price full-requirements ("FPFR") contracts in which each wholesale supplier is responsible for a proportionate share of

the load for a flat per-kWh price. Both the 12-month and 24-month contracts are "laddered" on a six-month basis to reduce DSP rate volatility.[4] Also consistent with Residential/Lighting, Small C&I DSP rates are reset semi-annually, resetting on December 1 and June 1.

- No supplier may be awarded more than 50 percent of the (combined) Residential/Small C&I supply tranches for any individual auction.

- DLC proposes to change the procurement approach for Medium C&I customers, from procuring all supplies using 3-month contracts to procuring a 50/50 mix of supplies with 6-month contracts and 12-month contracts.[5] The 12-month contracts will be "laddered" on a six-month basis, while the 6-month contracts will not be laddered. The 6-month products will allow for separate pricing for each 3-month period within the contract term. No supplier load caps will apply to the Medium C&I procurement.

- DLC retains an independent third party to conduct descending clock auctions for the FPFR products.

- The Company proposes to retain the electric vehicle time-of-use ("EV-TOU") rate pilot, that applies to Residential, Small C&I and Medium C&I customers.[6]

- The Company proposes to adopt a "Green Tariff" option for default service, which would be available only to Residential customers (and all

[4] As shown in Exhibit JP-1, 37.5 percent of the Small C&I load will turn over every six months (12.5 percent for 24-month contracts and 25 percent for 12-month contracts).

[5] The contract mix will begin with 75 percent 6-month contracts and 25 percent 12-month contracts, but will transition to 50/50 after the first six months.

[6] DLC proposes to expand the pilot to allow for "EV-only" rates for up to 500 Residential customers.

costs for the program are assigned to that class). This proposal will not affect C&I customers.

- The Company is continuing to pursue a long-term solar purchased power agreement ("PPA") under which the Company would contract for solar AECs and the associated energy, as approved by the Commission in DSP IX. The Company anticipates entering into an agreement before the commencement of DSP X. The costs for the PPA and the associated AECs are allocated among the DSP rate class groups on a volumetric basis.[7]

- The Company proposes to continue its Standard Offer Program ("SOP") into DSP X. C&I customer participation in the program was historically minimal, and it has essentially dropped to zero since 2022.[8]

Q. Please comment on the Company's proposal to retain the 50/50 12/24-month FPFR contracting approach for Small C&I customers.

A. The FPFR approach is the standard for Pennsylvania default service suppliers, and the 50/50 12/24 approach is well within the range of contract terms. The laddered structure provides for some rate stability. Auctions are conducted every six months, within three months of power starting to flow under the contracts.[9] The FPFR model requires that the wholesale supplier assume the risks for volume variability, due both to demand fluctuations and to changes in shopping rates. The FPFR approach is therefore a "safe" approach, with relatively little risk to ratepayers for wild rate fluctuations or for prices being well outside of the market.

[7] Energy procured from this PPA is simply sold into the PJM energy markets, and the associated revenue is used as an offset to the PPA costs. OSBA-I-7.

[8] OSBA-I-3.

[9] Both common sense and finance theory indicate that shortening the period between the time of the bid and the term for the contracted supplies reduces the risk to the supplier. Compared to other Pennsylvania EDCs in my experience, DLC, to its credit, has a relatively short interim period between bid and power flow.

As suggested above, there are two aspects of recent results that are of some concern. First, the "risk premium" for FPFRs has recently increased substantially for all rate class groups, making the default service price more of a higher cost option. The Company ascribes this increase in the risk premium to the underlying volatility of the wholesale markets, which is a conceptually credible argument.[10] The second concern for Small C&I customers is that the winning bid prices for Small C&I customers have increased relative to the winning prices for Residential/Lighting customers. This shift could occur for a number of factors (e.g., perceived higher shopping risk, changes in default service customer load shape), but no explanation for this change is presented in the Company's filing.

Because these phenomena are relatively recent and not sustained, I am not proposing any specific changes at this time. The OSBA is able to monitor relative Residential/Lighting and Small C&I rates, and it thus has the ability to identify any worsening of that issue in DSP X. However, OSBA is not privy to the information necessary to monitor the risk premiums in winning FPFR bids. I therefore encourage the Commission to monitor trends in risk premiums and to advise the parties of any further deterioration.

Q. Please comment on the Company's proposal to modify the procurement approach for Medium C&I customers.

A. Although not stated explicitly, I expect that the Company's proposal to lengthen the term for Medium C&I products is motivated in part by the 2022/23 price spikes in the Medium C&I prices shown in Figure RDK-1. The Company's filed rationale for the proposed change include the following:

- Increase default rate stability, recognizing increased market volatility;[11]

[10] OCA-I-7, OSBA-II-1. DLC Statement No. 3 at Figure 4.

[11] DLC Statement No. 3 at 10, 19-20.

- Eliminate quarterly procurements in which only 3-month Medium C&I products are auctioned, where bidder interest is much lower than the broader auctions;[12]

The Company conducted a credible analysis of the historical data which indicates that the Medium C&I rate volatility would have been materially lower under the proposed procurement approach than under the actual approach.[13]

The potential concern regarding this change is that the Medium C&I class has higher shopping risk, and that expanding the periods for which prices are fixed may result in materially higher risk premia in the pricing. The Company believes that any increase in the risk premium associated with lengthening the Medium C&I contract terms is likely to be small, for the following reasons.

- The contract periods (12-month and 6-month) remain relatively short by market standards;

- Any increase in risk premium may potentially be offset by increased bidder interest;

- Other default service providers set rates for customers of a size comparable to Medium C&I with wholesale contracts at least as long as those proposed by DLC.[14]

From a practical perspective, while there are no guarantees, it is likely that the Company's proposed changes will significantly reduce the potential for the pricing problems experienced in the winter of 2022/23 for Medium C&I customers. A significant share (50 percent) of the load will be procured under laddered 12-month contracts, which should reduce the impacts of short-term market hiccups. Because

[12] *Id.*, at 17.

[13] DLC Statement No. 3 at 20-23.

[14] OSBA-I-14.

the procurement mix retains a significant share of load under 6-month contracts (with interim price adjustments), the Medium C&I DS rates will likely continue to be more volatile than those for Small C&I customers. Nevertheless, the Company's proposal should be expected to reduce some of the volatility in the current contracting regime, as demonstrated by the Company's historical analysis.

As to the potential increase in the risk premium for Medium C&I supplies for the longer term, there is also no guarantee that it will not be much smaller than the procurement benefits identified by the Company. Still, the shopping rates for Medium C&I customers were reasonably stable prior to the recent volatility. As such, I agree with the Company's judgment that it is unlikely that the moderately longer contract terms will result in unreasonably high risk premia for Medium C&I customers.

Q. Please comment on the Company's EV-TOU option.

A. The Company offers an optional EV-TOU rate options for Residential, Small C&I and Medium C&I customers who own or lease an electric vehicle, or who own or operate EV charging infrastructure at the service location.[15] Rates are set at a multiple of the regular default service rates for each rate class group, for on-peak, off-peak and super off-peak periods. The multipliers for the Small C&I and Medium C&I rate class groups appear to be designed such that a class-wide volume-weighted average of the TOU rates for the three periods equals the regular DS rate. In effect, the C&I EV-TOU rates should be "revenue-neutral" for the average customer in the class.[16]

The EV-TOU rate option is currently only available on a "whole home" basis, in which all load at the meter is subject to the TOU rates. Supplies for the EV-TOU

[15] Petition at paragraph 54.

[16] For the Residential class, the multipliers are set such that they are revenue-neutral for the typical load for EV customers. See OSBA-II-3.

option are *not* separately procured, but are included in the loads served by the regular default service wholesale suppliers.

The Company proposes some modest changes to the definition of the TOU periods, narrowing the peak period and shifting some weekend/holiday hours from peak to off-peak. The Company also proposes to provide an "EV-Only" option to Residential customers who own a Company-approved charging station or next generation meter capable of sharing energy use information with DLC. Under the EV-Only option, loads used by the charging station will be estimated generally using information from the charging station or the customer's EV without the need for a separate revenue meter, and those loads will be separately billed under the EV-TOU rates.

C&I customer participation in the EV-TOU program to date has been minimal, with the most recent figures showing 4 Rate GS customers and 2 Rate GM customers participating.[17] This is generally not surprising, as many business customers do not operate during hours for which the TOU rates would be attractive.

Q. Please comment on the Company's Green Tariff option.

A. The Company proposes to offer a green tariff option for Residential default service customers. The "green" attributes for the supply will be derived by the Company's procurement of energy attribute certificates for carbon-free generation.[18]

Because this option applies only to the Residential class, I take no position regarding the proposal as filed. However, because there is no evidence of a demand for this product from C&I customers, and because the Company has not demonstrated that competitive electric generation suppliers (EGSs) are not able to

[17] OSBA-I-4 Attachment 1.

[18] Such sources would include nuclear and all hydroelectric generators, which may not comport with all customers' view of "green" power. OSBA-I-6.

provide such a product, I do not recommend that this option be offered to C&I customers.

4. Other Default Service Issues

Q. Please comment on the purchase of receivables ("PoR") program for DLC's default service plan.

A. Under its supplier tariff, DLC provide consolidated billing to EGSs, and it will provide collection services to the EGSs through a PoR program. Consolidated billing services can be either "rate ready," in which the EGS provides the rate to DLC which applies the rate to the customer's consumption, or "bill ready," in which DLC reports customer consumption to the EGS, the EGS computes the bill, and forwards the bill back to DLC for inclusion in the supply page of the bill. For the administrative cost of this service, DLC imposes a 0.1 percent charge on the purchased receivable. Uncollectibles costs associated with purchased EGS receivables, as well as for default service supplies, are not recovered in default service charges or PoR discounts but are instead passed on to ratepayers in DLC's base rates.[19]

Other Pennsylvania default service suppliers have expressed concerns that uncollectibles rates for EGSs who provide service at prices well above the PTC are materially higher than average uncollectibles rates. FirstEnergy, in particular, has adopted a mechanism to impose additional charges on EGSs with both high prices and high uncollectibles rates.[20]

[19] As this makes the risk of non-payment for an EGS essentially zero, there is a very strong incentive for EGSs to participate in the PoR program.

[20] Docket P-2015-2511333 et al. See April 15, 2016 Recommended Decision of ALJ Salapa at 29-31 relating to the "clawback" charge, approved by Commission Order entered May 19, 2016.

DLC does not directly track this issue.[21] However, in discovery, DLC provided uncollectibles rates split between default service and shopping customers.[22] Based on the DLC information for 2019 through 2023, the uncollectibles rates for shopping customers is materially lower than that for default service customers, for Residential/Lighting, Small C&I and Large C&I rate class groups. Thus, there is no aggregate levels evidence that uncollectibles are a larger problem for shopping customers than for default service customers (and, in fact, the reverse appears to be true). While the Company indicates that it has the authority to take corrective action with respect to excessive uncollectibles, it apparently has not deemed it necessary.[23] Nevertheless, in light of the problems experienced by the FirstEnergy companies in neighboring jurisdictions, I encourage the Company to evaluate and monitor whether it is experiencing higher uncollectibles rates for particular suppliers.

Q. Please comment on the implications of net metering for DLC's default service plan.

A. Under Pennsylvania's Alternative Energy Portfolio Standards ("AEPS") Act, electric distribution companies are obligated to purchase annual excess generation from eligible net metered customers at the "full retail value" (price to compare). This price is generally more attractive than the comparable wholesale price for the power. Eligible customers can include non-residential self-generators with capacity up to 3,000 kW, and 5,000 kW under special circumstances. The costs for those purchases are charged to the respective default service rate class under which the customer generator takes service. In effect, default service customers may be paying a premium price for excess supplies from net metered customer within their respective classes.

Other Pennsylvania EDCs have experienced problems with customers who identify as customer-generators but who have large generating capacity and minimal

[21] OSBA-I-9.

[22] DLC's data are provided in OSBA-I-10 and summarized in RDK WP5.

[23] OSBA-II-8.

loads.[24] In effect, these entities are effectively merchant generators masquerading as load customers, to take advantage of the advantageous pricing.[25] Because these entities tend to have relatively small loads, they take service from the EDCs under small or medium commercial rates. Thus, small and medium businesses may be most affected by this behavior. I am advised by OSBA counsel that this problem appears to be expanding enormously at one Pennsylvania EDC.

DLC did not identify any concerns in this respect in its filing. However, while the overall magnitude of net meter cashout payments remains relatively modest, there appears to be significant growth in costs for the Small C&I rate class. For the June 2021 cashout, the load was 217 MWh at a cost of about $14,000, but by June 2023 those values increased more than ten-fold to 2,642 MWh and $273,000.[26] This large runup in costs applies only to the Small C&I class.

It is my (non-legal) understanding that this is a primarily an issue of law rather than regulation. Nevertheless, at a minimum, I encourage both the Company and the Commission to monitor the costs associated with net meter cashouts to at least be able to evaluate the impact that this policy has on default service rates, particularly for small business customers.

Q. Please comment on the issues associated with the transition of customers out of the Standard Offer Program ("SOP") at the end of the one-year SOP term.

A. Residential and Small C&I customers who are not already taking service from a competitive EGS are eligible to participate in the Commission-sponsored SOP administered by DLC. In this program, customers who choose to participate obtain supply service at a rate that is 7 percent below the then DS rate, with a price guarantee for 12 months. In that 12-month period, the SOP price guarantee is fixed

[24] See, e.g., Docket No. M-2016-2578051, OSBA Statement No. 1.

[25] From a legal standpoint, it is my understanding that this behavior is permitted under AEPSA. DCIDA v. UC, 123 A3d 1123 (Pa. Cmwlth. 2015). See also Docket No. M-2016-2578051.

[26] OSBA-I-15.

at the initial rate, while the default service rate may fluctuate up or down. Participating customers are free to switch suppliers at any time. The Company refers customers to the SOP when they initiate service, voice concerns about high bills, or have questions about customer choice.

Other Pennsylvania default service providers have expressed a concern that customers who remain with their EGSs at the end of the 12-month SOP period often face prices that exceed or substantially exceed the default service price. DLC has not expressed this concern in its filing, but it submitted an analysis of the issue, split between Residential and Small C&I customers.[27]

That analysis evaluates the post-SOP choices for customers who remained on the SOP for the full 12-month term, and the relative price paid by the customers who simply remained with their SOP EGS. The analysis shows similar patterns for Residential and Small C&I, but the Small C&I participants included only 11 customers. For the Residential customers, 73 percent of the customers who stayed on the SOP (and did not close their DLC accounts) remained with the SOP EGS four months past the end of the SOP term. Of those customers, 88 percent were paying higher than PTC rates four months past the SOP term, with 75 percent paying a more than 25 percent premium, 53 percent paying a more than 50 percent premium and 21 percent paying a more than 100 percent premium.

In fairness to the EGSs who participate in the SOP, this analysis is incomplete, in that it does not consider SOP customers who switched suppliers during the SOP term (which is indeed the behavior that the SOP is intended to encourage), nor does it reflect other services that the EGS may provide within the supply price.[28] Nevertheless, both DLC and the Commission should have concerns that many customers may believe that the imprimatur of the Commission protects them from paying above market prices once they have entered the Commission-approved

[27] OCA-I-8. It does not appear that DLC has provided the time period for which the analysis was conducted. I added minor supplemental calculations to the Company's analysis, as shown in RDK WP4.

[28] OCA-III-8.

SOP. Because this program is Commission-sponsored and is offered through DLC, at a minimum, DLC should notify participating customers when their SOP period is about to expire and remind customers of their shopping options.

Q. Does this conclude your direct testimony?

A. Yes, it does.

EXHIBIT RDK-1

RÉSUMÉ AND EXPERT TESTIMONY LIST

FOR

ROBERT D. KNECHT

Overview

Mr. Knecht has more than 40 years of economic consulting experience, focusing on the energy, utility, metals and mining industries. For the past 30 years, Mr. Knecht's practice has primarily involved providing analysis, consulting support and expert testimony in regulatory matters, primarily involving electric and natural gas utilities. Mr. Knecht's work includes many aspects of utility regulation, including industry restructuring, cost unbundling, cost allocation, rate design, rate of return, customer contributions, energy efficiency programs, smart metering programs, treatment of stranded costs and utility revenue requirement issues. He has consulted to state advocacy agencies, industrial customer groups, law firms, regulatory agencies, government agencies and utilities, in both the United States and Canada. He has provided expert testimony in more than one hundred separate utility proceedings.

In addition to his work with regulated utilities, Mr. Knecht has consulted on international industry restructuring studies, prepared economic policy analyses, participated in a variety of litigation matters involving economic damages, and developed energy industry forecasting models.

Mr. Knecht served as a Principal of IEc for 33 years, and as its Treasurer for 15 years. He is currently an independent consultant who remains affiliated with IEc.

Education

Master of Science, Management (Applied Economics and Finance), Sloan School of Management, M.I.T.

Bachelor of Science, Economics, Massachusetts Institute of Technology

Select Project Experience

For more than 25 years, Mr. Knecht has provided consulting services, analysis and expert testimony before the Pennsylvania Public Utility Commission on all manner of regulatory proceedings to the **PENNSYLVANIA OFFICE OF SMALL BUSINESS ADVOCATE**. In addition to expert testimony, Mr. Knecht has assisted OSBA with the development of public policy positions, litigation strategy, and longer term strategy.

For the **ATTORNEY GENERAL OF THE STATE OF RHODE ISLAND**, Mr. Knecht provided consulting and expert witness services in an acquisition proceeding involving PPL Corporation's proposed acquisition of Narragansett Electric from National Grid. Mr. Knecht's testimony addressed financial, economic, environmental, tax, operating cost and rate implications.

For the **NEW BRUNSWICK PUBLIC INTERVENER,** Mr. Knecht provides consulting and expert witness services in a variety of regulatory proceeding before the New Brunswick Energy and Utilities Board involving New Brunswick Power, Liberty Gas New Brunswick, and petroleum products. Mr. Knecht has addressed issues of load forecasting, costs forecasting, cost of capital, allocation of corporate overhead costs, utility cost allocation, revenue allocation, market-based rate design, cost-based rate design, and rate decoupling.

For **L'ASSOCIATION QUÉBÉCOISE DES CONSOMMATEURS INDUSTRIELS D'ÉLECTRICITÉ (AQCIE) AND LE CONSEIL DE L'INDUSTRIE FORESTIÈRE DU QUÉBEC (CIFQ)**, Mr. Knecht provided analysis, consulting advice and expert testimony before the Régie de l'énergie in regulatory matters involving Hydro Québec Distribution and TransÉnergie. This work includes revenue requirement, power purchasing, cost allocation, treatment of cross-subsidies, and rate design.

For the **INDEPENDENT POWER PRODUCERS SOCIETY OF ALBERTA**, Mr. Knecht provided consulting advice, analysis and expert testimony before the Alberta Energy and Utilities Board in a series of proceedings involving the restructuring of the electric utility industry, the unbundling of rates, and the development of transmission rates.

EXHIBIT RDK-2

KNECHT ELECTRONIC WORKPAPERS

RDK WP1 DLC Default Service Price History*
RDK WP2 DLC Residential Default Service Price Premiums*
RDK WP3 DLC DSP Shopping Rates*
RDK WP4 Standard Offer Program Calculations*
RDK WP5 Uncollectibles Calculations*

The above referenced workpapers, RDK WP1; RDK WP2; RDK WP3; RDK WP4; and RDK WP5 will be served electronically in excel format only, simultaneous to service of OSBA's Direct Testimony

EXHIBIT RDK-3

REFERENCED INTERROGATORY RESPONSES

OSBA-I-3
OSBA-I-4
OSBA-I-6
OSBA-I-7
OSBA-I-9
OSBA-I-10
OSBA-I-13
OSBA-I-13
OSBA-I-14
OSBA-I-15
OSBA-II-1
OSBA-II-2
OSBA-II-3
OSBA-II-8

OCA-I-7
OCA-I-8
OCA-II-7
OCA-III-8

Electronic attachments to these IR responses are incorporated by reference.

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Office of Small Business Advocate
Interrogatories

Set I

Witness: Jennifer Neiswonger

OSBA-I-3

3. Regarding the SOP program, in MS Excel electronic format, please provide a monthly history of the program since inception (or as available), showing number of participating customers and associated loads, by DSP rate category.

Response:

See attachment OSBA-I-3 (a).

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Set I

Witness: Sarah Olexsak

OSBA-I-4

4. Regarding the EV Pilot, in MS Excel electronic format, please provide a quarterly history, by DSP rate class category, of number of participating customers, EV Pilot loads, revenues from participating customers, and what the revenues would have been at regular DSP rates.

Response:

Please see OSBA-I-4 Attachment 1 for the requested data in MS Excel electronic format.

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Interrogatories

Set I

Witness: C. James Davis

OSBA-I-6

6. Please identify the specific types of EACs contemplated for the Green Tariff option and provide a five-year history (as available) of the market pricing for those EACs.

Response:

Duquesne Light would require the provider of the Green Tariff service to procure and retire energy attribute certificates ("EAC") associated with carbon-free generation located within Pennsylvania. For purposes of the Green Tariff, the Company would follow the U.S. government's definition of carbon pollution-free electricity ("CFE") in its implementing instructions for federal electricity procurement, where CFE is electrical energy produced from resources that generate no carbon emissions. CFE could include marine energy, solar, wind, hydrokinetic (including tidal, wave, current, and thermal), geothermal, hydroelectric, nuclear, renewably sourced hydrogen, and electrical energy generation from fossil resources to the extent there is active capture and storage of carbon emissions that meets the Environmental Protection Agency's requirements.

Some, but not all, Pennsylvania alternative energy credits (that qualify under the Alternative Energy Portfolio Standards Act, 73 P.S. §§ 1643.1 *et seq.*) may meet these requirements and some EACs that qualify for the Green Tariff may not qualify as Pennsylvania alternative energy credits. The following sources provide a five-year history of the market pricing for Pennsylvania alternative energy credits: https://www.puc.pa.gov/media/2997/aeps-2023-report-final.pdf (pages 16-17), https://ppldsp.com/alternative-energy-credits-rfp/rfp-results/, and https://pennaeps.com/reports/. Market pricing for other qualifying EACs may be lower or higher than those for which price historical alternative energy credit price data is available.

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Interrogatories

Set I

Witness: C. James Davis

OSBA-I-7

7. Reference DLC Statement No. 1 at 17. Re the Solar PPA:

a. Please indicate whether the PPA is for SRECs or for SRECs and energy.
b. Please explain how the SRECs from the solar PPAs will be allocated among DSP rate categories.
c. If the Solar PPA will provide energy, please indicate how the energy will be allocated among DSP rate categories, and how it will affect the loads served by wholesale suppliers.

Response:

a. The approved Solar Plan in DSP IX is for SRECs and energy
b. The SRECs will be allocated based on load tranches and reduce the amount that the wholesale supplier is obligated to provide as part of its Fixed Price Full Requirements contract.
c. The energy will not be directly allocated to the DSP load and will not affect the loads served by wholesale suppliers. The energy will be sold into the PJM real-time wholesale energy market and the revenues will be allocated back to DSP customers to offset the cost of the PPA. The Company will accrue the revenues resulting from such sales and reconcile them back to default service customers at the same weighting as each customer class's SREC obligation share. Rider No. 8 (Default Service Supply) and Rider No. 9 (Day-Ahead Hourly Price Service) of the Company's retail tariff already include the language necessary to credit Solar PPA revenues and recover Solar PPA costs in this fashion.

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Interrogatories

Set I

Witness: Edwin Schuck

OSBA-I-9

9. Re purchase of receivables and concerns raised in other Pennsylvania DSP proceedings:
   a. Please provide any analyses conducted by the Company as to whether customers with relatively high prices from their EGSs exhibit higher uncollectible rates.

Response:

The Company has not conducted analysis as to whether customers with relatively high prices from their EGSs exhibit higher uncollectible rates.

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Interrogatories

Set I

Witness: Edwin Schuck

OSBA-I-10

10. Reference Petition at G.78:

a. Please provide the analysis supporting the discount for the purchase-of-receivables program.
b. For shopping customers, please provide a five-year history of the purchase of receivables amounts and associated uncollectibles, by DSP rate category.
c. For default service customers, please provide a five-year history of revenues and associated uncollectibles, by DSP rate category.

Response:

10a. Analysis was conducted in 2024 to support the discount of 0.10% associated with the POR Program. This percentage has been flat since DSP V rates became effective on 1/1/2011. The administrative fees including labor and fringe expense to employ 3.5 full-time employees who work within the Supplier Service Center (SSC) team are included. The SSC team is dedicated to assisting suppliers with customer account inquiries, onboarding, as well as exchange of electronic data interchange (EDI) transactions related to billing, payments, enrollments, drops, rate changes, etc. The conclusion of the analysis was the total administrative fees have not changed significantly and therefore the discount remains at 0.10%.

10b. For shopping customers, please see the table below for a five-year history of the purchase of receivables amounts and associated uncollectibles, by DSP rate category.

REPORT_YEAR	DSP_RATE	POR AMOUNT	UNCOLLECTIBLES
2019	MediumCI	$ 114,360,238.66	$ 96,662.93
2019	RES/LIGHT	$ 166,680,238.93	$ 973,386.98
2019	SmallCI	$ 23,620,418.33	$ 43,482.50
2020	MediumCI	$ 92,699,748.67	$ 110,813.29
2020	RES/LIGHT	$ 143,597,068.04	$ 519,277.37
2020	SmallCI	$ 22,312,579.05	$ 49,917.11

2021	MediumCI	$ 79,859,087.06	$ 86,217.84
2021	RES/LIGHT	$ 104,352,699.17	$ 1,080,204.61
2021	SmallCI	$ 19,795,988.11	$ 56,566.20
2022	MediumCI	$ 85,949,345.85	$ 92,025.49
2022	RES/LIGHT	$ 112,192,914.46	$ 996,397.78
2022	SmallCI	$ 21,484,638.34	$ 89,034.87
2023	MediumCI	$ 104,332,870.29	$ 163,553.40
2023	RES/LIGHT	$ 114,242,649.02	$ 956,719.97
2023	SmallCI	$ 25,691,763.77	$ 81,822.17

10c. For default service customers, please see the table below for a five-year history of revenues and associated uncollectibles, by DSP rate category.

REPORT_YEAR	DSP_RATE	DEFAULT SERVICE REVENUE	UNCOLLECTIBLES
2019	HPS	$ 12,385,789.10	$ 10,892.98
2019	MediumCI	$ 50,279,927.53	$ 142,026.72
2019	RES/LIGHT	$ 224,705,466.65	$ 2,593,924.31
2019	SmallCI	$ 33,751,868.68	$ 148,937.37
2020	HPS	$ 16,360,201.60	$ 16,931.95
2020	MediumCI	$ 30,637,374.94	$ 105,808.09
2020	RES/LIGHT	$ 220,389,077.82	$ 1,519,543.51
2020	SmallCI	$ 29,921,970.11	$ 119,606.59
2021	HPS	$ 15,832,130.97	$ 39,953.68
2021	MediumCI	$ 36,563,473.17	$ 250,170.66
2021	RES/LIGHT	$ 224,226,274.59	$ 3,223,011.88
2021	SmallCI	$ 34,320,646.93	$ 342,331.31
2022	HPS	$ 24,311,301.13	$ 137,338.37
2022	MediumCI	$ 62,947,899.94	$ 442,841.55
2022	RES/LIGHT	$ 278,770,938.42	$ 3,321,050.92
2022	SmallCI	$ 42,423,072.18	$ 290,927.50
2023	HPS	$ 11,083,515.99	$ 17,139.30
2023	MediumCI	$ 54,674,703.23	$ 194,585.14
2023	RES/LIGHT	$ 339,683,450.56	$ 3,803,750.31
2023	SmallCI	$ 57,978,805.56	$ 298,592.25

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Interrogatories

Set I

Witness: Scott Fisher

OSBA-I-13

13. Reference DLC Statement No. 3, Figure 2:

a. In MS Excel electronic format, please provide supporting data and calculations for the figure.
b. Please explain why the rate changes appear to be different for GS, GM<25 kW and GMH <25 kW customers.

Response:

a. See the attached file, "OSBA Set I-13a.xlsx".

b. The rate changes are different for GS, GM<25 kW and GMH <25 kW customers because Duquesne Light's Price-to-Compare includes a transmission component and each noted rate class has a unique transmission component.

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Interrogatories

Set I

Witness: Scott Fisher

OSBA-I-14

14. Reference DLC Statement No. 3, Figures 4 and 5, pages 18-24:

a. In MS Excel electronic format, please provide the data and calculations underlying these exhibits.
b. Please discuss whether wholesale suppliers would require a higher risk premium for 12-month products for the Medium C&I customers.

Response:

a. For Figure 4, see the attached file, "OSBA Set I-14a(1).xlsx".

For Figure 5, see the attached files, "OSBA Set I-14a(2).xlsx" and "OSBA Set I-14a(3).xlsx". "OSBA Set I-14a(2).xlsx" contains the historical market price and load data underlying the analysis. "OSBA Set I-14a(3).xlsx" contains the "stochastic parameters" (e.g., standard deviations, correlations, and rates of mean reversion) derived from the historical data, and all the calculations that produce the stochastic simulations of potential future market price and load outcomes. "OSBA Set I-14a(3).xlsx" also contains all the calculations used to apply the procurement strategies to the stochastic simulations and develop the results shown in Figure 5. The algorithms and compiled code used to develop the stochastic parameters from the historical data are proprietary and thereby could not be included, but the stochastic parameters are based on and consistent with the historical data provided.

b. The following answer assumes that the question's use of the term, "risk premium," refers to a somewhat higher price (all else equal) required by a wholesale supplier of a fixed-price full requirements ("FPFR") Medium C&I default service supply product to bear certain risks of the FPFR product obligation to the benefit of the Medium C&I customers. It is possible that wholesale suppliers would require a higher "risk premium" for 12-month products versus for 3-month products because, with a 12-month product, the wholesale supplier is assuming the costs and risks of holding a fixed price open for a longer period against which customers may switch if wholesale market price levels

subsequently change, translating into increased load uncertainty and associated costs for the wholesale supplier. However, any such increase in the "risk premium" is likely to be small. Both 3 months and 12 months are relatively short delivery periods for FPFR products, and the overall Medium C&I default service rate under Duquesne Light's proposed DSP X will reflect a product mix in which half of the supply products are 6-month products. As a result, under Duquesne Light's proposed DSP X, differences between Medium C&I default service rates and wholesale market price levels (due to wholesale market price levels changing after a FPFR supply product is procured) will be relatively short-lived, so the likelihood of customer switching against such differences is reduced.

Furthermore, any such increase in the "risk premium" may be offset by potentially greater bidder interest in, and resulting price competition for, the Medium C&I supply products. Since Duquesne Light is proposing to extend the delivery periods of the Medium C&I supply products from 3 months to 6 months and 12 months, each Medium C&I supply product tranche which a bidder may be awarded would constitute a larger supply opportunity for a bidder.

Finally, FPFR default service supply products with delivery periods of 12 months or more are frequently and successfully procured by other utilities for customers of sizes comparable to Duquesne Light's Medium C&I customers. As a result, it is reasonable to assume that Duquesne Light's proposal will result in competitive pricing and that any increases in "risk premiums" will not be excessive.

For example, in the District of Columbia, the Potomac Electric Power Company ("Pepco") solicits 36-month FPFR products to supply its Residential and Small Commercial customers, and it solicits 12-month FPFR products to supply its Large Commercial customers.[1] As another example, the New Jersey utilities supply their Residential Small Commercial Pricing customer class, which includes customers with up to 500 kW of peak demand, using 36-month FPFR products.[2] A third example is the Maine utilities, which offer service procured via 12-month FPFR products for their Medium customer classes, comprised of general service customers with peak demands generally between 20 kW and 400 kW for Central Maine Power Company,[3] peak demands generally between 25 kW and 500 kW for Versant Power – Bangor Hydro District,[4] and peak demands generally between 50 kW and 500 kW for Versant Power – Maine Public District.[5] Pennsylvania utilities also make use of FPFR products with delivery periods of 12 months or more to procure electricity for customers with peak demands that are comparable to that of many of Duquesne Light's Medium Commercial & Industrial customers' peak demands. PECO and the FirstEnergy Pennsylvania companies procure electricity for their commercial customers with peak demands of up to 100 kW using a mix of 12-month and 24-month contracts.[6],[7] Furthermore, PPL includes 12-month products in their default service supply mix for their Small

Commercial and Industrial customer class, which includes customers with peak demands up to 100 kW.[8]

[1] The Potomac Electric Power Company, "Overview of the SOS RFP Process," https://www.pepco.com/doing-business-with-us/energy-suppliers/wholesale-energy-suppliers/sos-procurement. Public Service Commission of the District of Columbia, District of Columbia Municipal Regulations: Chapter 41: The District of Columbia Standard Offer Service Rules, https://dcpsc.org/getattachment/Orders-and-Regulations/Orders-Rules-and-Regulations/District-of-Columbia-Municipal-Regulations-Title-1/15-41-Compiled-(1).pdf.aspx?lang=en-US.
[2] NERA Economic Consulting, "Basic Generation Service (BGS) Load: Statewide Auction Process", Bidder Information Material, November 27, 2023, https://www.bgs-auction.com/.
[3] Maine Public Utility Commission, *Request for Proposals to Provide Standard Offer Service to Central Maine Power Company Customers, for the term January 1, 2024 – December 31, 2024*, September 13, 2023, https://www.maine.gov/mpuc/regulated-utilities/electricity/standard-offer-rates.
[4] Maine Public Utility Commission, *Request for Proposals to Provide Standard Offer Service to Versant Power—Bangor Hydro District Customers, for the term January 1, 2024 – December 31, 2024*, September 13, 2023, https://www.maine.gov/mpuc/regulated-utilities/electricity/standard-offer-rates.
[5] Maine Public Utility Commission, *Request for Proposals to Provide Standard Offer Service to Versant Power—Maine Public District Customers, for the term January 1, 2024 – December 31, 2024*, September 13, 2023, https://www.maine.gov/mpuc/regulated-utilities/electricity/standard-offer-rates.
[6] PECO Energy Company, *Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2021 through May 31, 2025, Statement No. 4*, Docket No. P-2020-3019290, March 13, 2020, pp. 7, 9.
[7] Met-Ed/Penelec/Penn Power/West Penn, *Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval of Their Default Service Programs*, Docket Nos. P-2021-3030012, P-2021-3030013, P-2021-3030014, and P-2021-3030021, December 14, 2021, p. 9.
[8] PPL Electric Utilities Corporation, *Default Service Request for Proposals (RFP) Process and* Rules, February 22, 2021, pp. 4-7.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Small Business Advocate
Interrogatories

Set I

Witness: David Ogden

OSBA-I-15

15. Reference DLC Statement No. 4 at 33, net metering:

a. For DSP IX, please provide a history, by DSP rate category, of cash-out payments and associated load to net metering customers.

Response:

Please see OSBA-I-15a.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Small Business Advocate
Interrogatories

Set II

Witness: John Peoples

OSBA-II-1

1. Reference response to OSBA-I-2, DSS rates for Medium C&I customers in September and December 2022:

   a. Please provide the Company's evaluation of the factors that led to the price spike for Medium C&I customers in late 2022, including an assessment as to how much of the impact was related to market conditions and how much was related to weak competition and bidder interest in DLC's Medium C&I products.

Response:

The price spike for Medium C&I customers in late 2022 was largely attributed to market conditions. The impact was due to wholesale market prices and volatility in the energy market.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Small Business Advocate
Interrogatories

Set II

Witness: Scott Fisher

OSBA-II-2

2. Reference response to OCA-II-7 Attachment 1:

   a. In MS Excel electronic format, please provide a comparable "Solicitation Analysis" for the Small C&I and the Medium C&I default service rate class groups.

Response:

See OSBA-II-2 Attachment 1.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Small Business Advocate
Interrogatories

Set II

Witness: David Ogden

OSBA-II-3

3. Reference Attachment OSBA-I-16a, worksheet DBO-3 R&L:

   a. Please explain why the "RES Total" values for capacity and energy prices do not appear to be the load weighted sum of the prices for the individual periods.

Response:

As described in testimony (Statement No. 4, page 20, lines 1-9), with the launch of the EV-TOU Pilot Program during DSP IX, the Company now has historical load data for its EV-TOU Pilot Program customers, which are comprised overwhelmingly of Residential customers. As a result, the Company based the calculation of the Residential EV TOU supply rate factors on the historical loads of Residential EV TOU customers. This refinement should better reflect the applicable load patterns of participating customers in the EV TOU supply rate factor calculations. The "RES Total" values for capacity and energy prices are reflective of all residential load, whereas the individual TOU columns are specific to the EV WholeHome cost build-up. The rate factors are calculated using the ratio of the EV TOU energy + capacity cost divided by the residential energy + capacity costs.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Small Business Advocate
Interrogatories

Set II

Witness: Edwin Schuck

OSBA-II-8

8. Reference OCA-I-24:

a. Please provide a listing of the corrective actions taken in DSP VIII and DSP IX pursuant to the second paragraph of the referenced response.

Response:

The Company has not taken any corrective actions against any EGS regarding disproportionate contributions to the overall uncollectible expense.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set I

Witness: Jennifer Neiswonger

OCA-I-7

7. Does Duquesne present the 7% discount off the Price to Compare to prospective Standard Offer customers based on the PTC in effect or the one that is known to Duquesne that will be put in effect in the month following the customer's enrollment?

Response:

The 7% discount off the Price to Compare (PTC) is presented to prospective Standard Offer customers based on the PTC in effect at the time of the offer.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set I

Witness: Jennifer Neiswonger

OCA-I-8

8. Has Duquesne undertaken any analysis of the frequency in which Standard Offer Referral program customers return to Default Service during or at the end of their 12-month fixed price contract with the EGS? If so, provide this information.

Response:

Yes, see attachment OCA-I-8 (a) for an analysis of customer actions at the end of their 12-month fixed price contract with the EGS.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set II

Witness: Scott Fisher

OCA-II-7

7. Has Mr. Fisher examined whether the winning residential FPFR bid prices have been competitive and/or in line with underlying wholesale market conditions? If the answer is yes, please provide copies of all such analyses performed by Mr. Fisher in Excel spreadsheet format with all inputs and formulae intact.

Response:

Yes. Mr. Fisher has analyzed the winning residential FPFR bid prices and has determined they are both competitive and in line with underlying wholesale market conditions.

Regarding competitiveness, the solicitations for Duquesne Light's residential FPFR default service supply products have consistently attracted multiple bidders. In fact, each residential FPFR default service supply product since March 2021 has had between 5 and 13 bidders actively competing for it.[1] Furthermore, all the tranches of residential FPFR products since March 2021 were fully subscribed.

In addition, Mr. Fisher has determined that winning residential FPFR product bid prices have been in line with underlying wholesale market conditions. Mr. Fisher has determined this by performing an analysis of the pricing of all Residential FPFR products solicited since September 2018. This analysis can be found in OCA-II-7 Attachment 1.

For each solicitation, Mr. Fisher used market price information and load data available at the time of the solicitation to quantify underlying cost components related to energy (including the effect of load shaping), capacity, and alternative energy credits (AEC). For energy prices, Mr. Fisher relied on forward block energy prices.[2] He then applied a load shaping adjustment to

[1] Bidder numbers by solicitation and product – March 2021: 12 for 12-month, 10 for 24-month. September 2021: 12 for 12-month, 11 for 24-month. March 2022: 11 for 12-month, 9 for 24-month. September 2022: 6 for 12-month, 5 for 24-month. March 2023: 7 for 12-month, 5 for 24-month. September 2023: 11 for 12-month, 8 for 24-month. March 2024: 13 for 12-month, 9 for 24-month.

[2] PJM Western Hub forward block energy prices, from NYMEX as reported by S&P Capital IQ, were used. Forward price estimates for the Duquesne Light Zone were calculated using the corresponding PJM Western Hub forward

account for the fact that market prices are generally higher during hours in which customer loads are higher.[3] For capacity, Mr. Fisher applied PJM-published capacity prices to megawatt quantities of required capacity and divided the products by the commensurate megawatt-hour loads to express capacity costs in terms of dollars per megawatt-hour. Mr. Fisher also individually quantified the AEC component by multiplying reported market prices for AECs with the levels of AECs mandated for each delivery year under the AEPS.[4]

After summing these different cost components, Mr. Fisher then deducted the resulting values from the winning bid price to determine how much was left over – the "residual compensation" for all other cost and risk items that were not individually quantified. Suppliers require residual compensation to cover these costs and risks. These costs and risks include ancillary services, usage and price uncertainty, unexpected congestion, customer migration, adverse developments in energy markets during the time a bid is held open, potential changes in laws and regulations, administrative and legal costs, and credit-related costs. These residual compensation values are shown in OCA-II-7 Attachment 1.

As can be seen in OCA-II-7 Attachment 1, residual compensation values since the September 2022 solicitation have been generally higher than previous residual compensation values. The highest residual compensation values were experienced in the March 2023 solicitation, and the values have generally decreased since then.

There are several reasons why Duquesne Light experienced higher residual compensation values in recent solicitations. These reasons include higher levels of underlying wholesale energy market volatility and higher financing costs. As shown in Figure 4 on page 19 of Duquesne Light Statement No. 3, underlying wholesale energy market volatility has been higher in recent years than it was previously, for reasons including increased levels of American liquified natural gas exports[5] (with the volatility exacerbated by Russia's February 1, 2022, invasion of Ukraine[6]), shortages in American coal supply,[7] and several extreme weather events[8] (providing further evidence of the increasing frequency of significant climate events[9] and the potential energy price risk associated with this trend[10]). The increased market volatility contributed to the costs and risks that FPFR default service product suppliers must bear. U.S. Treasury yields have also risen

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prices with a basis adjustment applied. The basis adjustment was calculated via a two-year lookback from the solicitation date, using day-ahead hourly prices sourced from Hitachi Velocity Suite.

[3] The calculation of the load shaping adjustment involved applying actual historical percentage differences between load-weighted hourly energy prices and straight-average hourly energy prices.

[4] Market prices for AECs were sourced from PPL's AEC RFP Results and the Pennsylvania PUC's 2022 AEPS Report, https://www.puc.pa.gov/media/2332/aeps-2022-report-final-032223-_dm.pdf.

[5] https://www.americanprogress.org/article/lng-exports-raise-natural-gas-prices-for-americans/.

[6] https://www.iea.org/topics/russias-war-on-ukraine.

[7] https://www.eia.gov/todayinenergy/detail.php?id=54419.

[8] https://www.eia.gov/todayinenergy/detail.php?id=55139.

[9] https://www.climate.gov/news-features/blogs/beyond-data/2022-us-billion-dollar-weather-and-climate-disasters-historical.

[10] https://www.sciencedirect.com/science/article/abs/pii/S0140988321002139.

significantly since 2022,[11] indicating higher interest rates and financing costs throughout the U.S. economy, and therefore higher costs and risks that FPFR default service supply product suppliers expected to bear.

The contract prices obtained by Duquesne Light have been consistent with underlying market conditions. A few facts support this conclusion. First, the overall levels of the winning bid prices tracked the aggregate values of the underlying cost components that Mr. Fisher individually quantified.[12] In fact, the correlation between the aggregate values of these underlying costs and the winning bid prices is very high, at 98% with an R-squared value of 95% across all residential products solicited since the September 2018 solicitation. This indicates that supplier bid prices reflected underlying market conditions at the time of the solicitation.

Second, changes in market conditions explained why residual compensation values were higher in more recent solicitations. As described earlier, these changes included higher levels of underlying wholesale energy market volatility and higher financing costs. These changes introduced both greater costs and risks that FPFR product suppliers bore, and greater uncertainty about the magnitudes of the risks themselves. Accordingly, the price stability benefits that the FPFR products provided were especially valuable to customers given the extent of the uncertainty during the more recent solicitations, and it is not surprising that suppliers required higher residual compensation values in their FPFR product bids to protect customers from these risks.

Third, as noted previously, there has been robust participation in the residential FPFR product solicitations. This indicates that the winning prices were the lowest possible for the products being solicited, given underlying market conditions and the associated costs and risks at the time of the solicitation.

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[11] https://www.cnbc.com/quotes/US10Y

[12] The costs of these components in aggregate represent the bulk of the underlying costs of the supply obligation. These components include all components other than the residual compensation, which is calculated as a difference.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set III

Witness: Jennifer Neiswonger

OCA-III-8

8. Pursuant to the disclosure that encourages SOP customers to monitor the PTC and take action if the PTC drops below what they are paying to the supplier (OCA-I-3-3(a), page 23 of 36), does Duquesne or Allconnect track the number of customers who enroll in the SOP and then call back to reenroll, change their supplier, or return to default service during the 12 months SOP contract term? If so, provide the information that reflects the volume or frequency of such communications and customer actions.

Response:

Neither Duquesne nor Allconnect track the number of customers who enroll in the SOP and then call back to reenroll, change their supplier, or return to default service during the 12 months SOP contract term.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF DUQUESNE LIGHT COMPANY FOR APPROVAL OF DEFAULT SERVICE PLAN FOR THE PERIOD JUNE 1, 2025 THROUGH MAY 31, 2029	:	**Docket No. P-2024-3048592**

VERIFICATION

I, Robert D. Knecht, hereby state that the facts set forth in my Direct Testimony labelled OSBA Statement No. 1 and associated Exhibits RDK-1 through RDK-3 are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 19 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: July 12, 2024

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Pennsylvania Public Utility Commission	:	**Docket No.: P-2024-3048592**
	:	
v.	:	
	:	
Petition of Duquesne Light Company for approval of a Default Service Plan for the Period June 1, 2025 through May 31,2029	:	

CERTIFICATE OF SERVICE

I hereby certify that true and correct copies of the foregoing have been served via email (*unless otherwise noted below*) upon the following persons, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

The Honorable Mary D. Long
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The Honorable John Coogan
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DATE: July 12, 2024

/s/ Sharon E. Webb
Sharon E. Webb
Assistant Small Business Advocate
Attorney I.D. No. 73995

COMMONWEALTH OF PENNSYLVANIA

August 22, 2024

The Honorable Mary D. Long
Administrative Law Judge
Pennsylvania Public Utility Commission
Piatt Place, Suite 220
201 Fifth Avenue
Pittsburgh, PA 15222

The Honorable John Coogan
Administrative Law Judge
Pennsylvania Public Utility Commission
400 North Street
Commonwealth Keystone Building
Harrisburg, PA 17120

Re: Petition of Duquesne Light Company for approval of a Default Service Plan for the Period June 1, 2025 through May 31, 2029 / Docket No: P-2024-3048592

Dear Presiding Judges:

Enclosed please find the Surrebuttal Testimony of Robert D. Knecht, labelled **OSBA Statement No. 1-S,** 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: PA PUC, Secretary Rosemary Chiavetta (Cover Letter & Certificate of Service only)
Robert D. Knecht
Parties of Record

OSBA Statement No. 1-S

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company	**:**	
for approval of a Default Service Plan	**:**	**Docket No.: P-2024-3048592**
for the Period June 1, 2025 through	**:**	
May 31,2029	**:**	

Surrebuttal Testimony of

ROBERT D. KNECHT

On Behalf of the

Pennsylvania Office of Small Business Advocate

Topics:

Historical Pricing and Shopping Trends
Other Default Service Issues

Date Served: August 22, 2024

Date Submitted for the Record: _____

SURREBUTTAL TESTIMONY OF ROBERT D. KNECHT

Q. Please state your name and briefly describe your qualifications.

A. My name is Robert D. Knecht. I submitted direct testimony earlier in this proceeding and my qualifications were presented therein.

Q. What is the purpose of this surrebuttal testimony?

A. This surrebuttal testimony responds to certain aspects of the Duquesne Light Company's ("DLC" or "the Company") rebuttal testimony, specifically that of Mr. Scott G. Fisher (DLC Statement No. 3-R) and Mr. Edwin Schuck (DLC Statement No. 6-R).

Q. In his direct testimony, Mr. Fisher takes issue with your characterization of his solicitations analysis as a calculation of the "risk premium" associated with the difference between the actual winning bid price for a competitive procurement and the sum of market-based costs based on expectations at the time of the procurement. Please respond to Mr. Fisher's rebuttal.

A. Mr. Fisher indicates that his cost analysis explicitly excludes certain costs that would be expected at the time of the procurement, specifically ancillary services costs, as well as administrative, legal and credit-related costs. Mr. Fisher also presents more specific detail regarding the risks faced by wholesale suppliers, that would reasonably be expected to be reflected in bid prices. Mr. Fisher appears to prefer the term "residual compensation" as a descriptor of his calculation to "risk premium."

I do not disagree with Mr. Fisher that his analysis excludes certain cost items, although the results of his analysis suggest that the omitted costs are relatively minor. For many of the Company's default service procurements, the "residual compensation," inclusive of omitted costs and recognition of risk, amounted to less than 5 percent of the winning bids. Moreover, Mr. Fisher does not advance any evidence that the large runup in "residual compensation" percentages since mid-2022 as shown in Figures RDK-2A, 2B and 2C is due to any runup in omitted costs. Mr. Fisher similarly presents no evidence that variations in the omitted costs

contribute to the observed volatility in "residual compensation." As such, I do not believe that the use of the term "risk premium" as shorthand for "the difference between the winning bid price and the sum of the major market cost components based on expectations for market prices and loads at the time of the bid" results in any distortion of the implications of my analysis.

Q. Does Mr. Fisher's clarification affect your analysis at pages 9, 10, 11 and 12 of your direct testimony?

A. No, it does not. Because the fluctuations in the "residual compensation" rates shown in Figures 2A, 2B and 2C in my direct testimony are related to risk considerations, the logic of my testimony is unaffected by Mr. Fisher's alternative nomenclature. My analysis and conclusions on pages 9 through 12 would be unaffected if the term "residual compensation" is substituted for "risk premium."

The important problem is that, whether it is called residual compensation or risk premium, the large increase in the difference between estimated market costs and actual costs is problematic for a default service procurement method that must meet a legal "least cost to customers over time" standard. If these higher "residual compensation" ratios continue, the Company will need to explain why and how these higher risk premiums are consistent with the legal standard for default service procurement.

Q. Please describe the rebuttal testimony of Mr. Schuck as it applies to your direct testimony, with respect to the Company's Standard Offer Program ("SOP").

A. In my direct testimony, I referred to DLC's analysis which indicated that customers who remained with their EGS upon the expiration of the 12-month SOP period would pay, on average, substantially higher prices than the default service rates. I recommended that, at a minimum, the Company notify SOP-participating customers who were nearing the end of the 12-month fixed price period. I also observed that few non-residential customers participate in the SOP.

Mr. Schuck indicates that the Company now proposes to address the problems I and other intervenors identified by terminating the SOP on May 31, 2025. He also indicates, however, that if the Commission does not approve the termination of the SOP, the Company should not be responsible for any additional communications with SOP-participating customers. His rebuttal testimony indicates that the Company believes that it has provided shopping customers, including those in the SOP, with a reasonable opportunity to obtain notification when the prices they pay to the NGS exceed the default service rate. The Company also supports OCA's recommendation that an "end-of-SOP" notice should be sent by the EGS, and that the customer would automatically return to default service unless it provides "affirmative agreement" to the EGS of its intent to continue.

I agree with Mr. Schuck's rebuttal, both with respect to the termination of the SOP, and with the alternative "affirmative agreement" requirement should the SOP be continued. Both these approaches would effectively address the concerns raised in my direct testimony.

Q. Does this conclude your surrebuttal testimony?

A. Yes, it does.

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

PETITION OF DUQUESNE LIGHT COMPANY FOR APPROVAL OF DEFAULT SERVICE PLAN FOR THE PERIOD JUNE 1, 2025 THROUGH MAY 31, 2029	:	**Docket No. P-2024-3048592**

VERIFICATION

I, Robert D. Knecht, hereby state that the facts set forth in my Surrebuttal Testimony labelled OSBA Statement No. 1-S are true and correct to the best of my knowledge, information, and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: August 22, 2024

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for approval of a Default Service Plan for the Period June 1, 2025 through May 31,2029	**:** **:** **:**	**Docket No.: P-2024-3048592**

CERTIFICATE OF SERVICE

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for Approval of a Default Service Program for the Period of June 1, 2025 through May 31, 2029	: : :	Docket No. P-2024-3048592

DIRECT TESTIMONY OF HARRY GELLER

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND

ENERGY EFFICIENCY IN PENNSYLVANIA (“CAUSE-PA”)

July 12, 2024

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PREPARED DIRECT TESTIMONY OF HARRY GELLER

Q. Please state your name, occupation, and business address.

A. My name is Harry S. Geller. I am an attorney. I am retired from my former position as Executive Director of the Pennsylvania Utility Law Project (PULP), retain retired emeritus status, and have maintained an office at 118 Locust St., Harrisburg, PA, 17101, for the purpose of providing consulting services and assistance to low income individuals and the organizations which represent them in utility and energy matters.

Q. Briefly outline your education and professional background.

A. I received a B.A. from Harpur College, State University of New York at Binghamton in 1966, and a J.D. from Washington College of Law, American University in 1969. Upon graduation from law school, I entered the Volunteers in Service to America (VISTA) program, where I was assigned to the New York University Law School. I took courses in the Law School's Urban Affairs and Poverty Law program and worked with the Community In Action Program on the West Side of Manhattan in New York City from 1969-1971. In 1971, I started as a Staff Attorney for the New York City Legal Aid Society, Criminal Court and Supreme Court Branches in New York County. In 1974, I moved to Pennsylvania and began working for Legal Services, Incorporated (LSI). LSI was a civil legal aid program serving Adams, Cumberland, Franklin and Fulton Counties. I worked at LSI from 1974-1987 first as a Staff Attorney, then as Managing Attorney, and ultimately became Executive Director. Through a restructuring with other legal services programs, LSI became part of what is now known as MidPenn Legal Services and Franklin County Legal Services.

In 1988, I was hired to be the Executive Director of PULP, a statewide legal services program dedicated to the rights of low-income utility customers. At PULP, I represented low-

income individuals with utility and energy concerns, and supported organizations advocating for low income households in utility and energy matters. As the Executive Director of PULP, I consulted and co-counseled on a wide variety of individual utility consumer cases, and I participated in task forces, work groups and advisory panels. For many years, I served as Chairman of the LIHEAP Advisory Council to the Department of Human Services and the Consumer Advisory Council to the Public Utility Commission. Throughout my career, I regularly trained community organizations, legal aid staff, and advocacy groups across Pennsylvania about the various utility and energy matters affecting Pennsylvania's low-income population. I retired from PULP on June 30, 2015. Although no longer employed by PULP, I now serve as a consultant to PULP and its clients. In sum, I have over 50 years of experience working with and providing services to households in poverty, including over 30 years of experience working specifically on utility and energy issues affecting low-income consumers. My resume is attached as Appendix A.

Q. Please describe the focus of your work, including relevant work experience on issues of low-income families' ability to afford essential goods and services such as utilities?

A: I have represented low-income individuals and organizations serving low income populations in a wide variety of legal matters, including family law, public benefits, unemployment compensation, utility shut-offs, debtor/creditor, bankruptcy, and housing related disputes. Over the past 32 years, my focus has been ensuring that low-income households can connect to, afford, and maintain utility and energy services.

In all of these legal matters, I worked almost exclusively on behalf of individuals and households that subsist on income that is at or below 150% of the Federal Poverty Level (FPL). Through this work, I have become intimately familiar with the daily lives of countless of our poorest citizens. I have spent thousands of hours assisting clients to comb through their budgets

to attempt to assist them to make ends meet. Over the years, I have consistently been surprised by the almost complete inability of low income families to pay the most basic monthly necessities on the incomes they have. Each and every month, my clients faced the stark choice of choosing which bills they could forgo with the least drastic consequences. That struggle is even more profound today than when I retired several years ago, as low income communities face unprecedented economic disparities as a result of the pandemic response.

In addition to my deep understanding of the daily monetary struggles facing poor families, I have an extensive knowledge of the array of programs designed to allow low-income individuals to afford electric service and other essential utility services.

While at PULP, I was involved in countless proceedings evaluating the effectiveness of required Universal Service Programs to assist low-income families. I have spent thousands of hours identifying program issues in Universal Services and making recommendations for changes to Universal Service programming to better serve low-income consumers. Ultimately, this advocacy led to the recognition that integrated programs for low income consumers were necessary. As the Executive Director of PULP, I played an instrumental role in the development, oversight, and monitoring of the initial pilot programs that have since evolved into the current statutorily required low-income Universal Service Programs. Each of these programs is structured to provide a different and complementary form of assistance to low-income customers, such that those customers have the ability to afford and maintain basic utility service.

For example, the Customer Assistance Program (CAP) provides alternatives to traditional collection methods for low income, payment troubled utility customers. The Low Income Usage Reduction Program (LIURP) is a targeted weatherization and energy efficiency program designed to assist low-income households with the highest energy consumption, payment problems, and

arrearages. These programs work in tandem and are designed to assist low-income households in maintaining affordable utility services, improve home safety and efficiency, and reduce utility collections, thereby benefitting other ratepayers.

Q. For whom are you testifying in this proceeding?

A. I am testifying on behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA").

Q. Please state the purpose of your Direct Testimony.

A. The purpose of my testimony is to address issues presented by the Petition of Duquesne Light Company (DLC or the Company) for Approval of its Default Service Programs for the Period of June 1, 2025 through May 31, 2029 (hereinafter "DSP X"), including issues related to DLC's role in ensuring vulnerable consumers are able to access and maintain safe, affordable services to their home.

In section I, I provide an overview of DLC's DSP. In section II, I provide a data-driven assessment of residential shopping as a whole, and the impact of residential shopping on confirmed low income customers and other vulnerable customer groups. In section III, I will address DLC's proposed continuation of its Standard Offer Referral Program (SOP). In section IV, I will address DLC's process for low income shopping customers to apply for and enroll in DLC's Customer Assistance Program (CAP). In section V, I will address DLC's Bill Ready program. Finally, in section VI, I will provide a brief summary of my conclusions and recommendations.

While my testimony is focused on these discreet issues identified in DLC's initial filing, my silence with respect to any specific DLC proposal should not be construed as support or endorsement of those proposals. I reserve the right to comment on other issues in response to the

direct testimony of other parties in this proceeding which may amend, augment, or otherwise change the nature of DLC's initial filing.

I. SUMMARY OF DLC DSP X PROPOSALS

Q: Please summarize DLC's DSP X proposal for residential default service procurement.

A: DLC filed the docketed DSP proceeding in accordance with its responsibilities as a Default Service Provider pursuant to Pennsylvania's Electricity Generation Customer Choice and Competition Act, 66 Pa. C.S. § 2891 *et seq.* (the "Competition Act"), as amended by Act 129 of 2008 ("Act 129"); the Commission's default service regulations found at 52 Pa. Code §§ 54.181-54.189; and the Commission's Policy Statement on Default Service at 52 Pa Code §§ 69.1801-1817. Specifically, DLC is obligated to provide electric generation service to all customers within its service territory who do not choose to receive generation services from a retail electric generation supplier ("EGS") or who chose to return to default service at the conclusion of a contract for generation service with a previously selected supplier, or when an EGS providing electric generation is unable or unwilling to continue to serve the customer.

For its residential default service customer class, DLC proposes to continue to procure its default service contracts through the purchase of a combination of twelve (12) and twenty-four (24) month fixed-price full requirements ("FPFR") supply contracts obtained through semi-annual competitive auctions with overlapping, or "laddered," delivery periods.[1] DLC is also seeking approval to enter a long-term Solar PPA, originally approved as part of DLC's current DSP, in the event it is unable to execute a long-term solar contract prior to the expiration of its current DSP plan.[2]

[1] DLC Petition at 4, ¶ 8-9.
[2] Id. at 20-21, ¶ 71-73.

DLC is proposing to operate another four-year DSP program, from June 1, 2025 through May 31, 2029, with bi-annual auctions.[3] This will result in 6-month adjustments (June 1 and December 1) to the default service price, otherwise referred to as the price to compare (PTC).

Q: Does DLC propose any programs related to the provision of default service or residential customer shopping?

A: Yes. DLC is proposing to continue its current Standard Offer Program (SOP), which it offers to all Residential and Small C&I customers that are not currently shopping and contact DLC to (1) initiate or move services, (2) inquire about shopping, (3) resolve a high-bill concern, or (4) inquire about the SOP.[4] DLC proposes to continue using Allconnect, its current third party administrator, to offer the SOP at a cost of $30 per enrollment as approved in its last DSP.[5]

DLC also proposes to continue its Bill Ready program and its Purchase of Receivables (POR) program.[6]

Q: Do you have any concerns about DLC's DSP proposals?

A: Yes. I am concerned that DLC's DSP proposals do not provide an adequate level of consumer protection and expose DLC's residential consumers – especially those with limited economic means – to financial harm and other hardships.

As I will explain in detail below, data revealed through discovery in this proceeding shows a disturbing and prolonged pattern of excessive pricing in the residential competitive market. Since 2017, residential shopping customers in DLC's service territory were charged over $224 million in excess of the default service price for electricity.[7] Indeed, in each and every month over the last

[3] Id. at 3-4, ¶ 6, 9.
[4] Id. at 21, ¶ 75-77.
[5] DLC St. 1 at 18.
[6] Id. at 11; DLC Petition at 22, ¶ 78.
[7] CAUSE-PA Exhibit 1.

eight and a half years, DLC's residential customers were charged millions of dollars more than the default service price.[8] Of particular concern, confirmed low income shopping customers who were not enrolled in CAP – a subset of DLC's most vulnerable customers – were charged substantially higher charges for electricity each and every year, totaling over $1.8 million in excess of the default service price since 2017.[9] These substantial disparities in the cost of electricity in the competitive market exacerbates existing disparities in energy burden and worsens already-high rates of payment trouble – leading to increased involuntary service termination and associated collections costs. As discussed throughout my testimony, reforms to DLC's default service policies and programs are critical to improve the market and to protect vulnerable consumers from harm.

II. RESIDENTIAL AND LOW INCOME CUSTOMER SHOPPING

Q: What information and data did you analyze in preparing your testimony?

A: DLC provided monthly shopping participation rates, energy consumption, and total billing for residential shopping customers from January 2018 through May 2024, which allowed me to calculate the average shopping price per kWh. I then compared that average price to the applicable default service price to calculate the total and average price charged to residential shopping customers – including all savings and all costs. I also reviewed prior analysis of residential shopping data for 2017, which I conducted while serving as an expert witness in DLC's last Default Service Plan proceeding. In all, I analyzed over 8 years of residential (RS) and confirmed low income customer shopping data. This analysis is included in CAUSE-PA Exhibits 1 and 2.

[8] CAUSE-PA Exhibit 1.
[9] CAUSE-PA Exhibit 2.

In addition to this granular data, and other information and documents disclosed through discovery, I also reviewed various academic reports and studies pertaining to the residential retail energy markets in Pennsylvania and in other states where similar trends are occurring.

Q: Please describe what you found through this analysis of residential shopping data.

A: Since 2017, residential (RS) shopping customers in DLC's service territory were charged more than $224 million more than they would have been charged if they remained on default service.[10] In the first five months of 2024, DLC's residential shopping customers were charged approximately $10.7 million dollars more than the default service price.[11] Since 2017, *on a per customer basis*, residential shopping customers were charged an average of over $1,698 in excess of the applicable default service price.[12]

TABLE 1: Residential (RS) Shopping – Total Charges Over Default Service Price[13]

	Charges in Excess of Default, Overall	Charges in Excess of Default, Average Per RS Customer
2017	$20,305,895	$125.53
2018	$29,492,405	$191.04
2019	$35,370,009	$236.97
2020	$34,528,542	$245.78
2021	$32,109,052	$252.79
2022	$34,542,442	$298.61
2023	$27,196,415	$250.55
2024 (Jan-May)	$10,728,737	$97.57
Total	**$224,273,497**	**$1,698.83**

[10] CAUSE-PA Exhibit 1.
[11] CAUSE-PA Exhibit 1.
[12] CAUSE-PA Exhibit 1.
[13] CAUSE-PA Exhibit 1.

Q: What do these trends tell us about the state of the residential competitive market?

A: These patterns suggest that the residential competitive market is not providing the anticipated benefits of cost savings to consumers. Instead, many residential customers are experiencing higher electricity costs, which points to potentially deeper issues in the regulatory structure for competitive market engagement, lack of transparency in competitive offers, misleading or high-pressure marketing practices by suppliers, and automatic rollover contracts. This situation warrants close examination to ensure that the competitive market functions in a way that offers real economic benefits and protections for consumers and prevents the unnecessary and costly accrual of arrears and associated collections costs associated with higher charges.

Q: How do these excessive supplier prices impact DLC's low income customers?

A: Like residential shopping customers as a whole, DLC's low income shopping customers are paying substantially higher charges for electricity, exacerbating energy insecurity and increasing already disparate rates of payment trouble, involuntary termination of service, and uncollectible expenses for DLC's low income customers.[14]

Since 2017, confirmed low income shopping customers in DLC's service territory were charged a net average of over $1.8 million more than they otherwise would have been charged if they remained on default service.[15] On an average *per customer* basis, the annual amount charged to confirmed low income customers in excess of the default service price reached a high of $280.11 in 2022 – adding an average of $28.78 *each month* to low income customer bills.[16] Notably, in

[14] See Pa. PUC, 2022 Report on Universal Service and Collections Performance, at 11, 16 (Sept. 2023), https://www.puc.pa.gov/media/2573/2022-universal-service-report-final.pdf (herein Universal Service Report). Nearly 1 in 5 (19%) of DLC's confirmed low income customers were subject to involuntary termination in 2022, compared to 5.6% of all residential customers (inclusive of conformed low income customers). Id. at 15-16.
[15] CAUSE-PA Exhibit 2. Note that for the purpose of this analysis, I excluded customers enrolled in DLC's Customer Assistance Program because CAP participants are not permitted to shop while enrolled in the program.
[16] CAUSE-PA Exhibit 2.

2022, we were just emerging from the COVID-19 pandemic and in the throes of severe economic turbulence – with utility debts reaching unprecedented levels.

TABLE 2: Confirmed Low Income Shopping – Total Charges Over Default Service Price[17]

	Charges in Excess of Default, Overall	Charges in Excess of Default, Average Per CLI Customer
2017	$66,463	$47.93
2018	$262,205	$124.28
2019	$482,505	$224.91
2020	$367,717	$228.84
2021	$104,392	$199.40
2022	$247,123	$280.11
2023	$188,307	$206.98
2024 (Jan-May)	$72,196	$85.80
Total	**$1,790,907**	**$1,350.32**

Low income households already experience energy insecurity (the inability to afford basic energy services), and its concomitant threats to housing stability, employment and educational continuity, and health, safety, and family unity.[18] It is well documented that low income families are struggling profoundly to maintain energy services, often foregoing basic life necessities to afford energy services to their home.[19] According to the United States Census Bureau's Household

[17] CAUSE-PA Exhibit 2.

[18] See, e.g., Diana Hernandez, Understanding Energy Insecurity and Why It Matters to Health, 167 Soc. Science Medicine (Oct. 2016), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5114037/; see also Diana Hernandez, Yumiko Aratani, and Yang Jiang, Energy Insecurity Among Families with Children (Jan. 2014) http://www.nccp.org/publications/pub_1086.html. See also Rosenberg J, Rosenthal A, Castillo S, Edwards E, Erickson C, Nogelo P, Fenick AM. Medical Certification for Utility Shut-Off Protection and Health-Related Social Needs. Pediatrics. (2022) available at: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9647589/; National Consumer Law Center, Protecting Seriously Ill Consumers from Utility Disconnections, at 5 (2022), available at: https://www.nclc.org/resources/report-protecting-seriously-ill-consumers-from-utility-disconnections-what-states-can-do-to-save-lives-now/.

[19] US Census Bureau, Household Pulse Survey: Pennsylvania, Unable to Pay Energy Bill (data as of April 30-May 27, 2024), https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&s_state=00042.. The Energy Information Administration (EIA) Residential Energy Consumption Survey (RECS) released in 2022 further illustrates the profound impact of energy insecurity on low income families, with 19.9% of households reporting that they reduce or forgo food or medicine to pay for energy costs; and while 10% report leaving their homes at

Pulse Survey, 26.5% of Pennsylvania households were unable to afford their home energy bills over the last 12 months – higher than the national average.[20] An increase in basic utility costs, such as those faced by confirmed low income shopping customers, exacerbates unaffordability, increases uncollectible expenses, and increases the risk of involuntary termination – in turn resulting in significant impacts to the health and safety of low income consumers.

I note here that DLC does not permit low income customers to shop for energy while they are actively enrolled in its Customer Assistance Program (CAP), so I excluded CAP participants from the above analysis. This restriction is in place for good reason, as it serves to protect low income CAP participants and other ratepayers from significantly higher costs. I will address this issue in greater detail below, in Section IV.

I further note that the number of non-CAP confirmed low income customers in DLC's service territory is relatively small, as DLC only includes the following customers in its "confirmed low income customer" count:

- Active Customer Assistance Program (CAP) enrollment, or
- Removed from CAP, except for over income removal, within the last year, or
- Received LIHEAP (cash or crisis) within the last year, or
- Smart Comfort (LIURP) visit that occurred in the last 2 years and household income no greater than 150% of FPL (0-150% federal poverty indicator) customer at the time of the visit. [21]

DLC's definition of "confirmed low income" is extremely limited, including only those who are actively enrolled in CAP or otherwise participated in CAP, LIHEAP, or LIURP within the last

unhealthy temperatures because they could not afford to pay for energy. US EIA, 2020 Residential Energy Consumptions Survey, Table HC11.1 Household energy insecurity, 2020 available at: https://www.eia.gov/consumption/residential/data/2020/hc/pdf/HC%2011.1.pdf. Importantly, energy insecurity is more pronounced for low income Black families. EIA's RECS data revealed that 52% of Black and African American households experience energy insecurity, compared to 23.2% of white households; and nearly 40.2% of Black and African American households report foregoing food or medicine to pay energy costs, compared to 16.8% of white households. Id.

[20] US Census Bureau, Household Pulse Survey: Pennsylvania, Unable to Pay Energy Bill (data as of April 30-May 27, 2024), https://www.census.gov/data-tools/demo/hhp/#/?measures=ENERGYBILL&s_state=00042.

[21] CAUSE-PA to DLC I-1. .

year.[22] As a result, a significant percentage of DLC's low income customers are not accounted for when using this metric. For context, DLC's estimated low income customer count is based on local census data, adjusted proportionally to the number of DLC's residential customers. In 2022, the last year that this information was publicly reported, DLC had an average of 51,118 confirmed low income customers (9.4% of its residential customer population) - compared to 121,712 estimated low income customers (22.3% of its residential customer population).[23] Notwithstanding this data limitation, the residential and confirmed low income shopping data discussed above is of serious concern, and evidences deeper issues in residential competitive market that are likely having a disproportionately negative impact on DLC's economically vulnerable customers.

Q: Is there any evidence to suggest that low income populations or other groups are disproportionately harmed by higher energy prices?

A: Yes. A number of states have initiated investigations into their local competitive markets and found not only that residential customers pay more for third party service, but that low income and minority communities are uniquely harmed.[24]

[22] DLC's definition of confirmed low income customer is far more restrictive than the Commission's regulatory definition, which includes "Accounts where the EDC has obtained information that would reasonably place the customer in a low-income designation." 52 Pa. Code § 54.72. It appears DLC does not even include customers receiving assistance through its hardship fund, a required universal service program, or an income-based payment arrangement.

[23] See 2022 Universal Service Report at 8,9.

[24] See 2018 MA AGO Report at 2, 39; see also La Risa Lynch, Alternative energy scams hit poor blacks and Latinos the hardest, complaints show, The Chicago Reporter, Nov. 16, 2018.
see also Laurel Peltier & Arjun Makhijani, Ph.D., Abell Foundation, Maryland's Dysfunctional Residential Third-Party Energy Supply Market: An Assessment of Costs and Policies (Dec. 2018) (hereinafter "Abell Report"), available at: https://www.abell.org/publications/marylands-dysfunctional-residential-third-party-energy-supply-market.

In Massachusetts, the state Attorney General's office initiated an investigation into the competitive market after receiving numerous complaints about door-to-door and telemarketing activities by competitive suppliers.[25] The report found that residential customers of competitive suppliers actually paid $253 million more than they would have for default service over a three year period.[26] The state Attorney General's report found the harm to low income households to be "overwhelming" and "alarming," with low income households participating at double the rate of all other households while being charged higher rates.[27] The report stated:

> Specifically, a community's percentage of minority households; African American households; Hispanic households; households with limited English proficiency; and low-income households correlates with higher rates of participation in the individual residential market for electric supply.[28]

The report further noted: "Not only are participation rates significantly higher in communities with five of the six demographic attributes…analyzed, but also the premiums that residents in these communities pay as a result of choosing competitive suppliers is greater than in other areas of Massachusetts."[29] Based on the results of this investigation, the Attorney General has called for a ban on suppliers contracting directly with residential customers and an end to the individual residential electric supply market.[30]

In Illinois, consumers in zip codes with a majority of Black residents made three times as many competitive shopping related complaints to the Public Utility Commission than majority

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[25] 2018 MA AGO Report at 2, 39.
[26] MA Attorney General, Are Consumers Benefiting from Competition? An Analysis of the Individual Residential Electric Supply Market in Massachusetts, August 2019 Update, at vii, 6 (hereinafter "MA 2019 Update") available at: https://www.mass.gov/files/documents/2019/07/31/Massachusetts%202019%20Update_August%202019.pdf
[27] 2018 MA AGO Report, at 38 (101,922 low income households payed $23.6 million more than they would have paid for default service. "The average low-income household on competitive supply lost $231 over the course of the year. Some households lost more than $541").
[28] 2018 MA AGO Report at 27.
[29] 2018 MA AGO Report at 27.
[30] 2018 MA AGO Report at 40-42; see also MA HD 1204/SD 880 - An Act Relative to Protecting Residential Electric Customers.

white zip codes per household.[31] In these zip codes, nearly 90 percent of third party supplier customers overpaid for electricity, adding up to more than $138 million more from June 2017 through May 2018.[32] These findings led to a new law providing increased consumer protections.[33] This legislation specifically limits supplier enrollment of any consumer who has received assistance from Low Income Home Energy Assistance Program (LIHEAP) or the state's Percentage of Income Payment Plan (Illinois's Customer Assistance Program).[34]

In New York, similar problems led the Public Services Commission (PSC) to ban the sale of competitive energy products to New York's Customer Assistance Plan participants.[35] Continued problems later led the PSC to order a comprehensive restructuring of the state's competitive supply market after finding that customers of competitive suppliers (referred to in New York as Energy Service Companies – or ESCOs) paid $1.2 billion more than they would have paid for default service over a three year period.[36] The PSC observed that, "[I]t appears that a material level of misleading marketing practices continues to plague the retail access market," and that customers pay more for products with no added benefit.[37] The PSC took decisive steps to overhaul its

[31] See La Risa Lynch, Alternative energy scams hit poor blacks and Latinos the hardest, complaints show, The Chicago Reporter, Nov. 16, 2018, (investigating consumer complaints before the Illinois Public Utility Commission, and finding: "Majority Black ZIP codes have twice as many complaints per household as Latino ZIP codes and three times the rate of white ZIP codes").
[32] See Illinois OAG, Attorney General Madigan Secures $2.65 Million in Refunds for Illinois Residents Defrauded by Sperian Energy, Oct. 15, 2018, available at http://www.illinoisattorneygeneral.gov/pressroom/2018_10/20181015.html;
see also Annual Report to the General Assembly, the Governor, and the Illinois Commerce Commission, Submitted pursuant to Section 20-110 of the Illinois Public Utilities Act, Office of Retail Market Development, Illinois Commerce Commission, June 2018 (hereinafter "Illinois 2018 Annual Report"), available at: https://www.icc.illinois.gov/reports/report.aspx?rt=22 .
[33] See Illinois Home Energy Affordability and Transparency (HEAT) Act, SB 651 of 2019.
[34] See Ill. HEAT Act Sec. 16-115E(a) (exceptions provided for community aggregation and guaranteed savings programs).
[35] State of New York Public Service Commission, Order Adopting a Prohibition on Service to Low-Income Customers by Energy Service Companies, Case Nos. 98-M-1343, 06-M-0647, 98-M-0667, (Dec. 16, 2016) (hereinafter "NY Low Income Order").
[36] State of New York Public Service Commission, Order Adopting Changes to the Retail Access Energy Market and Establishing Further Process, Case Nos. 15-M-0127, 12-M-0476, 98-M-1343, at 8 (Dec. 12, 2019) (hereinafter "NY ESCO Order").
[37] Id. at 88-89.

competitive market in an effort to bar suppliers from overcharging residential consumers and small commercial entities, including strengthening supplier eligibility requirements, prohibiting ESCOs from marketing products and services that are unrelated to commodity service, and improving customer access to transparent product information.[38]

Over approximately three years in Maryland, residential consumers paid $255 million more for competitive energy supply than they otherwise would have paid for default service and, again, low income households were impacted most profoundly by the increased costs.[39] A subsequent investigation, published in December 2021, looked at the zip codes most heavily targeted by door-to-door marketing sales and found substantially higher door-to-door energy marketing activities in predominately Black and low income zip codes compared to wealthier, predominately white communities.[40] For example, one of the most affluent and predominately white zip codes in Baltimore had 11 suppliers engaged in door-to-door sales, compared to 21 suppliers engaged in door-to-door sales in three predominantly Black and low income zip codes of East Baltimore.[41]

In March 2024, research from the Energy Institute at HAAS, Berkeley, dug even deeper into shopping data from Baltimore, concluding that low income households pay substantially higher prices than high-income households.[42] The researcher concluded that the disparity in rates charged to low income households is attributable – in part – to higher population density in low

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[38] See id.
[39] Abell Report at 2, 10; see also Susan M. Baldwin and Sarah M. Bosley, obo Maryland Office of People's Counsel, Maryland's Residential Electric and Gas Supply Markets: Where Do We Go from Here? (Nov. 2018) at vi, (hereinafter "OPC Report")(Residential consumers pay $54.9 million more annually for electricity and gas than if they had purchased energy from their utilities.)
[40] Marcus Dieterle, Energy Supplier Choice Aimed to Lower Marylanders' Bills, But Some Customers Are Left Feeling Powerless (Dec. 28, 2021), https://baltimorefishbowl.com/stories/energy-supplier-choice-aimed-to-lower-marylanders-bills-but-some-customers-are-left-feeling-powerless/.
[41] Id.
[42] Jenya Kahn-Lang, Dep't of Ag. & Resource Econ. & the Energy Institute at HAAS, UC Berkeley, Competing for (In)attention: Price Discrimination in Residential Markets (March 10, 2024), https://drive.google.com/file/d/1IClpnaf3gVy3X94YWhLtSSTMWKTzi16K/view.

income communities, which decreases the cost of door-to-door marketing and results in more frequent high-pressure, door-to-door marketing of energy supply offers in low income communities. Door-to-door and point-of-sale marketing does not facilitate comparison shopping, driving disproportionately higher cost energy supply offers in low income communities. Additionally, the researcher observed that zip codes with a high percentage of Black, Latino, Hispanic, immigrant households, and those with lower education levels and English proficiency, faced higher prices. For instance, households in predominantly Black zip codes paid about 20% more per kWh compared to those in predominantly white zip codes. This demographic disparity explained a significant portion of the variation in energy prices across different areas.[43]

In Connecticut, residential customers of retail electric suppliers overpaid by $38.2 million from September 2017 through August 2018.[44] In Rhode Island, competitive supply customers paid $55 million more over five years than they would have paid if they had been on Standard Offer, $28 million of which was paid by residential customers.[45]

These same patterns of consistent overcharging, and disparate impacts in low income communities, are consistent across Pennsylvania in other EDC service territories. I serve as an expert in the PPL proceeding currently pending before the Commission and conducted similar analysis on supplier charges for residential and confirmed low income customers in that service territory. Through this analysis, I concluded that since 2015, PPL's residential shopping customers were charged $339.2 million more than the default service price, and confirmed low income

[43] Id. at 12-13.

[44] "OCC Fact Sheet: Electric Supplier Market, September 2017 through August 2018," Office of Consumer Counsel, updated on September 26, 2018, available at: https://www.ct.gov/occ/lib/occ/fact_sheet_electric_supplier_market_august_2018.pdf

[45] "DPUC Enacts New Rules for Competitive Electricity Suppliers Initiates Review of Competitive Supply Marketplace," Rhode Island Division of Public Utilities & Carriers, Press Release, May 8, 2018 (hereinafter "RI DPUC Press Release"); see also OPC Report at 35; see also Susan Campbell, Switching to a competitive power supplier could cost you, data shows, WPRI 12 Providence, Aug 8, 2018, available at: https://www.wpri.com/news/switching-to-a-competitive-power-supplier-could-cost-you-data-shows/ .

shopping customers were charged $86.6 million more than the default service price.[46] On a per customer basis, PPL's confirmed low income shopping customers were charged consistently higher rates.[47] Likewise, in the FirstEnergy Companies' last Default Service Plan proceeding, evidence revealed similar patterns. From August 2017 through December 2021, FirstEnergy's residential shopping customers were charged over $431 million in excess of the default service price. And, in a *single month* in December 2021, FirstEnergy's confirmed low income shopping customers were charged over $1.1 million more than the default service price – adding between $42 and $60 to each low income shopping customers' bill.[48] In 2021, 29.5% of low income shopping customers enrolled in FirstEnergy's CAP were involuntarily terminated, compared to 8.8% of default service CAP customers – and average write-offs for residential and confirmed low income shopping customers were substantially higher than default service customers.[49] Finally, in PECO's service territory, residential shopping customers were charged more than $800 million in excess of the default service price.[50] The termination rate for PECO's confirmed low income shopping customers in PECO's service territory ranged from 53% in 2018 to 78% in 2022 – compared to 30% in 2018 and 55% in 2022 for confirmed low income default service customers.[51]

This broad range of data across the residential energy markets in nearly a dozen states, as well as other utility service territories in Pennsylvania, demonstrates a clear pattern of suppliers overcharging residential consumers, with low income and minority customers bearing

[46] See Petition of PPL Electric Utilities Corp. for Approval of a Default Service Program for the Period of June 1, 2025 through May 31, 2029, CAUSE-PA Statement 1, Docket No. P-2024-3047290 (served June 3, 2024).
[47] Id.
[48] Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for Approval of their Default Service Programs for the period commencing June 1, 2023, through May 31, 2027, Docket Nos. P-2021-3030012, -13, -14, -21 (dated Feb. 25, 2022).
[49] Id.
[50] Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2025 through May 31, 2029, TURN/CAUSE-PA Statement 1, Docket No. P-2024-3046008, April 25, 2024).
[51] Id.

disproportionately severe consequences. Considering the above cited data in this proceeding, there is no reason to believe that consumers in DLC's service territory entering the competitive market are isolated exceptions to this broader pattern.

III. STANDARD OFFER PROGRAM

Q: Please summarize DLC's Standard Offer Program, and the modifications it is proposing for its DSP X program.

A: Under DLC's current SOP, residential and small C&I customers are encouraged to select among a group of EGSs who have voluntarily chosen to offer customers a fixed 12-month contract priced at 7% below DLC's default service rate at the time of the offer. Customers may exit the SOP contract at any time without penalty.[52] DLC solicits SOP enrollment during four types of calls: "1) to initiate or move service, 2) to discuss choice options, 3) to resolve high bill concerns, or 4) to inquire about the SOP."[53]

DLC uses a third-party administrator, Allconnect, to manage its SOP. When customers express interest in the SOP, they are transferred to this third-party, which offers more information about the program and facilitates enrollment. DLC is invoiced by the third-party at a fixed fee of $30 per referred customer and then passes through its costs to participating EGSs at the same rate.[54] In its DSP X, DLC does not propose any modifications to its SOP.[55]**Q: Do you support DLC's proposal to continue operating its SOP?**

A: No. DLC's SOP – a Commission-regulated and utility-operated program – was initially developed and approved to foster residential consumer entry and positive involvement in the competitive supply market. However, the data and analysis over time indicates that neither a

[52] DLC St. 1 at 18.
[53] Id.
[54] Id.
[55] Id.

positive consumer experience, nor active consumer engagement, have materialized. To the contrary, DLC's SOP is likely contributing to the excessive supplier pricing discussed at the outset of my testimony, and it would not be in the public interest to continue its operation.

The SOP entices participation in the competitive energy market with a 'guarantee' of energy savings. However, achievable savings are often short-lived, and are highly dependent on future pricing and active consumer engagement to ensure the initial offers continue to remain competitive with the changing PTC. For example, if a customer enrolled in DLC's SOP in November 2023, the applicable PTC was $0.1145. This customer would have received a 7% discount ($0.008), resulting in a 12-month SOP rate of $0.1065 per kWh. In the very next month, the PTC decreased to $0.1046, quickly eclipsing any savings achieved in the first few weeks of the SOP term. In June 2024, DLC's residential PTC increased slightly to $0.1053, [56] which was still lower than the SOP rate from November 2023. In short, in this example, a participating SOP would have paid consistently higher rates in 11 of the 12-month program period. DLC's proposed SOP does not address this fundamental issue in the core design and operation of the SOP.

Currently, DLC's SOP provides a streamlined, easy to access 'on-ramp' into the market, with the promise of bill savings, but does not offer a streamlined, protective 'off-ramp' for inattentive, non-vigilant consumers to avoid the consequences of financial harm. To achieve savings in Pennsylvania's competitive residential energy market, consumers must be engaged and vigilant. Promoting automatic entry into a product subject to variable and volatile rates at the conclusion of the initial DSP period does not help improve the market, it erodes consumer confidence and fosters deep mistrust in alternative suppliers. Indeed, a single missed contract

[56] DLC, Residential Rates, https://duquesnelight.com/service-reliability/service-map/rates/residential-rates.

change deadline can result in significant financial consequences for households who roll onto a high-priced contract at the conclusion of the SOP.

Through discovery, DLC disclosed results of an internal analysis of its SOP to determine how the program influenced participants' actions at the end of the SOP term and their resulting rates in relation to the PTC.[57] In the first month following the conclusion of the SOP term, 79% of former SOP participants remained with their former SOP supplier, compared to 5% of former SOP participants who affirmatively selected a new supplier outside of the SOP.[58]

TABLE 3: Post-SOP Outcomes – Market Engagement[59]

	+1 Month	+2 Months	+3 Months	+4 Months
Remained with SOP Supplier (No Switch)	79%	70%	64%	60%
Affirmatively Selected New Supplier	5%	8%	10%	11%
Returned to Default	4%	6%	8%	9%
Finaled Account	12%	14%	16%	18%

Table 4, below, provides a breakdown of the charges assessed to customers who remained with the SOP supplier (took no affirmative action) following expiration of the initial SOP term. Three quarters (75%) of those who remained with their SOP supplier were charged rates more than 25% higher than the applicable PTC.[60] Shockingly, 19% (roughly 1 in 5) of those who did not make an affirmative switch following expiration of the SOP were charged rates over 100% higher than the PTC.

[57] CAUSE-PA to DLC I-8; OCA to DLC I-8, attachment.
[58] OCA to DLC I-8, attachment.
[59] OCA to DLC I-8, attachment. Note that this table does not include the small percentage of SOP participants that remained in or otherwise reenrolled in the SOP following conclusion of the initial 12-month term.
[60] Id.

TABLE 4: Post-SOP Outcomes – Rates for Customers Who Remained w/ SOP Supplier[61]

	+1 Month	+2 Months	+3 Months	+4 Months
Rate </= PTC	10%	11%	12%	12%
Rate 0-10% Above PTC	6%	6%	5%	5%
Rate 10-25% Above PTC	8%	9%	9%	8%
Rate 25-50% Above PTC	22%	21%	21%	22%
Rate 50-100% Above PTC	34%	34%	34%	32%
Rate > 100% Above PTC	19%	20%	19%	21%

While a high bill following participation in the SOP can pose an inconvenience or a temporary hardship for middle and higher income households, it is particularly devastating for low income households – adding substantially to already unaffordable rates. As discussed above, low income consumers already face disproportionately high household energy burdens – foregoing other basic necessities to afford energy services to their home. When energy costs increase dramatically for low income customers, as it has for many customers at the conclusion of the SOP, involuntary termination is often quick to follow – along with increased collections costs and uncollectible expenses. Involuntary termination of electricity to a home can cause cascading consequences with deep and lasting impacts on low income families – often resulting in eviction, bankruptcy, health consequences, family separation, and long-term housing instability. The Commission should no longer endorse or permit a program which can cause such devastating results for low income families. Indeed, such poor outcomes following the SOP erodes trust in the competitive market – the exact opposite of the program's intended goal.

The Commission should order DLC to cease operation of the SOP. Suppliers seeking to entice customers by offering a guaranteed rate discount similar to the introductory 7% discount

[61] OCA to DLC I-8, attachment. Note that this table does not include the small percentage of SOP participants that remained in or otherwise reenrolled in the SOP following conclusion of the initial 12-month term.

provided through the SOP are free to do so on their own accord. However, given the program has become a streamlined on-ramp to a competitive contract which consistently results in high prices, triggering substantial financial consequences to program participants, I do not believe it is either just or reasonable for this DLC-administered program to continue.

Q: If DLC's SOP is permitted to continue, are there any modifications DLC should adopt to improve program outcomes?

A: Yes. If DLC's SOP is permitted to continue, fundamental reform to the design and operation of the program would be necessary. First, all SOP participants should be returned to default service at the conclusion of the SOP unless they affirmatively select a new supplier or confirm their desire to remain with the SOP supplier at a new rate. Second, DLC should send notice to SOP participants 30 days prior to the end of the program period explaining the participant's options at the end of the program period. Third, since most low income customers are not CAP participants and are not afforded the protections from high supplier pricing currently afforded to CAP participants, there needs to be active screening of income prior to SOP enrollment, education of options, and registration for CAP to those who choose CAP as an alternative to SOP.

The competitive market has been subject to repeated abuses and rampant overcharging that has caused consumers to lose confidence in the market.[62] As evidenced by the persistent and

[62] For over a decade, marketers have continually violated state and federal law and the Commission's regulations. Issues with deceptive marketing and unauthorized switching (slamming) arose almost immediately after the price caps were lifted, and have not subsided. PUC v. Public Power, M-2012-2257858; PUC v. MX Energy, M-2012-2201861; IDT Energy, M-2013-2314312; PUC v. APG&E, M-2013-2311811; PUC v. Pa G&E, M-2013-2325122; PUC v. ResCom Energy, M-2013-2320112; see also Pa. PUC, 2018 Utility Consumer Activities Report and Evaluation (UCARE), at 9 (Dec. 2019). The significant financial impact of these deceptive, high-pressure marketing tactics on consumers became undeniably apparent when dramatic price spikes during the 2014 polar vortex led to a series of formal Commission enforcement actions against suppliers. See PUC v. Respond Power, C-2014-2427659, C-2014-2438640; PUC v. IDT Energy, C-2014-2427657; PUC v. Hiko Energy, C-2014-2427652, C-2014-2431410; PUC v. Blue Pilot Energy, C-2014-2427655; PUC v. Energy Service Providers D/B/A PA G & E, C-2014-2427656; PUC v. Clearview Electric, C-2016-2543592; PUC v. Plymouth Rock Energy, C-2016-2579276. Since then, despite further, repeated, and increasingly aggressive Commission guidance and enforcement actions, suppliers have continued this problematic behavior. See PUC v. Liberty Power Holdings LLC, M-2019-2568471; PUC v. Vista

increasingly high supplier pricing for residential and confirmed low income customers, education is an important component to help ensure consumers are engaged in the market and are not severely penalized if they miss a deadline. However, education alone is insufficient to curtail abuses and reverse predatory practices. By improving program education and returning passive, inattentive SOP participants to default service at the conclusion of the program term, DLC will help to improve market engagement while insulating nonengaged, non-vigilant SOP participants from acute financial hardship – providing an off-ramp for consumers who have not affirmatively elected to enter into active engagement with the competitive market.

As is, the SOP serves up a ready pipeline of residential consumers that are lulled into higher rates at the program's conclusion. This model is not promoting a healthy marketplace and, if allowed to continue, must be amended to better serve the needs of consumers and the marketplace. Thus, if DLC's SOP is permitted to continue, we urge the Commission to require that customers have better information about their options and providing a critical safety net for those who have not been adequately informed of and are highly vulnerable to the consequences of inaction at the end of the SOP.

Q: Are there any other changes you would recommend if DLC's SOP is allowed to continue?

A: Yes. DLC should stop referring customers to the SOP during calls regarding a high bill. As explained, savings generated through the SOP are often short-lived, and regularly give way to substantially higher prices that dramatically exceed the PTC. In turn, DLC should no longer refer

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Energy Marketing LP, M-2019-2633094; PUC v. Astral Energy LLC, M-2018-2529738; PUC v. Residential Energy, M-2017-2511372; PUC v. Vista Energy Marketing LLC, M-2018-2624484; PUC v. WGL Energy Services, M-2015-2401964; PUC v. SFE Energy Services, M-2016-2546422; PUC v. Choice Energy LLC, C-2016-2581006; PUC v. American Power & Gas of PA, M-2017-2508002; PUC v. Liberty Power Holdings LLC, M-2019-2568471; PUC v. Oasis Power, F-2017-2618558; PUC v. American Power & Gas of PA, M-2017-2508002; see also PUC, Utility Consumer Activities Report and Evaluation (UCARE), http://www.puc.state.pa.us/filing_resources/consumer_activities_report_evaluation.aspx.

any confirmed low income customers for enrollment in the SOP. Confirmed low income customers are *known* to DLC to be low income, meaning their gross household income is at or below 150% of the federal poverty level. For a household of 2, income must be at or below $30,660; and for a household of 4, income must be at or below $46,800. Non-CAP households at this income level should not be exposed to the short-term pricing risks associated with this program – both during the program term and in the subsequent months. At a minimum, before referring customers to the SOP, DLC should first screen for potential universal service program eligibility and should refer potentially eligible applicants and customers to DLC's universal service programs – not the SOP.

IV. CUSTOMER ASSISTANCE PROGRAM (CAP) SHOPPING RULES

Q: Please describe DLC's Customer Assistance Program (CAP).

A: DLC's CAP is a statutorily required universal service program that provides low income households with a reduced monthly rate based on a percentage of the household's income and applicable Commission approved energy burden.[63] If a household enters CAP with debt incurred prior to program enrollment, their debt will be frozen upon entry in the program and is eligible for forgiveness with each in-full payment over a 36-month period.[64]

The universal service provisions of the Choice Act tie the affordability of electric service to a customer's ability to pay for that service, and require the Commission to ensure that utilities appropriately fund and make available the programs and services necessary to achieve

[63] DLC Universal Services and Energy Conservation Plan 2020-2025 (Jan. 6, 2020, rev. June 28, 2022), https://www.puc.pa.gov/media/2014/duquesne_usecp_2020-2025.pdf. Note that DLC's Plan period was extended through 2027. Its next USECP is not due to be filed with the Commission for review until November 1, 2026.
[64] Id.

affordability of electric service in each electric distribution territory.[65] Consistent with the Act's definition of "*universal service and energy conservation*," the statutory goals of universal service are achieved through the enactment, establishment and maintenance of policies, practices and services that help low-income customers maintain their electric service.[66] Universal service programs include the special rates or discounts provided by CAP, energy efficiency, service termination protections, and consumer education.[67] While CAP customer shopping is a central focus here, it is important to realize that each of DLC's universal service programs – CAP, LIURP, CARES, and Hardship Funds – are intended to offer essential services that work in tandem to address various forms of energy insecurity and ensure low-income households can maintain access to an affordable, safe, and reliable electric supply.

Q: How many DLC customers are actively enrolled in CAP relative to estimated need?

A: As of December 31, 2022, the last date that this data was publicly reported by the Commission, DLC had a CAP enrollment of 38,094, compared to 121,712 estimated eligible low income customers across DLC's service territory.[68] In other words, DLC's CAP serves only 31% of the estimated eligible customer base.

Q: Can DLC's CAP participants select a competitive supplier?

A: No, DLC's CAP customers are not permitted to shop for energy in the competitive market, and must return to default service before they are permitted to enroll in CAP.

[65] 66 Pa. C.S. § 2804(9); see also, CAUSE-PA et al. v. Pa PUC and McCloskey v. PA PUC, 120 A.3d 1087, 1103 445 CD 2014, 596 CD 2014 (Pa. Commw. Ct., July 14, 2015) ("The obligation to provide low-income programs falls on the public utility under the Choice Act, not on the EGSs. Moreover, the Choice Act expressly requires the PUC to administer these programs in a manner that is cost-effective for both the CAP participants and the non-CAP participants, who share the financial consequences of the CAP participants' EGS choice.")
[66] 66 Pa. C.S. § 2803.
[67] 66 Pa. C.S. § 2803.
[68] 2022 Universal Service Report at 9, 59.

Notably, DLC proposed a plan to allow CAP shopping in its last DSP, which CAUSE-PA strongly opposed. I served as an expert in that proceeding, and explained the harmful impact of CAP shopping across the state. I am advised by Counsel for CAUSE-PA that DLC later withdrew its CAP shopping proposal as part of a Joint Stipulation, which would have required DLC to make a new CAP shopping proposal if the Commission issued a final, unappealable order implementing CAP shopping in PPL Electric's service territory.[69] In approving the Joint Stipulation, the Commission made a slight amendment to tie any further proposals on CAP shopping to the Commission's then-pending statewide policy proceeding.[70] The Commission explicitly noted the documented harm to low income customers and other residential ratepayers in PPL's service territory as a result of excessive prices in the competitive market.[71]

> Contrary to the EGS Parties' contentions, we find that this carefully considered deferral of CAP shopping in Duquesne Light's service territory is consistent with applicable law and with the Commission's statutory obligation to ensure that CAP is cost-effective and available to all those in need. 66 Pa. C.S. § 2804(9). In the PPL DSP Proceeding, we concluded that the shopping restrictions in that case were consistent with the Commonwealth Court's decision in CAUSE-PA, as PPL Electric presented substantial evidence supporting its proposal and the harm associated with its current CAP shopping program, while the other parties did not present reasonable alternatives to PPL Electric's proposal. Similarly, here, there is substantial evidence to support deferring CAP shopping based on the harms associated with it, including harms to the CAP customers and the non-CAP customers when the CAP customers pay more than the PTC. More specifically, when the retail generation price a CAP customer pays exceeds the PTC, the program costs of CAP are increased, and such increase is paid by other residential ratepayers that subsidize the program through distribution rates. Additionally, there is evidence in this proceeding that even carefully crafted shopping restrictions in the PPL Electric and FirstEnergy service territories have not prevented CAP

[69] Pet'n of DLC for Approval of a Default Service Program for Period of June 1, 2021 through May 31, 2025, Docket No. P-2020-3019522, Joint Stipulation of DLC, CAUSE-PA, and OCA (filed Sept. 20, 2020); Pet'n of DLC for Approval of a Default Service Program for Period of June 1, 2021 through May 31, 2025, Docket No. P-2020-3019522, Recommended Decision at 55-59 (order entered Nov. 12, 2020,

[70] Pet'n of DLC for Approval of a Default Service Program for Period of June 1, 2021 through May 31, 2025, Docket No. P-2020-3019522, Order, at 96-97 (filed Sept. 20, 2020).

[71] Id. at 97-98.

shopping prices that exceed the PTC due to holdover contracts for customers that were already shopping and had a contract with an EGS when they entered CAP.[72]

On April 20, 2023, the Commission formally withdrew its proposed Policy Statement regarding CAP shopping and administratively closed the docket.[73] In doing so, the Commission detailed the substantial harms caused by CAP shopping in PPL and FirstEnergy service territories, documenting tens of millions of dollars in financial and other related harms to CAP customers and other ratepayers as a result of inflated supplier charges, including increased CAP costs, increased uncollectible expenses, increased payment trouble, and increased rates of involuntary termination.[74]

Because the Commission's CAP Shopping Policy docket was closed and its proposed Policy Statement was withdrawn, the condition precedent in the Joint Stipulation never occurred, and DLC's restriction on CAP shopping has remained in place. DLC is not proposing to make any changes to its CAP shopping restrictions in this proceeding.

Q: Do you support a CAP rule restricting participants from shopping for service in the competitive market?

A: Yes.

Q: Has DLC's CAP shopping restriction proven effective?

A: DLC's CAP shopping restrictions have likely prevented millions of dollars in unnecessary programmatic costs and higher charges to low income CAP participants. However, at the same time, the rule has created barriers to enrollment in CAP – causing unnecessary delays and additional costs, such as supplier cancellation fees and other charges, that serve to exacerbate

[72] Id.
[73] Electric Distribution Company Default Service Plans – Customer Assistance Program Shopping, Order, Docket No. M-2018-3006578 (order entered April 20, 2023).
[74] Id.

energy insecurity and result in increased energy debts and increased risk of involuntary termination. Customers seeking to enroll in CAP must have a clear and unobstructed path to enroll in the program without undue delay or added financial penalties, fees, or charges which may exacerbate the household's energy insecurity.

Q: How are CAP applicants currently informed of DLC's CAP shopping restrictions, and how to comply?

A: It does not appear as though DLC has any defined or standardized process to inform CAP applicants of the CAP shopping restrictions, how to return to default service to complete their enrollment in the program, or how to prevent their CAP application from being rejected as a result of an active supplier contract.

When asked through discovery to "describe the policies and procedures DLC has in place regarding enrollment of a shopping customer in its Customer Assistance Program (CAP)" and to "provide a copy of all written policies, procedures, memorandum, training materials, call scripts, or other written documents further describing these policies and procedures", DLC responded as follows:

> Duquesne Light's CAP customers currently are not able eligible [sic] to shop for an Electric Generation Supplier ("EGS"). A customer that has an EGS and wishes to participate in CAP will be advised that Duquesne Light can switch the customer back to default service; however, the customer may be subject to a cancellation fee. The customer should check his/her EGS agreement to determine whether there are any fees associated with cancellation.[75]

DLC did not explain how customers are "advised" that they must switch back to default service, nor did it provide any attachments or other documents that set forth a process or procedure for ensuring consumers are advised of these requirements. DLC's failure to produce any documents leads to the conclusion that no such documents exist. Similarly, when asked to "provide a copy of

[75] CAUSE-PA to DLC I-14.

all correspondence currently sent to customers who apply for CAP while enrolled with a electric generation supplier", DLC responded as follows:

> Customers who apply for CAP while enrolled with an electric generation supplier are advised that they must return to default service to be eligible to participate in CAP. If the customer agrees to return to default service, they will receive a Supplier Drop letter advising them they are returning to default service with Duquesne Light.[76]

DLC attached a form letter to this response, referred to as a "Supplier Drop letter," which is apparently used ***any*** time a shopping customer elects to return to default service and/or a supplier drops the customer – regardless of whether the drop is related to the customer's request to enroll in CAP.[77] However, DLC did not provide any correspondence, call scripts, training documents, or other standardized policies or procedures utilized to advise CAP applicants who are shopping at the time of enrollment of the requirement to return to default service, or how to effectuate the switch in order to timely enroll in the program.

I note that CAUSE-PA served additional discovery on DLC on July 2, 2024, seeking to clarify whether and how CAP customers are advised of the shopping restriction, and the extent to which CAP applications are denied because the customer is actively shopping for competitive service. However, responses to this additional discovery are scheduled to be served as this testimony is being finalized. Thus, I reserve the right to amend my testimony following review of any additional information disclosed through the discovery process.

Q: What happens when CAP enrollment is delayed?

A: When CAP enrollment is delayed, arrears can grow exponentially – adding unnecessarily to the cost of the program to provide arrearage forgiveness and/or increasing the likelihood that

[76] CAUSE-PA to DLC I-15.
[77] CAUSE-PA to DLC I-15, attachment.

the customer will face involuntary termination before they are able to successfully enroll in CAP. In my experience, low income customers are most likely to seek enrollment in CAP when they are in active crisis – often following receipt of a 10-day or 3-day termination notice. Time is of the essence when processing CAP enrollment to prevent the loss of electricity to the home and a host of other consequences to health, safety, and stability that follow. For these households, any time spent outside of the program serves to exacerbate payment trouble. Once service is off, low income consumers are often faced with insurmountable up-front costs to restore service before they can enroll in CAP – further compounding the consequences of high supplier charges on low income families, increasing uncollectible expenses, and worsening health, safety, and stability of low income families across DLC's service territory.

Q: Do you have any recommendations for how DLC can improve its CAP shopping rules to remove barriers to CAP enrollment and prevent unnecessary accrual of arrears or other costs?

A: Yes. First, I recommend that DLC prohibit suppliers from charging cancellation or termination fees when a customer seeks to enroll in CAP.[78] In turn, I recommend that DLC amend its CAP program rules to institute a clearly defined and streamlined process for low income shopping customers to return to default service and enroll in CAP. More specifically, I recommend that DLC include a check-box on its CAP application that permits shopping customers to elect to automatically return to default service upon enrollment in CAP. The check-box should include language clearly advising applicants of the program rules, advising of the prohibition on early

[78] See Petition of Met Ed., Penelec, Penn Power, and West Penn Power for Approval of Its Default Service Plan for the Period From June 1, 2023 through May 31, 2027, Recommended Decision, Docket Nos. P-2021-3030012, -13, -14, -21, at ¶72 (June 29, 2022) (approving similar prohibition on supplier charges for CAP enrollees).

cancellation or termination fees, and obtaining express consent from the applicant to be automatically returned to default service. In the event a CAP applicant does not check the box on the application to automatically return to default service, but is otherwise determined to be eligible for the program, DLC should send a letter to the CAP applicant explaining the CAP shopping rules and providing detailed instructions for how the applicant can return to default service. DLC should provide CAP applicants with a reasonable timeframe of at least 20 days to return to default service and should temporarily stop the collections process while this process occurs.

Without these added protections, economically vulnerable customers –most of whom are not presently enrolled in CAP – who cannot afford continued competitive supply, will face the functional equivalent of an upfront fee (in the form of an early termination or cancellation fee) to access critical rate assistance through CAP. Although customers choosing to exit the SOP are not subject to these fees, other shopping customers are – including those who are low-income seeking to enter CAP. Such an outcome will serve to erode the cost-effectiveness of CAP and is contrary to the statutory obligation for the Commission to ensure that universal service programs – including CAP – are accessible to those in need.

My proposed amendments to DLC's CAP rules will help improve timely accessibility to critical rate assistance programs for those in need, while also safeguarding against the financial hardships associated with excessive supplier rates.

The financial impacts associated with categorically unaffordable utility rates can and do have a deep and lasting impact on the health and wellbeing of those in the household and the welfare of the community as a whole. Indeed, a 2016 report of Pennsylvania's Joint State Government Commission on Homelessness found that utility assistance ranked in the top three types of assistance noted by survey respondents (24.1 percent) that would have prevented

homelessness.[79] Utility insecurity and resulting payment trouble is increasingly recognized as a predictor of first-time homelessness,[80] confirming the need to improve timely access to rate assistance programs to prevent the more costly consequences of homelessness and housing insecurity to individuals, families, and communities.

CAP is not a panacea to resolve low income energy insecurity – but it is, hands down, the most advantageous current option for confirmed low income customers facing acute energy insecurity. The average CAP eligible household is desperately poor, and routinely runs out of money before all essential monthly expenses are met– resorting to dangerous options to heat their home and/or foregoing food, medicine, medical care, and other basic needs to afford energy to their home. In 2022, the average household income for CAP participants was just $14,124.[81] For context, this level of income was just over 50% FPL for a family of four in that year. DLC's most recent third-party universal service program evaluation found that 33% of CAP participants reported using their kitchen stove to heat their home, compared to just 10% following CAP enrollment. The evaluation further found that 60% of DLC's CAP participants skipped or delayed paying for food before enrollment in the program – compared to just 17% following enrollment in the program.[82] The below Table was excerpted from this evaluation and illustrates the profound impact CAP has on the health, safety, and stability of low income households:[83]

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[79] Joint State Government Commission, Homelessness in Pennsylvania: Causes, Impacts, and Solutions, at 112, 157, 160 (April 2016), *available at* http://jsg.legis.state.pa.us/publications.cfm?JSPU_PUBLN_ID=447 ("When asked if there were any services that may have prevented them from becoming homeless, the women responded overwhelmingly that assistance with past-due rent and utilities, security deposit, and first and last months' rent would have been most beneficial.").

[80] Colin Middleton, Kim Boynton, David Lewis & Andrew M. Oster, The Value of Utility Payment History in Predicting Homelessness, PLOS (Oct. 9, 2023), https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0292305.

[81] 2022 Universal Service Report at 61.; see US Dep't of Health and Human Services, 2022 Federal Income Poverty Guidelines, Guidelines-2022.pdf (hhs.gov).

[82] APPRISE, DLC Universal Service Programs Final Evaluation Report, at 46 (July 2015), https://www.puc.pa.gov/general/pdf/USP_Evaluation-Duquesne.pdf.

[83] Id.

Table VI-25
Problems Meeting Financial Obligations

In the year before/while participating in the CAP Program, did you ever have to delay or skip the following bills or purchases in order to make ends meet?				
	Yes, Delayed or Skipped		Always or frequently	
	Before CAP	In CAP	Before CAP	In CAP
Respondents	95			
	Percent of Respondents			
Food	60%	17%	11%	0%
Medicine	32%	14%	12%	3%
Medical or Dental	34%	13%	12%	3%
Mortgage or Rent	41%	13%	4%	1%
Telephone	60%	19%	8%	1%
Credit Card or Loan	28%	13%	8%	0%
Car Payment	17%	5%	1%	1%

CAP significantly reduces financial hardships faced by low income families; however, those hardships were not eliminated following enrollment in the program – highlighting the profound energy affordability challenges for low income consumers, even while enrolled in CAP.[84]

Put simply, DLC's low-income customers are economically vulnerable and unable to pay for essential services like electricity without substantial and meaningful assistance. It is precisely for this reason that CAPs were created to assist low income customers to maintain and afford utility service, and it is critically important that DLC's low income customers are able to access CAP without delay or added costs.

V. BILL READY PROGRAM

Q: Please explain DLC's Bill Ready program proposal.

A: DLC is proposing to continue its Bill Ready program in this proceeding. DLC provides scant detail about the program, except to note that it "will facilitate the EGS development of tailored products for customers."[85] Duquesne explained in response to discovery that Bill Ready

[84] Id.
[85] DLC St. 1 at 11.

billing is "a form of consolidated billing where the Company provides a customer's usage to its EGS, and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill."[86] DLC further noted that it "**does not have visibility in the EGS bill ready charges**" – and explained that Bill Ready billing may include nonbasic service charges.[87]

Q: Do you have concerns about Duquesne's lack of "visibility" into EGS bill ready charges?

A: Yes. The ability to determine whether charges are for basic or nonbasic services is essential to core billing functions. Nonbasic services are defined by the Commission as "[o]ptional recurring services which are distinctly separate and clearly not required for the physical delivery of public utility service or default service.[88] The Commission's regulations set forth detailed rules for the application of customer payments, and explicitly require a public utility to apply a partial payment first to basic charges for residential service before applying payments to nonbasic charges.[89] Pursuant to section 56.83(3) of the Commission's regulations, public utilities – including DLC – are prohibited from terminating service to a residential consumer for nonpayment of nonbasic service charges.[90]

If DLC cannot decipher whether a supplier has included nonbasic service charges in the bill ready billing charges, then it cannot properly apply partial payments – and cannot proceed with terminating service to that residential consumer. Likewise, Duquesne may also be in violation

[86] DLC to CAUSE-PA I-2, attachment.
[87] Id. (emphasis in original).
[88] 52 Pa. Code § 56.2 (definitions).
[89] 52 Pa. Code § 56.23.
[90] 52 Pa. Code § 56.83(3).

of its LIHEAP Vendor agreement, which requires vendors to apply LIHEAP grants only to distribution and supply costs.[91] These are very serious issues which require immediate attention.

Q: Was this issue addressed in DLC's last Default Service Plan proceeding?

A: Yes. I raised similar concerns in DLC's last DSP proceeding. I am advised by Counsel that the Partial Settlement approved in that proceeding required DLC to amend its Supplier Coordination Tariff to include the following provisions:

> 12.1.6. … Where the EGS uses bill-ready billing for residential customers taking basic electric supply service, the EGS shall provide electric supply charges in actual dollars or cents per kWh, average dollars or cents per kWh, and/or flat monthly charges.
> …
> 12.1.7. … Upon request, an EGS shall provide written certification to Duquesne that the EGS is providing only basic electricity supply to residential customers billed through consolidated billing with the Company.[92]

Q: Did these modifications to DLC's Supplier Coordination Tariff address your concerns?

A: Apparently not. As explained, DLC still submits that it does not have sufficient "visibility" into a supplier's charges through the bill ready program to decipher whether the charges include nonbasic service charges.

Q: Do you have any recommendations?

A: Yes. DLC should end its Bill Ready program, as it cannot verify whether supplier charges assessed through the program properly delineate nonbasic service charges to permit lawful billing and collection activities.

[91] Appendix C, Low-Income Home Energy Assistance Program, 2023 Vendor Agreement - Utility.

[92] Petition of DLC for Approval of Its Default Services Plan for the Period from June 1, 2021 through May 31, 2025, Docket No. P-2020-3019522, Joint Petition for Unopposed Partial Settlement, at paras. 50-51 (approved by order dated Jan. 14, 2022).

VI. SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Q: Please summarize your conclusions and recommendations.

A: Throughout the course of my testimony, I provided an overview of residential customer shopping, responded to DLC's proposals regarding DLC's Standard Offer Program, and provided recommendations regarding DLC's CAP shopping rules. The following is a high level overview of the conclusions and recommendations I made regarding each topic.

Residential Customer Shopping Overview

- Since 2017, DLC's residential shopping customers were charged $224.3 million more than the default service price.
- On a per customer basis since 2017, DLC's residential shopping customers were charged, on average, $1,698.83 more than the default service price.
- Since 2017, DLC's confirmed low income customers were charged, $1.8 million more than the default service price.
- On a per customer basis since 2017, DLC's confirmed low income customers were charged, on average, $1,350.32 more than the default service price.
- Evidence in this proceeding, coupled with evidence from other states and other Pennsylvania service territories, suggests that the most substantial financial harms in the competitive market have been concentrated in low income and minority communities – and warrants further attention from the Commission.

Standard Offer Program

- Evidence strongly suggests that participants in the Standard Offer Program are not actively engaged during the post SOP transition into the competitive market and are likely to pay significantly more than the price to compare at the end of the SOP contract period.
- The vast majority of SOP customers – roughly 79% - did not make any affirmative decision at the expiration of their SOP contract, yet were automatically rolled onto a new contract with their former SOP supplier.
- Of the customers that did not make an affirmative decision at the expiration of their SOP contract, 75% were charged rates that were more than 25% higher than the applicable PTC, and 19% were charged rates that were more than 100% higher than the applicable PTC.

- Achievable savings through the SOP are often short-lived, and are highly dependent on future pricing and active consumer engagement requiring continued vigilance to ensure initial offers remain competitive with the changing price to compare.
- ***Recommendations:***
    - Reject DLC's proposal to continue operating its SOP.
    - If DLC's SOP is permitted to continue operation, adopt the following reforms:
        - Return customers to default service if they do not make an affirmative decision to stay with their current supplier or to select a new supplier at the end of the program period.
        - Require DLC to send notice to SOP participants 30 days prior to the end of the program period explaining the participant's options at the end of the program period.

CAP Shopping Rules

- Energy insecurity threatens stable and continued housing, employment, and education; has substantial and long-term impacts on mental and physical health; creates serious risks to the household and the larger community; and negatively impacts the greater economy.
- Even with assistance, low income households are often still unable to afford the cost of energy, and often forego other critical necessities – or keep their home at unsafe temperatures – as a result of energy unaffordability.
- The current process and procedure for low income shopping customers to enroll in CAP is needlessly cumbersome, creates substantial barriers to program enrollment, and results in additional financial burden.
- ***Recommendations:***
    - Amend DLC's CAP rules to bar suppliers from charging any early termination or cancellation fees to CAP customers who return to default service upon entry into CAP.
    - Institute a clearly defined and streamlined process for low income shopping customers to return to default service and enroll in CAP, consistent with the detailed process recommended above.

Bill Ready Program

- DLC's Bill Ready program does not have visibility into supplier prices, which may result in the misapplication of partial customer payments to nonbasic service charges, unlawful termination of service, and/or violation of its LIHEAP vendor agreement.
- ***Recommendations:***
  - Reject DLC's proposal to continue its Bill Ready program.

Q: Does this conclude your direct testimony?

A: Yes.

RESIDENTIAL (RS) SHOPPING - DLC

January 2017 to May 2024

Date	Residential Shopping Customer Count	Residential Shopping Usage (kWh)	Total Residential Shopping Charges Billed	Avg $/kWh - Res. Shopping	Avg $/kWh Over Default Rate	Total Residential Charges Over Default	Default Service Price	Total Charges if Billed at Default Service Rate	Avg. Charges Over PTC Per Shopping Customer
2017-01	158,845	120,588,155	$ 11,020,949.25	$ 0.0914	$ 0.0131	$ 1,578,897	$ 0.0783	$ 9,442,053	$ 9.94
2017-02	164,388	103,134,132	$ 9,494,759.81	$ 0.0921	$ 0.0138	$ 1,419,357	$ 0.0783	$ 8,075,403	$ 8.63
2017-03	164,234	93,792,921	$ 8,634,041.26	$ 0.0921	$ 0.0138	$ 1,290,056	$ 0.0783	$ 7,343,986	$ 7.85
2017-04	163,381	87,299,261	$ 8,066,563.56	$ 0.0924	$ 0.0141	$ 1,231,031	$ 0.0783	$ 6,835,532	$ 7.53
2017-05	163,133	80,135,904	$ 7,474,482.12	$ 0.0933	$ 0.0150	$ 1,199,841	$ 0.0783	$ 6,274,641	$ 7.35
2017-06	162,488	98,388,546	$ 9,216,650.41	$ 0.0937	$ 0.0158	$ 1,552,183	$ 0.0779	$ 7,664,468	$ 9.55
2017-07	161,577	133,507,232	$ 12,637,139.56	$ 0.0947	$ 0.0168	$ 2,236,926	$ 0.0779	$ 10,400,213	$ 13.84
2017-08	161,797	139,161,836	$ 13,267,436.56	$ 0.0953	$ 0.0174	$ 2,426,729	$ 0.0779	$ 10,840,707	$ 15.00
2017-09	160,869	108,206,087	$ 10,376,299.79	$ 0.0959	$ 0.0180	$ 1,947,046	$ 0.0779	$ 8,429,254	$ 12.10
2017-10	160,847	97,159,120	$ 9,392,929.82	$ 0.0967	$ 0.0188	$ 1,824,234	$ 0.0779	$ 7,568,695	$ 11.34
2017-11	160,532	84,742,093	$ 8,223,327.28	$ 0.0970	$ 0.0191	$ 1,621,918	$ 0.0779	$ 6,601,409	$ 10.10
2017-12	161,231	101,203,185	$ 9,901,885.68	$ 0.0978	$ 0.0195	$ 1,977,676	$ 0.0783	$ 7,924,209	$ 12.27
2017			**$ 117,706,465.10**			**$ 20,305,895**		**$ 97,400,570**	**$ 125.53**
18-Jan	154,170	120,256,374	$11,995,303	$ 0.0997	$ 0.0214	$ 2,579,229	$ 0.0783	$ 9,416,074	$ 16.73
Feb-18	153,838	97,000,365	$9,782,152	$ 0.1008	$ 0.0225	$ 2,187,024	$ 0.0783	$ 7,595,129	$ 14.22
Mar-18	153,717	84,423,961	$8,538,222	$ 0.1011	$ 0.0228	$ 1,927,826	$ 0.0783	$ 6,610,396	$ 12.54
Apr-18	154,030	85,365,678	$8,358,834	$ 0.0979	$ 0.0196	$ 1,674,701	$ 0.0783	$ 6,684,133	$ 10.87
May-18	154,242	76,087,476	$7,932,944	$ 0.1043	$ 0.0260	$ 1,975,295	$ 0.0783	$ 5,957,649	$ 12.81
Jun-18	154,255	110,636,529	$11,282,966	$ 0.1020	$ 0.0224	$ 2,476,298	$ 0.0796	$ 8,806,668	$ 16.05
Jul-18	155,021	139,483,363	$14,188,658	$ 0.1017	$ 0.0221	$ 3,085,782	$ 0.0796	$ 11,102,876	$ 19.91
Aug-18	155,173	139,374,751	$14,118,080	$ 0.1013	$ 0.0217	$ 3,023,850	$ 0.0796	$ 11,094,230	$ 19.49
Sep-18	154,206	137,984,024	$13,815,714	$ 0.1001	$ 0.0205	$ 2,832,185	$ 0.0796	$ 10,983,528	$ 18.37
Oct-18	154,489	97,726,940	$10,033,122	$ 0.1027	$ 0.0276	$ 2,693,828	$ 0.0751	$ 7,339,293	$ 17.44
Nov-18	154,750	83,223,351	$8,576,046	$ 0.1030	$ 0.0279	$ 2,325,972	$ 0.0751	$ 6,250,074	$ 15.03
Dec-18	154,081	93,953,998	$9,709,986	$ 0.1033	$ 0.0288	$ 2,710,413	$ 0.0745	$ 6,999,573	$ 17.59
2018			**$128,332,027**			**$ 29,492,405**		**$ 98,839,622**	**$ 191.04**
Jan-19	153,700	101,848,430	$10,668,893	$ 0.1048	$ 0.0303	$ 3,081,185	$ 0.0745	$ 7,587,708	$ 20.05
Feb-19	153,576	98,809,568	$10,450,592	$ 0.1058	$ 0.0313	$ 3,089,279	$ 0.0745	$ 7,361,313	$ 20.12
Mar-19	153,225	86,950,954	$9,293,191	$ 0.1069	$ 0.0324	$ 2,815,345	$ 0.0745	$ 6,477,846	$ 18.37

Apr-19	151,944	73,713,581	$7,902,310	$ 0.1072	$ 0.0327	$ 2,410,648	$ 0.0745	$ 5,491,662	$ 15.87
May-19	150,545	70,032,212	$7,491,791	$ 0.1070	$ 0.0325	$ 2,274,391	$ 0.0745	$ 5,217,400	$ 15.11
Jun-19	149,494	86,958,386	$9,283,433	$ 0.1068	$ 0.0327	$ 2,839,816	$ 0.0741	$ 6,443,616	$ 19.00
Jul-19	149,205	125,115,231	$13,123,365	$ 0.1049	$ 0.0308	$ 3,852,327	$ 0.0741	$ 9,271,039	$ 25.82
Aug-19	148,385	139,607,316	$14,511,617	$ 0.1039	$ 0.0298	$ 4,166,715	$ 0.0741	$ 10,344,902	$ 28.08
Sep-19	146,679	111,899,215	$11,529,551	$ 0.1030	$ 0.0289	$ 3,237,819	$ 0.0741	$ 8,291,732	$ 22.07
Oct-19	145,566	88,637,964	$9,148,276	$ 0.1032	$ 0.0291	$ 2,580,203	$ 0.0741	$ 6,568,073	$ 17.73
Nov-19	144,543	70,072,026	$7,341,658	$ 0.1048	$ 0.0307	$ 2,149,321	$ 0.0741	$ 5,192,337	$ 14.87
Dec-19	144,392	84,594,107	$8,879,140	$ 0.1050	$ 0.0340	$ 2,872,958	$ 0.0710	$ 6,006,182	$ 19.90
2019			**$119,623,819**			**$ 35,370,009**		**$ 84,253,809**	**$ 236.97**
Jan-20	144,476	92,593,689	$9,602,968	$ 0.1037	$ 0.0327	$ 3,028,816	$ 0.0710	$ 6,574,152	$ 20.96
Feb-20	144,558	81,316,435	$8,480,464	$ 0.1043	$ 0.0333	$ 2,706,997	$ 0.0710	$ 5,773,467	$ 18.73
Mar-20	144,317	76,355,241	$8,014,003	$ 0.1050	$ 0.0340	$ 2,592,781	$ 0.0710	$ 5,421,222	$ 17.97
Apr-20	143,624	76,644,891	$8,027,527	$ 0.1047	$ 0.0337	$ 2,585,739	$ 0.0710	$ 5,441,787	$ 18.00
May-20	142,680	72,381,180	$7,561,715	$ 0.1045	$ 0.0335	$ 2,422,651	$ 0.0710	$ 5,139,064	$ 16.98
Jun-20	141,627	93,539,484	$9,662,290	$ 0.1033	$ 0.0322	$ 3,011,633	$ 0.0711	$ 6,650,657	$ 21.26
Jul-20	140,816	137,174,626	$13,869,580	$ 0.1011	$ 0.0300	$ 4,116,465	$ 0.0711	$ 9,753,116	$ 29.23
Aug-20	139,157	142,743,490	$14,297,811	$ 0.1002	$ 0.0291	$ 4,148,749	$ 0.0711	$ 10,149,062	$ 29.81
Sep-20	137,722	114,288,297	$11,363,369	$ 0.0994	$ 0.0283	$ 3,237,471	$ 0.0711	$ 8,125,898	$ 23.51
Oct-20	136,470	71,748,963	$7,225,912	$ 0.1007	$ 0.0296	$ 2,124,561	$ 0.0711	$ 5,101,351	$ 15.57
Nov-20	135,531	68,215,832	$6,922,152	$ 0.1015	$ 0.0304	$ 2,072,007	$ 0.0711	$ 4,850,146	$ 15.29
Dec-20	134,345	80,667,536	$8,183,868	$ 0.1015	$ 0.0308	$ 2,480,673	$ 0.0707	$ 5,703,195	$ 18.46
2020			**$ 113,211,659.31**			**$ 34,528,542**		**$ 78,683,117**	**$ 245.78**
Jan-21	120,756	85,712,513	$8,660,105	$ 0.1010	$ 0.0303	$ 2,600,230	$ 0.0707	$ 6,059,875	$ 21.53
Feb-21	132,511	86,549,783	$8,890,883	$ 0.1027	$ 0.0320	$ 2,771,813	$ 0.0707	$ 6,119,070	$ 20.92
Mar-21	131,955	76,514,268	$7,902,713	$ 0.1033	$ 0.0326	$ 2,493,154	$ 0.0707	$ 5,409,559	$ 18.89
Apr-21	131,050	65,119,832	$6,864,180	$ 0.1054	$ 0.0347	$ 2,260,208	$ 0.0707	$ 4,603,972	$ 17.25
May-21	130,075	61,396,873	$6,488,554	$ 0.1057	$ 0.0350	$ 2,147,795	$ 0.0707	$ 4,340,759	$ 16.51
Jun-21	129,117	83,927,893	$8,764,053	$ 0.1044	$ 0.0303	$ 2,544,996	$ 0.0741	$ 6,219,057	$ 19.71
Jul-21	128,103	108,896,882	$11,375,004	$ 0.1045	$ 0.0304	$ 3,305,745	$ 0.0741	$ 8,069,259	$ 25.81
Aug-21	126,644	109,666,334	$11,569,375	$ 0.1055	$ 0.0314	$ 3,443,100	$ 0.0741	$ 8,126,275	$ 27.19
Sep-21	125,451	106,681,381	$11,336,826	$ 0.1063	$ 0.0322	$ 3,431,736	$ 0.0741	$ 7,905,090	$ 27.36
Oct-21	124,287	74,440,200	$8,099,603	$ 0.1088	$ 0.0347	$ 2,583,584	$ 0.0741	$ 5,516,019	$ 20.79
Nov-21	123,645	60,756,918	$6,761,959	$ 0.1113	$ 0.0372	$ 2,259,872	$ 0.0741	$ 4,502,088	$ 18.28
Dec-21	122,086	69,072,638	$7,778,816	$ 0.1126	$ 0.0328	$ 2,266,820	$ 0.0798	$ 5,511,997	$ 18.57

2021			**$ 104,492,070.91**			**$ 32,109,052**		**$ 72,383,019**	**$ 252.79**
Jan-22	122,165	84,965,209	$9,839,853	$ 0.1158	$ 0.0360	$ 3,059,629	$ 0.0798	$ 6,780,224	$ 25.05
Feb-22	121,724	78,857,162	$9,267,192	$ 0.1175	$ 0.0377	$ 2,974,391	$ 0.0798	$ 6,292,802	$ 24.44
Mar-22	120,561	65,434,166	$7,855,854	$ 0.1201	$ 0.0403	$ 2,634,207	$ 0.0798	$ 5,221,646	$ 21.85
Apr-22	119,670	58,979,840	$7,138,138	$ 0.1210	$ 0.0412	$ 2,431,547	$ 0.0798	$ 4,706,591	$ 20.32
May-22	118,905	57,164,835	$7,024,702	$ 0.1229	$ 0.0431	$ 2,462,948	$ 0.0798	$ 4,561,754	$ 20.71
Jun-22	117,139	72,286,306	$8,967,313	$ 0.1241	$ 0.0305	$ 2,201,314	$ 0.0936	$ 6,765,998	$ 18.79
Jul-22	116,647	99,470,801	$12,789,494	$ 0.1286	$ 0.0350	$ 3,479,028	$ 0.0936	$ 9,310,467	$ 29.83
Aug-22	114,938	97,226,697	$12,931,221	$ 0.1330	$ 0.0394	$ 3,830,802	$ 0.0936	$ 9,100,419	$ 33.33
Sep-22	112,067	86,348,685	$11,786,814	$ 0.1365	$ 0.0429	$ 3,704,577	$ 0.0936	$ 8,082,237	$ 33.06
Oct-22	110,165	56,116,888	$7,966,973	$ 0.1420	$ 0.0484	$ 2,714,432	$ 0.0936	$ 5,252,541	$ 24.64
Nov-22	108,742	48,822,595	$7,293,503	$ 0.1494	$ 0.0558	$ 2,723,708	$ 0.0936	$ 4,569,795	$ 25.05
Dec-22	107,910	60,293,135	$9,108,837	$ 0.1511	$ 0.0386	$ 2,325,859	$ 0.1125	$ 6,782,978	$ 21.55
2022			**$ 111,969,892.58**			**$ 34,542,442**		**$ 77,427,451**	**$ 298.61**
Jan-23	107,865	70,977,819	$10,818,590	$ 0.1524	$ 0.0399	$ 2,833,585	$ 0.1125	$ 7,985,005	$ 26.27
Feb-23	108,175	61,372,810	$9,552,939	$ 0.1557	$ 0.0432	$ 2,648,498	$ 0.1125	$ 6,904,441	$ 24.48
Mar-23	108,675	54,091,309	$8,500,551	$ 0.1572	$ 0.0447	$ 2,415,279	$ 0.1125	$ 6,085,272	$ 22.22
Apr-23	105,267	50,959,466	$8,018,715	$ 0.1574	$ 0.0449	$ 2,285,775	$ 0.1125	$ 5,732,940	$ 21.71
May-23	109,239	48,500,065	$7,833,115	$ 0.1615	$ 0.0490	$ 2,376,858	$ 0.1125	$ 5,456,257	$ 21.76
Jun-23	109,265	58,436,449	$8,832,584	$ 0.1511	$ 0.0366	$ 2,141,610	$ 0.1145	$ 6,690,973	$ 19.60
Jul-23	104,364	74,300,080	$10,733,976	$ 0.1445	$ 0.0300	$ 2,226,617	$ 0.1145	$ 8,507,359	$ 21.34
Aug-23	110,412	90,406,932	$13,206,241	$ 0.1461	$ 0.0316	$ 2,854,648	$ 0.1145	$ 10,351,594	$ 25.85
Sep-23	110,296	81,182,438	$11,319,300	$ 0.1394	$ 0.0249	$ 2,023,911	$ 0.1145	$ 9,295,389	$ 18.35
Oct-23	110,138	55,342,664	$7,963,983	$ 0.1439	$ 0.0294	$ 1,627,248	$ 0.1145	$ 6,336,735	$ 14.77
Nov-23	110,108	49,880,273	$7,271,475	$ 0.1458	$ 0.0313	$ 1,560,184	$ 0.1145	$ 5,711,291	$ 14.17
Dec-23	110,047	59,661,135	$8,442,757	$ 0.1415	$ 0.0369	$ 2,202,202	$ 0.1046	$ 6,240,555	$ 20.01
2023			**$ 112,494,226.74**			**$ 27,196,415**		**$ 85,297,812**	**$ 250.55**
Jan-24	110,134	75,472,801	$10,507,710	$ 0.1392	$ 0.0346	$ 2,613,255	$ 0.1046	$ 7,894,455	$ 23.73
Feb-24	109,891	62,390,576	$8,743,042	$ 0.1401	$ 0.0355	$ 2,216,988	$ 0.1046	$ 6,526,054	$ 20.17
Mar-24	109,828	53,449,802	$7,602,909	$ 0.1422	$ 0.0376	$ 2,012,060	$ 0.1046	$ 5,590,849	$ 18.32
Apr-24	109,929	52,684,531	$7,472,777	$ 0.1418	$ 0.0372	$ 1,961,975	$ 0.1046	$ 5,510,802	$ 17.85
May-24	109,952	52,036,185	$7,367,444	$ 0.1416	$ 0.0370	$ 1,924,459	$ 0.1046	$ 5,442,985	$ 17.50
2024			**$41,693,882**			**$ 10,728,737**		**$ 14,420,509**	**$ 97.57**
TOTAL			**$ 849,524,042.40**			**$ 224,273,497**		**$ 608,705,909**	**$ 1,698.83**

*Data for 2018 to May 2024 is from CAUSE-PA to DLC I-2 (d), (e), (f), and OCA to DLC II-10a. Data for 2017 is from CAUSE-PA Ex. 1, admitted to the record in DLC's 2020 DSP proceeding.

CONFIRMED LOW INCOME (NON-CAP) RESIDENTIAL SHOPPING - DLC

January 2017 to May 2024

Date	CLI Shopping Customer Count	CLI Shopping Usage (kWh)	Total CLI Shopping Charges Billed	Avg $/kWh - CLI Shopping	Avg $/kWh Over Default Rate	Total CLI Residential Charges Over Default	Default Service Price	Total Charges if Billed at Default Service Rate	Avg. Charges Over PTC Per Shopping Customer
2017-01	1,221	982,111	$ 76,769.59	$ 0.0782	$ (0.0001)	$ (130)	$ 0.0783	$ 76,899	$ (0.11)
2017-02	1,224	834,985	$ 68,541.60	$ 0.0821	$ 0.0038	$ 3,162	$ 0.0783	$ 65,379	$ 2.58
2017-03	1,330	795,893	$ 63,200.39	$ 0.0794	$ 0.0011	$ 882	$ 0.0783	$ 62,318	$ 0.66
2017-04	1,398	769,904	$ 58,958.37	$ 0.0766	$ (0.0017)	$ (1,325)	$ 0.0783	$ 60,284	$ (0.95)
2017-05	1,339	606,409	$ 48,843.07	$ 0.0805	$ 0.0022	$ 1,361	$ 0.0783	$ 47,482	$ 1.02
2017-06	1,226	620,862	$ 55,014.54	$ 0.0886	$ 0.0107	$ 6,649	$ 0.0779	$ 48,365	$ 5.42
2017-07	1,220	812,691	$ 70,545.48	$ 0.0868	$ 0.0089	$ 7,237	$ 0.0779	$ 63,309	$ 5.93
2017-08	1,294	872,979	$ 76,918.08	$ 0.0881	$ 0.0102	$ 8,913	$ 0.0779	$ 68,005	$ 6.89
2017-09	1,350	765,213	$ 69,500.00	$ 0.0908	$ 0.0129	$ 9,890	$ 0.0779	$ 59,610	$ 7.33
2017-10	1,417	744,893	$ 67,003.90	$ 0.0900	$ 0.0121	$ 8,977	$ 0.0779	$ 58,027	$ 6.34
2017-11	1,568	827,239	$ 71,126.92	$ 0.0860	$ 0.0081	$ 6,685	$ 0.0779	$ 64,442	$ 4.26
2017-12	1,656	1,076,108	$ 98,420.62	$ 0.0915	$ 0.0132	$ 14,161	$ 0.0783	$ 84,259	$ 8.55
2017			**$ 824,842.56**			**$ 66,463**		**$ 758,380**	**$ 47.93**
18-Jan	1,564	1,276,708	$119,964	$ 0.0940	$ 0.0157	$ 19,998	$ 0.0783	$ 99,966	$ 12.79
Feb-18	1,624	1,092,757	$102,431	$ 0.0937	$ 0.0154	$ 16,869	$ 0.0783	$ 85,563	$ 10.39
Mar-18	1,736	1,013,708	$95,876	$ 0.0946	$ 0.0163	$ 16,503	$ 0.0783	$ 79,373	$ 9.51
Apr-18	1,863	1,095,692	$93,775	$ 0.0856	$ 0.0073	$ 7,982	$ 0.0783	$ 85,793	$ 4.28
May-18	1,964	945,272	$94,168	$ 0.0996	$ 0.0213	$ 20,153	$ 0.0783	$ 74,015	$ 10.26
Jun-18	2,034	1,259,287	$117,938	$ 0.0937	$ 0.0141	$ 17,699	$ 0.0796	$ 100,239	$ 8.70
Jul-18	2,110	1,634,345	$148,108	$ 0.0906	$ 0.0110	$ 18,014	$ 0.0796	$ 130,094	$ 8.54
Aug-18	2,270	1,770,709	$161,555	$ 0.0912	$ 0.0116	$ 20,606	$ 0.0796	$ 140,948	$ 9.08
Sep-18	2,328	1,829,811	$167,684	$ 0.0916	$ 0.0120	$ 22,031	$ 0.0796	$ 145,653	$ 9.46
Oct-18	2,432	1,416,731	$134,415	$ 0.0949	$ 0.0198	$ 28,018	$ 0.0751	$ 106,396	$ 11.52
Nov-18	2,502	1,400,834	$136,560	$ 0.0975	$ 0.0224	$ 31,358	$ 0.0751	$ 105,203	$ 12.53
Dec-18	2,496	1,668,219	$167,256	$ 0.1003	$ 0.0258	$ 42,973	$ 0.0745	$ 124,282	$ 17.22
2018			**$1,539,731**			**$ 262,205**		**$ 1,277,526**	**$ 124.28**
Jan-19	2,531	1,786,004	$ 186,457.30	$ 0.1044	$ 0.0299	$ 53,400	$ 0.0745	$ 133,057	$ 21.10
Feb-19	2,573	1,823,272	$ 194,450.93	$ 0.1066	$ 0.0321	$ 58,617	$ 0.0745	$ 135,834	$ 22.78
Mar-19	2,589	1,648,838	$ 177,105.00	$ 0.1074	$ 0.0329	$ 54,267	$ 0.0745	$ 122,838	$ 20.96
Apr-19	2,603	1,381,284	$ 147,383.32	$ 0.1067	$ 0.0322	$ 44,478	$ 0.0745	$ 102,906	$ 17.09
May-19	2,477	1,137,369	$ 122,253.60	$ 0.1075	$ 0.0330	$ 37,520	$ 0.0745	$ 84,734	$ 15.15
Jun-19	2,273	1,184,408	$ 126,252.38	$ 0.1066	$ 0.0325	$ 38,488	$ 0.0741	$ 87,765	$ 16.93

Jul-19	2,007	1,403,159	$ 147,592.07	$ 0.1052	$ 0.0311	$ 43,618	$ 0.0741	$ 103,974	$ 21.73
Aug-19	1,916	1,514,487	$ 153,312.78	$ 0.1012	$ 0.0271	$ 41,089	$ 0.0741	$ 112,223	$ 21.45
Sep-19	1,712	1,114,451	$ 113,952.09	$ 0.1022	$ 0.0281	$ 31,371	$ 0.0741	$ 82,581	$ 18.32
Oct-19	1,630	863,251	$ 88,760.84	$ 0.1028	$ 0.0287	$ 24,794	$ 0.0741	$ 63,967	$ 15.21
Nov-19	1,593	766,187	$ 79,837.69	$ 0.1042	$ 0.0301	$ 23,063	$ 0.0741	$ 56,774	$ 14.48
Dec-19	1,613	949,776	$ 99,234.10	$ 0.1045	$ 0.0335	$ 31,800	$ 0.0710	$ 67,434	$ 19.71
2019			**$ 1,636,592.10**			**$ 482,505**		**$ 1,154,087**	**$ 224.91**
Jan-20	1,629	1,030,274	$ 106,961.40	$ 0.1038	$ 0.0328	$ 33,812	$ 0.0710	$ 73,149	$ 20.76
Feb-20	1,640	955,663	$ 98,250.28	$ 0.1028	$ 0.0318	$ 30,398	$ 0.0710	$ 67,852	$ 18.54
Mar-20	1,654	907,777	$ 95,547.01	$ 0.1053	$ 0.0343	$ 31,095	$ 0.0710	$ 64,452	$ 18.80
Apr-20	1,673	890,354	$ 94,544.31	$ 0.1062	$ 0.0352	$ 31,329	$ 0.0710	$ 63,215	$ 18.73
May-20	1,657	844,326	$ 89,252.51	$ 0.1057	$ 0.0347	$ 29,305	$ 0.0710	$ 59,947	$ 17.69
Jun-20	1,597	965,119	$ 99,273.01	$ 0.1029	$ 0.0318	$ 30,653	$ 0.0711	$ 68,620	$ 19.19
Jul-20	1,643	1,371,413	$ 135,661.99	$ 0.0989	$ 0.0278	$ 38,155	$ 0.0711	$ 97,507	$ 23.22
Aug-20	1,563	1,422,406	$ 137,541.09	$ 0.0967	$ 0.0256	$ 36,408	$ 0.0711	$ 101,133	$ 23.29
Sep-20	1,608	1,229,840	$ 119,556.70	$ 0.0972	$ 0.0261	$ 32,115	$ 0.0711	$ 87,442	$ 19.97
Oct-20	1,555	799,331	$ 81,002.41	$ 0.1013	$ 0.0302	$ 24,170	$ 0.0711	$ 56,832	$ 15.54
Nov-20	1,501	763,136	$ 77,133.23	$ 0.1011	$ 0.0300	$ 22,874	$ 0.0711	$ 54,259	$ 15.24
Dec-20	1,533	927,996	$ 93,011.91	$ 0.1002	$ 0.0295	$ 27,403	$ 0.0707	$ 65,609	$ 17.88
2020			**$ 1,227,735.85**			**$ 367,717**		**$ 860,019**	**$ 228.84**
Jan-21	1,048	766,553	$ 78,303.98	$ 0.1022	$ 0.0315	$ 24,109	$ 0.0707	$ 54,195	$ 23.00
Feb-21	181	131,364	$ 12,154.87	$ 0.0925	$ 0.0218	$ 2,867	$ 0.0707	$ 9,287	$ 15.84
Mar-21	278	174,615	$ 16,234.35	$ 0.0930	$ 0.0223	$ 3,889	$ 0.0707	$ 12,345	$ 13.99
Apr-21	362	185,509	$ 18,503.50	$ 0.0997	$ 0.0290	$ 5,388	$ 0.0707	$ 13,115	$ 14.88
May-21	405	190,097	$ 19,547.92	$ 0.1028	$ 0.0321	$ 6,108	$ 0.0707	$ 13,440	$ 15.08
Jun-21	416	253,664	$ 25,116.67	$ 0.0990	$ 0.0249	$ 6,320	$ 0.0741	$ 18,796	$ 15.19
Jul-21	423	321,977	$ 30,889.92	$ 0.0959	$ 0.0218	$ 7,031	$ 0.0741	$ 23,858	$ 16.62
Aug-21	428	322,293	$ 31,096.66	$ 0.0965	$ 0.0224	$ 7,215	$ 0.0741	$ 23,882	$ 16.86
Sep-21	535	376,218	$ 36,983.65	$ 0.0983	$ 0.0242	$ 9,106	$ 0.0741	$ 27,878	$ 17.02
Oct-21	566	300,929	$ 31,556.77	$ 0.1049	$ 0.0308	$ 9,258	$ 0.0741	$ 22,299	$ 16.36
Nov-21	628	297,827	$ 32,608.33	$ 0.1095	$ 0.0354	$ 10,539	$ 0.0741	$ 22,069	$ 16.78
Dec-21	707	407,482	$ 45,077.85	$ 0.1106	$ 0.0308	$ 12,561	$ 0.0798	$ 32,517	$ 17.77
2021			**$ 378,074.47**			**$ 104,392**		**$ 273,683**	**$ 199.40**
Jan-22	758	500,698	$ 57,799.46	$ 0.1154	$ 0.0356	$ 17,844	$ 0.0798	$ 39,956	$ 23.54
Feb-22	858	572,661	$ 65,961.68	$ 0.1152	$ 0.0354	$ 20,263	$ 0.0798	$ 45,698	$ 23.62
Mar-22	910	500,224	$ 59,242.99	$ 0.1184	$ 0.0386	$ 19,325	$ 0.0798	$ 39,918	$ 21.24
Apr-22	957	482,772	$ 57,909.57	$ 0.1200	$ 0.0402	$ 19,384	$ 0.0798	$ 38,525	$ 20.26
May-22	1,035	483,590	$ 60,514.51	$ 0.1251	$ 0.0453	$ 21,924	$ 0.0798	$ 38,590	$ 21.18
Jun-22	1,024	566,982	$ 70,866.65	$ 0.1250	$ 0.0314	$ 17,797	$ 0.0936	$ 53,070	$ 17.38

Jul-22	1,021	726,317	$ 93,345.93	$ 0.1285	$ 0.0349	$ 25,363	$ 0.0936	$ 67,983	$ 24.84
Aug-22	962	691,432	$ 92,400.68	$ 0.1336	$ 0.0400	$ 27,683	$ 0.0936	$ 64,718	$ 28.78
Sep-22	792	513,968	$ 69,939.60	$ 0.1361	$ 0.0425	$ 21,832	$ 0.0936	$ 48,107	$ 27.57
Oct-22	762	361,035	$ 52,738.54	$ 0.1461	$ 0.0525	$ 18,946	$ 0.0936	$ 33,793	$ 24.86
Nov-22	756	332,312	$ 50,116.30	$ 0.1508	$ 0.0572	$ 19,012	$ 0.0936	$ 31,104	$ 25.15
Dec-22	818	465,223	$ 70,088.14	$ 0.1507	$ 0.0382	$ 17,751	$ 0.1125	$ 52,338	$ 21.70
2022			**$ 800,924.05**			**$ 247,123**		**$ 553,801**	**$ 280.11**
Jan-23	857	584,057	$ 85,840.76	$ 0.1470	$ 0.0345	$ 20,134	$ 0.1125	$ 65,706	$ 23.49
Feb-23	906	536,927	$ 81,340.22	$ 0.1515	$ 0.0390	$ 20,936	$ 0.1125	$ 60,404	$ 23.11
Mar-23	957	497,578	$ 78,363.16	$ 0.1575	$ 0.0450	$ 22,386	$ 0.1125	$ 55,977	$ 23.39
Apr-23	916	452,960	$ 69,778.16	$ 0.1540	$ 0.0415	$ 18,820	$ 0.1125	$ 50,958	$ 20.55
May-23	1,051	461,610	$ 73,808.34	$ 0.1599	$ 0.0474	$ 21,877	$ 0.1125	$ 51,931	$ 20.82
Jun-23	1,040	486,351	$ 72,104.22	$ 0.1483	$ 0.0338	$ 16,417	$ 0.1145	$ 55,687	$ 15.79
Jul-23	970	589,813	$ 81,031.96	$ 0.1374	$ 0.0229	$ 13,498	$ 0.1145	$ 67,534	$ 13.92
Aug-23	803	581,656	$ 78,017.78	$ 0.1341	$ 0.0196	$ 11,418	$ 0.1145	$ 66,600	$ 14.22
Sep-23	785	513,690	$ 65,543.55	$ 0.1276	$ 0.0131	$ 6,726	$ 0.1145	$ 58,817	$ 8.57
Oct-23	801	365,352	$ 51,356.62	$ 0.1406	$ 0.0261	$ 9,524	$ 0.1145	$ 41,833	$ 11.89
Nov-23	820	370,903	$ 53,107.62	$ 0.1432	$ 0.0287	$ 10,639	$ 0.1145	$ 42,468	$ 12.97
Dec-23	872	503,789	$ 68,627.20	$ 0.1362	$ 0.0316	$ 15,931	$ 0.1046	$ 52,696	$ 18.27
2023			**$ 858,919.59**			**$ 188,307**		**$ 670,612**	**$ 206.98**
Jan-24	912	655,100	$ 87,399.64	$ 0.1334	$ 0.0288	$ 18,876	$ 0.1046	$ 68,523	$ 20.70
Feb-24	924	574,824	$ 77,086.43	$ 0.1341	$ 0.0295	$ 16,960	$ 0.1046	$ 60,127	$ 18.35
Mar-24	818	431,694	$ 59,072.34	$ 0.1368	$ 0.0322	$ 13,917	$ 0.1046	$ 45,155	$ 17.01
Apr-24	743	370,988	$ 50,554.28	$ 0.1363	$ 0.0317	$ 11,749	$ 0.1046	$ 38,805	$ 15.81
May-24	768	345,396	$ 46,822.22	$ 0.1356	$ 0.0310	$ 10,694	$ 0.1046	$ 36,128	$ 13.92
2024			**$ 320,934.91**			**$ 72,196**		**$ 248,739**	**$ 85.80**
TOTAL			**$ 7,587,754.21**			**$ 1,790,907**		**$ 5,796,847**	**$ 1,398.25**

*Data for 2018 to May 2024 is from CAUSE-PA to DLC I-2 (s), (t), (u), and OCA to DLC II-10a. Data for 2017 is from CAUSE-PA Ex. 2, admitted to the record in DLC's 2020

CAUSE-PA St. 1, Geller

Appendix A

Resume - Harry S. Geller, Esq.

RESUME OF HARRY S. GELLER

EDUCATIONAL BACKGROUND:

Harpur College, State University of New York at Binghamton, B.A. 1966
Washington College of Law, American University, J.D. 1969
New York University Law School, courses in Urban Affairs and Poverty Law, as part of Volunteers in Service to America (VISTA) Program 1969-1971

EMPLOYMENT:

1988 – 2015 Executive Director, Pennsylvania Utility Law Project (PULP), a project of the civil non-profit Pennsylvania Legal Aid Network. PULP is dedicated to providing technical support, information sharing, and representation to low-income individuals and organizations, assisting and advocating for the low income in utility and energy matters. Responsibilities include project oversight, case consultation, co-counseling, and participation on task forces, work groups and advisory panels, community education and training in utility and energy matters affecting the low income.

While at PULP, served in the following capacities:

- Chairman, Low-Income Home Energy Assistance Program (LIHEAP) Advisory Committee to the Secretary, Pennsylvania Department of Human Services
- Member, Pennsylvania Public Utility Commission, Consumer Advisory Council Coordinator, Pennsylvania Legal Services Utility/Energy Work Groups
- Member, Weatherization Policy Advisory Committee to the Department of Community and Economic Development
- Member, PECO Universal Service Advisory Committee and LIURP Subcommittee

1974-1987 Staff Attorney, Managing Attorney and ultimately, Executive Director of Legal Services, Incorporated (LSI), a civil legal services program serving Adams, Cumberland, Franklin and Fulton Counties. Through a restructuring with other legal services programs, LSI became part of what is now known as MidPenn Legal Services and Franklin County Legal Services.

1971-1972 Staff Attorney, New York City Legal Aid Society, Criminal Court and Supreme Court Branches, New York County.

1969-1971 Volunteer in Service to America (VISTA) assigned to the New York University Law School Project on Urban Affairs and Poverty Law.

BAR ADMISSIONS

New York State
Commonwealth of Pennsylvania
United States District Court, Middle District of Pennsylvania

Cases in which Harry S. Geller has participated as a witness before the Pennsylvania Public Utility Commission since July 1, 2015

- Petition of PPL Electric Utilities Corp. for Approval of DSP for Period of June 1, 2025 through May 31, 2029, Docket No. P-2024-3047290
- Pennsylvania Public Utility Commission v. PGW, Docket No. R-2023-3037933.
- Pennsylvania Public Utility Commission v. PWSA, Docket Nos. R-2023-3039920; R-2023-3039921; R-2023-3039919
- Pennsylvania Public Utility Commission v. PAWC, Docket Nos. R-2023-3043189; R-2023-3043190
- Pennsylvania Public Utility Commission v. Peoples Natural Gas Co. LLC, Docket No. R-2023-3044549
- Petition of PPL Electric Utilities Corp. for Approval of DSP for Period of June 1, 2025 through May 31, 2029, Docket No. P-2024-3047290
- Pennsylvania Public Utility Commission v. Philadelphia Gas Works, R-2022-3034229, P- 2022-3034264
- Pennsylvania Public Utility Commission v. National Fuel Gas Distribution Corporation, R-2022-3035730
- Pennsylvania Public Utility Commission v. Columbia Gas of Pa., Docket No.
- R-2022-3031211
- Pennsylvania Public Utility Commission v. Pa. American Water Co., Docket Nos.
- R-2022-3031672 & -3031673
- Pennsylvania Public Utility Commission v. UGI Utilities, Inc. – Gas Division, R-2021- 3030218.
- Joint Petition of MetEd, Penelec, Penn Power, and West Penn Power for Approval of their Default Service Programs for the Period Commencing June 1, 2023 through May 31, 2027, Docket Nos. P-2021-3030012, -13, -14, -21
- Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. and Aqua Pennsylvania Wastewater, Inc., Docket Nos. R-2021-3027385, R- 2021-3027386.
- Pennsylvania Public Utility Commission v. Pittsburgh Water and Sewer Authority, R-2021-3024773, R-2021-3024774, R-2021-3024779.
- Pennsylvania Public Utility Commission v. Duquesne Light Company, R-2021- 3024750.
- Pennsylvania Public Utility Commission v. PECO Energy – Electric Division, R-2021-3024601.
- Pennsylvania Public Utility Commission v. Columbia Gas of Pennsylvania, Inc., R-2021-3024296.
- Tenant Union Representative Network v. PECO Energy Company, C-2020-3021557
- Pennsylvania Public Utility Commission v. Philadelphia Gas Works, R-2020-3017206.
- Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program for the Period of June 1, 2021 through May 31 , 2025, Docket No. P-2020-3019356.
- Petition of PECO Energy Company for Approval of Its Default Service Program for the Period from June 1, 2021 through May 31, 2025, Docket No. P-2020-3019290.

- Petition of Duquesne Light Company For Approval of Default Service Plan For The Period June 1, 2021 Through May 31, 2025, Docket No. P-2020-3019522.
- Joint Application of Aqua America, Inc., Aqua Pennsylvania, Inc., Aqua Pennsylvania Wastewater, Inc., Peoples Natural Gas Company LLC and Peoples Gas Company LLC for all of the Authority and Necessary Certificates of Public Convenience to Approve a Change in Control of Peoples Natural Gas Company LLC, and Peoples Gas Company LLC by way of the Purchase of all of LDC Funding LLC's Membership Interests by Aqua America, Inc., Docket Nos. A-2018-3006061, A-2018-3006062, A-2018-3006063.
- Pennsylvania Public Utility Commission v. Aqua Pennsylvania, Inc. et al. Docket Nos. R-2018-3003558 et seq.
- Pennsylvania Public Utility Commission v. Duquesne Light Company, Docket No. R-2018-3000124.
- Pennsylvania Public Utility Commission v. PECO Energy Company- Electric Division, Docket No. R-2018-3000164.
- Joint Petition of MetEd, Penelec, Penn Power, and West Penn Power for Approval of their Default Service Programs for the period commencing June 1, 2019 through May 31, 2023, Docket Nos. P-2017-2637855, P-2017-2637857, P-2017-2637858; P-2017-2637866.
- Pennsylvania Public Utility Commission et al. v. Philadelphia Gas Works, Docket No. R-2017-2586783.
- PECO Energy Company's Pilot Plan for an Advance Payments Program and Petition for Temporary Waiver of Portions of the Commission's Regulations with Respect to that Plan, Docket No. P-2016-2573023.
- Petition of PECO Energy Company for Approval of a Default Service Program for the Period of June 1, 2017 through May 31, 2019, Docket No. P-2016-2534980.
- Petition of PPL Electric Utilities Corporation for Approval of a Default Service Program and Procurement Plan for the Period of June 1, 2017 through May 31, 2021, Docket No. P-2016-2526627.
- Petition of Duquesne Light Company for Approval of a Default Service Program for the Period of June 1, 2017 through May 31, 2021, Docket No. P-2016-2543140.
- Pennsylvania Public Utility Commission et al. v. Columbia Gas of Pennsylvania, Inc., Docket No. R-2016-2529660.
- Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company, and West Penn Power Company for Approval of their Default Service Programs for the period commencing June 1, 2017 through May 31, 2019, Docket Nos. P-2015-2511333, P-2015-25113351, P-2015-2511355, P-2015-2511356.
- Petition of PPL Electric Utilities Corporation for Approval of its Energy Efficiency and Conservation Plan, Docket No. M-2015-2515642.

Appendix B
Cited Responses to Interrogatories

Interrogatories of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania to Duquesne Light Company

CAUSE-PA to DLC I-1
CAUSE-PA to DLC I-2 (with attachment)
CAUSE-PA to DLC I-8
CAUSE-PA to DLC I-14
CAUSE-PA to DLC I-15 (with attachment)

Interrogatories of the Office of Consumer Advocate to PPL Electric

OCA to DLC I-8 (with attachment)
OCA to DLC I-9
OCA to DLC II-10 (with attachment)

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Set I

Witness: Edwin Schuck

CAUSE-PA-I-1

1. Please explain how DLC defines the term "confirmed low income customers" and identify the criteria to be considered a confirmed low income (CLI) customer.

Response:

The Company currently defines a confirmed low-income customer as:

1. Active Customer Assistance Program ("CAP") enrollment, or
2. Removed from CAP, except for over income removal, within the last year, or
3. Received LIHEAP (cash or crisis) within the last year, or
4. Smart Comfort (LIURP) visit that occurred in the last 2 years and household income no greater than 150% of FPI (0-150% federal poverty indicator) customer at the time of the visit.

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Set I

Witness: Edwin Schuck and David Ogden

CAUSE-PA-I-2

2. In a live Excel spreadsheet, please provide the following for January 2018 to date, disaggregated by month and by year:

(a) The total number of residential customers.
(b) The total usage of residential customers
(c) The total amount billed for generation supply charges for residential customers.
(d) The total number of residential shopping customers.
(e) The total usage of residential shopping customers.
(f) The total amount billed for generation supply charges for residential shopping customers.
(g) The total number of residential default service customers.
(h) The total usage of residential default service customers.
(i) The total amount billed for generation supply charges for residential default service customers.
(j) The total number of CLI customers
(k) The total usage of CLI customers.
(l) The total amount billed for generation supply charges for all CLI customers.
(m) The total number of CLI customers who are not enrolled in DLC's Customer Assistance Program, OnTrack (hereinafter "CAP" or "OnTrack").
(n) The total usage of all non-CAP CLI customers.
(o) The total amount billed for generation supply charges for all non-CAP CLI customers.
(p) The total number of all CAP customers
(q) The total usage of all CAP customers
(r) The total amount billed for generation supply charges for all CAP customers before CAP credit was applied.

(s) The total number of residential non-CAP CLI shopping customers.
(t) The total usage of residential non-CAP CLI shopping customers.
(u) The total amount billed for generation supply charges for non-CAP CLI shopping customers.
(v) The total number of residential, non-CAP, default service CLI customers.
(w) The total usage of residential, non-CAP, default service CLI customers.
(x) The total amount billed for generation supply charges for non-CAP default service CLI customers.

Response:

Please see CAUSE-PA-Ia.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2a - Page 1
Total Residential Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	497,502	497,639	498,166	498,499	498,875	497,466	499,292	501,833	498,485	499,335	499,833	499,054
RH	34,356	34,747	34,954	35,189	35,385	35,186	35,405	35,842	35,588	35,862	35,985	35,938
RA	4,982	5,062	5,166	5,175	5,231	5,232	5,405	5,483	5,535	5,538	5,566	5,582

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	499,599	500,194	500,454	499,894	499,306	498,881	499,108	501,615	499,307	498,764	497,883	498,715
RH	36,136	36,296	36,521	36,635	36,517	36,558	36,652	37,360	36,965	36,936	37,089	37,368
RA	5,611	5,607	5,627	5,676	5,681	5,658	5,697	5,779	5,731	5,714	5,680	5,670

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	498,964	499,186	499,403	499,098	497,773	498,201	499,781	499,917	499,664	498,995	499,042	499,037
RH	37,642	37,566	37,755	37,696	37,595	37,792	37,943	37,997	37,977	37,947	37,973	38,110
RA	5,684	5,671	5,674	5,674	5,675	5,699	5,717	5,728	5,700	5,679	5,673	5,721

	Jan-21 [3]	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	454,971	498,153	501,439	501,084	500,812	501,893	501,890	502,907	500,602	499,992	501,330	500,558
RH	35,090	38,242	38,898	38,790	38,794	39,119	39,297	39,885	39,614	39,461	39,587	39,628
RA	5,248	5,750	5,794	5,772	5,779	5,817	5,786	5,850	5,810	5,770	5,809	5,805

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	501,947	502,896	502,337	501,390	501,938	502,095	501,510	504,907	502,316	501,748	501,511	501,037
RH	40,031	40,090	40,316	40,167	40,422	40,500	40,469	41,013	40,713	40,618	40,755	40,737
RA	5,809	5,857	5,835	5,830	5,866	5,891	5,943	5,992	5,960	5,994	6,030	6,059

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	501,617	502,567	502,377	498,012	501,691	501,998	495,615	503,143	500,085	499,935	499,466	498,719
RH	40,985	41,405	41,483	41,413	41,732	42,132	42,236	42,951	42,452	42,723	42,997	42,993
RA	6,085	6,105	6,122	6,092	6,190	6,185	6,210	6,603	6,721	6,801	6,866	6,827

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	500,070	499,318	499,307	499,877	499,637
RH	43,574	43,851	44,035	44,348	44,400
RA	6,884	6,898	6,921	6,939	7,006

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.

[3] In January 2021, the Company updated its billing system, which impacted the reporting of customers counts in the month of conversion.

[4] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2b - Page 2
Total Residential kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	361,031,691	295,124,142	257,523,796	259,265,347	230,829,091	332,033,883	417,245,282	419,699,476	416,368,725	295,379,241	251,348,630	284,454,705
RH	66,815,424	53,020,792	40,053,122	39,809,572	24,008,313	20,723,771	23,328,953	23,508,157	23,654,322	19,540,250	29,123,550	45,207,633
RA	7,545,602	5,815,062	4,955,466	5,001,566	3,808,633	4,571,500	5,515,889	5,530,426	5,538,555	4,395,874	4,432,646	5,756,581

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	310,390,410	305,760,618	270,741,623	229,933,660	219,499,199	274,832,667	394,808,410	444,130,861	362,420,255	290,120,439	228,106,208	277,199,302
RH	48,983,459	58,929,195	48,662,870	32,214,025	20,082,685	19,159,479	23,167,467	25,024,333	21,945,729	19,682,056	26,329,162	43,485,084
RA	6,258,715	6,726,511	5,878,783	4,534,092	3,703,645	4,140,461	5,378,229	6,030,174	5,130,996	4,350,887	4,205,314	5,707,164

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	302,553,726	268,924,007	253,090,283	253,227,502	239,790,764	313,510,344	462,567,625	487,068,129	398,531,576	251,812,212	239,489,853	283,980,675
RH	48,019,040	47,190,673	42,642,396	32,277,311	27,660,973	23,138,208	27,241,290	27,341,274	24,180,986	19,633,961	25,389,747	39,412,139
RA	6,144,442	5,757,155	5,394,837	4,767,503	4,332,979	4,769,385	6,324,335	6,357,536	5,431,655	3,915,442	4,138,514	5,431,220

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	305,810,370	311,589,001	279,401,072	237,808,621	226,046,546	313,573,535	409,102,731	417,643,554	410,637,538	290,746,276	236,869,905	272,203,333
RH	49,481,229	57,777,399	49,795,964	29,806,310	24,275,726	23,097,538	25,213,257	24,971,355	25,110,295	20,466,768	24,167,328	40,704,520
RA	6,227,149	6,666,469	5,966,828	4,352,579	3,977,492	4,642,559	5,593,269	5,681,665	5,605,163	4,371,679	4,119,122	5,468,171

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	332,220,840	317,733,471	266,286,180	240,315,495	234,577,679	301,781,386	416,207,311	415,989,158	381,687,125	250,235,759	218,888,307	271,921,217
RH	52,069,576	63,815,522	46,318,712	35,299,892	25,742,038	21,736,193	25,584,030	25,171,299	24,462,532	21,210,556	25,260,377	41,943,427
RA	6,718,736	7,142,784	5,712,126	4,859,384	4,278,522	4,588,176	5,822,658	5,751,076	5,436,655	4,122,434	4,091,736	5,643,409

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	319,417,899	279,185,574	243,693,580	235,056,313	217,574,859	262,387,447	340,639,323	398,843,701	359,724,372	244,524,340	217,072,867	258,917,183
RH	54,872,740	49,484,621	39,278,154	34,253,782	23,917,603	20,830,316	22,748,566	25,253,794	24,084,116	19,988,112	25,085,743	39,426,325
RA	6,926,404	6,232,211	5,168,715	4,812,340	4,024,582	4,227,239	5,042,957	5,662,071	5,385,128	4,177,298	4,312,993	5,822,098

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	327,138,493	274,047,792	234,247,580	230,084,122	228,474,436
RH	54,374,293	50,863,245	37,800,540	32,559,363	22,105,712
RA	7,549,906	6,916,126	5,489,875	5,173,826	4,393,218

[1] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2c - Page 3
Total Residential Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	$30,836,635	$25,286,529	$22,084,340	$21,967,682	$20,042,660	$28,727,074	$36,301,041	$36,437,057	$35,980,469	$25,454,212	$21,208,379	$23,970,259
RH	$5,059,181	$4,017,009	$3,029,987	$3,000,755	$1,828,532	$1,572,702	$1,752,131	$1,763,573	$1,768,717	$1,442,449	$2,082,403	$3,220,240
RA	$609,083	$474,790	$403,700	$404,430	$313,245	$377,594	$453,190	$453,365	$452,040	$350,740	$345,966	$444,646

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	$26,189,897	$25,851,805	$22,970,474	$19,527,896	$18,614,860	$23,244,031	$33,119,053	$37,089,294	$30,103,418	$24,086,392	$19,058,452	$22,937,142
RH	$3,485,324	$4,187,393	$3,472,644	$2,286,773	$1,429,001	$1,368,677	$1,661,507	$1,786,248	$1,565,831	$1,401,728	$1,872,532	$3,050,220
RA	$481,522	$516,233	$450,964	$348,903	$287,492	$326,311	$427,684	$476,695	$402,917	$339,037	$326,158	$434,811

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	$24,514,216	$21,798,358	$20,560,132	$20,563,092	$19,446,684	$25,286,019	$37,000,305	$38,774,463	$31,568,979	$20,026,220	$19,097,619	$22,601,853
RH	$3,278,382	$3,218,593	$2,905,610	$2,201,934	$1,886,656	$1,571,930	$1,824,793	$1,826,560	$1,613,720	$1,310,299	$1,689,332	$2,607,688
RA	$457,492	$427,754	$401,186	$356,744	$324,892	$357,050	$471,569	$470,722	$399,428	$286,916	$303,138	$395,542

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	$24,210,928	$24,790,364	$22,237,073	$19,064,984	$18,121,392	$25,304,215	$33,613,377	$34,395,684	$33,865,100	$24,131,336	$19,814,497	$23,194,278
RH	$3,260,572	$3,808,006	$3,275,889	$1,970,385	$1,606,559	$1,559,240	$1,754,202	$1,737,669	$1,749,614	$1,430,389	$1,687,866	$2,904,508
RA	$450,621	$480,891	$432,251	$317,722	$291,463	$348,822	$430,184	$440,538	$436,270	$337,802	$318,786	$428,143

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	$29,543,271	$28,330,174	$23,883,706	$21,608,364	$21,182,226	$28,584,269	$42,405,549	$42,768,101	$39,430,603	$26,135,603	$23,209,978	$30,278,698
RH	$3,899,176	$4,793,338	$3,475,475	$2,655,356	$1,963,382	$1,754,440	$2,234,284	$2,217,571	$2,159,422	$1,878,288	$2,238,623	$3,951,405
RA	$550,583	$583,632	$474,756	$398,604	$353,451	$404,070	$553,706	$548,120	$525,667	$395,763	$395,331	$572,388

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	$38,719,281	$34,065,231	$29,837,720	$28,732,527	$26,860,284	$31,934,347	$41,216,159	$48,510,834	$43,200,578	$29,615,195	$26,405,230	$30,628,647
RH	$5,773,350	$5,210,054	$4,136,594	$3,605,423	$2,550,046	$2,239,501	$2,468,124	$2,753,855	$2,603,228	$2,168,711	$2,699,598	$4,098,401
RA	$772,206	$697,186	$584,166	$544,750	$459,962	$484,833	$580,186	$653,455	$614,911	$478,575	$492,621	$645,080

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	$36,856,409	$30,864,246	$26,499,758	$26,014,399	$25,809,290
RH	$5,307,359	$4,962,672	$3,697,182	$3,187,030	$2,187,001
RA	$780,656	$730,310	$574,566	$540,551	$461,463

[1] Residential shopping transmission and generation charges reflect both rate ready and bill ready EGSs. Rate ready is a form of consolidated billing where the Company calculates the charges to be presented on the supplier portion of the bill based upon the rates supplied by the EGS. Bill ready is also a form of consolidated billing where the Company provides a customer's usage to its EGS, and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill. **The Company does not have visibility in the EGS bill ready charges**, which could include prior period adjustments, non-basic service charges, etc.

[2] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2d - Page 4
Residential Shopping Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	154,170	153,838	153,717	154,030	154,242	154,255	155,021	155,173	154,206	154,489	154,750	154,081
RH	5,722	5,658	5,634	5,737	5,820	5,832	5,919	5,931	5,910	6,023	6,180	6,222
RA	1,313	1,296	1,281	1,280	1,279	1,278	1,290	1,298	1,296	1,301	1,300	1,301

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	153,700	153,576	153,225	151,944	150,545	149,494	149,205	148,385	146,679	145,566	144,543	144,392
RH	6,230	6,186	6,170	5,991	5,855	5,762	5,732	5,717	5,626	5,616	5,618	5,647
RA	1,295	1,268	1,252	1,239	1,223	1,193	1,195	1,204	1,205	1,207	1,204	1,189

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	144,476	144,558	144,317	143,624	142,680	141,627	140,816	139,157	137,722	136,470	135,531	134,345
RH	5,727	5,654	5,741	5,627	5,544	5,460	5,430	5,346	5,304	5,289	5,285	5,244
RA	1,187	1,191	1,192	1,192	1,185	1,174	1,164	1,146	1,140	1,132	1,128	1,109

	Jan-21 [3]	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	120,756	132,511	131,955	131,050	130,075	129,117	128,103	126,644	125,451	124,287	123,645	122,086
RH	4,755	5,175	5,183	5,066	5,029	4,994	4,973	4,951	4,929	4,950	4,964	4,985
RA	977	1,100	1,085	1,078	1,065	1,049	1,035	1,034	1,036	1,033	1,041	1,029

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	122,165	121,724	120,561	119,670	118,905	117,139	116,647	114,938	112,067	110,165	108,742	107,910
RH	5,040	5,054	5,078	4,870	4,865	4,788	4,724	4,621	4,382	4,314	4,334	4,302
RA	1,022	1,015	995	994	1,001	986	979	977	951	934	926	900

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	107,865	108,175	108,675	105,267	109,239	109,265	104,364	110,412	110,296	110,138	110,108	110,047
RH	4,333	4,360	4,368	4,238	4,372	4,438	4,154	4,491	4,525	4,691	4,712	4,733
RA	902	907	914	893	915	931	892	935	925	937	948	961

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	110,134	109,891	109,828	109,929	109,952
RH	4,758	4,890	4,897	4,903	4,943
RA	971	968	971	979	978

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.
[3] In January 2021, the Company updated its billing system, which impacted the reporting of customers counts in the month of conversion.
[4] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2e - Page 5
Residential Shopping kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	120,256,374	97,000,365	84,423,961	85,365,678	76,087,476	110,636,529	139,483,363	139,374,751	137,984,024	97,726,940	83,223,351	93,953,998
RH	12,681,090	9,679,276	7,131,365	7,230,471	4,484,958	3,961,108	4,467,213	4,486,445	4,521,302	3,682,228	5,494,858	8,662,092
RA	2,209,089	1,564,745	1,403,209	1,418,409	1,121,666	1,372,071	1,644,929	1,618,432	1,599,664	1,347,471	1,226,758	1,548,261
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	101,848,430	98,809,568	86,950,954	73,713,581	70,032,212	86,958,386	125,115,231	139,607,316	111,899,215	88,637,964	70,072,026	84,594,107
RH	9,096,810	11,187,550	8,792,925	5,571,583	3,537,485	3,326,368	4,010,533	4,262,254	3,704,936	3,256,495	4,299,013	7,069,948
RA	1,672,153	1,707,782	1,479,209	1,155,350	943,702	1,068,854	1,416,524	1,560,207	1,288,246	1,054,490	1,012,197	1,342,770
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	92,593,689	81,316,435	76,355,241	76,644,891	72,381,180	93,539,484	137,174,626	142,743,490	114,288,297	71,748,963	68,215,832	80,667,536
RH	7,865,635	7,588,422	6,905,538	5,206,908	4,418,009	3,720,905	4,281,435	4,278,193	3,694,617	2,963,703	3,821,064	5,893,963
RA	1,466,097	1,362,537	1,278,578	1,166,946	1,071,353	1,211,688	1,556,381	1,559,501	1,275,317	916,025	948,124	1,272,705
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	85,712,513	86,549,783	76,514,268	65,119,832	61,396,873	83,927,893	108,896,882	109,666,334	106,681,381	74,440,200	60,756,918	69,072,638
RH	7,301,195	8,393,266	7,015,222	4,230,490	3,358,496	3,218,114	3,478,124	3,343,949	3,356,883	2,711,391	3,172,838	5,310,805
RA	1,424,682	1,443,949	1,255,315	965,618	884,489	1,028,807	1,229,149	1,234,354	1,167,691	878,128	805,795	1,038,099
	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	84,965,209	78,857,162	65,434,166	58,979,840	57,164,835	72,286,306	99,470,801	97,226,697	86,348,685	56,116,888	48,822,595	60,293,135
RH	6,789,540	8,178,689	5,866,141	4,282,014	3,254,491	2,735,264	3,149,888	3,053,567	2,820,312	2,367,724	2,786,736	4,541,519
RA	1,321,280	1,213,425	1,054,779	916,416	801,654	835,701	1,112,624	1,077,515	995,402	720,086	692,447	918,654
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	70,977,819	61,372,810	54,091,309	50,959,466	48,500,065	58,436,449	74,300,080	90,406,932	81,182,438	55,342,664	49,880,273	59,661,135
RH	5,938,751	5,242,026	4,142,560	3,566,097	2,629,909	2,370,110	2,547,814	2,939,171	2,799,777	2,350,064	2,934,848	4,588,968
RA	1,132,008	996,560	863,611	797,581	688,991	741,944	883,774	1,005,657	914,785	689,419	721,049	976,775
	Jan-24	Feb-24	Mar-24	Apr-24	May-24							
RS	75,472,801	62,390,576	53,449,802	52,684,531	52,036,185							
RH	6,298,685	5,794,197	4,332,399	3,794,908	2,623,895							
RA	1,264,103	1,127,200	932,978	873,085	758,773							

[1] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2f - Page 6
Residential Shopping Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	$11,995,303	$9,782,152	$8,538,222	$8,358,834	$7,932,944	$11,282,966	$14,188,658	$14,118,080	$13,815,714	$10,033,122	$8,576,046	$9,709,986
RH	$1,163,891	$898,314	$660,976	$656,398	$423,682	$376,024	$423,289	$423,575	$420,971	$352,097	$524,112	$819,780
RA	$198,742	$147,924	$130,525	$128,881	$106,592	$133,295	$160,838	$157,942	$154,587	$125,527	$118,280	$146,873

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	$10,668,893	$10,450,592	$9,293,191	$7,902,310	$7,491,791	$9,283,433	$13,123,365	$14,511,617	$11,529,551	$9,148,276	$7,341,658	$8,879,140
RH	$882,675	$1,072,398	$871,281	$548,545	$349,568	$330,539	$395,311	$413,861	$360,115	$315,983	$416,344	$685,516
RA	$158,993	$163,285	$141,608	$111,327	$93,427	$108,622	$143,656	$156,229	$127,419	$102,709	$97,234	$126,847

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	$9,602,968	$8,480,464	$8,014,003	$8,027,527	$7,561,715	$9,662,290	$13,869,580	$14,297,811	$11,363,369	$7,225,912	$6,922,152	$8,183,868
RH	$749,383	$725,640	$656,073	$497,775	$422,808	$357,994	$407,702	$403,257	$349,381	$281,525	$358,252	$545,091
RA	$136,759	$126,547	$119,058	$109,958	$101,340	$115,575	$153,219	$150,395	$121,949	$86,669	$90,137	$118,632

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	$8,660,105	$8,890,883	$7,902,713	$6,864,180	$6,488,554	$8,764,053	$11,375,004	$11,569,375	$11,336,826	$8,099,603	$6,761,959	$7,778,816
RH	$675,749	$781,801	$654,215	$403,100	$324,753	$315,337	$345,718	$335,231	$339,040	$278,955	$326,438	$546,386
RA	$132,052	$134,437	$119,699	$93,025	$86,266	$103,431	$122,830	$127,158	$123,496	$91,621	$85,310	$108,221

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	$9,839,853	$9,267,192	$7,855,854	$7,138,138	$7,024,702	$8,967,313	$12,789,494	$12,931,221	$11,786,814	$7,966,973	$7,293,503	$9,108,837
RH	$710,768	$868,945	$622,104	$467,595	$377,220	$330,275	$391,560	$398,403	$379,128	$328,364	$389,999	$633,348
RA	$140,184	$132,096	$120,114	$98,373	$88,718	$99,686	$136,258	$133,501	$131,662	$93,930	$93,796	$123,268

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	$10,818,590	$9,552,939	$8,500,551	$8,018,715	$7,833,115	$8,832,584	$10,733,976	$13,206,241	$11,319,300	$7,963,983	$7,271,475	$8,442,757
RH	$832,035	$732,317	$581,544	$499,619	$395,533	$353,435	$366,959	$432,792	$389,103	$333,982	$395,450	$581,229
RA	$149,496	$133,582	$120,741	$112,536	$100,871	$106,736	$123,037	$141,642	$123,509	$95,250	$97,843	$127,281

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	$10,507,710	$8,743,042	$7,602,909	$7,472,777	$7,367,444
RH	$775,867	$721,304	$547,614	$480,049	$353,563
RA	$151,130	$151,472	$118,951	$110,531	$98,050

[1] Residential shopping transmission and generation charges reflect both rate ready and bill ready EGSs. Rate ready is a form of consolidated billing where the Company calculates the charges to be presented on the supplier portion of the bill based upon the rates supplied by the EGS. Bill ready is also a form of consolidated billing where the Company provides a customer's usage to its EGS, and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill. The Company does not have visibility in the EGS bill ready charges, which could include prior period adjustments, non-basic service charges, etc.

[2] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2g - Page 7
Residential POLR Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	343,332	343,801	344,449	344,469	344,633	343,211	344,271	346,660	344,279	344,846	345,083	344,973
RH	28,634	29,089	29,320	29,452	29,565	29,354	29,486	29,911	29,678	29,839	29,805	29,716
RA	3,669	3,766	3,885	3,895	3,952	3,954	4,115	4,185	4,239	4,237	4,266	4,281

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	345,899	346,618	347,229	347,950	348,761	349,387	349,903	353,230	352,628	353,198	353,340	354,323
RH	29,906	30,110	30,351	30,644	30,662	30,796	30,920	31,643	31,339	31,320	31,471	31,721
RA	4,316	4,339	4,375	4,437	4,458	4,465	4,502	4,575	4,526	4,507	4,476	4,481

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	354,488	354,628	355,086	355,474	355,093	356,574	358,965	360,760	361,942	362,525	363,511	364,692
RH	31,915	31,912	32,014	32,069	32,051	32,332	32,513	32,651	32,673	32,658	32,688	32,866
RA	4,497	4,480	4,482	4,482	4,490	4,525	4,553	4,582	4,560	4,547	4,545	4,612

	Jan-21 [2]	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	334,215	365,642	369,484	370,034	370,737	372,776	373,787	376,263	375,151	375,705	377,685	378,472
RH	30,335	33,067	33,715	33,724	33,765	34,125	34,324	34,934	34,685	34,511	34,623	34,643
RA	4,271	4,650	4,709	4,694	4,714	4,768	4,751	4,816	4,774	4,737	4,768	4,776

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	379,782	381,172	381,776	381,720	383,033	384,956	384,863	389,969	390,249	391,583	392,769	393,127
RH	34,991	35,036	35,238	35,297	35,557	35,712	35,745	36,392	36,331	36,304	36,421	36,435
RA	4,787	4,842	4,840	4,836	4,865	4,905	4,964	5,015	5,009	5,060	5,104	5,159

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	393,752	394,392	393,702	392,745	392,452	392,733	391,251	392,731	389,789	389,797	389,358	388,672
RH	36,652	37,045	37,115	37,175	37,360	37,694	38,082	38,460	37,927	38,032	38,285	38,260
RA	5,183	5,198	5,208	5,199	5,275	5,254	5,318	5,668	5,796	5,864	5,918	5,866

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	389,936	389,427	389,479	389,948	389,685
RH	38,816	38,961	39,138	39,445	39,457
RA	5,913	5,930	5,950	5,960	6,028

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] In January 2021, the Company updated its billing system, which impacted the reporting of customers counts in the month of conversion.
[3] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2h - Page 8
Residential POLR kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	240,775,317	198,123,777	173,099,834	173,899,669	154,741,615	221,397,354	277,761,919	280,324,725	278,384,701	197,652,301	168,125,279	190,500,707
RH	54,134,334	43,341,516	32,921,758	32,579,101	19,523,355	16,762,663	18,861,740	19,021,711	19,133,020	15,858,022	23,628,693	36,545,541
RA	5,336,513	4,250,316	3,552,257	3,583,157	2,686,966	3,199,429	3,870,960	3,911,994	3,938,890	3,048,404	3,205,888	4,208,321

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	208,541,980	206,951,051	183,790,669	156,220,079	149,466,987	187,874,281	269,693,179	304,523,546	250,521,039	201,482,474	158,034,182	192,605,194
RH	39,886,650	47,741,644	39,869,945	26,642,442	16,545,200	15,833,111	19,156,933	20,762,079	18,240,794	16,425,562	22,030,148	36,415,137
RA	4,586,562	5,018,728	4,399,574	3,378,742	2,759,943	3,071,607	3,961,705	4,469,967	3,842,750	3,296,397	3,193,117	4,364,394

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	209,960,037	187,607,571	176,735,042	176,582,612	167,409,584	219,970,860	325,392,999	344,324,639	284,243,279	180,063,248	171,274,020	203,313,140
RH	40,153,404	39,602,251	35,736,857	27,070,403	23,242,964	19,417,303	22,959,854	23,063,081	20,486,369	16,670,258	21,568,683	33,518,176
RA	4,678,345	4,394,618	4,116,259	3,600,557	3,261,626	3,557,698	4,767,954	4,798,034	4,156,338	2,999,417	3,190,391	4,158,515

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	220,097,856	225,039,218	202,886,804	172,688,790	164,649,673	229,645,642	300,205,850	307,977,220	303,956,157	216,306,076	176,112,987	203,130,695
RH	42,180,033	49,384,133	42,780,742	25,575,819	20,917,230	19,879,424	21,735,133	21,627,406	21,753,412	17,755,377	20,994,490	35,393,715
RA	4,802,467	5,222,520	4,711,513	3,386,961	3,093,003	3,613,752	4,364,120	4,447,311	4,437,472	3,493,552	3,313,327	4,430,072

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	247,255,631	238,876,309	200,852,014	181,335,655	177,412,843	229,495,080	316,736,511	318,762,461	295,338,440	194,118,871	170,065,712	211,628,082
RH	45,280,036	55,636,833	40,452,571	31,017,878	22,487,547	19,000,929	22,434,142	22,117,732	21,642,220	18,842,833	22,473,640	37,401,908
RA	5,397,456	5,929,360	4,657,347	3,942,967	3,476,868	3,752,475	4,710,034	4,673,562	4,441,253	3,402,348	3,399,289	4,724,755

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	248,440,080	217,812,764	189,602,271	184,096,846	169,074,794	203,950,998	266,339,244	308,436,769	278,541,934	189,181,676	167,192,594	199,256,049
RH	48,933,989	44,242,596	35,135,595	30,687,685	21,287,694	18,460,205	20,200,751	22,314,623	21,284,339	17,638,048	22,150,896	34,837,357
RA	5,794,396	5,235,651	4,305,104	4,014,759	3,335,591	3,485,295	4,159,183	4,656,415	4,470,343	3,487,879	3,591,944	4,845,323

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	251,665,692	211,657,216	180,797,777	177,399,591	176,438,251
RH	48,075,608	45,069,048	33,468,141	28,764,455	19,481,817
RA	6,285,803	5,788,925	4,556,897	4,300,741	3,634,445

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2i - Page 9
Residential POLR Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS	$18,841,332	$15,504,376	$13,546,118	$13,608,848	$12,109,716	$17,444,108	$22,112,383	$22,318,977	$22,164,755	$15,421,090	$12,632,333	$14,260,273
RH	$3,895,290	$3,118,696	$2,369,012	$2,344,357	$1,404,850	$1,196,679	$1,328,841	$1,339,997	$1,347,745	$1,090,353	$1,558,291	$2,400,460
RA	$410,341	$326,866	$273,174	$275,549	$206,653	$244,299	$292,352	$295,423	$297,453	$225,213	$227,686	$297,772

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS	$15,521,003	$15,401,213	$13,677,283	$11,625,586	$11,123,069	$13,960,598	$19,995,688	$22,577,677	$18,573,867	$14,938,116	$11,716,793	$14,058,002
RH	$2,602,649	$3,114,995	$2,601,363	$1,738,228	$1,079,433	$1,038,138	$1,266,197	$1,372,386	$1,205,716	$1,085,746	$1,456,188	$2,364,704
RA	$322,529	$352,948	$309,356	$237,576	$194,065	$217,690	$284,028	$320,467	$275,498	$236,328	$228,924	$307,964

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS	$14,911,249	$13,317,894	$12,546,129	$12,535,566	$11,884,969	$15,623,729	$23,130,724	$24,476,652	$20,205,610	$12,800,308	$12,175,467	$14,417,986
RH	$2,528,999	$2,492,953	$2,249,537	$1,704,159	$1,463,848	$1,213,936	$1,417,091	$1,423,303	$1,264,340	$1,028,774	$1,331,079	$2,062,597
RA	$320,734	$301,207	$282,129	$246,786	$223,552	$241,475	$318,350	$320,327	$277,480	$200,247	$213,000	$276,909

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS	$15,550,823	$15,899,481	$14,334,360	$12,200,804	$11,632,838	$16,540,163	$22,238,373	$22,826,309	$22,528,274	$16,031,733	$13,052,538	$15,415,462
RH	$2,584,823	$3,026,205	$2,621,674	$1,567,286	$1,281,805	$1,243,903	$1,408,484	$1,402,438	$1,410,574	$1,151,434	$1,361,428	$2,358,122
RA	$318,569	$346,454	$312,553	$224,697	$205,198	$245,391	$307,355	$313,381	$312,775	$246,181	$233,477	$319,922

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS	$19,703,418	$19,062,982	$16,027,853	$14,470,226	$14,157,524	$19,616,957	$29,616,055	$29,836,881	$27,643,789	$18,168,630	$15,916,475	$21,169,862
RH	$3,188,407	$3,924,392	$2,853,370	$2,187,761	$1,586,162	$1,424,165	$1,842,724	$1,819,168	$1,780,293	$1,549,924	$1,848,625	$3,318,056
RA	$410,399	$451,536	$354,641	$300,230	$264,733	$304,384	$417,448	$414,619	$394,005	$301,833	$301,534	$449,120

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS	$27,900,691	$24,512,292	$21,337,169	$20,713,811	$19,027,169	$23,101,764	$30,482,183	$35,304,593	$31,881,278	$21,651,212	$19,133,755	$22,185,890
RH	$4,941,315	$4,477,737	$3,555,051	$3,105,804	$2,154,513	$1,886,066	$2,101,165	$2,321,063	$2,214,124	$1,834,730	$2,304,148	$3,517,173
RA	$622,710	$563,605	$463,425	$432,214	$359,091	$378,097	$457,149	$511,813	$491,402	$383,325	$394,778	$517,799

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS	$26,348,699	$22,121,204	$18,896,849	$18,541,621	$18,441,846
RH	$4,531,492	$4,241,369	$3,149,569	$2,706,981	$1,833,437
RA	$629,526	$578,839	$455,614	$430,020	$363,413

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2j - Page 10
Total Residential CLI Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS CLI	43,948	44,073	44,314	44,697	44,973	44,727	44,437	44,427	44,213	44,433	44,420	44,294
RH CLI	5,295	5,362	5,408	5,418	5,491	5,448	5,356	5,352	5,289	5,296	5,298	5,309
RA CLI	204	205	208	207	208	210	210	207	209	206	206	208

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS CLI	44,296	44,244	44,309	44,615	44,581	44,017	42,937	42,775	42,246	42,034	41,950	41,888
RH CLI	5,368	5,416	5,464	5,544	5,517	5,473	5,402	5,413	5,364	5,340	5,340	5,378
RA CLI	209	214	215	220	214	209	206	206	197	202	200	202

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS CLI	41,878	41,871	41,898	41,945	42,058	42,089	42,185	42,061	42,348	42,277	42,438	42,783
RH CLI	5,455	5,493	5,525	5,577	5,583	5,598	5,590	5,551	5,557	5,529	5,529	5,635
RA CLI	199	199	204	203	203	205	204	206	203	201	200	204

	Jan-21 [3]	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS CLI	32,761	35,524	36,199	36,978	37,427	37,748	37,879	37,864	38,143	38,051	38,347	38,130
RH CLI	4,587	4,819	4,970	5,046	5,103	5,128	5,154	5,118	5,198	5,198	5,241	5,284
RA CLI	138	162	172	174	175	177	173	175	177	176	179	176

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS CLI	38,521	38,906	39,321	39,741	40,221	40,575	40,560	40,744	40,558	40,734	40,951	40,987
RH CLI	5,375	5,475	5,621	5,671	5,710	5,719	5,664	5,638	5,541	5,501	5,492	5,542
RA CLI	187	190	191	194	202	205	200	204	195	194	197	210

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS CLI	41,195	41,523	41,874	41,957	42,485	42,513	42,306	41,413	41,346	41,581	41,758	41,752
RH CLI	5,601	5,709	5,783	5,791	5,870	5,891	5,934	5,686	5,658	5,634	5,668	5,724
RA CLI	219	229	238	245	247	250	256	251	254	263	275	285

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS CLI	41,999	42,106	41,921	41,953	41,913
RH CLI	5,867	5,900	5,926	5,947	5,963
RA CLI	291	301	300	304	311

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

[3] In January 2021, the Company updated its billing system, which impacted the the reporting of customer counts

[4] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2k - Page 11
Total Residential CLI kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS CLI	37,267,165	31,345,724	27,399,888	27,791,005	23,676,952	30,082,164	36,916,211	38,184,499	37,303,629	27,992,961	26,072,288	30,172,322
RH CLI	11,702,880	9,289,923	7,387,252	7,388,974	4,334,370	3,170,265	3,479,514	3,433,057	3,388,309	2,969,089	5,157,280	8,043,370
RA CLI	393,858	325,861	264,627	267,735	189,608	191,557	226,719	220,611	215,712	169,662	205,127	279,013
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS CLI	32,663,427	32,814,988	29,386,724	24,810,449	22,122,664	25,465,533	33,949,486	38,370,235	31,788,551	26,223,624	22,645,226	28,000,064
RH CLI	8,837,122	10,237,480	8,766,757	6,015,175	3,512,021	2,969,452	3,393,810	3,605,612	3,132,326	2,947,958	4,628,614	7,612,579
RA CLI	309,555	346,741	291,858	212,234	156,559	158,316	203,926	221,742	186,246	163,689	175,308	246,708
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS CLI	30,211,642	27,409,057	25,870,653	24,970,439	23,460,190	27,969,580	39,595,510	42,314,515	36,005,673	24,320,800	23,809,271	28,668,617
RH CLI	8,387,744	8,223,122	7,505,287	5,869,119	5,001,931	3,653,317	3,976,710	3,915,863	3,514,609	3,125,107	4,421,321	7,001,166
RA CLI	269,919	247,283	233,979	197,830	181,469	177,642	235,783	241,318	206,717	148,447	174,652	242,450
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS CLI	26,041,413	26,778,728	24,700,527	20,986,665	19,780,171	25,890,619	32,640,089	33,567,994	33,550,574	24,581,350	21,206,030	25,259,129
RH CLI	7,787,307	8,622,018	7,654,442	4,724,654	3,888,723	3,332,320	3,368,635	3,303,637	3,359,913	2,848,740	3,884,577	6,774,345
RA CLI	221,998	241,334	227,131	161,476	145,354	157,190	182,117	184,770	186,645	146,381	149,424	209,455
	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS CLI	29,576,330	30,192,870	25,665,545	23,056,099	21,967,298	26,280,604	35,223,354	36,338,226	33,639,249	23,794,022	21,550,680	26,922,503
RH CLI	8,443,228	10,415,587	8,047,376	6,306,515	4,532,836	3,307,655	3,684,887	3,617,600	3,446,367	3,331,366	4,268,057	7,193,996
RA CLI	263,853	314,688	246,777	203,852	178,787	174,399	222,046	226,505	204,549	160,227	167,106	250,624
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS CLI	31,658,173	28,443,292	25,072,027	24,241,917	21,977,568	24,397,173	30,797,840	35,490,998	32,205,995	23,199,268	21,647,697	26,271,054
RH CLI	9,225,422	8,636,866	7,054,752	6,138,086	4,281,062	3,278,979	3,242,455	3,680,008	3,373,658	2,988,912	4,187,141	6,721,181
RA CLI	331,072	296,414	257,554	247,358	188,601	189,337	202,124	249,827	226,397	186,000	207,182	300,278
	Jan-24	Feb-24	Mar-24	Apr-24	May-24							
RS CLI	34,043,092	28,302,581	24,102,447	23,338,073	21,829,423							
RH CLI	9,629,539	8,601,011	6,629,148	5,737,228	3,631,118							
RA CLI	428,476	373,305	305,041	285,023	226,702							

[1] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2l - Page 12
Residential CLI Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS CLI	$2,923,364	$2,457,580	$2,146,016	$2,164,551	$1,853,011	$2,367,975	$2,933,890	$3,040,512	$2,974,377	$2,194,095	$1,979,055	$2,291,069
RH CLI	$842,693	$668,228	$528,839	$528,533	$311,518	$224,896	$244,973	$241,286	$238,835	$204,798	$344,139	$536,626
RA CLI	$30,474	$25,070	$20,159	$20,438	$14,338	$14,541	$16,711	$16,618	$16,253	$12,526	$14,579	$19,721

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS CLI	$2,471,853	$2,490,429	$2,228,445	$1,876,393	$1,673,924	$1,917,231	$2,544,784	$2,864,477	$2,372,962	$1,957,709	$1,691,130	$2,066,144
RH CLI	$584,087	$677,620	$580,862	$395,138	$230,131	$196,497	$224,935	$238,899	$207,964	$195,497	$305,630	$495,686
RA CLI	$22,250	$25,041	$20,922	$15,011	$11,169	$11,229	$14,791	$15,881	$13,446	$11,728	$12,692	$17,403

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS CLI	$2,171,004	$1,965,816	$1,858,911	$1,798,725	$1,688,866	$2,011,780	$2,843,776	$3,034,052	$2,582,224	$1,745,161	$1,709,400	$2,053,908
RH CLI	$530,890	$520,025	$475,182	$371,477	$317,849	$230,965	$247,583	$243,925	$218,433	$194,509	$274,784	$434,554
RA CLI	$18,660	$16,867	$15,963	$13,585	$12,577	$12,228	$15,970	$16,304	$13,899	$10,101	$11,737	$16,167

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS CLI	$2,053,191	$1,887,666	$1,738,950	$1,479,524	$1,397,492	$1,860,549	$2,408,890	$2,478,357	$2,480,597	$1,816,231	$1,572,165	$1,921,386
RH CLI	$503,984	$527,200	$465,474	$289,871	$237,740	$208,270	$217,222	$212,770	$217,824	$184,842	$251,763	$452,126
RA CLI	$15,450	$15,999	$14,938	$10,677	$9,629	$10,534	$12,807	$12,565	$13,091	$10,436	$10,751	$15,146

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS CLI	$2,363,194	$2,418,493	$2,058,199	$1,845,449	$1,765,390	$2,237,518	$3,293,317	$3,396,777	$3,143,328	$2,229,166	$2,021,381	$2,688,919
RH CLI	$594,008	$738,679	$570,056	$445,037	$320,832	$248,050	$303,124	$297,833	$284,634	$275,267	$351,913	$639,959
RA CLI	$20,247	$24,423	$19,090	$15,791	$13,696	$14,160	$19,916	$20,473	$18,598	$14,426	$14,912	$24,329

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS CLI	$3,555,635	$3,206,567	$2,829,325	$2,723,495	$2,476,573	$2,755,745	$3,514,931	$4,038,359	$3,667,664	$2,646,083	$2,471,229	$2,932,470
RH CLI	$931,107	$874,202	$714,651	$615,973	$431,210	$332,597	$337,466	$379,340	$348,707	$309,767	$432,716	$677,478
RA CLI	$35,016	$32,051	$27,711	$26,464	$20,808	$20,568	$22,202	$27,637	$19,874	$16,040	$23,115	$32,107

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS CLI	$3,566,924	$2,963,954	$2,519,984	$2,422,887	$2,270,182
RH CLI	$905,090	$809,475	$622,385	$534,032	$338,362
RA CLI	$43,058	$37,383	$30,295	$28,392	$22,383

[1] Residential shopping transmission and generation charges reflect both rate ready and bill ready EGSs. Rate ready is a form of consolidated billing where the Company calculates the charges to be presented on the supplier portion of the bill based upon the rates supplied by the EGS. Bill ready is also a form of consolidated billing where the Company provides a customer's usage to its EGS, and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill. The Company does not have visibility in the EGS bill ready charges, which could include prior period adjustments, non-basic service charges, etc.

[2] Residential customers who received dual bills in a given month have been excluded from this response. Dual billing permits an EGS that does not wish to operate in either a rate ready or bill ready environment to render its own bill.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2m - Page 13
Residential Non-CAP CLI Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	13,996	14,134	14,266	14,090	14,243	14,020	13,506	13,214	12,841	12,835	12,803	12,559
RH Non-CAP CLI	1,294	1,344	1,374	1,349	1,367	1,295	1,211	1,219	1,164	1,135	1,137	1,127
RA Non-CAP CLI	69	75	72	70	66	66	65	59	62	59	59	61

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	12,619	12,508	12,495	12,612	12,379	11,993	10,743	10,516	10,036	10,046	10,160	10,431
RH Non-CAP CLI	1,173	1,196	1,229	1,272	1,221	1,171	1,097	1,088	1,035	1,045	1,061	1,123
RA Non-CAP CLI	59	64	64	71	69	64	61	69	57	59	57	59

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	10,704	10,635	10,574	10,336	10,095	9,811	9,776	10,141	10,672	11,237	12,045	13,460
RH Non-CAP CLI	1,177	1,191	1,220	1,220	1,180	1,154	1,158	1,176	1,227	1,282	1,338	1,489
RA Non-CAP CLI	57	57	61	63	63	61	56	60	59	60	65	69

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	5,341	5,299	5,871	6,719	7,154	7,451	7,688	7,608	7,818	7,470	7,500	7,402
RH Non-CAP CLI	874	555	666	743	801	808	840	837	926	913	935	987
RA Non-CAP CLI	31	19	27	31	33	38	36	37	43	40	36	40

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	7,372	7,652	7,797	7,830	8,140	8,499	8,135	7,756	7,061	6,947	7,021	7,553
RH Non-CAP CLI	1,041	1,085	1,160	1,153	1,172	1,202	1,161	1,114	1,021	994	992	1,061
RA Non-CAP CLI	41	39	44	41	45	49	48	53	47	44	50	53

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	7,905	8,353	8,736	8,717	9,477	9,694	9,410	8,417	8,209	8,278	8,481	8,840
RH Non-CAP CLI	1,119	1,219	1,230	1,240	1,287	1,337	1,340	1,130	1,140	1,129	1,145	1,203
RA Non-CAP CLI	59	60	64	64	62	65	62	49	54	61	65	70

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	9,169	9,369	9,060	8,627	8,591
RH Non-CAP CLI	1,314	1,323	1,306	1,241	1,218
RA Non-CAP CLI	69	78	77	63	66

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.
[3] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2n - Page 14
Residential Non-CAP CLI kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	11,911,532	10,004,242	8,740,930	8,612,550	7,286,681	9,298,005	11,117,219	11,094,745	10,617,704	7,827,435	7,242,808	8,335,682
RH Non-CAP CLI	2,802,492	2,306,603	1,878,147	1,791,447	1,021,087	751,756	786,653	768,275	729,200	614,728	1,029,212	1,688,155
RA Non-CAP CLI	143,366	131,584	102,476	97,480	69,665	65,401	75,557	64,985	64,907	51,467	64,869	89,533

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	9,094,276	9,059,147	8,113,992	6,764,609	5,849,469	6,628,193	8,094,817	9,045,943	7,218,684	5,933,356	5,198,023	6,677,110
RH Non-CAP CLI	1,923,474	2,257,052	1,977,250	1,323,016	726,201	586,246	648,693	674,080	565,495	534,981	841,377	1,471,375
RA Non-CAP CLI	92,262	105,714	91,475	72,189	49,006	48,746	59,854	75,233	54,329	44,255	45,517	68,261

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	7,415,773	6,670,786	6,251,062	5,898,051	5,419,884	6,314,981	8,882,803	10,046,077	8,979,285	6,349,221	6,708,619	9,050,574
RH Non-CAP CLI	1,702,022	1,678,399	1,576,311	1,225,404	1,003,744	717,631	799,963	823,584	766,197	690,290	1,035,127	1,790,607
RA Non-CAP CLI	78,205	70,500	69,500	60,389	56,107	57,814	71,676	81,089	67,730	48,479	60,133	82,789

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	4,399,904	4,132,285	4,037,045	3,816,774	3,723,110	4,985,715	6,410,826	6,397,828	6,550,630	4,571,362	3,899,095	4,791,630
RH Non-CAP CLI	1,385,232	980,667	1,027,973	677,976	608,268	515,643	534,410	509,924	569,489	462,536	613,385	1,107,262
RA Non-CAP CLI	47,082	27,763	35,424	29,314	29,137	34,481	39,835	40,826	46,540	37,008	29,427	46,110

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	5,493,791	5,774,124	4,892,074	4,338,354	4,199,511	5,130,154	6,482,684	6,267,045	5,306,913	3,707,970	3,390,691	4,657,733
RH Non-CAP CLI	1,414,058	1,800,882	1,433,713	1,104,829	766,726	601,893	658,073	622,288	550,876	503,905	655,183	1,188,407
RA Non-CAP CLI	50,633	62,818	54,956	36,724	33,898	35,596	44,336	46,579	44,858	35,081	41,482	67,747

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	5,761,119	5,379,324	4,953,394	4,769,643	4,655,768	5,204,214	6,441,777	6,865,694	6,109,948	4,377,741	4,244,894	5,526,641
RH Non-CAP CLI	1,636,843	1,617,609	1,267,803	1,148,296	808,277	670,627	673,602	691,643	638,002	554,043	761,823	1,267,174
RA Non-CAP CLI	96,893	69,548	64,082	58,881	33,268	39,298	39,620	42,550	45,611	40,092	43,994	74,105

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	7,434,233	6,279,645	5,213,156	4,739,698	4,310,773
RH Non-CAP CLI	1,948,328	1,767,853	1,331,916	1,061,484	677,667
RA Non-CAP CLI	95,546	81,778	73,193	51,764	41,556

[1] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2o - Page 15
Total Residential Non-CAP CLI Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	$939,236	$787,467	$685,832	$663,701	$570,354	$730,779	$880,082	$883,649	$849,651	$619,687	$564,155	$656,266
RH Non-CAP CLI	$202,235	$165,700	$132,389	$125,736	$73,092	$52,320	$55,256	$53,563	$51,512	$43,309	$71,893	$119,278
RA Non-CAP CLI	$11,210	$10,129	$7,689	$7,345	$5,114	$4,915	$5,295	$4,865	$4,864	$3,819	$4,618	$6,317

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	$717,653	$722,566	$645,371	$533,458	$462,905	$517,486	$627,845	$690,346	$551,328	$453,368	$397,577	$508,867
RH Non-CAP CLI	$132,963	$156,937	$137,881	$88,999	$48,391	$40,184	$43,487	$45,119	$38,292	$35,993	$55,281	$97,154
RA Non-CAP CLI	$6,970	$8,093	$6,832	$5,164	$3,607	$3,457	$4,463	$5,378	$3,988	$3,166	$3,387	$4,843

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	$551,890	$493,626	$466,149	$444,807	$408,222	$473,773	$660,554	$740,219	$661,025	$467,634	$493,783	$662,570
RH Non-CAP CLI	$109,843	$108,034	$101,952	$79,153	$66,163	$47,460	$51,518	$53,089	$48,817	$44,245	$65,802	$113,924
RA Non-CAP CLI	$5,515	$4,751	$4,690	$4,165	$3,984	$4,106	$5,013	$5,607	$4,620	$3,427	$4,092	$5,538

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	$524,126	$287,649	$279,034	$266,437	$263,028	$355,600	$465,768	$464,563	$479,415	$333,133	$289,405	$368,807
RH Non-CAP CLI	$111,642	$58,924	$59,398	$41,888	$36,709	$32,105	$33,582	$31,634	$36,867	$30,097	$39,621	$74,389
RA Non-CAP CLI	$3,848	$1,834	$2,223	$1,911	$1,921	$2,219	$2,794	$2,422	$3,218	$2,729	$2,295	$3,372

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	$443,660	$469,708	$400,293	$351,621	$347,142	$439,042	$607,062	$581,912	$491,252	$349,056	$321,534	$474,132
RH Non-CAP CLI	$98,935	$131,040	$103,541	$78,120	$55,206	$45,895	$54,637	$51,441	$46,453	$42,740	$54,721	$108,013
RA Non-CAP CLI	$4,037	$5,241	$4,482	$3,063	$2,661	$3,033	$4,193	$4,510	$4,430	$3,323	$3,766	$7,081

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	$649,006	$610,490	$564,064	$534,742	$526,977	$582,443	$727,315	$761,634	$680,445	$491,589	$479,137	$616,110
RH Non-CAP CLI	$165,373	$163,762	$129,704	$110,941	$79,719	$66,168	$70,030	$68,673	$64,113	$56,463	$76,374	$126,553
RA Non-CAP CLI	$9,899	$7,622	$6,878	$6,169	$4,083	$4,321	$4,322	$4,869	$5,124	$4,674	$5,175	$7,807

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	$779,616	$662,982	$545,058	$478,358	$438,652
RH Non-CAP CLI	$180,847	$166,394	$123,779	$93,979	$60,360
RA Non-CAP CLI	$9,679	$8,227	$7,107	$5,062	$3,866

[1] Residential shopping transmission and generation charges reflect both rate ready and bill ready EGSs. Rate ready is a form of consolidated billing where the Company calculates the charges to be presented on the supplier portion of the bill based upon the rates supplied by the EGS. Bill ready is also a form of consolidated billing where the Company provides a customer's usage to its EGS, and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill. The Company does not have visibility in the EGS bill ready charges, which could include prior period adjustments, non-basic service charges, etc.
[2] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2p - Page 16
Residential CAP Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS CAP	29,952	29,939	30,048	30,607	30,730	30,707	30,931	31,213	31,372	31,598	31,617	31,735
RH CAP	4,001	4,018	4,034	4,069	4,124	4,153	4,145	4,133	4,125	4,161	4,161	4,182
RA CAP	135	130	136	137	142	144	145	148	147	147	147	147

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS CAP	31,677	31,736	31,814	32,003	32,202	32,024	32,194	32,259	32,210	31,988	31,790	31,457
RH CAP	4,195	4,220	4,235	4,272	4,296	4,302	4,305	4,325	4,329	4,295	4,279	4,255
RA CAP	150	150	151	149	145	145	145	137	140	143	143	143

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS CAP	31,174	31,236	31,324	31,609	31,963	32,278	32,409	31,920	31,676	31,040	30,393	29,323
RH CAP	4,278	4,302	4,305	4,357	4,403	4,444	4,432	4,375	4,330	4,247	4,191	4,146
RA CAP	142	142	143	140	140	144	148	146	144	141	135	135

	Jan-21 [2]	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS CAP	27,420	30,225	30,328	30,259	30,273	30,297	30,191	30,256	30,325	30,581	30,847	30,728
RH CAP	3,713	4,264	4,304	4,303	4,302	4,320	4,314	4,281	4,272	4,285	4,306	4,297
RA CAP	107	143	145	143	142	139	137	138	134	136	143	136

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS CAP	31,149	31,254	31,524	31,911	32,081	32,076	32,425	32,988	33,497	33,787	33,930	33,434
RH CAP	4334	4390	4461	4518	4538	4517	4503	4524	4520	4507	4500	4481
RA CAP	146	151	147	153	157	156	152	151	148	150	147	157

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS CAP	33,290	33,170	33,138	33,240	33,008	32,819	32,896	32,996	33,137	33,303	33,277	32,912
RH CAP	4,482	4,490	4,553	4,551	4,583	4,554	4,594	4,556	4,518	4,505	4,523	4,521
RA CAP	160	169	174	181	185	185	194	202	200	202	210	215

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS CAP	32,830	32,737	32,861	33,326	33,322
RH CAP	4,553	4,577	4,620	4,706	4,745
RA CAP	222	223	223	241	245

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month.
[2] In January 2021, the Company updated its billing system, which impacted the the reporting of customer counts
[3] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2q - Page 17
Residential CAP kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS CAP	25,355,633	21,341,482	18,658,958	19,178,455	16,390,271	20,784,159	25,798,992	27,089,754	26,685,926	20,165,526	18,829,480	21,836,639
RH CAP	8,900,387	6,983,320	5,509,105	5,597,527	3,313,283	2,418,509	2,692,862	2,664,782	2,659,110	2,354,361	4,128,068	6,355,215
RA CAP	250,492	194,277	162,150	170,254	119,943	126,156	151,162	155,626	150,805	118,194	140,259	189,480
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS CAP	23,569,152	23,755,841	21,272,732	18,045,840	16,273,195	18,837,340	25,854,669	29,324,292	24,569,867	20,290,268	17,447,203	21,322,954
RH CAP	6,913,648	7,980,428	6,789,507	4,692,159	2,785,820	2,383,206	2,745,116	2,931,532	2,566,831	2,412,977	3,787,237	6,141,204
RA CAP	217,293	241,026	200,383	140,045	107,552	109,570	144,072	146,509	131,917	119,433	129,790	178,446
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS CAP	22,795,869	20,738,271	19,619,591	19,072,388	18,040,306	21,654,599	30,712,707	32,268,438	27,026,388	17,971,579	17,100,653	19,618,043
RH CAP	6,685,721	6,544,723	5,928,976	4,643,715	3,998,188	2,935,686	3,176,747	3,092,279	2,748,412	2,434,817	3,386,193	5,210,560
RA CAP	191,714	176,784	164,479	137,441	125,362	119,828	164,107	160,228	138,988	99,968	114,519	159,661
	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS CAP	21,641,509	22,646,443	20,663,482	17,169,891	16,057,061	20,904,904	26,229,263	27,170,166	26,999,944	20,009,988	17,306,935	20,467,499
RH CAP	6,402,075	7,641,350	6,626,469	4,046,678	3,280,455	2,816,677	2,834,225	2,793,713	2,790,424	2,386,204	3,271,192	5,667,084
RA CAP	174,917	213,571	191,707	132,162	116,217	122,709	142,282	143,944	140,105	109,372	119,996	163,344
	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS CAP	24,082,539	24,418,746	20,773,470	18,717,746	17,767,787	21,150,450	28,740,670	30,071,181	28,332,336	20,086,052	18,159,989	22,264,770
RH CAP	7,029,170	8,614,705	6,613,664	5,201,686	3,766,111	2,705,762	3,026,813	2,995,312	2,895,491	2,827,461	3,612,874	6,005,589
RA CAP	213,221	251,870	191,821	167,127	144,889	138,803	177,710	179,926	159,691	125,146	125,624	182,876
	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS CAP	25,897,054	23,063,968	20,118,633	19,472,273	17,321,800	19,192,960	24,356,063	28,625,304	26,096,047	18,821,526	17,402,803	20,744,413
RH CAP	7,588,579	7,019,258	5,786,949	4,989,790	3,472,785	2,608,352	2,568,854	2,988,364	2,735,656	2,434,869	3,425,318	5,454,006
RA CAP	234,179	226,866	193,472	188,477	155,333	150,040	162,504	207,277	180,787	145,909	163,187	226,173
	Jan-24	Feb-24	Mar-24	Apr-24	May-24							
RS CAP	26,608,859	22,022,936	18,889,291	18,598,374	17,518,651							
RH CAP	7,681,211	6,833,158	5,297,232	4,675,744	2,953,450							
RA CAP	332,930	291,527	231,848	233,259	185,146							

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2r - Page 18
Residential CAP Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS CAP	$1,984,129	$1,670,114	$1,460,184	$1,500,849	$1,282,657	$1,637,197	$2,053,808	$2,156,863	$2,124,726	$1,574,408	$1,414,900	$1,634,803
RH CAP	$640,457	$502,527	$396,450	$402,797	$238,426	$172,576	$189,717	$187,723	$187,322	$161,489	$272,246	$417,348
RA CAP	$19,263	$14,941	$12,470	$13,093	$9,224	$9,626	$11,417	$11,752	$11,388	$8,707	$9,961	$13,404

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS CAP	$1,754,200	$1,767,862	$1,583,073	$1,342,935	$1,211,019	$1,399,744	$1,916,939	$2,174,132	$1,821,634	$1,504,341	$1,293,553	$1,557,277
RH CAP	$451,125	$520,683	$442,981	$306,139	$181,740	$156,313	$181,448	$193,780	$169,672	$159,504	$250,349	$398,532
RA CAP	$15,280	$16,948	$14,090	$9,847	$7,563	$7,772	$10,328	$10,504	$9,457	$8,563	$9,305	$12,559

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS CAP	$1,619,114	$1,472,190	$1,392,763	$1,353,917	$1,280,644	$1,538,007	$2,183,222	$2,293,833	$1,921,199	$1,277,527	$1,215,617	$1,391,337
RH CAP	$421,047	$411,991	$373,229	$292,324	$251,686	$183,506	$196,065	$190,836	$169,616	$150,264	$208,982	$320,630
RA CAP	$13,145	$12,117	$11,273	$9,420	$8,592	$8,123	$10,958	$10,697	$9,279	$6,674	$7,646	$10,629

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS CAP	$1,529,065	$1,600,017	$1,459,916	$1,213,087	$1,134,464	$1,504,949	$1,943,122	$2,013,794	$2,001,182	$1,483,097	$1,282,761	$1,552,579
RH CAP	$392,342	$468,276	$406,076	$247,983	$201,031	$176,166	$183,640	$181,136	$180,957	$154,745	$212,142	$377,737
RA CAP	$11,602	$14,166	$12,716	$8,766	$7,709	$8,315	$10,013	$10,143	$9,873	$7,707	$8,456	$11,774

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS CAP	$1,919,534	$1,948,786	$1,657,906	$1,493,828	$1,418,248	$1,798,477	$2,686,255	$2,814,866	$2,652,076	$1,880,110	$1,699,847	$2,214,787
RH CAP	$495,074	$607,638	$466,515	$366,916	$265,626	$202,155	$248,487	$246,392	$238,180	$232,527	$297,192	$531,945
RA CAP	$16,210	$19,182	$14,609	$12,728	$11,034	$11,127	$15,723	$15,964	$14,168	$11,103	$11,146	$17,248

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS CAP	$2,906,629	$2,596,076	$2,265,261	$2,188,753	$1,949,596	$2,173,303	$2,787,616	$3,276,726	$2,987,218	$2,154,495	$1,992,092	$2,316,360
RH CAP	$765,734	$710,440	$584,947	$505,032	$351,491	$266,429	$267,436	$310,667	$284,594	$253,304	$356,342	$550,925
RA CAP	$25,116	$24,429	$20,833	$20,295	$16,726	$16,246	$17,880	$22,767	$19,874	$16,040	$17,940	$24,300

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS CAP	$2,787,308	$2,300,972	$1,974,925	$1,944,530	$1,831,530
RH CAP	$724,243	$643,080	$498,606	$440,052	$278,002
RA CAP	$33,380	$29,157	$23,188	$23,329	$18,517

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2s - Page 19
Residential Non-CAP CLI Shopping Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	1,564	1,624	1,736	1,863	1,964	2,034	2,110	2,270	2,328	2,432	2,502	2,496
RH Non-CAP CLI	138	142	158	174	193	186	179	190	191	203	207	208
RA Non-CAP CLI	6	9	7	7	6	6	9	10	11	12	12	12

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	2,531	2,573	2,589	2,603	2,477	2,273	2,007	1,916	1,712	1,630	1,593	1,613
RH Non-CAP CLI	212	222	236	232	195	181	163	156	148	143	136	147
RA Non-CAP CLI	13	14	12	11	10	9	9	8	5	5	4	4

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	1,629	1,640	1,654	1,673	1,657	1,597	1,643	1,563	1,608	1,555	1,501	1,533
RH Non-CAP CLI	152	152	160	167	163	159	163	159	161	157	150	154
RA Non-CAP CLI	5	3	4	7	8	8	7	6	5	5	7	7

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	1,048	181	278	362	405	416	423	428	535	566	628	707
RH Non-CAP CLI	127	24	34	45	48	51	53	52	65	74	80	90
RA Non-CAP CLI	6	-	1	1	2	2	2	2	4	4	5	5

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	758	858	910	957	1,035	1,024	1,021	962	792	762	756	818
RH Non-CAP CLI	99	116	137	130	138	135	129	122	109	107	108	122
RA Non-CAP CLI	8	7	8	7	8	9	8	10	8	8	8	7

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	857	906	957	916	1,051	1,040	970	803	785	801	820	872
RH Non-CAP CLI	121	132	132	135	135	137	129	100	94	93	95	106
RA Non-CAP CLI	6	7	9	8	10	12	10	7	6	6	7	6

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	912	924	818	743	768
RH Non-CAP CLI	112	108	103	101	109
RA Non-CAP CLI	5	6	5	6	6

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

[3] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2t - Page 20
Residential Non-CAP CLI Shopping kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	1,276,708	1,092,757	1,013,708	1,095,692	945,272	1,259,287	1,634,345	1,770,709	1,829,811	1,416,731	1,400,834	1,668,219
RH Non-CAP CLI	263,310	213,582	190,036	208,631	127,246	91,590	103,669	109,624	114,211	101,249	172,484	290,445
RA Non_CAP CLI	20,828	17,068	12,463	12,253	8,847	7,544	12,116	10,539	10,580	9,398	14,008	21,023

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	1,786,004	1,823,272	1,648,838	1,381,284	1,137,369	1,184,408	1,403,159	1,514,487	1,114,451	863,251	766,187	949,776
RH Non-CAP CLI	314,449	391,787	329,353	220,416	102,794	80,819	80,363	85,342	70,313	58,871	82,490	157,594
RA Non_CAP CLI	19,562	22,241	15,142	9,558	6,604	4,478	5,273	6,582	3,793	3,211	3,921	5,333

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	1,030,274	955,663	907,777	890,354	844,326	965,119	1,371,413	1,422,406	1,229,840	799,331	763,136	927,996
RH Non-CAP CLI	179,522	161,822	153,659	142,902	125,520	96,038	101,842	96,734	87,525	75,449	102,037	165,423
RA Non_CAP CLI	5,460	2,374	3,784	6,658	6,802	8,545	10,004	7,868	6,911	4,257	5,754	10,009

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	766,553	131,364	174,615	185,509	190,097	253,664	321,977	322,293	376,218	300,929	297,827	407,482
RH Non-CAP CLI	172,732	36,107	47,773	43,057	35,669	29,998	31,277	30,261	38,036	34,315	48,752	95,081
RA Non_CAP CLI	8,690		933	560	3,486	2,499	2,117	1,936	5,015	3,029	5,896	3,168

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	500,698	572,661	500,224	482,772	483,590	566,982	726,317	691,432	513,968	361,035	332,312	465,223
RH Non-CAP CLI	130,933	179,049	161,872	116,772	88,434	59,539	68,441	61,714	56,590	46,937	58,200	110,212
RA Non_CAP CLI	4,684	5,744	5,923	3,416	3,804	5,077	6,282	8,663	5,287	3,944	3,841	6,628

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	584,057	536,927	497,578	452,960	461,610	486,351	589,813	581,656	513,690	365,352	370,903	503,789
RH Non-CAP CLI	137,334	139,426	101,935	91,339	66,318	58,595	64,311	47,160	43,989	38,409	55,348	95,682
RA Non_CAP CLI	11,213	2,977	5,763	6,627	6,161	6,168	5,172	4,903	3,506	2,315	2,597	3,421

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	655,100	574,824	431,694	370,988	345,396
RH Non-CAP CLI	138,210	111,700	79,920	71,931	49,767
RA Non_CAP CLI	2,964	4,920	3,657	3,031	2,637

[1] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2u - Page 21
Residential Non-CAP CLI Shopping Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	$119,964	$102,431	$95,876	$93,775	$94,168	$117,938	$148,108	$161,555	$167,684	$134,415	$136,560	$167,256
RH Non-CAP CLI	$24,791	$19,868	$17,588	$17,866	$12,052	$8,060	$9,154	$9,876	$10,390	$9,681	$17,298	$29,637
RA Non-CAP CLI	$1,911	$1,477	$791	$880	$519	$508	$720	$771	$788	$731	$1,058	$1,640

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	$186,457	$194,451	$177,105	$147,383	$122,254	$126,252	$147,592	$153,313	$113,952	$88,761	$79,838	$99,234
RH Non-CAP CLI	$31,644	$38,302	$33,944	$21,434	$10,235	$8,219	$8,170	$8,604	$7,037	$6,060	$8,359	$15,767
RA Non-CAP CLI	$1,858	$2,224	$1,642	$1,109	$724	$465	$550	$652	$381	$292	$405	$538

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	$106,961	$98,250	$95,547	$94,544	$89,253	$99,273	$135,662	$137,541	$119,557	$81,002	$77,133	$93,012
RH Non-CAP CLI	$17,534	$16,591	$15,524	$14,176	$12,342	$9,284	$9,606	$9,282	$8,392	$7,348	$9,814	$15,585
RA Non-CAP CLI	$550	$216	$337	$604	$614	$803	$895	$718	$646	$405	$520	$779

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	$78,304	$12,155	$16,234	$18,504	$19,548	$25,117	$30,890	$31,097	$36,984	$31,557	$32,608	$45,078
RH Non-CAP CLI	$16,897	$3,452	$4,207	$3,712	$3,330	$2,774	$2,603	$2,654	$3,958	$4,014	$5,326	$10,310
RA Non-CAP CLI	$824	$0	$80	$48	$228	$166	$143	$131	$457	$334	$637	$367

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	$57,799	$65,962	$59,243	$57,910	$60,515	$70,867	$93,346	$92,401	$69,940	$52,739	$50,116	$70,088
RH Non-CAP CLI	$13,763	$19,890	$18,001	$13,385	$10,166	$8,347	$9,919	$9,237	$8,686	$7,414	$9,196	$16,409
RA Non-CAP CLI	$548	$895	$816	$526	$494	$678	$857	$1,235	$950	$673	$667	$1,199

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	$85,841	$81,340	$78,363	$69,778	$73,808	$72,104	$81,032	$78,018	$65,544	$51,357	$53,108	$68,627
RH Non-CAP CLI	$20,620	$21,152	$16,290	$13,392	$9,613	$8,562	$8,360	$6,841	$5,759	$5,140	$6,665	$11,699
RA Non-CAP CLI	$1,435	$454	$771	$848	$829	$791	$743	$873	$582	$592	$691	$633

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	$87,400	$77,086	$59,072	$50,554	$46,822
RH Non-CAP CLI	$18,320	$14,725	$9,812	$7,491	$6,394
RA Non-CAP CLI	$395	$540	$410	$344	$313

[1] Residential shopping transmission and generation charges reflect both rate ready and bill ready EGSs. Rate ready is a form of consolidated billing where the Company calculates the charges to be presented on the supplier portion of the bill based upon the rates supplied by the EGS. Bill ready is also a form of consolidated billing where the Company provides a customer's usage to its EGS, and the EGS then calculates the customer's charges and sends the line item(s) back to the Company to be presented on the supplier portion of the bill. The Company does not have visibility in the EGS bill ready charges, which could include prior period adjustments, non-basic service charges, etc.
[2] Residential customers who received dual bills in a given month have been excluded from this response. EGSs that participate in dual billing render a separate bill, to which the Company does not have access, for electric supply.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2v - Page 22
Residential Non-CAP CLI POLR Customer Count

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	12,432	12,510	12,530	12,227	12,279	11,986	11,396	10,944	10,513	10,403	10,301	10,063
RH Non-CAP CLI	1,156	1,202	1,216	1,175	1,174	1,109	1,032	1,029	973	932	930	919
RA Non_CAP CLI	63	66	65	63	60	60	56	49	51	47	47	49

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	10,088	9,935	9,906	10,009	9,902	9,720	8,736	8,600	8,324	8,416	8,567	8,818
RH Non-CAP CLI	961	974	993	1,040	1,026	990	934	932	887	902	925	976
RA Non_CAP CLI	46	50	52	60	59	55	52	61	52	54	53	55

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	9,075	8,995	8,920	8,663	8,438	8,214	8,133	8,578	9,064	9,682	10,544	11,927
RH Non-CAP CLI	1,025	1,039	1,060	1,053	1,017	995	995	1,017	1,066	1,125	1,188	1,335
RA Non_CAP CLI	52	54	57	56	55	53	49	54	54	55	58	62

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	4,293	5,118	5,593	6,357	6,749	7,035	7,265	7,180	7,283	6,904	6,872	6,695
RH Non-CAP CLI	747	531	632	698	753	757	787	785	861	839	855	897
RA Non_CAP CLI	25	19	26	30	31	36	34	35	39	36	31	35

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	6,614	6,794	6,887	6,873	7,105	7,475	7,114	6,794	6,269	6,185	6,265	6,735
RH Non-CAP CLI	942	969	1,023	1,023	1,034	1,067	1,032	992	912	887	884	939
RA Non_CAP CLI	33	32	36	34	37	40	40	43	39	36	42	46

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	7,048	7,447	7,779	7,801	8,426	8,654	8,440	7,614	7,424	7,477	7,661	7,968
RH Non-CAP CLI	998	1,087	1,098	1,105	1,152	1,200	1,211	1,030	1,046	1,036	1,050	1,097
RA Non_CAP CLI	53	53	55	56	52	53	52	42	48	55	58	64

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	8,257	8,445	8,242	7,884	7,823
RH Non-CAP CLI	1,202	1,215	1,203	1,140	1,109
RA Non_CAP CLI	64	72	72	57	60

[1] Residential customer counts reflect the number of bills that were generated each month. Based on the number of bill cycles in a given month, the number of generated bills could fluctuate month over month. The number of bills generated also reflect a slight inflation for customers that switched mid-month.

[2] Counts may include accounts in multiple rate classes.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2w - Page 23
Residential Non-CAP CLI POLR kWh

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	10,634,825	8,911,485	7,727,222	7,516,858	6,341,409	8,038,717	9,482,874	9,324,035	8,787,892	6,410,704	5,841,974	6,667,464
RH Non-CAP CLI	2,539,182	2,093,021	1,688,111	1,582,816	893,841	660,166	682,984	658,650	614,989	513,479	856,728	1,397,710
RA Non_CAP CLI	122,538	114,516	90,013	85,227	60,819	57,857	63,441	54,445	54,327	42,069	50,860	68,510

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	7,308,272	7,235,875	6,465,154	5,383,325	4,712,100	5,443,785	6,691,658	7,531,457	6,104,233	5,070,105	4,431,836	5,727,334
RH Non-CAP CLI	1,609,025	1,865,265	1,647,897	1,102,600	623,407	505,426	568,330	588,738	495,181	476,109	758,886	1,313,782
RA Non_CAP CLI	72,700	83,473	76,333	62,630	42,403	44,268	54,581	68,651	50,537	41,045	41,596	62,929

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	6,385,499	5,715,122	5,343,286	5,007,697	4,575,558	5,349,862	7,511,390	8,623,671	7,749,445	5,549,890	5,945,483	8,122,578
RH Non-CAP CLI	1,522,500	1,516,577	1,422,652	1,082,502	878,224	621,593	698,121	726,850	678,672	614,842	933,090	1,625,183
RA Non_CAP CLI	72,746	68,126	65,716	53,731	49,305	49,269	61,671	73,221	60,819	44,222	54,379	72,780

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	3,633,351	4,000,921	3,862,430	3,631,265	3,533,012	4,732,051	6,088,849	6,075,535	6,174,412	4,270,433	3,601,268	4,384,148
RH Non-CAP CLI	1,212,500	944,560	980,200	634,919	572,599	485,645	503,133	479,663	531,453	428,221	564,633	1,012,180
RA Non_CAP CLI	38,391	27,763	34,491	28,754	25,651	31,983	37,718	38,889	41,526	33,979	23,532	42,942

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	4,993,093	5,201,462	4,391,850	3,855,581	3,715,921	4,563,171	5,756,367	5,575,613	4,792,945	3,346,935	3,058,379	4,192,511
RH Non-CAP CLI	1,283,125	1,621,833	1,271,840	988,057	678,292	542,354	589,632	560,573	494,286	456,968	596,983	1,078,195
RA Non_CAP CLI	45,949	57,075	49,032	33,308	30,095	30,519	38,053	37,915	39,570	31,138	37,641	61,119

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	5,177,062	4,842,397	4,455,817	4,316,684	4,194,157	4,717,863	5,851,964	6,284,038	5,596,258	4,012,390	3,873,991	5,022,852
RH Non-CAP CLI	1,499,509	1,478,183	1,165,868	1,056,957	741,959	612,032	609,291	644,484	594,012	515,634	706,475	1,171,492
RA Non_CAP CLI	85,681	66,571	58,319	52,254	27,107	33,130	34,448	37,647	42,104	37,777	41,397	70,684

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	6,779,133	5,704,821	4,781,462	4,368,710	3,965,376
RH Non-CAP CLI	1,810,118	1,656,153	1,251,996	989,553	627,900
RA Non_CAP CLI	92,581	76,858	69,536	48,733	38,918

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment CAUSE-PA to DLC I-2x - Page 24
Residential Non-CAP CLI POLR Transmission & Generation Charges

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
RS Non-CAP CLI	$819,272	$685,035	$589,956	$569,926	$476,186	$612,840	$731,974	$722,094	$681,967	$485,272	$427,595	$489,010
RH Non-CAP CLI	$177,445	$145,832	$114,802	$107,871	$61,040	$44,261	$46,103	$43,688	$41,123	$33,628	$54,595	$89,642
RA Non_CAP CLI	$9,299	$8,652	$6,898	$6,465	$4,595	$4,407	$4,574	$4,094	$4,077	$3,087	$3,560	$4,677

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19
RS Non-CAP CLI	$531,196	$528,115	$468,266	$386,075	$340,652	$391,234	$480,253	$537,033	$437,376	$364,607	$317,739	$409,633
RH Non-CAP CLI	$101,318	$118,634	$103,937	$67,565	$38,156	$31,965	$35,317	$36,515	$31,255	$29,933	$46,922	$81,387
RA Non_CAP CLI	$5,113	$5,869	$5,190	$4,055	$2,883	$2,992	$3,913	$4,725	$3,607	$2,874	$2,982	$4,305

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
RS Non-CAP CLI	$444,929	$395,376	$370,602	$350,263	$318,969	$374,500	$524,892	$602,678	$541,468	$386,631	$416,649	$569,559
RH Non-CAP CLI	$92,309	$91,443	$86,428	$64,977	$53,820	$38,176	$41,912	$43,807	$40,425	$36,897	$55,988	$98,340
RA Non_CAP CLI	$4,965	$4,534	$4,352	$3,561	$3,371	$3,303	$4,117	$4,888	$3,973	$3,022	$3,572	$4,759

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
RS Non-CAP CLI	$445,822	$275,495	$262,800	$247,934	$243,480	$330,483	$434,878	$433,466	$442,431	$301,577	$256,796	$323,729
RH Non-CAP CLI	$94,745	$55,471	$55,191	$38,176	$33,379	$29,331	$30,979	$28,980	$32,909	$26,083	$34,295	$64,079
RA Non_CAP CLI	$3,025	$1,834	$2,143	$1,862	$1,692	$2,053	$2,651	$2,291	$2,761	$2,394	$1,658	$3,005

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
RS Non-CAP CLI	$385,861	$403,746	$341,050	$293,712	$286,627	$368,175	$513,716	$489,511	$421,312	$296,318	$271,417	$404,044
RH Non-CAP CLI	$85,172	$111,151	$85,541	$64,735	$45,040	$37,548	$44,718	$42,205	$37,767	$35,327	$45,526	$91,604
RA Non_CAP CLI	$3,488	$4,347	$3,665	$2,537	$2,168	$2,355	$3,337	$3,275	$3,479	$2,650	$3,100	$5,882

	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
RS Non-CAP CLI	$563,166	$529,150	$485,701	$464,964	$453,168	$510,338	$646,283	$683,616	$614,902	$440,232	$426,029	$547,483
RH Non-CAP CLI	$144,754	$142,610	$113,415	$97,549	$70,106	$57,606	$61,670	$61,832	$58,355	$51,323	$69,709	$114,854
RA Non_CAP CLI	$8,465	$7,168	$6,107	$5,321	$3,253	$3,530	$3,578	$3,996	$4,542	$4,082	$4,484	$7,174

	Jan-24	Feb-24	Mar-24	Apr-24	May-24
RS Non-CAP CLI	$692,216	$585,895	$485,986	$427,803	$391,830
RH Non-CAP CLI	$162,527	$151,670	$113,967	$86,488	$53,966
RA Non_CAP CLI	$9,283	$7,687	$6,697	$4,718	$3,553

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Set I

Witness: Jennifer Neiswonger

CAUSE-PA-I-8

8. Please provide any reports, analyses, or studies conducted by DLC or a DLC consultant or contractor that examine the trends, patterns, or disparities between default service customers and shopping customers, including but not limited to any general reports, analyses, or studies and any reports, analyses, or studies focused on specific retail market programs or policies.

Response:

See OCA-I-8 for the results of an analysis that looked at customer action following the end of their standard offer program (SOP) contract and the resulting amount paid in relation to the price to compare (PTC).

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Set I

Witness: Edwin Schuck

CAUSE-PA-I-14

14. Please describe the policies and procedures DLC has in place regarding enrollment of a shopping customer in its Customer Assistance Program (CAP). Please provide a copy of all written policies, procedures, memorandum, training materials, call scripts, or other written documents further describing these policies and procedures.

Response: Duquesne Light's CAP customers currently are not able eligible to shop for an Electric Generation Supplier ("EGS"). A customer that has an EGS and wishes to participate in CAP will be advised that Duquesne Light can switch the customer back to default service; however, the customer may be subject to a cancellation fee. The customer should check his/her EGS agreement to determine whether there are any fees associated with cancellation.

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

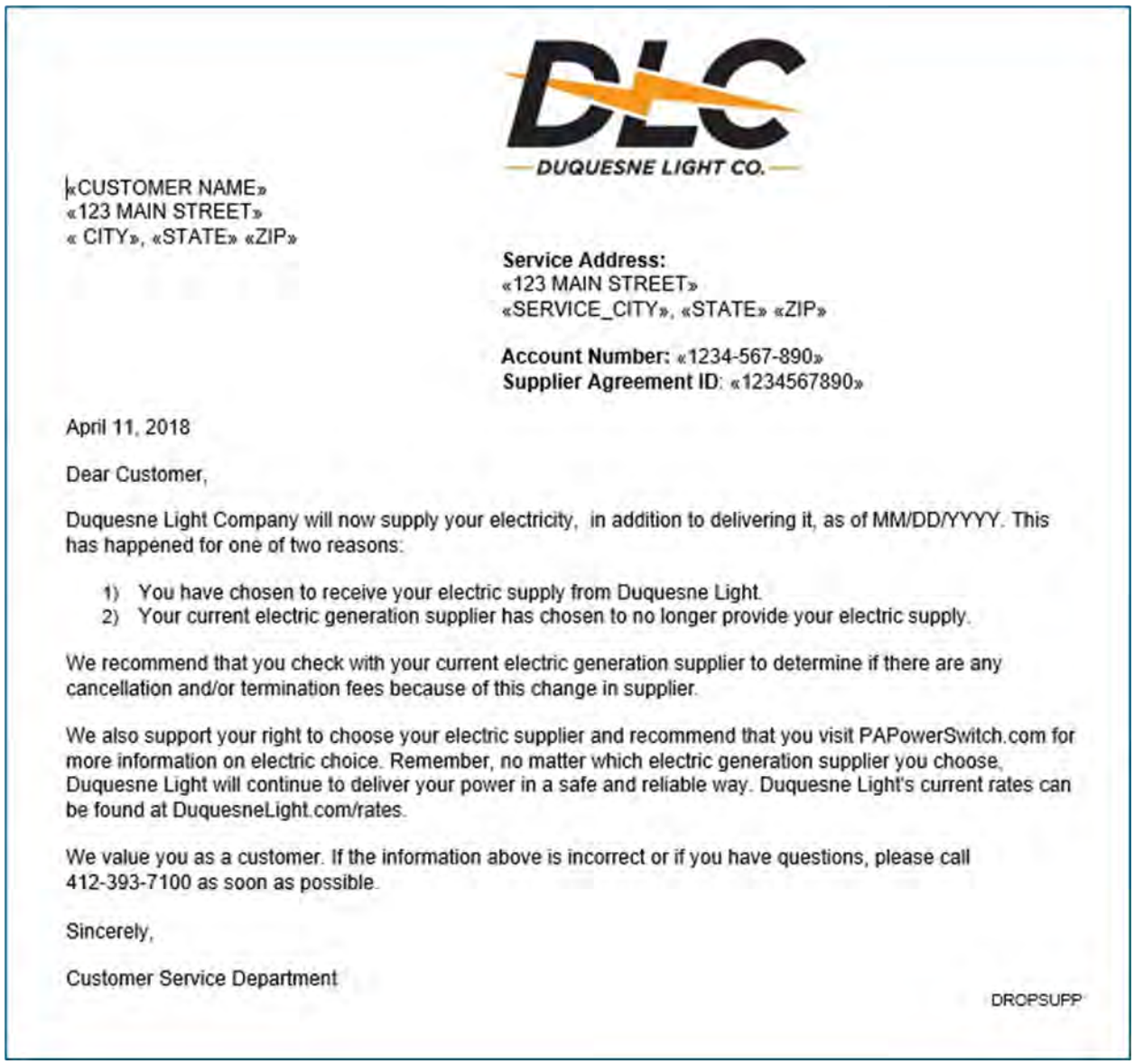
Set I

Witness: Edwin Schuck

CAUSE-PA-I-15

15. Please provide a copy of all correspondence currently sent to customers who apply for CAP while enrolled with a electric generation supplier.

Response: Customers who apply for CAP while enrolled with an electric generation supplier are advised that they must return to default service to be eligible to participate in CAP. If the customer agrees to return to default service, they will receive a Supplier Drop letter advising them they are returning to default service with Duquesne Light. An example of a Supplier Drop letter is provided below.



DUQUESNE LIGHT CO.

«CUSTOMER NAME»
«123 MAIN STREET»
« CITY», «STATE» «ZIP»

Service Address:
«123 MAIN STREET»
«SERVICE_CITY», «STATE» «ZIP»

Account Number: «1234-567-890»
Supplier Agreement ID: «1234567890»

April 11, 2018

Dear Customer,

Duquesne Light Company will now supply your electricity, in addition to delivering it, as of MM/DD/YYYY. This has happened for one of two reasons:

1) You have chosen to receive your electric supply from Duquesne Light.
2) Your current electric generation supplier has chosen to no longer provide your electric supply.

We recommend that you check with your current electric generation supplier to determine if there are any cancellation and/or termination fees because of this change in supplier.

We also support your right to choose your electric supplier and recommend that you visit PAPowerSwitch.com for more information on electric choice. Remember, no matter which electric generation supplier you choose, Duquesne Light will continue to deliver your power in a safe and reliable way. Duquesne Light's current rates can be found at DuquesneLight.com/rates.

We value you as a customer. If the information above is incorrect or if you have questions, please call 412-393-7100 as soon as possible.

Sincerely,

Customer Service Department

DROPSUPP

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set I

Witness: Jennifer Neiswonger

OCA-I-8

8. Has Duquesne undertaken any analysis of the frequency in which Standard Offer Referral program customers return to Default Service during or at the end of their 12-month fixed price contract with the EGS? If so, provide this information.

Response:

Yes, see attachment OCA-I-8 (a) for an analysis of customer actions at the end of their 12-month fixed price contract with the EGS.

MLS-1 Residential

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Finaled Account	769	946	1,072	1,193
Kept SO Supplier - Still SOP	9	27	41	50
Switched Supplier - Still SOP	25	53	62	65
Returned to POLR	275	390	512	609
Kept SO Supplier - Not SOP	5,180	4,634	4,238	3,915
Switched Supplier - Not SOP	320	528	653	746
TOTAL	**6,578**	**6,578**	**6,578**	**6,578**

Post-SOP Actions, Percentages of Total SOP

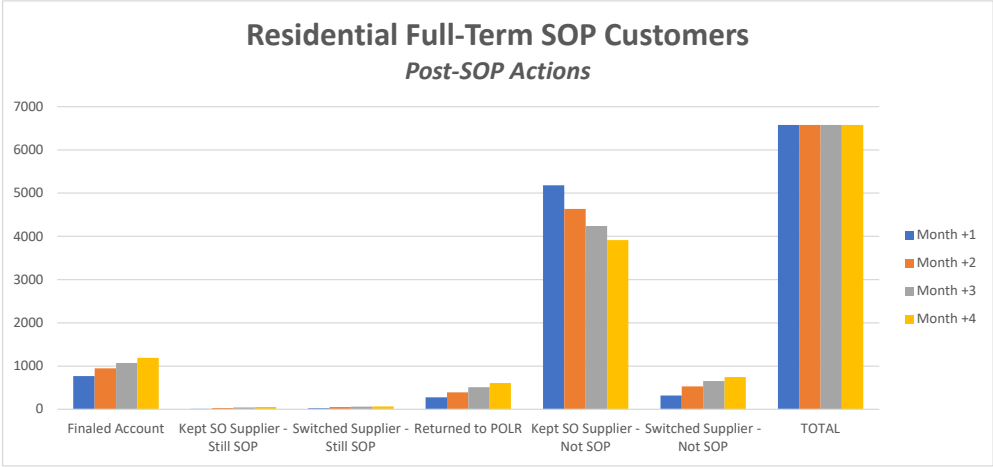
GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Finaled Account	12%	14%	16%	18%
Kept SO Supplier - Still SOP	0%	0%	1%	1%
Switched Supplier - Still SOP	0%	1%	1%	1%
Returned to POLR	4%	6%	8%	9%
Kept SO Supplier - Not SOP	79%	70%	64%	60%
Switched Supplier - Not SOP	5%	8%	10%	11%
TOTAL	**100%**	**100%**	**100%**	**100%**

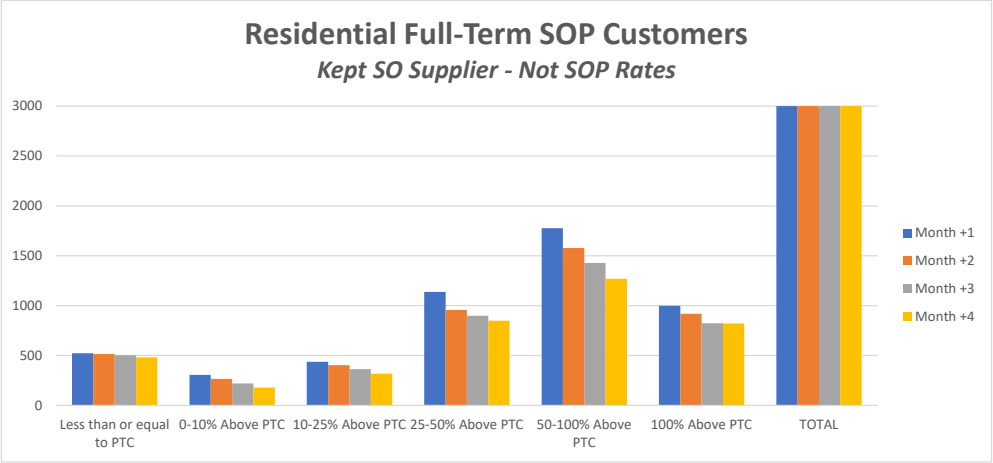
MLS-3 Residential

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Less than or equal to PTC	523	514	502	480
0-10% Above PTC	305	265	221	179
10-25% Above PTC	438	404	364	318
25-50% Above PTC	1,138	956	899	849
50-100% Above PTC	1,777	1,577	1,428	1,268
100% Above PTC	999	918	824	821
TOTAL	**5,180**	**4,634**	**4,238**	**3,915**

Post-SOP Rates, Percentages of Total Kept SO

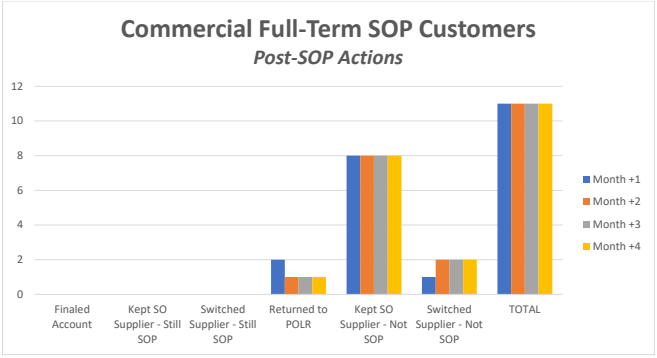
GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Rate < or = PTC	10%	11%	12%	12%
Rate 0-10% Above PTC	6%	6%	5%	5%
Rate 10-25% Above PTC	8%	9%	9%	8%
Rate 25-50% Above PTC	22%	21%	21%	22%
Rate 50-100% Above PTC	34%	34%	34%	32%
Rate > 100% Above PTC	19%	20%	19%	21%
TOTAL	**100%**	**100%**	**100%**	**100%**





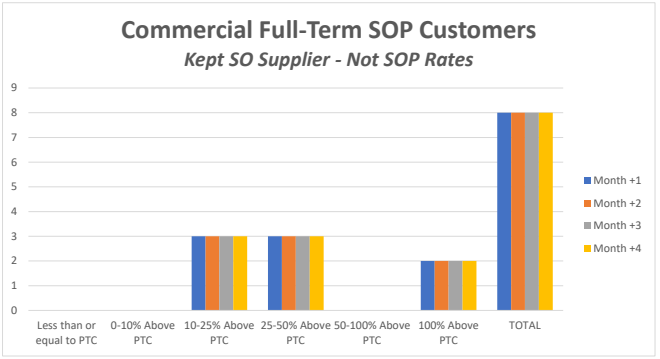
MLS-1 Commercial

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Finaled Account	0	0	0	0
Kept SO Supplier - Still SOP	0	0	0	0
Switched Supplier - Still SOP	0	0	0	0
Returned to POLR	2	1	1	1
Kept SO Supplier - Not SOP	8	8	8	8
Switched Supplier - Not SOP	1	2	2	2
TOTAL	**11**	**11**	**11**	**11**



MLS-3 Commercial

GRAPHOUTPUT	Month +1	Month +2	Month +3	Month +4
Less than or equal to PTC	0	0	0	0
0-10% Above PTC	0	0	0	0
10-25% Above PTC	3	3	3	3
25-50% Above PTC	3	3	3	3
50-100% Above PTC	0	0	0	0
100% Above PTC	2	2	2	2
TOTAL	**8**	**8**	**8**	**8**



Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set I

Witness: Jennifer Neiswonger

OCA-I-9

1. Please provide any information available to Duquesne on the percentage of customers and their stated reasons who are presented with the Standard Offer Referral Program information and do not agree to participate in the program, either at the time of the presentation by the Duquesne representative or at the time of the presentation by Duquesne's third-party contractor.

Response:
The percentage of customers who did not agree to be transferred by a Duquesne representative to participate in the Standard Offer Program at the time of offering by the Duquesne representative since program inception are as follows:

2021 31.1% refusal rate
2022 34.0% refusal rate
2023 49.3% refusal rate
2024 50.5% refusal rate

The percentage of customers who are presented with the Standard Offer Referral Program information and did not agree to participate in the program at the time of the presentation by Duquesne's third-party contractor are as follows since program inception:

2021 59.73% decline rate
2022 53.16% decline rate
2023 70.55% decline rate
2024 73.70% decline rate

At the time when a Duquesne representative offers to transfer a caller to the Standard Offer Referral Program, some stated reasons why customers do not want to participate in the program include the customer does not have time, the customer does not need it, and once the program is explained, the customer is not interested.

At the time when a third-party representative offers the Standard Offer Program to a customer, the top stated reasons why customers do not want to participate in the program include: the customer is uncomfortable shopping for a supplier; the customer had a bad experience in the past with a supplier, and the customer just wants to stay with Duquesne as their supplier.

Duquesne Light Company
Docket No. P-2024-3048592

Office of Consumer Advocate
Interrogatories

Set II

Witness: David Ogden

OCA-II-10

10. Referencing page 29, line 18 through page 30, line 2. Please provide the supply component of Duquesne Light's PTC, the transmission component of Duquesne Light's PTC, and total PTC for the residential class by month since DSP I.

Response:

As compromised, please see OCA-II-10a for the supply component, transmission component, and total PTC for the residential classes since January 2010.

Duquesne Light Company
Default Service Plan June 1, 2025 to May 31, 2029
Attachment OCA-II-10a
Transmission Component of Residential PTC (cents/kWh)

	POLR IV			POLR V							POLR VI			
	1/1/2010	6/1/2010	7/1/2010	1/1/2011	1/21/2011	6/1/2011	12/1/2011	1/1/2012	6/1/2012	12/1/2012	6/1/2013	12/1/2013	6/1/2014	12/1/2014
RS	1.38	1.01	1.01	1.01	1.01	1.46	1.46	1.46	2.03	2.03	1.46	1.46	1.21	1.21
RH	0.67	0.70	0.70	0.70	0.70	1.08	1.08	1.08	1.39	1.39	0.66	0.66	0.57	0.57
RA	1.35	0.91	0.91	0.91	0.91	1.38	1.38	1.38	1.93	1.93	1.45	1.45	1.10	1.10

	POLR VII				POLR VIII								
	6/1/2015	12/1/2015	6/1/2016	12/1/2016	6/1/2017	12/1/2017	6/1/2018	10/1/2018	12/1/2018	6/1/2019	12/1/2019	6/1/2020	12/1/2020
RS	1.23	1.23	2.20	2.20	1.59	1.59	1.83	1.38	1.38	1.53	1.53	1.87	1.87
RH	0.58	0.58	1.17	1.17	0.96	0.96	0.91	0.46	0.46	0.73	0.73	0.93	0.93
RA	1.00	1.00	1.91	1.91	1.45	1.45	1.42	0.97	0.97	1.29	1.29	1.43	1.43

	POLR IX					
	6/1/2021	12/1/2021	6/1/2022	12/1/2022	6/1/2023	12/1/2023
RS	1.95	1.95	2.42	2.42	2.25	2.25
RH	1.03	1.03	1.29	1.29	1.21	1.21
RA	1.59	1.59	1.93	1.93	1.80	1.80

(1) Table identifies when PTC changed. PTC is constant between dates.

RESET

Pennsylvania Department of Human Services

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM
2023 VENDOR AGREEMENT - UTILITY

Vendor Name and Address

Vendor Number

This Agreement is entered into for the purpose of facilitating the provision of Low-Income Home Energy Assistance Program (LIHEAP) benefits to low-income households through the delivery of utility service from a participating LIHEAP vendor to the LIHEAP beneficiary who is a customer of the vendor. The Commonwealth of Pennsylvania defines a LIHEAP vendor as a company or agent of the company that supplies home heating energy or service in exchange for payment. The term does not include landlords, housing authorities, hotel managers or proprietors, rental agents and other parties who are not direct suppliers of home heating, energy or service.

A new LIHEAP Vendor Agreement is required every two years unless changes require this time frame to be shortened. **This agreement will terminate June 30, 2025, unless superseded by a new agreement, or terminated for convenience upon 30-day written notice by either DHS or by the vendor. Failure to comply with any of these conditions may result in removal from the approved vendor file and suspension of further payments to the vendor for client services.**

LIHEAP consists of two components. Eligible LIHEAP households receive one LIHEAP Cash grant based on the size, region, income and fuel type of their household. Receipt of a customer's LIHEAP Cash grant requires no data entry by the vendor. LIHEAP Crisis grants are available to LIHEAP recipients who encounter a heating emergency. Vendor data entry is required to receive payment for a Crisis grant. Subject to the availability of funds, the Department of Human Services (DHS) may opt to provide eligible LIHEAP households with additional LIHEAP grants.

By signing this agreement, the Vendor agrees to communicate with DHS by phone and email and be responsive to DHS requests so that a customer's LIHEAP application or request for Crisis can be processed timely. The vendor also agrees to accept all LIHEAP grants and apply them to customer accounts according to the conditions of this vendor agreement and DHS instructions.

Participating LIHEAP vendors are paid through the Pennsylvania Treasury by check or direct deposit. A list of corresponding payments (voucher) is posted to the LIHEAP Crisis Claim data entry system, identifying customer names, addresses, DHS INDIV #, vendor account # and the amount of LIHEAP Cash and Crisis payments each customer will receive, nine days prior to the Treasury Pay Date.

The business or company written above, herein referred to as the "vendor," cannot enter into any subcontracts under this agreement with other subcontractors who are currently suspended or debarred by the commonwealth or other state or federal government. If any vendor enters into any subcontracts under this agreement with any subcontractors who become suspended or debarred by the commonwealth or other state or federal government during the term of this agreement or any extensions or renewals thereof, the commonwealth shall have the right to require the vendor to terminate such subcontracts to remain a LIHEAP vendor.

The vendor agrees to be responsible for reimbursing the commonwealth for all necessary and reasonable costs and expenses incurred by the Office of the Inspector General or the Attorney General relating to an investigation of the vendor's compliance with the terms of this or any other agreement between the vendor and the commonwealth which results in the suspension or debarment of the vendor.

Vendors will adhere to LIHEAP policy and procedures as defined in the LIHEAP State Plan, will report any discovery of fraud, and address any questions regarding participation in LIHEAP to the LIHEAP Vendor Unit. A copy of the LIHEAP State Plan can be found on the LIHEAP Vendor Website at: www.dhs.pa.gov/providers/Providers/Pages/LIHEAP-Vendors.aspx.

By fully completing and submitting the signature page of the 2023 LIHEAP Vendor Agreement, the vendor agrees to comply with the following conditions to remain a LIHEAP Vendor in good standing and receive LIHEAP payments through the commonwealth:

1. Apply LIHEAP grants to customer accounts in the following manner only:
   a) Apply the full amount of each LIHEAP benefit to the respective account of each designated LIHEAP customer. For customers who have chosen their own supplier, the entire LIHEAP grant must be applied to cover the costs of both the distribution and supply portion of the bill each month until the LIHEAP benefit has been exhausted.
   b) LIHEAP Cash grants paid by Treasury are considered to be available to resolve a customer's request for Crisis.
   c) Late payment charges must be frozen at the amount they are at the time notification of eligibility for LIHEAP is received by the vendor and may not be increased for the remainder of the LIHEAP program year, defined as the date that applications for LIHEAP benefits are no longer accepted.
   d) LIHEAP Cash and Crisis grants may be used for reconnection fees
   e) LIHEAP Cash and Crisis grants will not be used for security deposits, service maintenance contracts, insufficient funds fee or other finance charges.
2. Public utilities that operate Customer Assistance Programs (CAP) will:
   a) Contact customers and attempt to enroll in CAP (if not already enrolled) when the utility becomes aware that the household is low-income, validated by receipt of a LIHEAP Cash or Crisis grant.
   b) Apply the LIHEAP Cash grant to the customer's account in the following manner:
      - To resolve any past-due CAP payments,
      - To the current CAP payment,
      - Remaining LIHEAP funds will be credited to future CAP payments.

   NOTE: A CAP payment is the amount the customer is required to pay under the terms of the utility's CAP agreement.
3. Public utilities that operate a CAP will not consider the customer's LIHEAP benefit as an available resource in the computation that determines the amount of household's monthly CAP payment.
4. LIHEAP Cash grants received on behalf of a LIHEAP customer are available to cover utility costs for the season in which they are authorized through the end of the following heating season. See Section 8: Vendor Refunds for more info.
5. LIHEAP Crisis grants and Cash grants that are used to resolve a Crisis may be used in the following manner:
   a) To prevent termination or restore home-heating service to a household that is without heat due to termination of the main or secondary source of heat by a utility company.
   b) Are authorized by DHS or its representatives **in the minimum amount needed to resolve the Crisis** based on the amount listed on a utility termination notice, subject to the minimum and maximum LIHEAP Crisis benefits allowed.
   c) The existence of a Crisis must be validated by a DHS representative, including the minimum amount needed to resolve the utility emergency. A utility's plan to terminate service is considered to be valid for 60 days from the date of the termination notice, even if service was not terminated after the 10-day period indicated on the notice.
   d) Are only guaranteed for authorizations approved by DHS or its representatives. Every request for assistance from LIHEAP to remediate a Crisis must be made by the LIHEAP household to its designated DHS office, which will evaluate eligibility and determine the amount the household has available to resolve the Crisis. A DHS representative will contact the vendor to convey eligibility.
   e) A Crisis authorization number is issued to resolve a specific Crisis situation.
   f) Vendors must maintain service to such households for no less than 30 calendar days from the date of the resolution of the Crisis. In some circumstances the 30-day hold may not begin until the end of winter moratorium.
   g) Utility companies governed by the Public Utility Commission will adhere to the winter termination procedure referred to in §601.62(2) (ii)(A) of Appendix B of the LIHEAP State Plan.
   h) Customers approved for a LIHEAP Crisis grant related to the LIHEAP Term Program (including the Utility File Transfer Program) are not eligible to receive a duplicate LIHEAP Crisis grant pledged at the request of the household for the same 30-day pledge period.
   i) Regulated utilities that accept a Crisis grant during the winter moratorium period (12/1- 3/31) must maintain service until at least May 1. In most instances, this precludes the issuance of an additional Crisis grant to the same utility for the same household for the remainder of the season, since the 30-day hold on the account begins on April 1.
   j) Vendors will make every attempt to resolve the customer's heating emergency with consideration of the following time frames:
      - Before the customer is without heat;
      - Within 48 hours if the customer is already without heat; or

- Within 18 hours if a medical emergency or life-threatening situation exists.

6. An active worklist of Crisis authorizations awaiting vendor action is available on the Crisis Claim data entry system.

7. To receive payment paid in full or in part with **LIHEAP Crisis funds,** the vendor must perform Crisis Claim data entry into a web-based program and submit documentation of the termination by mail, fax, or electronic upload. Payment may be rejected if appropriate documentation is not provided.

   a) Claims must be processed **within 30 calendar days** of the date a Crisis grant is authorized by DHS. Exceptions to the 30-day rule may be granted for claims entered on or after the 31st day and up to 30 days after the close of the LIHEAP season if funds are available.

   b) The amount paid with Crisis funds will be no more than the amount authorized by a DHS representative to resolve the emergency.

   c) When LIHEAP credits are available on a customer's account, they must be entered in the Crisis Claim data entry system when submitting a Crisis claim, where they will be subtracted.

   d) Acceptable Crisis documentation includes a termination or restoration notice confirming the dollar amount needed to restore service or prevent service interruption. Failure to provide adequate documentation will delay payment.

   e) LIHEAP recipients cannot be billed for services or late payment fees as a result of a vendor's failure to comply with the conditions of this agreement.

8. Refund LIHEAP credits to DHS as required, by check or expedited recoupment, within 30 days from the date of discovery, after the basis for return is known. A LIHEAP Refund Form (HSEA 37) must accompany payment. **It is also important to indicate the INDIV # of the customer, provided on the LIHEAP Payment Voucher when payment was received** and the reason the funds are being returned. A user-friendly form is located on the LIHEAP Vendor website. The commonwealth cannot return vendor funds or any portion thereof to the vendor. **For this reason, LIHEAP Vendors should accurately evaluate their records and ensure the accuracy of LIHEAP refunds before submitting them to the Commonwealth of Pennsylvania.** Vendors may contact the Vendor Unit at 1-877-537-9517 to verify dates/amounts of LIHEAP grants received by the households before sending a refund check.

   NOTE: Vendors will <u>never</u> give or refund LIHEAP funds to a customer.

   LIHEAP refunds will be sent with a check payable to the **COMMONWEALTH OF PENNSYLVANIA,** directed to:

   DHS–LIHEAP Vendor Refunds
   P.O. Box 2675
   Harrisburg, PA 17105-2675

   a) **Examples when the vendor will return LIHEAP credits include, but are not limited to the following:**

      - A customer's whereabouts are unknown,
      - A customer changes vendor,
      - A customer dies, departs the area serviced by the vendor, or the customer no longer has a heating responsibility,
      - The vendor receives a duplicate payment,
      - The vendor is deactivated and is no longer a participating LIHEAP vendor,
      - LIHEAP Cash grants received in error,
      - An overpayment caused by vendor error. Vendor error includes but is not limited to: the vendor failing to provide appropriate or accurate customer account information, non-equitable pricing, LIHEAP funds were erroneously applied toward a security deposit, a billing error or application of LIHEAP funding is detected, failure to provide service, or using a communal account for LIHEAP funds. If this occurs, the vendor is responsible for reimbursement from the vendor's funds, not by removing LIHEAP credits from the customer's account.
      - The end of each LIHEAP program year. LIHEAP funds are available for use for two heating seasons, which includes the heating season of receipt and the heating season immediately following. LIHEAP funds that have not been expended must be returned to DHS by July 31 of that year. DHS will send an email to remind vendors to review/identify accounts and return LIHEAP funds.

   b) LIHEAP funds are available for use for two LIHEAP seasons; the heating season of receipt and the heating season immediately following. LIHEAP funds that have not been expended must be returned to DHS by July 31 of the second season, with the exception of PUC regulated utilities whose LIHEAP customers enrolled in CAP have pre-program arrears. Beginning with this Vendor Agreement, older year LIHEAP credits may be applied to the CAP customer's pre-program arrears

as indicated in the LIHEAP State Plan. Remaining credits from the older season must be refunded by July 31. **DHS will send an email to remind vendors to review/identify accounts and return LIHEAP funds.**

c) DHS is authorized to recoup past-due LIHEAP balances by debiting any current or future LIHEAP payment for an amount equal to the outstanding un-refunded balance that is due to DHS from the vendor. A record of the balance of funds owed is established by DHS who contacts the vendor to request a refund and confirm the amount. DHS will send the vendor up to three dunning letters requesting payment of the funds. If the vendor fails to respond after the third notice, the amount of the balance of funds owed to DHS will be deducted from the vendor's next payment(s) until the funds are repaid. The vendor acknowledges that DHS will reduce vendor payments by the amount of the balance of funds owed to allow for the expeditious collection of these debts. If funds are unable to be recouped, outstanding balances will be referred to the Attorney General's Office for collection proceedings and all other legal remedies.

NOTE: Vendors have the option to set up expedited recoupment to return LIHEAP funds.

9. Provide all requested information established in DHS policies and procedures. This could include information on the annual heating usage and cost incurred by LIHEAP households necessary for compliance with federal reporting requirements if this information is gathered by customer name or account number and the customer has been served by the vendor at the same address for the entire annual period.

10. Vendors are holding, on DHS' behalf, federal money for the benefit of recipient customers. Vendors are prohibited from using LIHEAP funds for purposes other than home heating. This requirement does not supersede the provisions of the Federal Bankruptcy Act, 11 U.S.C., Section 366.

11. To promptly notify the LIHEAP Vendor Unit whenever discrepancies in approved applications are found. Examples include a vacant residence, a request for service at an address other than what was indicated on the Remittance Advice (payment voucher) or other situations when the vendor is aware of potentially fraudulent activity.

12. To not discriminate against any eligible household in regard to terms and conditions of sale, credit, service or price, nor treat adversely any household receiving LIHEAP because of such assistance.

13. To ensure the retention of LIHEAP customer confidentiality in the use of social media.

14. To notify DHS at least 120 days before filing for bankruptcy and return all funds not expended on LIHEAP clients at least 91 days before filing for bankruptcy.

15. To resolve crisis payment disputes with DHS' Bureau of Hearings and Appeals if not resolved informally with DHS staff.

16. To present for review or reproduction records maintained by the vendor concerning overall pricing, conditions of sale, credit, and service upon request by DHS for audit or investigation purposes, as provided in this agreement.

17. If DHS receives a notice of levy, DHS will turn over rights to property such as money, credit and deposits in accordance to the notice.

18. Vendors will retain all books, records and documents pertaining to LIHEAP payments **for four years from the receipt of payment** or until all questioned costs or activities have been resolved to the satisfaction of the commonwealth, or as required by applicable federal laws and regulations. All records must be maintained in a legible, readable condition. If records are maintained in a computer, the vendor must cooperate in providing printed versions of such records. Recipient-specific records should clearly identify both Cash and Crisis payments from LIHEAP, charges to the account, and documentation supporting these entries by individual household.

The commonwealth reserves the right for state and federal agencies or their authorized representatives to perform financial and compliance audits if deemed necessary by commonwealth or federal agencies. If an audit of this agreement will be performed, the vendor will be given 60 days advance notice.

LIHEAP VENDOR HELPLINE
Toll Free Number 1-877-537-9517
Fax 717-231-5516
Email Address: RA-LIHEAPVendors@pa.gov

LIHEAP VENDOR WEBSITE
www.dhs.pa.gov/providers/Providers/Pages/LIHEAP-Vendors.aspx

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for	:	
Approval of a Default Service Program for the	:	Docket No. P-2024-3048592
Period of June 1, 2025 through May 31, 2029	:	

REBUTTAL TESTIMONY OF HARRY S. GELLER

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND

ENERGY EFFICIENCY IN PENNSYLVANIA ("CAUSE-PA")

August 9, 2024

PREPARED REBUTTAL TESTIMONY OF HARRY S. GELLER

Q. Please state your name, occupation, and business address.

A. My name is Harry Geller. I am a retired attorney with emeritus status. I am the former Director of the Pennsylvania Utility Law Project. I continue to serve as a consultant to legal aid programs and their clients. I maintain an office at 118 Locust St., Harrisburg, PA 17101.

Q: Did you submit direct testimony in this proceeding?

A: Yes. My direct testimony was premarked as CAUSE-PA Statement 1.

Q. Please state the purpose of your rebuttal testimony.

A: The purpose of my rebuttal testimony is to respond to the Direct Testimony of Frank Caliva III on behalf of the Retail Energy Supply Association (RESA).

As I indicated in my direct testimony, the unfortunate reality is that residential ratepayers, in significant numbers, have entered and participated in the competitive market and have not received the bill savings they were promised and were expecting. This problem has not been caused by the continued existence of default service in its present form, but regrettably by the actions of suppliers themselves. The solution to this clear and prolonged pattern of excessive charges is not to make default service more expensive for those who have made a choice not to shop, to circumvent critical protections for residential consumers, or to stifle consumer education. Indeed, the Commission has repeatedly rejected attempts to do so in the past – both in individual utility proceedings and in the context of comprehensive statewide investigations. Rather, the Commission must take steps to reform existing "retail market enhancement" programs to prevent further harm caused by excessive competitive market prices. Such reforms should include, at minimum, affirmation of the role of utilities in educating consumers; elimination of DLC's SOP; and improved protections for low income shopping customers outlined in my direct testimony.

I note that Mr. Caliva makes a number of legal conclusions in his testimony. I will not comment on any issues which are strictly legal in nature, though Counsel for CAUSE-PA will further address these conclusions through briefing.

Moreover, my silence in response to any witnesses' direct testimony in this proceeding should not be construed as an agreement therewith. Unless required for context or clarification, I will not reiterate the extensive arguments, evidence, and recommendations that I provided in my direct testimony. To the extent an argument raised was already sufficiently addressed in my direct testimony, I do not intend to respond, and stand firmly on the evaluation, analysis, and recommendations contained in my direct testimony. Nothing proposed by any other witness to this point in the proceeding has changed my initial conclusions or recommendations.

Q: Please summarize Mr. Caliva's testimony regarding Pennsylvania's default service model, and the state of the competitive electric markets in Pennsylvania.

A: In summarizing Pennsylvania' default service model, Mr. Caliva reviews selected policy pronouncements in the Choice Act and establishes the roles – as he sees them – of the Commission, electric distribution companies (EDCs), electric generation suppliers (EGSs), and default service in the provision of electricity to Pennsylvania consumers. (RESA St. 1 at 4-8). Mr. Caliva asserts that default service is not an appropriate comparison because it is procured through a prudent mix of laddered contracts to achieve the least cost to consumers over time – as opposed to relying on real-time market pricing together with "a risk premium" and other business costs. (RESA St. 1 at 7-8). He asserts that "the Commission has been aware of the harmful effect of this mismatch [between default service and supplier pricing] for some time." (RESA St. 1 at 8).

Mr. Caliva next addresses the current status of retail competition in Pennsylvania. After reciting selective excepts from the Commission's 2013 Retail Market Investigations Order, Mr.

Caliva goes on to express his dissatisfaction with the number of shopping customers in DLC's service territory and concludes that the market is "stagnant." (RESA St. 1 at 8-11). He largely blames the existence of default service for the decline in market share for competitive suppliers, arguing that consumers should not be educated to compare offers "on the basis of price and price alone." (Id. at 11).

To redress his grievance with Pennsylvania's "harmful" default service model, Mr. Caliva seeks initiation of a statewide investigation, arguing that the Commission should transform default service from a prudent, least-cost option to an option that "more closely resembles market conditions." (RESA St. 1 at 14-17). As a "first step", Mr. Caliva argues that the Commission should "open a statewide investigation regarding the permissible messaging around the default service product." (Id.) Specifically, he argues that the Commission should abandon the term "Price to Compare" because it discourages consumers from considering other aspects of a competitive energy offer. (Id. at 14, 16).

Q: Is default service harmful to the competitive market?

A: No, absolutely not. Default service is a statutorily created product that provides a safe, stable option for service – ensuring Pennsylvanians have a prudent product to rely on for life-essential energy service. As I detailed at length in my direct testimony, DLC's residential consumers are paying substantially higher rates in the competitive market, resulting in the negative consequences of higher accrual of arrears, payment trouble rates, involuntary termination rates, and a cascade of consequences to the health, safety, and general wellbeing that quickly follows the loss of electricity to a home. (See CAUSE-PA St. 1 at 7-9, 29-30; CAUSE-PA Exhibits 1-2). The solution to excessive pricing in the competitive residential energy market is not to make default service more expensive or to transition default service to rely more heavily on volatile spot-market

pricing, as that will only further compound the issue – making it harder for Pennsylvania's lowest income families to stay connected to vital energy services in their home.

Q: Do you agree with Mr. Caliva's recommendation that the Commission initiate a statewide investigation to examine default service messaging?

A: No. The Commission should not make decisions about statewide policy in the context of reviewing an individual utility's Default Service Plan. If RESA seeks to initiate a statewide proceeding, it should file a Petition with the Commission.

I also fundamentally disagree with the premise of Mr. Caliva's recommendation that the Commission abandon use of the term "Price to Compare" or PTC. Default service provides an essential point of comparison and is appropriately referred to as the PTC – allowing consumers a fair opportunity to compare offers for purchasing electricity to their home. The PTC is a straightforward and recognizable concept and provides the only stable point of comparison of the actual commodity cost – allowing consumers to identify and compare the unit cost of the commodity they are buying, and fairly weigh other terms and conditions of the offer against the cost they will pay. The ability to make a simple comparison of unit prices is essential for the purchase of a commodity as critical to life functions as home electricity. If consumers value other qualities, such as renewable energy, they can and will weigh the comparison accordingly – and can do so with the full knowledge and information about the relative value and cost of those other attributes. Indeed, I strongly disagree with Mr. Caliva's assertion that consumers will not fairly evaluate other attributes of an offer if presented with the Price to Compare. To the contrary, the PTC helps to empower consumers to make an informed decision of the cost they wish to pay for energy, and the value they place on additional or "innovative" products and services.

The grocery store provides an excellent example to illustrate the important function of the PTC to the consumer navigating the competitive market. In the grocery store, consumers are provided with simple labels that provide a comparable, per-unit price for each product.[1] For example, there may be three cans of beans on the shelf, one generic, one name brand, and one organic. Each can of beans may be different sizes and may have a different price, but consumers can look to the grocer's label to make a comparison of the per unit price for each can of beans – deciding for themselves whether they want to pay more per unit for organic, low sodium, or other potential attributes. The same basic per-unit comparison that shoppers can make to purchase a can of beans must – at a minimum – remain true for the comparison and purchase of life-sustaining home energy, ensuring the generic PTC rate remains available as a point of comparison for consumers to examine against various supplier offers to determine for themselves whether they want to pay more for specific attributes of a supplier offer.

I recognize that there are consumers – especially those with discretionary income – who choose to prioritize other attributes of a competitive energy offer that are unrelated to cost, such as the ability to purchase clean, renewable energy. Providing a point of cost comparison will not cause consumers to abandon consideration of clean energy, it will merely ensure consumers know what they are paying for service.

For most consumers – especially those low income customers who struggle profoundly to afford basic service – cost remains the primary or exclusive motivating factor. As I documented extensively in my Direct Testimony, confirmed low income shopping customers in DLC's service territory are consistently charged ***substantially*** higher rates than low income customers who remain

[1] See Dep't of Commerce, Nat'l Inst. of Standards & Tech., Unit Pricing Guide: A Best Practice Approach to Unit Pricing, NIST Special Pub. 1181 (2015), https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.1181.pdf.

on default service – adding hundreds of dollars to already unaffordable home energy costs. (CAUSE-PA St. 1 at 9-12; CAUSE-PA Exhibit 2). High supplier charges for confirmed low income customers are exacerbating widespread energy insecurity and resulting high levels of payment trouble, involuntary terminations, and collections expenses.[2]

Ultimately, I submit that the PTC is appropriately named, and serves a critical consumer education function by helping ensure consumers are equipped to make fully informed decisions about the price they wish to pay for home energy services. Regardless of the motivating factor(s) driving an individual consumer to select an energy provider, all residential consumers should have access to clear and transparent information about the price they are paying for energy and the options available to them so they can make a truly informed choice about their energy provider.

Q: Does this conclude your Rebuttal Testimony?

A: Yes.

[2] See Pa. PUC, 2022 Report on Universal Service and Collections Performance, at 11, 16 (Sept. 2023), https://www.puc.pa.gov/media/2573/2022-universal-service-report-final.pdf.

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for Approval of a Default Service Program for the Period of June 1, 2025 through May 31, 2029	: : :	Docket No. P-2024-3048592

SURREBUTTAL TESTIMONY OF HARRY S. GELLER

ON BEHALF OF

THE COALITION FOR AFFORDABLE UTILITY SERVICES AND

ENERGY EFFICIENCY IN PENNSYLVANIA ("CAUSE-PA")

August 22, 2024

PREPARED SURREBUTTAL TESTIMONY OF HARRY S. GELLER

Q. Please state your name, occupation, and business address.

A. My name is Harry Geller. I am a retired attorney with emeritus status. I am the former Executive Director of the Pennsylvania Utility Law Project. I continue to serve as a consultant to legal aid programs and their clients. I maintain an office at 118 Locust St., Harrisburg, PA 17101.

Q: Have you previously submitted testimony in this proceeding?

A: Yes. I sponsored Direct Testimony and Rebuttal Testimony.

Q. Please state the purpose of your surrebuttal testimony.

A: The purpose of my surrebuttal testimony is to respond to the rebuttal testimony of Frank Caliva III on behalf of the Retail Energy Supply Association (RESA), and Edwin Schuck on behalf of Duquesne Light Company (Duquesne or DLC).

RESPONSE TO RESA WITNESS FRANK CALIVA III

Q: Please describe the aspects of Mr. Caliva's Rebuttal Testimony to which you will respond.

A: In direct testimony, I provided extensive data and analysis demonstrating that residential shopping customers in DLC's service territory were charged over $224 million more than the default service price since 2017. I explained that low income customers were, likewise, charged substantially higher rates – adding an average of $28.78 each month to low income customer bills.[1]

Mr. Caliva's rebuttal testimony does not take issue with the accuracy of this data, but instead attacks the existence of default service, asserting that a comparison between average supplier and default service pricing is inappropriate because it only provides a snapshot at a given point in time without reflecting current market conditions or accounting for other product offerings

[1] CAUSE-PA St. 1 at 9-10.

like renewable energy and long term price stability.[2] He asserts that the Electric Generation Customer Choice and Competition Act (Choice Act) prohibits the Commission from regulating supplier pricing, and argues that the Choice Act "makes no such guarantee" of lower pricing.[3] Mr. Caliva claims that competitive markets offer the *potential* for savings, but asserts that customers are just not availing themselves of these opportunities.[4] He argues that the existence of default service is somehow to blame for excessive charges in the competitive market, and urges a statewide investigation of market messaging to eliminate use of the term Price to Compare (PTC).[5]

Finally, Mr. Caliva argues against my recommendation to end the Standard Offer Program, arguing instead that the program should remain unchanged,[6] despite substantial evidence of financial harm; and opposes ending Duquesne's Bill Ready program, arguing that existing rules and regulations are sufficient to address my concerns that suppliers are adding non-basic service charges.[7]

Q: What is your response to Mr. Caliva's rebuttal testimony?

A: I maintain my strong opposition to Mr. Caliva's recommendations and urge the Commission to disregard his unsupported proposals. In short, Mr. Caliva's arguments are speculative and lack the substantive proof needed to justify his proposals.

Mr. Caliva contends that evaluating competitive offers on the price at a particular point in time overlooks the broader value consumers may seek. However, his own analysis relies on a monthly snapshot of offers from RESA's self-compiled "Retail Market Savings Report" to argue

[2] RESA St. 1-R at 5.
[3] RESA St. 1-R at 6.
[4] RESA St. 1-R at 7.
[5] RESA St. 1-R at 9.
[6] RESA St. 1-R at 13.
[7] RESA St. 1-R at 18.

that savings are available - "even though the majority Pennsylvania's residential consumers are not availing themselves of these opportunities."[8]

The snapshot pricing information compiled in RESA's Energy Market Savings Reports appears to be misleading and incomplete.[9] The May and June 2024 "reports", attached to Mr. Caliva's testimony as Exhibit FC-6 and FC-7, provide a dollar figure purportedly representing theoretical savings for DLC (and other EDC) customers based on then-available offers.[10] However, he provides no information about the actual offers relied on to calculate that dollar figure for RESA's May and June "reports".[11] These two single-paged "reports" each tout the same "notable" offers from May and June, including "one tree planted on your behalf" and vague assertions about the availability of reward dollars or rebates.[12] Again, these exhibits contain no actual factual information about the price per kWh charged in exchange for these touted perks, or other terms, conditions, fees, or charges that may apply (such as where the tree is planted, how the rebate is applied or what it is applied to, or what the reward dollars may be used for).[13]

Confusingly, RESA Exhibit FC-8 purportedly contains the same "report" for July 2024,[14] though the exhibit itself contains a spreadsheet which appears to be the information used to compile a single-paged "report" for July similar to those included for May and June in RESA Exhibits FC-6 and FC-7.[15] It appears that, in calculating the theoretical availability of potential savings, RESA isolated the per kWh charge associated with the single lowest offer per kWh available in DLC's service territory in July, without consideration of other fees or charges that

[8] RESA St. No. 1-R at 7.
[9] RESA St. 1-R at 7; RESA Exh. FC-6; RESA Exh. FC-7; RESA Exh. FC-8.
[10] RESA Exhibit FC-6 and FC-7.
[11] RESA Exhibit FC-6 and FC-7.
[12] RESA Exhibit FC-6 and FC-7.
[13] RESA Exhibit FC-6 and FC-7.
[14] RESA St. 1-R at 7.
[15] RESA St. 1-R at 7, Exhibit FC-8

increase the resulting price charged for basic energy services.[16] The isolated offer used for this calculation, and relied on by Mr. Caliva, was a 3-month product available only to residential non-heating customers to calculate theoretical savings for all residential customers.[17] However, there is no indication of the other terms and conditions or the potential for other fees or charges associated with this offer – nor is there any indication of the supplier offering the three-month offer. Separately, RESA Exhibit JC-8 includes a list of 15 offers in Pennsylvania listing the attributes of each offer and identifying the name of the supplier, though this list does not include the per kWh price or other fees and charges associated with each offer or the service territories in which those offers are available. Mr. Caliva's reliance on RESA's "reports" should be disregarded, as the reports are misleading, incomplete, and unsupported by factual evidence.

Unlike the limited and misleading snapshot of offer information relied on by Mr. Caliva, and contrary to Mr. Caliva's assertions, the residential shopping data and analysis in my direct testimony was not based on a point-in-time. It was based on more than eight years of actual monthly billing data showing that residential customers who select EGS products are consistently charged substantially more on average than those on default service. Notably, while he dismisses the relevance of monthly supplier pricing data, Mr. Caliva has not challenged its accuracy in any way. He expresses no disagreement with my conclusion that, in the aggregate, Duquesne's residential shopping customers did not obtain bill savings by shopping for EGS supply in any of the months reviewed – dating back to at least January 2017.[18] Nor does he dispute the fact that low income customers are uniquely harmed by consistently higher prices in the competitive market, in turn increasing energy insecurity and concomitant threats to housing stability, health, safety, and

[16] RESA Exhibit FC-8.
[17] RESA Exhibit FC-8.
[18] RESA St. No. 1-R at 7.

family unity.[19] Indeed, Mr. Caliva doesn't actually rebut any of the data and evidence set forth in my testimony. Instead, Mr. Caliva continues to blame default service for stagnation in the competitive market growth, arguing that the existence of default service – *a statutorily mandated option for all consumers* – presents a barrier to competition. The data and evidence produced in this case demonstrate the opposite – that consumers are increasingly choosing to remain on default service after experiencing higher prices in the competitive market.

The fact is that shopping consistently leads to higher arrearages and termination rates for low income households, strongly suggesting consumers are not making a voluntary and informed choice to pay more for energy. Indeed, it would be incongruous to conclude that consumers are voluntarily and knowingly choosing to pay higher rates in the face of increased debts and involuntary loss of service.

As illustrated in the table below, involuntary termination rates are consistently higher for low income shopping customers compared to low income default service customers. In May 2024, low income shopping customers in DLC's service territory experienced a 4.8% termination rate, compared to 2.6% for DLC's low income default service customers.[20]

[19] CAUSE-PA St. No. 1 at 33.
[20] CAUSE-PA I-2 and III-2.

TABLE 1: Confirmed Low Income (CLI) (Non-CAP) - Termination Rate[21]

Date	CLI Shopping Termination Rate	CLI Default Termination Rate
April 2023	2.293%	2.589%
May 2023	3.045%	2.207%
June 2023	5.865%	3.305%
July 2023	5.773%	2.773%
August 2023	7.098%	3.362%
September 2023	4.076%	3.044%
October 2023	4.370%	2.782%
November 2023	5.732%	2.963%
May 2024	4.818%	2.633%

The average arrears per account for low income shopping customers also consistently exceeds that of low income default service customers.

TABLE 2: Confirmed Low Income (CLI) (Non-CAP) - Average Arrearages[22]

Date	CLI Shopping Arrears, Average/Account	CLI Default Arrears, Average/Account
April 2023	$875.19	$456.95
May 2023	$816.32	$461.68
June 2023	$674.77	$365.42
July 2023	$674.49	$375.71
August 2023	$928.01	$447.90
September 2023	$826.04	$429.83
October 2023	$793.86	$440.99
November 2023	$809.82	$479.17
December 2023	$1,017.01	$600.01
January 2024	$1,152.76	$716.91
February 2024	$1,230.55	$810.36
March 2024	$1,290.06	$789.34
April 2024	$744.05	$402.23
May 2024	$773.05	$416.61

[21] CAUSE-PA I-2 and III-2. Table excludes December 2023-April 2024, during the winter moratorium, when DLC did not terminate confirmed low income shopping or default service customers.
[22] CAUSE-PA I-2 and III-3.

On average, low income shopping customers carry debts that are at least 80-90% higher than default service CLI customers, indicating that low income shopping customers are facing a far greater and more substantial financial burden. The data shows a concerning upward trend in the arrear levels of low income shopping customers in winter heating months, peaking at $1,290.06 in March 2024. In contrast, while arrears also increase for default service customers, they remain much lower, peaking at $810.36 in February 2024.

These stark disparities in termination rates and average arrearage levels reinforces the conclusion that many low income customers who shop are not aware of the terms of the offers or the potential for higher rates. Allowing customers to transition from shopping into CAP without barriers, as recommended in my direct testimony, will help stabilize arrears, reduce terminations, and lower collections costs, easing administrative burdens for both DLC and the Commission and reducing overall costs associated with the provision of universal services.

Mr. Caliva's repeated calls for a statewide investigation into the use of the term "Price to Compare" are likewise unfounded. As I have previously explained, the PTC provides an essential point of reference that allows consumers to make informed decisions about energy costs.[23] This consistent comparison standard is necessary and in furtherance of the Choice Act.[24] Eliminating or altering the PTC would not create a more competitive market, it would instead obscure the true costs of EGS products and expose consumers to further risks of nonuniform and unclear pricing.

I note that in arguing in favor of continuing DLC's Standard Offer Program (SOP) without modification, Mr. Caliva ignores clear, unrebutted data and evidence documenting substantial

[23] CAUSE-PA St. 1-R at 3-6.

[24] 66 Pa C.S. § 2807 (d)(2) (The commission shall establish regulations to require each electric distribution company, electricity supplier, marketer, aggregator and broker to provide adequate and accurate customer information to enable customers to make informed choices regarding the purchase of all electricity services offered by that provider. Information shall be provided to consumers in an understandable format that enables consumers to compare prices and services on a uniform basis.)

financial harm – especially for low income households. He centers on the fact that the Commission approved the SOP years ago, essentially disregarding the importance of the significant intervening data and facts in analyzing whether the rules of a utility-administered and Commission regulated program continue to be just, reasonable, and in the public interest. In this case, the data and facts are unrebutted: Consumers are getting a bad deal through the SOP – often experiencing short-lived savings that quickly give way to rates which far exceed the price for default service.[25] Indeed, as I documented in detail in my direct testimony, one in five SOP participants face rates more than 100% higher than the price to compare in the four months following the expiration of the program.[26] Once again, Mr. Caliva has not rebutted this data, he merely argues that the Commission should measure the success of the SOP solely in relation to its ability to drive market participation[27] – setting aside the clear and unrebutted data demonstrating that consumers who participate in the SOP are experiencing significant financial harm. Mr. Caliva's contention that my testimony was based on opinion alone is, quite simply, wrong. My testimony was based on facts and evidence, which clearly indicate that the SOP is causing real, quantifiable harm to residential consumers and is uniquely harmful to residential low income customers. Indeed, contrary to Mr. Caliva's assertions,[28] just because the Commission approved the SOP in the past does not constrain the Commission from ever evaluating the relative merits of the program again based on data and lived experience.

Finally, Mr. Caliva's recommendation to continue the Bill Ready Billing program does not address the concern that DLC cannot determine whether EGSs are improperly bundling non-basic charges into the cost of basic service – leading to the improper termination of residential consumers

[25] CAUSE-PA St. 1 at 19-23.
[26] CAUSE-PA St. 1 at 21.
[27] RESA St. 1-R at 13.
[28] RESA St. 1-R at 13.

based on the nonpayment of nonbasic service charges. While Mr. Caliva argues that Duquesne should not be responsible for "policing" EGS pricing and that existing tariff provisions already address potential issues,[29] I assert that Duquesne's lack of visibility into EGS charges under the Bill Ready program is precisely the problem. Without this visibility, Duquesne cannot ensure that nonbasic service charges are properly identified, leading to potential violations in how payments are applied and whether service can be legally terminated. My concern is not about adding unnecessary oversight but about the essential need and ability to differentiate between basic and nonbasic charges to comply with regulatory requirements and protect consumers. Therefore, I maintain my recommendation for ending the Bill Ready program to eliminate these risks, as the current safeguards are inadequate.

Ultimately, as explained, Mr. Caliva's arguments and recommendations lack substantive support and fail to address the real issues plaguing Pennsylvania's competitive energy market—namely, excessive EGS prices that have consistently resulted in financial harm to residential consumers. The Commission should remain focused on protecting consumers by reinforcing the current default service model, which ensures stability, transparency, and a fair comparison of costs.

RESPONSE TO DLC WITNESS EDWIN SCHUCK

Q: Please describe the aspects of Mr. Schuck's Rebuttal Testimony to which you will respond.

A: There are three primary issues in Mr. Schuck's rebuttal testimony to which I will respond. First, I address Mr. Schuck's opposition to removing barriers to CAP enrollment for low income shopping customers, and his apparent contention that low income customers seeking to enroll in CAP should bear the added burden of returning to default service and resolving termination or

[29] RESA St. 1-R at 18.

cancellation fees on their own.[30] As I explained in direct testimony, DLC does not have any established process to inform CAP applicants of CAP shopping restrictions, how to return to default service to complete enrollment, or how to cure their CAP application if rejected due to shopping status.[31] Mr. Schuck's argument ignores the financial strain these fees impose on low income customers and the programmatic barriers and added costs this creates for both low income customers and other residential ratepayers.[32]

I will next respond to Mr. Schuck's arguments in favor of maintaining Bill Ready Billing, despite significant concerns about its impact on consumer protection.[33]

Finally, I will briefly address Mr. Schuck's testimony regarding ongoing operation of DLC's SOP. Mr. Schuck agrees with me and OCA witness Alexander that the SOP should end; however, he disagrees that further protections for low income customers are warranted if DLC is required to continue operation of its SOP.

Q: How do you respond to Mr. Schuck's contentions regarding shopping as a barrier to CAP enrollment?

A: Mr. Schuck's opposition to common-sense CAP rules to remove unreasonable barriers to CAP ignores the statutory obligations attendant in the Choice Act requiring DLC and other electric and gas utilities to provide accessible, cost-effective universal service programs.[34] Indeed, Duquesne has an express obligation to "administer CAP in a manner that is cost-effective for both CAP participants and the non-CAP participants," and the Commission has a corresponding duty to oversee Duquesne's cost-effective administration of CAP.[35] In fact, the Commonwealth Court

[30] DLC St. 6-R at 6-7.
[31] CAUSE-PA St. 1 at 28.
[32] DLC St. 6-R at 7.
[33] DLC St. 6-R at 9.
[34] 66 Pa. C.S. § 2804(9).
[35] CAUSE-PA v. Pa. PUC, 120 A.3d 1087, 1103 (Pa. Commw. Ct. 2015).

has previously concluded that a prohibition on EGS termination and cancellation fees "would provide an added layer of protection to CAP participants consistent with the affordability goals of the Choice Act" – and subsequently approved limits on EGS offers, including CAP rules which would prohibit early termination and cancellation fees.[36] I am advised by counsel for CAUSE-PA that the legal aspects of this issue will be addressed through briefing. Nevertheless, I note here that as a policy matter, DLC's opposition to creating a streamlined process for low income shoppers to enroll in CAP contradicts its statutory obligation to provide accessible, cost effective universal service programs for all low income customers.

DLC must establish a simple, streamlined process for low income shopping customers to quickly enroll in CAP that does not permit barriers in the form of additional fees or charges and which acts proactively before arrears are allowed to increase. As illustrated in Tables 1 and 2, above, low income shopping customers are more like to accrue substantially higher arrears and are more likely to face involuntary termination of service to their home – creating a cascade of other consequences to the family, their community, and other ratepayers. Failure to improve the pathway to CAP by eliminating burdensome and costly barriers will result in the higher accrual of arrears – in turn driving up the cost of the program.

In turn, allowing EGSs to continue charging termination or cancellation fees to customers seeking access to CAP results in three completely avoidable, negative outcomes: A disincentive to enroll in CAP, an additional economic burden while in CAP, and an increase in the burden borne by other ratepayers to support the costs of CAP.

First, the CAP applicant is presented with a bad economic outcome, and is penalized with a fee for choosing to enroll in CAP, which disincentivizes them from accessing a program that

[36] CAUSE-PA v. Pa. PUC, 120 A.3d at 1107; see also RESA v. Pa. PUC, 185 A.3d 1206, 1217 (Pa. Commw. Ct. 2018).

would otherwise provide critical financial relief. As I previously explained at length in my Direct Testimony, CAP enrollment is critically important to stabilizing access to service for low income customers – particularly during times of acute economic instability. A low income customer seeking rate relief should not be advised that they will face additional EGS charges as a condition of receiving affordable bills from Duquesne's CAP. Doing so runs contrary to a central purpose of the Choice Act, namely continuing to provide "protections, policies, and services that now assist customers who are low income to afford electric service."[37]

Second, the imposition of a termination or cancellation fee on a CAP participant who previously shopped for EGS supply would create an economic burden that could threaten the CAP participant's ability to pay CAP bills – potentially undermining their success in the program after they enroll. Any additional charges associated with electric service (such as termination or cancellation fees), even if not imposed by Duquesne, would increase the payment demands and burden imposed on the customer, creating the likelihood that the CAP household's monthly resources would be insufficient.

Third, and finally, I note that the failure to prohibit early cancellation or termination fees has the practical effect of delaying enrollment in CAP, thereby unnecessarily increasing the accrual of CAP pre-program arrears. This, in turn, increases the overall cost of CAP, which is ultimately recovered from other residential ratepayers.

For each of these reasons, and as explained more thoroughly in my Direct Testimony, DLC must revise its CAP enrollment rules to create a simple, streamlined process for shopping customers to return to default service, consistent with recommendations in my direct testimony, and to include a prohibition on early cancellation or termination fees to ensure that low income

[37] 66 Pa. C.S. § 2802, 2804.

households enrolling in CAP do not face unaffordable monthly expenses associated with a prior EGS supply contract. Doing so would also help reduce programmatic costs borne by other residential customers who support the program through rates.

Q: What is your response to Mr. Schuck's position regarding DLC's Bill Ready Billing Program?

A: Mr. Schuck is not in favor of ending the Bill Ready Billing Program because he argues that customers have the right to choose their supplier, and that supplier pricing is outside the company's control.[38] However, ensuring the receipt of an accurate bill, the issuance of a termination notice, and termination of service are and always have been the company's responsibility and within its control.[39] As I stated above, the inability to verify supplier charges can lead to inaccurate billing and potential overcharges, which could harm consumers. I maintain my recommendation to end DLC's Bill Ready Billing program.[40] In the alternative, if DLC is unable to verify that a suppliers' charges do not consist of non-basic service charges, DLC should be prohibited from performing an involuntary termination.

[38] DLC St. 6-R at 9.

[39] 66 Pa. C.S. § 2807 (c)-(d).

(c) Customer billing.--Subject to the right of an end-use customer to choose to receive separate bills from its electric generation supplier, the electric distribution company may be responsible for billing customers for all electric services, consistent with the regulations of the commission, regardless of the identity of the provider of those services.

(1) Customer bills shall contain unbundled charges sufficient to enable the customer to determine the basis for those charges.

(2) If services are provided by an entity other than the electric distribution company, the entity that provides those services shall furnish to the electric distribution company billing data sufficient to enable the electric distribution company to bill customers.

(d) Consumer protections and customer service.--The electric distribution company shall continue to provide customer service functions consistent with the regulations of the commission, including meter reading, complaint resolution and collections. Customer services shall, at a minimum, be maintained at the same level of quality under retail competition.

Id.

[40] DLC St. 6-R at 9.

Q: What is your response to Mr. Schuck's testimony regarding DLC's SOP?

A: Mr. Schuck testified that he agrees with my recommendation (and that of OCA witness Alexander) to discontinue its Standard Offer Program (SOP) as a result of substantial evidence of financial harm included in my direct testimony.[41] I believe the concurrence by DLC, OCA, and CAUSE-PA witnesses to discontinue SOP provides strong support to adopt this recommendation. However, Mr. Schuck disagrees with my alternative recommendation that DLC screen and refer low income customers to available universal service programs, should the Commission ultimately approve DLC to continue operating its SOP.[42] The data in this case is clear: low income shopping customers are subject to financial harm if SOP is allowed to continue. Thus, should the Commission approve DLC to continue operating its SOP, DLC must take steps to safeguard low income customers from exacerbated payment troubles and increased termination risk.

Q: Does this conclude your Rebuttal Testimony?

A: Yes.

[41] DLC St. 6-R at 4; CAUSE-PA St. 1 at 19-23.
[42] DLC St. 6-R at 5-6.

CAUSE-PA Statement 1-SR, Appendix A
Cited Responses to Interrogatories

Interrogatories of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania to Duquesne Light Company

CAUSE-PA to DLC III-2 (with attachments)
CAUSE-PA to DLC III-3 (with attachments)

**Note that CAUSE-PA to DLC I-2 is referenced in CAUSE-PA St. 1-SR and was previously included in Appendix B to CAUSE-PA Statement 1.*

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Set III

Witness: Edwin Schuck

CAUSE-PA-III-2

2. From January 2018 to date, disaggregated by month and service type (RS, RH, RA), please provide the number of involuntary service terminations for the following residential customer groups:

a. Total residential
b. Residential shopping customers
c. Residential default service customers
d. CLI customers
e. CLI shopping customers
f. CLI default service customers
g. CLI customers not enrolled in CAP
h. CLI shopping customers not enrolled in CAP
i. CLI default service customers not enrolled in CAP
j. CAP customers
k. CAP shopping customers
l. CAP default service customers

Response:

See attachment titled ‘DSP CAUSE-PA III-2'

(a) Total residential		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	13
201804	RS	2,600
201804	RH	257
201805	RA	14
201805	RS	3,239
201805	RH	330
201806	RA	24
201806	RS	2,904
201806	RH	271
201807	RA	27
201807	RS	3,065
201807	RH	303
201808	RA	20
201808	RS	3,532
201808	RH	307
201809	RA	14
201809	RS	2,344
201809	RH	162
201810	RA	20
201810	RS	3,461
201810	RH	284
201811	RA	14
201811	RS	2,076
201811	RH	144
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	27
201904	RS	4,583
201904	RH	466
201905	RA	23
201905	RS	3,938
201905	RH	448
201906	RA	35
201906	RS	2,728
201906	RH	335
201907	RA	16
201907	RS	2,573
201907	RH	266
201908	RA	19
201908	RS	2,328
201908	RH	218
201909	RA	22
201909	RS	2,845
201909	RH	253
201910	RA	17
201910	RS	2,903
201910	RH	240
201911	RA	15
201911	RS	2,524
201911	RH	228
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

b. Residential shopping customers - def_shop = 'Shopping'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	1
201804	RS	489
201804	RH	29
201805	RA	3
201805	RS	573
201805	RH	47
201806	RA	7
201806	RS	644
201806	RH	36
201807	RA	3
201807	RS	718
201807	RH	39
201808	RA	4
201808	RS	886
201808	RH	37
201809	RA	2
201809	RS	560
201809	RH	30
201810	RA	3
201810	RS	826
201810	RH	50
201811	RA	4
201811	RS	512
201811	RH	21
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	2
201904	RS	1,055
201904	RH	69
201905	RA	2
201905	RS	955
201905	RH	61
201906	RA	1
201906	RS	719
201906	RH	58
201907	RA	1
201907	RS	658
201907	RH	42
201908	RA	3
201908	RS	582
201908	RH	26
201909	RA	1
201909	RS	693
201909	RH	30
201910	RA	3
201910	RS	735
201910	RH	30
201911	RA	3
201911	RS	597
201911	RH	30
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

c. Residential default service customers - def_shop = 'Default'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	12
201804	RS	2,111
201804	RH	228
201805	RA	11
201805	RS	2,666
201805	RH	283
201806	RA	17
201806	RS	2,269
201806	RH	235
201807	RA	24
201807	RS	2,347
201807	RH	264
201808	RA	16
201808	RS	2,646
201808	RH	276
201809	RA	12
201809	RS	1,784
201809	RH	132
201810	RA	17
201810	RS	2,635
201810	RH	234
201811	RA	10
201811	RS	1,564
201811	RH	123
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	25
201904	RS	3,528
201904	RH	380
201905	RA	21
201905	RS	2,983
201905	RH	387
201906	RA	34
201906	RS	2,009
201906	RH	277
201907	RA	15
201907	RS	1,915
201907	RH	224
201908	RA	16
201908	RS	1,746
201908	RH	192
201909	RA	21
201909	RS	2,152
201909	RH	223
201910	RA	14
201910	RS	2,168
201910	RH	210
201911	RA	12
201911	RS	1,927
201911	RH	198
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
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202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

d. CLI customers - cli_flg = 'Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	5
201804	RS	863
201804	RH	94
201805	RA	2
201805	RS	835
201805	RH	79
201806	RA	5
201806	RS	724
201806	RH	74
201807	RA	6
201807	RS	766
201807	RH	98
201808	RA	5
201808	RS	719
201808	RH	95
201809	RA	1
201809	RS	451
201809	RH	37
201810	RA	3
201810	RS	617
201810	RH	78
201811	RA	6
201811	RS	539
201811	RH	56
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	5
201904	RS	1,068
201904	RH	109
201905	RA	2
201905	RS	818
201905	RH	94
201906	RA	5
201906	RS	641
201906	RH	68
201907	RA	4
201907	RS	554
201907	RH	84
201908	RA	3
201908	RS	458
201908	RH	67
201909	RA	6
201909	RS	507
201909	RH	68
201910	RA	2
201910	RS	520
201910	RH	68
201911	RA	3
201911	RS	462
201911	RH	60
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
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202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

e. CLI shopping customers - def_shop ='Shopping' and cli_flg ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	1
201804	RS	65
201804	RH	5
201805	RA	-
201805	RS	83
201805	RH	6
201806	RA	1
201806	RS	73
201806	RH	6
201807	RA	-
201807	RS	95
201807	RH	6
201808	RA	-
201808	RS	105
201808	RH	8
201809	RA	1
201809	RS	60
201809	RH	1
201810	RA	-
201810	RS	97
201810	RH	11
201811	RA	1
201811	RS	88
201811	RH	4
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	5
201904	RS	155
201904	RH	7
201905	RA	-
201905	RS	98
201905	RH	11
201906	RA	-
201906	RS	102
201906	RH	6
201907	RA	-
201907	RS	65
201907	RH	8
201908	RA	-
201908	RS	55
201908	RH	4
201909	RA	-
201909	RS	56
201909	RH	4
201910	RA	-
201910	RS	76
201910	RH	5
201911	RA	1
201911	RS	57
201911	RH	4
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
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202007	RA	-
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202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

f. CLI default service customers - def_shop ='Default' and cli_flg ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	4
201804	RS	798
201804	RH	89
201805	RA	2
201805	RS	752
201805	RH	73
201806	RA	4
201806	RS	651
201806	RH	68
201807	RA	6
201807	RS	671
201807	RH	92
201808	RA	5
201808	RS	614
201808	RH	87
201809	RA	-
201809	RS	391
201809	RH	36
201810	RA	3
201810	RS	520
201810	RH	67
201811	RA	5
201811	RS	451
201811	RH	52
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	5
201904	RS	913
201904	RH	102
201905	RA	2
201905	RS	720
201905	RH	83
201906	RA	5
201906	RS	539
201906	RH	62
201907	RA	4
201907	RS	489
201907	RH	76
201908	RA	3
201908	RS	403
201908	RH	63
201909	RA	6
201909	RS	451
201909	RH	64
201910	RA	2
201910	RS	444
201910	RH	63
201911	RA	2
201911	RS	405
201911	RH	56
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

g. CLI customers not enrolled in CAP - cli_not_on_cap ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	4
201804	RS	410
201804	RH	33
201805	RA	2
201805	RS	456
201805	RH	34
201806	RA	4
201806	RS	436
201806	RH	31
201807	RA	2
201807	RS	473
201807	RH	31
201808	RA	3
201808	RS	456
201808	RH	33
201809	RA	1
201809	RS	247
201809	RH	9
201810	RA	-
201810	RS	356
201810	RH	28
201811	RA	4
201811	RS	314
201811	RH	21
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	2
201904	RS	552
201904	RH	38
201905	RA	1
201905	RS	414
201905	RH	33
201906	RA	3
201906	RS	360
201906	RH	20
201907	RA	-
201907	RS	285
201907	RH	34
201908	RA	1
201908	RS	226
201908	RH	22
201909	RA	2
201909	RS	228
201909	RH	22
201910	RA	-
201910	RS	260
201910	RH	23
201911	RA	2
201911	RS	231
201911	RH	20
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

h. CLI shopping customers not enrolled in CAP - def_shop ='Shopping' and cli_not_on_cap ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	1
201804	RS	345
201804	RH	28
201805	RA	-
201805	RS	373
201805	RH	28
201806	RA	1
201806	RS	363
201806	RH	25
201807	RA	2
201807	RS	378
201807	RH	25
201808	RA	-
201808	RS	351
201808	RH	25
201809	RA	-
201809	RS	187
201809	RH	8
201810	RA	-
201810	RS	258
201810	RH	17
201811	RA	3
201811	RS	226
201811	RH	17
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	2
201904	RS	397
201904	RH	31
201905	RA	1
201905	RS	316
201905	RH	22
201906	RA	3
201906	RS	258
201906	RH	14
201907	RA	-
201907	RS	220
201907	RH	26
201908	RA	1
201908	RS	171
201908	RH	18
201909	RA	2
201909	RS	172
201909	RH	18
201910	RA	-
201910	RS	184
201910	RH	18
201911	RA	1
201911	RS	174
201911	RH	16
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

i. CLI default service customers not enrolled in CAP - def_shop ='Default' and cli_not_on_cap ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	3
201804	RS	453
201804	RH	28
201805	RA	2
201805	RS	379
201805	RH	45
201806	RA	3
201806	RS	288
201806	RH	43
201807	RA	4
201807	RS	293
201807	RH	67
201808	RA	2
201808	RS	263
201808	RH	62
201809	RA	-
201809	RS	204
201809	RH	28
201810	RA	3
201810	RS	262
201810	RH	50
201811	RA	2
201811	RS	225
201811	RH	35
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	3
201904	RS	516
201904	RH	71
201905	RA	1
201905	RS	404
201905	RH	61
201906	RA	2
201906	RS	281
201906	RH	48
201907	RA	4
201907	RS	269
201907	RH	50
201908	RA	2
201908	RS	232
201908	RH	45
201909	RA	4
201909	RS	279
201909	RH	46
201910	RA	2
201910	RS	260
201910	RH	45
201911	RA	1
201911	RS	231
201911	RH	40
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

j. CAP customers - cap_flg ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	-
201804	RS	453
201804	RH	61
201805	RA	-
201805	RS	379
201805	RH	45
201806	RA	-
201806	RS	288
201806	RH	43
201807	RA	-
201807	RS	293
201807	RH	67
201808	RA	-
201808	RS	263
201808	RH	62
201809	RA	-
201809	RS	204
201809	RH	28
201810	RA	-
201810	RS	262
201810	RH	50
201811	RA	-
201811	RS	225
201811	RH	35
201812	RA	-
201812	RS	-
201812	RH	-
201901	RA	-
201901	RS	-
201901	RH	-
201902	RA	-
201902	RS	-
201902	RH	-
201903	RA	-
201903	RS	-
201903	RH	-
201904	RA	-
201904	RS	516
201904	RH	71
201905	RA	-
201905	RS	404
201905	RH	61
201906	RA	-
201906	RS	281
201906	RH	48
201907	RA	-
201907	RS	269
201907	RH	50
201908	RA	-
201908	RS	232
201908	RH	45
201909	RA	-
201909	RS	279
201909	RH	46
201910	RA	-
201910	RS	260
201910	RH	45
201911	RA	-
201911	RS	231
201911	RH	40
201912	RA	-
201912	RS	-
201912	RH	-
202001	RA	-
202001	RS	-
202001	RH	-
202002	RA	-
202002	RS	-
202002	RH	-
202003	RA	-
202003	RS	-
202003	RH	-
202004	RA	-
202004	RS	-
202004	RH	-
202005	RA	-
202005	RS	-
202005	RH	-
202006	RA	-
202006	RS	-
202006	RH	-
202007	RA	-
202007	RS	-
202007	RH	-
202008	RA	-
202008	RS	-
202008	RH	-
202009	RA	-
202009	RS	-
202009	RH	-
202010	RA	-
202010	RS	-
202010	RH	-
202011	RA	-
202011	RS	-
202011	RH	-
202012	RA	-
202012	RS	-
202012	RH	-
202101	RA	-
202101	RS	-
202101	RH	-
202102	RA	-
202102	RS	-
202102	RH	-
202103	RA	-
202103	RS	-

k. CAP shopping customers - def_shop ='Shopping' and cap_flg ='Y'		
REPORT_YEAR	HEATING	COUNT
201801	RA	-
201801	RS	-
201801	RH	-
201802	RA	-
201802	RS	-
201802	RH	-
201803	RA	-
201803	RS	-
201803	RH	-
201804	RA	-
201804	RS	-
201804	RH	-
201805	RA	-
201805	RS	-
201805	RH	-
201806	RA	-
201806	RS	-
201806	RH	-
201807	RA	-
201807	RS	-
201807	RH	-
201808	RA	-
201808	RS	-
201808	RH	-
201809	RA	-
201809	RS	-
201809	RH	-
201810	RA	-
201810	RS	-
201810	RH	-
201811	RA	-
201811	RS	-
201811

202103	RH	-	
202104	RA	9	
202104	RS	601	
202104	RH	69	
202105	RA	13	
202105	RS	766	
202105	RH	117	
202106	RA	20	
202106	RS	1,485	
202106	RH	196	
202107	RA	39	
202107	RS	5,694	
202107	RH	630	
202108	RA	48	
202108	RS	7,448	
202108	RH	732	
202109	RA	15	
202109	RS	3,143	
202109	RH	331	
202110	RA	30	
202110	RS	4,612	
202110	RH	413	
202111	RA	14	
202111	RS	3,314	
202111	RH	300	
202112	RA	-	
202112	RS	6	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	3	
202202	RS	275	
202202	RH	39	
202203	RA	-	
202203	RS	24	
202203	RH	8	
202204	RA	14	
202204	RS	2,521	
202204	RH	361	
202205	RA	26	
202205	RS	3,147	
202205	RH	395	
202206	RA	16	
202206	RS	3,459	
202206	RH	515	
202207	RA	18	
202207	RS	2,933	
202207	RH	395	
202208	RA	26	
202208	RS	3,265	
202208	RH	332	
202209	RA	22	
202209	RS	3,654	
202209	RH	323	
202210	RA	26	
202210	RS	3,821	
202210	RH	318	
202211	RA	17	
202211	RS	3,166	
202211	RH	280	
202212	RA	-	
202212	RS	12	
202212	RH	2	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	1	
202303	RH	-	
202304	RA	24	
202304	RS	2,423	
202304	RH	325	
202305	RA	27	
202305	RS	3,000	
202305	RH	468	
202306	RA	29	
202306	RS	3,451	
202306	RH	464	
202307	RA	11	
202307	RS	2,705	
202307	RH	311	
202308	RA	38	
202308	RS	2,726	
202308	RH	237	
202309	RA	23	
202309	RS	2,742	
202309	RH	301	
202310	RA	19	
202310	RS	2,570	
202310	RH	319	
202311	RA	9	
202311	RS	1,889	
202311	RH	171	
202312	RA	-	
202312	RS	15	
202312	RH	3	
202401	RA	2	
202401	RS	281	
202401	RH	39	
202402	RA	1	
202402	RS	201	
202402	RH	27	
202403	RA	1	
202403	RS	14	
202403	RH	10	
202404	RA	34	
202404	RS	3,414	
202404	RH	572	
202405	RA	34	
202405	RS	3,276	
202405	RH	494	
202406	RA	24	
202406	RS	1,904	
202406	RH	293	

202103	RH	-	
202104	RA	-	
202104	RS	78	
202104	RH	6	
202105	RA	2	
202105	RS	142	
202105	RH	9	
202106	RA	-	
202106	RS	298	
202106	RH	27	
202107	RA	10	
202107	RS	1,201	
202107	RH	69	
202108	RA	9	
202108	RS	1,457	
202108	RH	54	
202109	RA	3	
202109	RS	617	
202109	RH	41	
202110	RA	6	
202110	RS	795	
202110	RH	46	
202111	RA	6	
202111	RS	688	
202111	RH	20	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	36	
202202	RH	3	
202203	RA	-	
202203	RS	3	
202203	RH	-	
202204	RA	4	
202204	RS	431	
202204	RH	34	
202205	RA	3	
202205	RS	558	
202205	RH	43	
202206	RA	2	
202206	RS	605	
202206	RH	58	
202207	RA	4	
202207	RS	497	
202207	RH	42	
202208	RA	6	
202208	RS	588	
202208	RH	38	
202209	RA	4	
202209	RS	631	
202209	RH	28	
202210	RA	6	
202210	RS	716	
202210	RH	43	
202211	RA	2	
202211	RS	568	
202211	RH	39	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	5	
202304	RS	459	
202304	RH	32	
202305	RA	4	
202305	RS	490	
202305	RH	36	
202306	RA	2	
202306	RS	542	
202306	RH	49	
202307	RA	-	
202307	RS	439	
202307	RH	38	
202308	RA	-	
202308	RS	447	
202308	RH	29	
202309	RA	3	
202309	RS	474	
202309	RH	35	
202310	RA	4	
202310	RS	423	
202310	RH	42	
202311	RA	2	
202311	RS	348	
202311	RH	12	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	23	
202401	RH	3	
202402	RA	-	
202402	RS	16	
202402	RH	2	
202403	RA	-	
202403	RS	1	
202404	RA	5	
202404	RS	530	
202404	RH	54	
202405	RA	3	
202405	RS	426	
202405	RH	47	
202406	RA	2	
202406	RS	276	
202406	RH	29	

202103	RH	-	
202104	RA	-	
202104	RS	523	
202104	RH	53	
202105	RA	11	
202105	RS	618	
202105	RH	108	
202106	RA	20	
202106	RS	1,187	
202106	RH	169	
202107	RA	29	
202107	RS	4,493	
202107	RH	561	
202108	RA	40	
202108	RS	5,991	
202108	RH	678	
202109	RA	12	
202109	RS	2,526	
202109	RH	290	
202110	RA	24	
202110	RS	3,817	
202110	RH	367	
202111	RA	8	
202111	RS	2,626	
202111	RH	280	
202112	RA	-	
202112	RS	6	
202112	RH	-	
202201	RA	-	
202201	RS	7	
202201	RH	-	
202202	RA	3	
202202	RS	239	
202202	RH	36	
202203	RA	-	
202203	RS	21	
202203	RH	8	
202204	RA	10	
202204	RS	2,090	
202204	RH	327	
202205	RA	23	
202205	RS	2,589	
202205	RH	352	
202206	RA	14	
202206	RS	2,854	
202206	RH	457	
202207	RA	14	
202207	RS	2,436	
202207	RH	353	
202208	RA	20	
202208	RS	2,677	
202208	RH	294	
202209	RA	18	
202209	RS	3,023	
202209	RH	295	
202210	RA	20	
202210	RS	3,105	
202210	RH	275	
202211	RA	15	
202211	RS	2,606	
202211	RH	241	
202212	RA	-	
202212	RS	12	
202212	RH	2	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	9	
202302	RH	-	
202303	RA	-	
202303	RS	1	
202303	RH	-	
202304	RA	19	
202304	RS	1,964	
202304	RH	293	
202305	RA	23	
202305	RS	2,510	
202305	RH	432	
202306	RA	27	
202306	RS	2,909	
202306	RH	415	
202307	RA	11	
202307	RS	2,266	
202307	RH	273	
202308	RA	18	
202308	RS	2,279	
202308	RH	208	
202309	RA	20	
202309	RS	2,268	
202309	RH	266	
202310	RA	15	
202310	RS	2,147	
202310	RH	277	
202311	RA	7	
202311	RS	1,540	
202311	RH	159	
202312	RA	-	
202312	RS	15	
202312	RH	3	
202401	RA	2	
202401	RS	258	
202401	RH	36	
202402	RA	1	
202402	RS	185	
202402	RH	25	
202403	RA	1	
202403	RS	14	
202403	RH	9	
202404	RA	29	
202404	RS	2,884	
202404	RH	518	
202405	RA	31	
202405	RS	2,850	
202405	RH	447	
202406	RA	22	
202406	RS	1,628	
202406	RH	264	

202103	RH	-	
202104	RA	1	
202104	RS	57	
202104	RH	4	
202105	RA	2	
202105	RS	82	
202105	RH	12	
202106	RA	2	
202106	RS	220	
202106	RH	29	
202107	RA	3	
202107	RS	634	
202107	RH	116	
202108	RA	6	
202108	RS	850	
202108	RH	139	
202109	RA	2	
202109	RS	445	
202109	RH	68	
202110	RA	7	
202110	RS	1,009	
202110	RH	146	
202111	RA	3	
202111	RS	709	
202111	RH	84	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	2	
202202	RH	1	
202203	RA	-	
202203	RS	-	
202203	RH	-	
202204	RA	1	
202204	RS	544	
202204	RH	77	
202205	RA	5	
202205	RS	645	
202205	RH	77	
202206	RA	3	
202206	RS	839	
202206	RH	129	
202207	RA	4	
202207	RS	685	
202207	RH	116	
202208	RA	4	
202208	RS	730	
202208	RH	102	
202209	RA	2	
202209	RS	743	
202209	RH	72	
202210	RA	5	
202210	RS	797	
202210	RH	92	
202211	RA	4	
202211	RS	846	
202211	RH	77	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	7	
202304	RS	614	
202304	RH	67	
202305	RA	2	
202305	RS	814	
202305	RH	116	
202306	RA	2	
202306	RS	968	
202306	RH	123	
202307	RA	-	
202307	RS	809	
202307	RH	65	
202308	RA	-	
202308	RS	716	
202308	RH	45	
202309	RA	5	
202309	RS	668	
202309	RH	130	
202310	RA	2	
202310	RS	669	
202310	RH	118	
202311	RA	4	
202311	RS	473	
202311	RH	60	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	1	
202401	RH	-	
202402	RA	1	
202402	RS	1	
202402	RH	-	
202403	RA	-	
202403	RS	-	
202403	RH	-	
202404	RA	8	
202404	RS	878	
202404	RH	148	
202405	RA	7	
202405	RS	1,024	
202405	RH	143	
202406	RA	6	
202406	RS	614	
202406	RH	103	

202103	RH	-	
202104	RA	1	
202104	RS	55	
202104	RH	4	
202105	RA	-	
202105	RS	77	
202105	RH	12	
202106	RA	2	
202106	RS	209	
202106	RH	29	
202107	RA	3	
202107	RS	598	
202107	RH	110	
202108	RA	6	
202108	RS	802	
202108	RH	138	
202109	RA	2	
202109	RS	423	
202109	RH	67	
202110	RA	7	
202110	RS	984	
202110	RH	141	
202111	RA	3	
202111	RS	686	
202111	RH	82	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	1	
202202	RH	1	
202203	RA	-	
202203	RS	-	
202203	RH	-	
202204	RA	1	
202204	RS	521	
202204	RH	73	
202205	RA	1	
202205	RS	613	
202205	RH	71	
202206	RA	3	
202206	RS	774	
202206	RH	119	
202207	RA	3	
202207	RS	629	
202207	RH	109	
202208	RA	3	
202208	RS	672	
202208	RH	96	
202209	RA	2	
202209	RS	710	
202209	RH	70	
202210	RA	4	
202210	RS	762	
202210	RH	90	
202211	RA	3	
202211	RS	799	
202211	RH	73	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	6	
202304	RS	576	
202304	RH	64	
202305	RA	2	
202305	RS	767	
202305	RH	113	
202306	RA	1	
202306	RS	918	
202306	RH	116	
202307	RA	-	
202307	RS	757	
202307	RH	62	
202308	RA	-	
202308	RS	692	
202308	RH	39	
202309	RA	5	
202309	RS	633	
202309	RH	128	
202310	RA	2	
202310	RS	626	
202310	RH	117	
202311	RA	3	
202311	RS	444	
202311	RH	58	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	1	
202401	RH	-	
202402	RA	1	
202402	RS	-	
202402	RH	-	
202403	RA	-	
202403	RS	-	
202403	RH	-	
202404	RA	8	
202404	RS	840	
202404	RH	142	
202405	RA	7	
202405	RS	987	
202405	RH	139	
202406	RA	6	
202406	RS	580	
202406	RH	97	

202103	RH	-	
202104	RA	-	
202104	RS	34	
202104	RH	3	
202105	RA	-	
202105	RS	48	
202105	RH	4	
202106	RA	1	
202106	RS	148	
202106	RH	8	
202107	RA	1	
202107	RS	449	
202107	RH	54	
202108	RA	5	
202108	RS	538	
202108	RH	44	
202109	RA	1	
202109	RS	247	
202109	RH	15	
202110	RA	4	
202110	RS	322	
202110	RH	32	
202111	RA	2	
202111	RS	272	
202111	RH	15	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	2	
202202	RH	-	
202203	RA	-	
202203	RS	-	
202203	RH	-	
202204	RA	1	
202204	RS	223	
202204	RH	31	
202205	RA	1	
202205	RS	218	
202205	RH	26	
202206	RA	-	
202206	RS	347	
202206	RH	45	
202207	RA	2	
202207	RS	290	
202207	RH	32	
202208	RA	1	
202208	RS	313	
202208	RH	31	
202209	RA	-	
202209	RS	258	
202209	RH	13	
202210	RA	3	
202210	RS	243	
202210	RH	23	
202211	RA	2	
202211	RS	274	
202211	RH	21	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	2	
202304	RS	243	
202304	RH	29	
202305	RA	1	
202305	RS	275	
202305	RH	40	
202306	RA	2	
202306	RS	305	
202306	RH	33	
202307	RA	-	
202307	RS	287	
202307	RH	26	
202308	RA	-	
202308	RS	272	
202308	RH	21	
202309	RA	1	
202309	RS	272	
202309	RH	25	
202310	RA	1	
202310	RS	261	
202310	RH	24	
202311	RA	1	
202311	RS	196	
202311	RH	18	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	1	
202401	RH	-	
202402	RA	1	
202402	RS	1	
202402	RH	-	
202403	RA	-	
202403	RS	-	
202403	RH	-	
202404	RA	5	
202404	RS	367	
202404	RH	56	
202405	RA	-	
202405	RS	338	
202405	RH	42	
202406	RA	3	
202406	RS	226	
202406	RH	34	

202103	RH	-	
202104	RA	-	
202104	RS	32	
202104	RH	3	
202105	RA	-	
202105	RS	43	
202105	RH	4	
202106	RA	1	
202106	RS	137	
202106	RH	8	
202107	RA	1	
202107	RS	413	
202107	RH	48	
202108	RA	5	
202108	RS	490	
202108	RH	43	
202109	RA	1	
202109	RS	226	
202109	RH	14	
202110	RA	4	
202110	RS	299	
202110	RH	27	
202111	RA	2	
202111	RS	252	
202111	RH	13	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	1	
202202	RH	-	
202203	RA	-	
202203	RS	-	
202203	RH	-	
202204	RA	1	
202204	RS	202	
202204	RH	27	
202205	RA	1	
202205	RS	186	
202205	RH	20	
202206	RA	-	
202206	RS	286	
202206	RH	35	
202207	RA	1	
202207	RS	234	
202207	RH	25	
202208	RA	1	
202208	RS	256	
202208	RH	28	
202209	RA	-	
202209	RS	226	
202209	RH	11	
202210	RA	2	
202210	RS	208	
202210	RH	21	
202211	RA	1	
202211	RS	227	
202211	RH	17	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	1	
202304	RS	376	
202304	RH	39	
202305	RA	1	
202305	RS	541	
202305	RH	76	
202306	RA	-	
202306	RS	670	
202306	RH	90	
202307	RA	-	
202307	RS	528	
202307	RH	41	
202308	RA	-	
202308	RS	448	
202308	RH	24	
202309	RA	4	
202309	RS	410	
202309	RH	106	
202310	RA	1	
202310	RS	432	
202310	RH	99	
202311	RA	3	
202311	RS	284	
202311	RH	46	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	-	
202401	RH	-	
202402	RA	-	
202402	RS	-	
202402	RH	-	
202403	RA	-	
202403	RS	-	
202403	RH	-	
202404	RA	3	
202404	RS	519	
202404	RH	93	
202405	RA	7	
202405	RS	695	
202405	RH	104	
202406	RA	3	
202406	RS	396	
202406	RH	72	

202103	RH	-	
202104	RA	1	
202104	RS	23	
202104	RH	1	
202105	RA	-	
202105	RS	34	
202105	RH	8	
202106	RA	-	
202106	RS	72	
202106	RH	21	
202107	RA	2	
202107	RS	187	
202107	RH	62	
202108	RA	1	
202108	RS	312	
202108	RH	95	
202109	RA	1	
202109	RS	199	
202109	RH	53	
202110	RA	3	
202110	RS	689	
202110	RH	114	
202111	RA	1	
202111	RS	436	
202111	RH	69	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	-	
202202	RH	1	
202203	RA	-	
202203	RS	-	
202203	RH	-	
202204	RA	-	
202204	RS	324	
202204	RH	47	
202205	RA	4	
202205	RS	442	
202205	RH	52	
202206	RA	3	
202206	RS	503	
202206	RH	89	
202207	RA	2	
202207	RS	402	
202207	RH	88	
202208	RA	3	
202208	RS	423	
202208	RH	68	
202209	RA	2	
202209	RS	489	
202209	RH	61	
202210	RA	2	
202210	RS	561	
202210	RH	70	
202211	RA	2	
202211	RS	589	
202211	RH	57	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	5	
202304	RS	375	
202304	RH	39	
202305	RA	1	
202305	RS	541	
202305	RH	76	
202306	RA	-	
202306	RS	670	
202306	RH	90	
202307	RA	-	
202307	RS	527	
202307	RH	41	
202308	RA	-	
202308	RS	448	
202308	RH	23	
202309	RA	4	
202309	RS	409	
202309	RH	106	
202310	RA	1	
202310	RS	432	
202310	RH	99	
202311	RA	3	
202311	RS	283	
202311	RH	46	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	-	
202401	RH	-	
202402	RA	-	
202402	RS	-	
202402	RH	-	
202403	RA	-	
202403	RS	-	
202403	RH	-	
202404	RA	3	
202404	RS	518	
202404	RH	93	
202405	RA	7	
202405	RS	694	
202405	RH	104	
202406	RA	3	
202406	RS	396	
202406	RH	72	

202103	RH	-	
202104	RA	1	
202104	RS	23	
202104	RH	1	
202105	RA	2	
202105	RS	34	
202105	RH	8	
202106	RA	1	
202106	RS	72	
202106	RH	21	
202107	RA	2	
202107	RS	188	
202107	RH	62	
202108	RA	1	
202108	RS	312	
202108	RH	95	
202109	RA	1	
202109	RS	200	
202109	RH	53	
202110	RA	3	
202110	RS	691	
202110	RH	114	
202111	RA	1	
202111	RS	439	
202111	RH	69	
202112	RA	-	
202112	RS	-	
202112	RH	-	
202201	RA	-	
202201	RS	-	
202201	RH	-	
202202	RA	-	
202202	RS	-	
202202	RH	-	
202203	RA	-	
202203	RS	-	
202203	RH	-	
202204	RA	-	
202204	RS	326	
202204	RH	47	
202205	RA	1	
202205	RS	442	
202205	RH	52	
202206	RA	3	
202206	RS	507	
202206	RH	89	
202207	RA	2	
202207	RS	402	
202207	RH	88	
202208	RA	3	
202208	RS	424	
202208	RH	71	
202209	RA	2	
202209	RS	490	
202209	RH	61	
202210	RA	2	
202210	RS	561	
202210	RH	70	
202211	RA	2	
202211	RS	589	
202211	RH	57	
202212	RA	-	
202212	RS	-	
202212	RH	-	
202301	RA	-	
202301	RS	-	
202301	RH	-	
202302	RA	-	
202302	RS	-	
202302	RH	-	
202303	RA	-	
202303	RS	-	
202303	RH	-	
202304	RA	5	
202304	RS	1	
202304	RH	-	
202305	RA	1	
202305	RS	1	
202305	RH	76	
202306	RA	-	
202306	RS	-	
202306	RH	90	
202307	RA	-	
202307	RS	1	
202307	RH	-	
202308	RA	-	
202308	RS	-	
202308	RH	1	
202309	RA	-	
202309	RS	1	
202309	RH	-	
202310	RA	-	
202310	RS	-	
202310	RH	-	
202311	RA	-	
202311	RS	1	
202311	RH	-	
202312	RA	-	
202312	RS	-	
202312	RH	-	
202401	RA	-	
202401	RS	-	
202401	RH	-	
202402	RA	-	
202402	RS	-	
202402	RH	-	
202403	RA	-	
202403	RS	-	
202403	RH	-	
202404	RA	-	
202404	RS	1	
202404	RH	-	
202405	RA	-	
202405	RS	1	
202405	RH	-	
202406	RA	-	
202406	RS	-	
202406	RH	-	

202103	RH	-	
202104	RA	1	
202104	RS	23	
202104	RH	1	
202105	RA	-	
202105	RS	34	
202105	RH	8	
202106	RA	-	
202106	RS	72	
202106	RH	21	
202107	RA	2	
202107	RS	187	
202107	RH	62	
202108	RA	1	
202108	RS	312	
202108	RH	95	
202109	RA	1	
202109	RS	199	
202109	RH	53	
202110	RA	3	
202110	RS	689	
202110	RH	114	
202111	RA	1	
202111	RS	436	
202111	RH	69	
202112	RA	-	
202112	RS	-	
202112	RH	-

Duquesne Light Company
Docket No. P-2024-3048592

Interrogatories of
Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania
(CAUSE-PA)

Set III

Witness: Edwin Schuck

CAUSE-PA-III-3

3. From January 2018 to date, disaggregated by month and service type (RS, RH, RA), please provide the total arrears for the following residential customer groups:

a. Total residential
b. Residential shopping customers
c. Residential default service customers
d. CLI customers
e. CLI shopping customers
f. CLI default service customers
g. CLI customers not enrolled in CAP
h. CLI shopping customers not enrolled in CAP
i. CLI default service customers not enrolled in CAP
j. CAP customers
k. CAP shopping customers
l. CAP default service customers

Response:

See attachment titled ‘DSP CAUSE-PA III-3'

(a) Total residential

REPORT_YEAR	HEATING	COUNT
201801	RA	255,635
201801	RS	40,378,200
201801	RH	3,943,553
201802	RA	298,162
201802	RS	43,603,137
201802	RH	4,824,213
201803	RA	279,871
201803	RS	42,593,128
201803	RH	4,857,332
201804	RA	196,858
201804	RS	27,438,870
201804	RH	3,557,259
201805	RA	183,749
201805	RS	28,545,254
201805	RH	3,750,637
201806	RA	158,079
201806	RS	25,362,892
201806	RH	3,063,993
201807	RA	177,019
201807	RS	27,471,696
201807	RH	2,905,198
201808	RA	171,582
201808	RS	27,116,196
201808	RH	2,593,434
201809	RA	167,162
201809	RS	27,267,571
201809	RH	2,450,422
201810	RA	225,776
201810	RS	30,376,459
201810	RH	2,615,414
201811	RA	196,278
201811	RS	29,793,634
201811	RH	2,576,925
201812	RA	238,140
201812	RS	36,382,149
201812	RH	3,334,624
201901	RA	263,583
201901	RS	38,669,831
201901	RH	3,873,824
201902	RA	266,490
201902	RS	39,899,311
201902	RH	4,427,885
201903	RA	249,302
201903	RS	35,542,320
201903	RH	4,288,221
201904	RA	194,976
201904	RS	27,419,289
201904	RH	3,567,969
201905	RA	151,754
201905	RS	24,435,290
201905	RH	2,883,949
201906	RA	125,364
201906	RS	22,120,661
201906	RH	2,564,778
201907	RA	159,329
201907	RS	24,497,620
201907	RH	2,538,511
201908	RA	173,022
201908	RS	24,274,320
201908	RH	2,257,416
201909	RA	192,338
201909	RS	26,007,733
201909	RH	2,266,813
201910	RA	166,040
201910	RS	27,280,135
201910	RH	2,262,310
201911	RA	156,034
201911	RS	26,004,060
201911	RH	2,195,648
201912	RA	198,029
201912	RS	33,291,960
201912	RH	3,005,603
202001	RA	212,529
202001	RS	35,230,633
202001	RH	3,468,510
202002	RA	229,789
202002	RS	36,713,037
202002	RH	3,895,393
202003	RA	263,486
202003	RS	39,883,256
202003	RH	4,718,480
202004	RA	234,557
202004	RS	36,365,870
202004	RH	4,381,554
202005	RA	238,149
202005	RS	36,349,861
202005	RH	4,448,952
202006	RA	252,708
202006	RS	35,854,332
202006	RH	4,425,359
202007	RA	245,318
202007	RS	38,634,137
202007	RH	4,285,887
202008	RA	296,319
202008	RS	46,659,545
202008	RH	4,738,231
202009	RA	321,764
202009	RS	49,217,653
202009	RH	4,680,719
202010	RA	331,782
202010	RS	50,404,014
202010	RH	4,793,570
202011	RA	351,106
202011	RS	45,909,266
202011	RH	4,390,951
202012	RA	342,229
202012	RS	51,943,776
202012	RH	4,933,514
202101	RA	247,066
202101	RS	37,603,113
202101	RH	3,893,473
202102	RA	282,674
202102	RS	48,589,630
202102	RH	5,351,200
202103	RA	262,642
202103	RS	39,261,438

b. Residential shopping customers - def_shop = 'Shopping'

REPORT_YEAR	HEATING	COUNT
201801	RA	33,760
201801	RS	8,327,114
201801	RH	539,358
201802	RA	35,641
201802	RS	9,365,748
201802	RH	733,865
201803	RA	39,491
201803	RS	9,331,887
201803	RH	771,863
201804	RA	23,987
201804	RS	5,696,649
201804	RH	564,064
201805	RA	22,335
201805	RS	6,347,406
201805	RH	548,603
201806	RA	17,236
201806	RS	5,805,853
201806	RH	483,635
201807	RA	31,531
201807	RS	6,561,936
201807	RH	477,789
201808	RA	23,061
201808	RS	6,785,473
201808	RH	447,462
201809	RA	23,903
201809	RS	6,733,325
201809	RH	440,044
201810	RA	45,098
201810	RS	7,499,434
201810	RH	453,913
201811	RA	32,240
201811	RS	7,234,733
201811	RH	464,354
201812	RA	45,699
201812	RS	9,183,876
201812	RH	619,607
201901	RA	60,682
201901	RS	10,088,566
201901	RH	787,752
201902	RA	53,209
201902	RS	10,596,063
201902	RH	906,828
201903	RA	49,302
201903	RS	9,309,408
201903	RH	847,718
201904	RA	39,898
201904	RS	6,675,710
201904	RH	539,696
201905	RA	23,756
201905	RS	5,978,131
201905	RH	457,134
201906	RA	21,290
201906	RS	5,286,283
201906	RH	338,327
201907	RA	24,961
201907	RS	5,833,016
201907	RH	354,486
201908	RA	31,117
201908	RS	5,660,940
201908	RH	267,182
201909	RA	31,961
201909	RS	5,887,312
201909	RH	274,744
201910	RA	25,563
201910	RS	6,042,174
201910	RH	248,294
201911	RA	28,344
201911	RS	5,622,395
201911	RH	249,064
201912	RA	29,140
201912	RS	7,558,167
201912	RH	396,246
202001	RA	32,088
202001	RS	8,230,633
202001	RH	500,674
202002	RA	33,908
202002	RS	8,684,765
202002	RH	589,929
202003	RA	39,236
202003	RS	9,402,688
202003	RH	722,599
202004	RA	29,793
202004	RS	8,652,187
202004	RH	641,472
202005	RA	32,800
202005	RS	8,797,379
202005	RH	618,836
202006	RA	34,099
202006	RS	8,781,762
202006	RH	618,746
202007	RA	35,795
202007	RS	9,371,472
202007	RH	641,749
202008	RA	52,590
202008	RS	11,662,632
202008	RH	700,582
202009	RA	58,226
202009	RS	12,286,691
202009	RH	686,084
202010	RA	60,014
202010	RS	12,427,888
202010	RH	698,266
202011	RA	53,305
202011	RS	10,946,997
202011	RH	664,252
202012	RA	58,322
202012	RS	12,451,389
202012	RH	750,324
202101	RA	60,501
202101	RS	10,146,456
202101	RH	740,307
202102	RA	66,920
202102	RS	10,636,370
202102	RH	812,361
202103	RA	64,340
202103	RS	9,352,257

c. Residential default service customers - def_shop = 'Default'

REPORT_YEAR	HEATING	COUNT
201801	RA	221,875
201801	RS	32,051,086
201801	RH	3,404,195
201802	RA	262,521
201802	RS	34,237,389
201802	RH	4,090,348
201803	RA	240,380
201803	RS	33,261,242
201803	RH	4,085,468
201804	RA	172,871
201804	RS	21,742,221
201804	RH	2,993,195
201805	RA	161,415
201805	RS	22,197,848
201805	RH	3,202,034
201806	RA	140,843
201806	RS	19,557,039
201806	RH	2,580,358
201807	RA	145,489
201807	RS	20,909,762
201807	RH	2,427,409
201808	RA	148,521
201808	RS	20,330,723
201808	RH	2,145,973
201809	RA	143,248
201809	RS	20,534,245
201809	RH	2,010,378
201810	RA	180,677
201810	RS	22,881,025
201810	RH	2,162,401
201811	RA	164,039
201811	RS	22,558,901
201811	RH	2,112,571
201812	RA	192,442
201812	RS	27,198,273
201812	RH	2,715,017
201901	RA	202,900
201901	RS	28,561,271
201901	RH	3,086,065
201902	RA	213,281
201902	RS	29,303,248
201902	RH	3,521,057
201903	RA	186,482
201903	RS	26,232,912
201903	RH	3,440,504
201904	RA	155,079
201904	RS	20,743,579
201904	RH	2,868,279
201905	RA	127,998
201905	RS	18,457,159
201905	RH	2,426,816
201906	RA	101,894
201906	RS	16,834,378
201906	RH	2,226,451
201907	RA	134,369
201907	RS	18,664,603
201907	RH	2,184,026
201908	RA	141,905
201908	RS	18,613,380
201908	RH	1,990,234
201909	RA	160,375
201909	RS	20,120,421
201909	RH	1,992,069
201910	RA	140,477
201910	RS	21,247,961
201910	RH	1,993,586
201911	RA	127,690
201911	RS	20,381,665
201911	RH	1,946,585
201912	RA	166,079
201912	RS	25,733,793
201912	RH	2,609,357
202001	RA	180,441
202001	RS	27,060,597
202001	RH	2,967,837
202002	RA	195,881
202002	RS	28,028,271
202002	RH	3,365,463
202003	RA	224,990
202003	RS	30,480,558
202003	RH	3,995,881
202004	RA	204,763
202004	RS	27,513,683
202004	RH	3,340,077
202005	RA	205,348
202005	RS	27,552,482
202005	RH	3,830,116
202006	RA	218,639
202006	RS	28,072,579
202006	RH	3,806,613
202007	RA	209,523
202007	RS	29,262,865
202007	RH	3,741,040
202008	RA	243,728
202008	RS	34,996,913
202008	RH	4,037,649
202009	RA	269,339
202009	RS	36,930,962
202009	RH	3,994,634
202010	RA	271,768
202010	RS	37,976,126
202010	RH	4,006,305
202011	RA	297,801
202011	RS	34,962,269
202011	RH	3,726,699
202012	RA	282,380
202012	RS	39,492,387
202012	RH	4,183,189
202101	RA	186,554
202101	RS	27,366,657
202101	RH	3,153,166
202102	RA	215,754
202102	RS	37,953,260
202102	RH	4,538,839
202103	RA	218,302
202103	RS	29,909,182

d. CLI customers - cli_flg = 'Y'

REPORT_YEAR	HEATING	COUNT
201801	RA	108,281
201801	RS	########
201801	RH	2,049,062
201802	RA	119,891
201802	RS	########
201802	RH	2,312,600
201803	RA	103,335
201803	RS	########
201803	RH	2,372,376
201804	RA	74,229
201804	RS	########
201804	RH	1,786,816
201805	RA	60,261
201805	RS	########
201805	RH	1,964,756
201806	RA	57,211
201806	RS	########
201806	RH	1,679,887
201807	RA	49,865
201807	RS	########
201807	RH	1,530,215
201808	RA	51,324
201808	RS	########
201808	RH	1,370,300
201809	RA	64,212
201809	RS	########
201809	RH	1,334,251
201810	RA	85,370
201810	RS	########
201810	RH	1,440,805
201811	RA	65,422
201811	RS	########
201811	RH	1,373,673
201812	RA	87,491
201812	RS	########
201812	RH	1,663,333
201901	RA	93,151
201901	RS	########
201901	RH	1,883,500
201902	RA	105,364
201902	RS	########
201902	RH	2,058,549
201903	RA	87,067
201903	RS	########
201903	RH	2,030,529
201904	RA	69,476
201904	RS	########
201904	RH	1,296,061
201905	RA	57,305
201905	RS	########
201905	RH	1,466,345
201906	RA	38,843
201906	RS	########
201906	RH	1,314,181
201907	RA	53,856
201907	RS	########
201907	RH	1,365,294
201908	RA	59,866
201908	RS	########
201908	RH	1,248,056
201909	RA	54,703
201909	RS	########
201909	RH	1,227,297
201910	RA	52,903
201910	RS	########
201910	RH	1,218,284
201911	RA	54,821
201911	RS	########
201911	RH	1,126,910
201912	RA	71,355
201912	RS	########
201912	RH	1,379,275
202001	RA	75,599
202001	RS	########
202001	RH	1,503,954
202002	RA	79,846
202002	RS	########
202002	RH	1,682,096
202003	RA	79,944
202003	RS	########
202003	RH	2,044,285
202004	RA	75,000
202004	RS	########
202004	RH	1,800,204
202005	RA	71,106
202005	RS	########
202005	RH	1,894,647
202006	RA	66,851
202006	RS	########
202006	RH	1,998,433
202007	RA	65,904
202007	RS	########
202007	RH	1,915,945
202008	RA	78,562
202008	RS	########
202008	RH	2,008,164
202009	RA	82,802
202009	RS	########
202009	RH	1,967,908
202010	RA	78,985
202010	RS	########
202010	RH	1,953,465
202011	RA	79,832
202011	RS	########
202011	RH	1,843,304
202012	RA	82,545
202012	RS	########
202012	RH	1,999,743
202101	RA	22,163
202101	RS	7,236,164
202101	RH	875,347
202102	RA	81,454
202102	RS	########
202102	RH	2,266,670
202103	RA	60,727
202103	RS	########

e. CLI shopping customers - def_shop ='Shopping' and cli_flg ='Y'

REPORT_YEAR	HEATING	COUNT
201801	RA	3,642
201801	RS	1,357,095
201801	RH	117,589
201802	RA	5,236
201802	RS	1,530,310
201802	RH	153,101
201803	RA	4,429
201803	RS	1,649,016
201803	RH	191,778
201804	RA	1,230
201804	RS	922,507
201804	RH	104,395
201805	RA	52
201805	RS	1,188,603
201805	RH	161,682
201806	RA	4,569
201806	RS	1,160,491
201806	RH	134,337
201807	RA	5,756
201807	RS	1,136,304
201807	RH	130,008
201808	RA	3,012
201808	RS	1,155,278
201808	RH	85,384
201809	RA	5,908
201809	RS	1,178,310
201809	RH	113,069
201810	RA	11,724
201810	RS	1,315,968
201810	RH	120,240
201811	RA	6,691
201811	RS	1,432,501
201811	RH	128,957
201812	RA	15,445
201812	RS	1,758,548
201812	RH	166,362
201901	RA	18,319
201901	RS	2,011,990
201901	RH	198,810
201902	RA	19,450
201902	RS	2,090,683
201902	RH	219,073
201903	RA	18,741
201903	RS	1,875,543
201903	RH	178,348
201904	RA	15,032
201904	RS	1,296,061
201904	RH	134,087
201905	RA	6,943
201905	RS	1,285,377
201905	RH	99,856
201906	RA	4,451
201906	RS	973,857
201906	RH	73,338
201907	RA	4,582
201907	RS	851,970
201907	RH	61,109
201908	RA	7,117
201908	RS	630,201
201908	RH	38,136
201909	RA	2,919
201909	RS	602,816
201909	RH	54,226
201910	RA	4,147
201910	RS	559,061
201910	RH	37,885
201911	RA	2,109
201911	RS	589,758
201911	RH	43,207
201912	RA	6,096
201912	RS	794,135
201912	RH	48,195
202001	RA	3,321
202001	RS	874,127
202001	RH	59,148
202002	RA	3,571
202002	RS	942,550
202002	RH	72,586
202003	RA	3,642
202003	RS	1,027,796
202003	RH	101,526
202004	RA	3,895
202004	RS	951,069
202004	RH	98,143
202005	RA	4,431
202005	RS	937,423
202005	RH	88,854
202006	RA	4,519
202006	RS	971,913
202006	RH	101,071
202007	RA	4,176
202007	RS	1,064,284
202007	RH	120,234
202008	RA	1,106
202008	RS	1,176,359
202008	RH	105,638
202009	RA	1,186
202009	RS	1,268,672
202009	RH	121,365
202010	RA	1,773
202010	RS	1,309,431
202010	RH	129,303
202011	RA	1,216
202011	RS	1,173,847
202011	RH	129,622
202012	RA	4,860
202012	RS	1,339,188
202012	RH	124,820
202101	RA	4,772
202101	RS	958,767
202101	RH	107,648
202102	RA	4,829
202102	RS	1,359,362
202102	RH	129,642
202103	RA	1,671
202103	RS	1,228,222

f. CLI default service customers - def_shop ='Default' and cli_flg ='Y'

REPORT_YEAR	HEATING	COUNT
201801	RA	104,639
201801	RS	18,254,138
201801	RH	1,831,473
201802	RA	114,655
201802	RS	18,907,027
201802	RH	2,159,499
201803	RA	98,906
201803	RS	18,267,096
201803	RH	2,180,598
201804	RA	72,999
201804	RS	12,268,796
201804	RH	1,682,221
201805	RA	60,209
201805	RS	12,443,028
201805	RH	1,803,074
201806	RA	52,643
201806	RS	11,051,260
201806	RH	1,545,550
201807	RA	44,108
201807	RS	11,224,534
201807	RH	1,400,207
201808	RA	48,312
201808	RS	10,732,575
201808	RH	1,284,916
201809	RA	58,304
201809	RS	11,063,288
201809	RH	1,221,182
201810	RA	73,646
201810	RS	12,553,718
201810	RH	1,320,655
201811	RA	58,730
201811	RS	12,658,721
201811	RH	1,246,716
201812	RA	72,447
201812	RS	14,885,810
201812	RH	1,496,971
201901	RA	74,832
201901	RS	15,588,667
201901	RH	1,670,690
201902	RA	85,914
201902	RS	15,586,420
201902	RH	1,839,476
201903	RA	68,326
201903	RS	14,136,531
201903	RH	1,852,180
201904	RA	54,444
201904	RS	11,582,812
201904	RH	1,655,661
201905	RA	50,362
201905	RS	10,386,780
201905	RH	1,366,489
201906	RA	34,392
201906	RS	9,157,296
201906	RH	1,240,843
201907	RA	49,274
201907	RS	9,681,887
201907	RH	1,243,974
201908	RA	52,749
201908	RS	9,529,548
201908	RH	1,209,920
201909	RA	51,784
201909	RS	10,127,806
201909	RH	1,173,071
201910	RA	48,756
201910	RS	10,634,977
201910	RH	1,180,309
201911	RA	52,712
201911	RS	10,662,540
201911	RH	1,083,704
201912	RA	66,296
201912	RS	12,866,597
201912	RH	1,331,079
202001	RA	72,278
202001	RS	13,307,409
202001	RH	1,444,605
202002	RA	76,275
202002	RS	13,701,411
202002	RH	1,609,510
202003	RA	76,302
202003	RS	14,666,973
202003	RH	1,942,759
202004	RA	71,105
202004	RS	12,311,027
202004	RH	1,701,957
202005	RA	66,675
202005	RS	12,453,781
202005	RH	1,805,793
202006	RA	62,332
202006	RS	12,779,081
202006	RH	1,897,362
202007	RA	61,728
202007	RS	12,828,245
202007	RH	1,785,764
202008	RA	77,456
202008	RS	14,222,251
202008	RH	1,902,526
202009	RA	81,726
202009	RS	14,947,282
202009	RH	1,846,543
202010	RA	77,211
202010	RS	15,460,886
202010	RH	1,824,162
202011	RA	78,616
202011	RS	15,070,850
202011	RH	1,713,681
202012	RA	77,686
202012	RS	16,491,241
202012	RH	1,874,923
202101	RA	17,391
202101	RS	6,277,397
202101	RH	767,699
202102	RA	76,625
202102	RS	18,679,865
202102	RH	2,137,028
202103	RA	59,056
202103	RS	12,602,363

g. CLI customers not enrolled in CAP - cli_not_on_cap ='Y'

REPORT_YEAR	HEATING	COUNT
201801	RA	61,173
201801	RS	########
201801	RH	1,006,023
201802	RA	65,014
201802	RS	########
201802	RH	1,137,604
201803	RA	57,864
201803	RS	########
201803	RH	1,136,946
201804	RA	31,509
201804	RS	6,065,123
201804	RH	647,469
201805	RA	30,389
201805	RS	6,605,052
201805	RH	758,950
201806	RA	27,935
201806	RS	6,033,490
201806	RH	667,897
201807	RA	28,295
201807	RS	5,542,495
201807	RH	556,207
201808	RA	29,191
201808	RS	5,214,394
201808	RH	481,853
201809	RA	32,259
201809	RS	5,117,361
201809	RH	474,484
201810	RA	44,800
201810	RS	5,588,930
201810	RH	556,805
201811	RA	26,334
201811	RS	5,663,985
201811	RH	547,074
201812	RA	39,419
201812	RS	6,989,700
201812	RH	698,472
201901	RA	41,513
201901	RS	7,589,201
201901	RH	756,780
201902	RA	51,084
201902	RS	7,861,531
201902	RH	900,495
201903	RA	44,835
201903	RS	7,132,973
201903	RH	887,165
201904	RA	32,136
201904	RS	5,120,787
201904	RH	663,027
201905	RA	33,192
201905	RS	4,495,989
201905	RH	497,440
201906	RA	16,036
201906	RS	3,462,226
201906	RH	384,487
201907	RA	21,951
201907	RS	3,314,046
201907	RH	346,622
201908	RA	22,101
201908	RS	2,789,684
201908	RH	285,387
201909	RA	28,278
201909	RS	2,665,696
201909	RH	282,662
201910	RA	20,525
201910	RS	2,769,193
201910	RH	297,022
201911	RA	15,313
201911	RS	2,852,664
201911	RH	327,367
201912	RA	19,781
201912	RS	3,905,179
201912	RH	411,914
202001	RA	23,546
202001	RS	4,412,842
202001	RH	484,354
202002	RA	26,801
202002	RS	4,942,023
202002	RH	576,438
202003	RA	26,179
202003	RS	5,413,071
202003	RH	729,288
202004	RA	25,556
202004	RS	4,865,265
202004	RH	683,982
202005	RA	25,828
202005	RS	5,115,964
202005	RH	728,611
202006	RA	24,287
202006	RS	5,142,345
202006	RH	757,075
202007	RA	26,196
202007	RS	5,436,461
202007	RH	753,753
202008	RA	27,400
202008	RS	6,026,169
202008	RH	786,939
202009	RA	26,819
202009	RS	6,709,477
202009	RH	818,022
202010	RA	28,881
202010	RS	7,283,399
202010	RH	804,859
202011	RA	28,294
202011	RS	6,990,921
202011	RH	783,955
202012	RA	27,056
202012	RS	8,560,712
202012	RH	920,156
202101	RA	16,220
202101	RS	6,207,978
202101	RH	756,181
202102	RA	26,143
202102	RS	9,480,053
202102	RH	1,030,974
202103	RA	21,598
202103	RS	8,215,134

h. CLI shopping customers not enrolled in CAP - def_shop ='Shopping' and cli_not_on_cap ='Y'

REPORT_YEAR	HEATING	COUNT
201801	RA	3,642
201801	RS	1,357,095
201801	RH	117,589
201802	RA	5,236
201802	RS	1,530,310
201802	RH	153,101
201803	RA	4,429
201803	RS	1,649,016
201803	RH	191,778
201804	RA	1,230
201804	RS	922,507
201804	RH	104,395
201805	RA	52
201805	RS	1,188,603
201805	RH	161,682
201806	RA	4,569
201806	RS	1,160,491
201806	RH	134,337
201807	RA	5,756
201807	RS	1,136,304
201807	RH	130,008
201808	RA	3,012
201808	RS	1,155,278
201808	RH	85,384
201809	RA	5,908
201809	RS	1,178,310
201809	RH	113,069
201810	RA	11,724
201810	RS	1,315,968
201810	RH	120,240
201811	RA	6,691
201811	RS	1,432,501
201811	RH	128,957
201812	RA	15,445
201812	RS	1,758,548
201812	RH	166,362
201901	RA	18,319
201901	RS	2,011,990
201901	RH	198,810
201902	RA	19,450
201902	RS	2,090,683
201902	RH	219,073
201903	RA	18,741
201903	RS	1,875,543
201903	RH	178,348
201904	RA	15,032
201904	RS	1,296,061
201904	RH	134,087
201905	RA	6,943
201905	RS	1,285,377
201905	RH	99,856
201906	RA	4,451
201906	RS	973,857
201906	RH	73,338
201907	RA	4,582
201907	RS	851,970
201907	RH	61,109
201908	RA	7,117
201908	RS	630,201
201908	RH	38,136
201909	RA	2,919
201909	RS	602,816
201909	RH	54,226
201910	RA	4,147
201910	RS	559,061
201910	RH	37,885
201911	RA	2,109
201911	RS	589,758
201911	RH	43,207
201912	RA	6,096
201912	RS	794,135
201912	RH	48,195
202001	RA	3,321
202001	RS	874,127
202001	RH	59,148
202002	RA	3,571
202002	RS	942,550
202002	RH	72,586
202003	RA	3,642
202003	RS	1,027,796
202003	RH	101,526
202004	RA	3,895
202004	RS	951,069
202004	RH	98,143
202005	RA	4,431
202005	RS	937,423
202005	RH	88,854
202006	RA	4,519
202006	RS	971,913
202006	RH	101,071
202007	RA	4,176
202007	RS	1,064,284
202007	RH	120,234
202008	RA	1,106
202008	RS	1,176,359
202008	RH	105,638
202009	RA	1,186
202009	RS	1,268,672
202009	RH	121,365
202010	RA	1,773
202010	RS	1,309,431
202010	RH	129,303
202011	RA	1,216
202011	RS	1,173,847
202011	RH	129,622
202012	RA	4,860
202012	RS	1,339,188
202012	RH	124,820
202101	RA	4,772
202101	RS	958,767
202101	RH	107,648
202102

202103	RH	4,811,737	202103	RH	759,337	202103	RH	4,052,400	202103	RH	1,771,795	202103	RH	124,241	202103	RH	1,647,554	202103	RH	982,834	202103	RH	124,241	202103	RH	858,593	202103	RH	788,961	202103	RH	-	202103	RH	788,961
202104	RA	205,560	202104	RA	22,276	202104	RA	183,284	202104	RA	58,608	202104	RA	4,084	202104	RA	54,525	202104	RA	21,336	202104	RA	4,084	202104	RA	17,252	202104	RA	37,273	202104	RA	-	202104	RA	37,273
202104	RS	25,602,510	202104	RS	5,712,266	202104	RS	19,890,244	202104	RS	9,850,075	202104	RS	833,843	202104	RS	9,016,233	202104	RS	4,889,546	202104	RS	831,715	202104	RS	4,057,830	202104	RS	4,960,530	202104	RS	2,127	202104	RS	4,958,402
202104	RH	3,237,773	202104	RH	443,423	202104	RH	2,794,351	202104	RH	1,326,166	202104	RH	58,293	202104	RH	1,267,874	202104	RH	617,517	202104	RH	58,293	202104	RH	559,224	202104	RH	708,649	202104	RH	-	202104	RH	708,649
202105	RA	157,845	202105	RA	27,586	202105	RA	130,259	202105	RA	56,907	202105	RA	384	202105	RA	56,523	202105	RA	26,346	202105	RA	384	202105	RA	25,962	202105	RA	30,561	202105	RA	-	202105	RA	30,561
202105	RS	27,542,540	202105	RS	5,975,051	202105	RS	21,567,489	202105	RS	##########	202105	RS	720,864	202105	RS	9,483,369	202105	RS	5,037,566	202105	RS	720,864	202105	RS	4,316,702	202105	RS	5,166,667	202105	RS	-	202105	RS	5,166,667
202105	RH	3,220,253	202105	RH	472,942	202105	RH	2,747,311	202105	RH	1,295,226	202105	RH	56,153	202105	RH	1,239,073	202105	RH	601,499	202105	RH	56,153	202105	RH	545,346	202105	RH	693,727	202105	RH	-	202105	RH	693,727
202106	RA	204,475	202106	RA	40,455	202106	RA	164,020	202106	RA	61,970	202106	RA	4,572	202106	RA	57,398	202106	RA	25,154	202106	RA	4,572	202106	RA	20,582	202106	RA	36,816	202106	RA	-	202106	RA	36,816
202106	RS	30,353,639	202106	RS	6,709,650	202106	RS	23,643,989	202106	RS	##########	202106	RS	695,903	202106	RS	9,982,557	202106	RS	5,249,108	202106	RS	695,903	202106	RS	4,553,205	202106	RS	5,429,353	202106	RS	-	202106	RS	5,429,353
202106	RH	3,606,298	202106	RH	510,097	202106	RH	3,096,201	202106	RH	1,499,975	202106	RH	68,303	202106	RH	1,431,673	202106	RH	628,162	202106	RH	68,303	202106	RH	559,860	202106	RH	871,813	202106	RH	-	202106	RH	871,813
202107	RA	163,994	202107	RA	23,842	202107	RA	140,152	202107	RA	44,741	202107	RA	490	202107	RA	44,251	202107	RA	18,824	202107	RA	490	202107	RA	18,334	202107	RA	25,918	202107	RA	-	202107	RA	25,918
202107	RS	24,570,212	202107	RS	5,195,654	202107	RS	19,374,558	202107	RS	8,898,462	202107	RS	537,312	202107	RS	8,361,151	202107	RS	4,230,370	202107	RS	536,578	202107	RS	3,693,792	202107	RS	4,668,093	202107	RS	734	202107	RS	4,667,359
202107	RH	2,760,640	202107	RH	376,870	202107	RH	2,321,770	202107	RH	1,202,317	202107	RH	42,483	202107	RH	1,159,834	202107	RH	453,956	202107	RH	42,483	202107	RH	411,473	202107	RH	748,361	202107	RH	-	202107	RH	748,361
202108	RA	156,501	202108	RA	32,715	202108	RA	123,786	202108	RA	49,440	202108	RA	5,104	202108	RA	44,336	202108	RA	22,911	202108	RA	5,104	202108	RA	17,807	202108	RA	26,529	202108	RA	-	202108	RA	26,529
202108	RS	25,759,829	202108	RS	5,347,031	202108	RS	20,412,798	202108	RS	9,436,609	202108	RS	571,837	202108	RS	8,864,772	202108	RS	4,419,200	202108	RS	571,798	202108	RS	3,847,403	202108	RS	5,017,409	202108	RS	39	202108	RS	5,017,369
202108	RH	2,719,442	202108	RH	294,094	202108	RH	2,425,348	202108	RH	1,256,409	202108	RH	36,686	202108	RH	1,219,724	202108	RH	423,094	202108	RH	36,563	202108	RH	386,532	202108	RH	833,315	202108	RH	123	202108	RH	833,192
202109	RA	196,834	202109	RA	34,930	202109	RA	161,904	202109	RA	60,504	202109	RA	186	202109	RA	60,318	202109	RA	32,106	202109	RA	186	202109	RA	31,920	202109	RA	28,398	202109	RA	-	202109	RA	28,398
202109	RS	29,386,197	202109	RS	6,200,148	202109	RS	23,198,050	202109	RS	##########	202109	RS	671,767	202109	RS	9,673,854	202109	RS	5,109,317	202109	RS	668,807	202109	RS	4,440,511	202109	RS	5,236,303	202109	RS	2,960	202109	RS	5,233,343
202109	RH	2,872,102	202109	RH	382,181	202109	RH	2,489,921	202109	RH	1,255,405	202109	RH	53,091	202109	RH	1,202,314	202109	RH	550,946	202109	RH	53,091	202109	RH	497,855	202109	RH	704,459	202109	RH	-	202109	RH	704,459
202110	RA	153,299	202110	RA	33,546	202110	RA	119,713	202110	RA	49,865	202110	RA	5,501	202110	RA	44,364	202110	RA	25,089	202110	RA	5,501	202110	RA	19,588	202110	RA	24,776	202110	RA	-	202110	RA	24,776
202110	RS	28,311,724	202110	RS	5,825,425	202110	RS	22,486,299	202110	RS	9,881,506	202110	RS	639,036	202110	RS	9,242,470	202110	RS	4,927,205	202110	RS	638,454	202110	RS	4,288,751	202110	RS	4,954,301	202110	RS	582	202110	RS	4,953,719
202110	RH	2,596,190	202110	RH	296,461	202110	RH	2,299,728	202110	RH	1,141,469	202110	RH	49,562	202110	RH	1,091,907	202110	RH	502,093	202110	RH	47,833	202110	RH	454,259	202110	RH	639,376	202110	RH	1,728	202110	RH	637,648
202111	RA	177,456	202111	RA	36,067	202111	RA	141,390	202111	RA	57,253	202111	RA	438	202111	RA	56,815	202111	RA	26,707	202111	RA	438	202111	RA	26,268	202111	RA	30,547	202111	RA	-	202111	RA	30,547
202111	RS	29,321,319	202111	RS	5,879,999	202111	RS	23,441,320	202111	RS	##########	202111	RS	678,627	202111	RS	10,100,703	202111	RS	4,823,178	202111	RS	677,214	202111	RS	4,146,164	202111	RS	5,956,152	202111	RS	1,613	202111	RS	5,954,539
202111	RH	2,725,325	202111	RH	353,189	202111	RH	2,372,135	202111	RH	1,134,668	202111	RH	62,296	202111	RH	1,072,372	202111	RH	472,266	202111	RH	62,296	202111	RH	409,970	202111	RH	662,402	202111	RH	-	202111	RH	662,402
202112	RA	207,644	202112	RA	32,282	202112	RA	175,362	202112	RA	82,032	202112	RA	2,444	202112	RA	79,587	202112	RA	43,271	202112	RA	2,444	202112	RA	40,826	202112	RA	38,761	202112	RA	-	202112	RA	38,761
202112	RS	35,141,275	202112	RS	7,174,964	202112	RS	27,966,311	202112	RS	##########	202112	RS	845,970	202112	RS	12,211,680	202112	RS	6,229,833	202112	RS	843,617	202112	RS	5,386,216	202112	RS	6,827,817	202112	RS	2,353	202112	RS	6,825,464
202112	RH	3,523,760	202112	RH	499,195	202112	RH	3,024,565	202112	RH	1,411,349	202112	RH	90,253	202112	RH	1,321,096	202112	RH	651,771	202112	RH	90,253	202112	RH	561,518	202112	RH	759,578	202112	RH	-	202112	RH	759,578
202201	RA	214,174	202201	RA	47,633	202201	RA	166,540	202201	RA	81,138	202201	RA	2,822	202201	RA	78,316	202201	RA	39,663	202201	RA	2,822	202201	RA	36,841	202201	RA	41,475	202201	RA	-	202201	RA	41,475
202201	RS	37,608,466	202201	RS	7,728,130	202201	RS	29,880,337	202201	RS	##########	202201	RS	914,363	202201	RS	12,852,927	202201	RS	6,656,474	202201	RS	912,211	202201	RS	5,744,263	202201	RS	7,110,816	202201	RS	2,152	202201	RS	7,108,664
202201	RH	3,988,765	202201	RH	592,215	202201	RH	3,396,549	202201	RH	1,533,703	202201	RH	97,697	202201	RH	1,436,006	202201	RH	727,495	202201	RH	97,697	202201	RH	629,798	202201	RH	806,208	202201	RH	-	202201	RH	806,208
202202	RA	216,709	202202	RA	41,843	202202	RA	174,866	202202	RA	72,808	202202	RA	3,236	202202	RA	69,572	202202	RA	37,713	202202	RA	3,236	202202	RA	34,477	202202	RA	35,095	202202	RA	-	202202	RA	35,095
202202	RS	38,599,828	202202	RS	8,106,678	202202	RS	30,493,149	202202	RS	##########	202202	RS	1,000,578	202202	RS	12,852,049	202202	RS	7,033,961	202202	RS	997,859	202202	RS	6,035,412	202202	RS	6,819,364	202202	RS	2,728	202202	RS	6,816,637
202202	RH	4,287,137	202202	RH	657,419	202202	RH	3,629,718	202202	RH	1,529,537	202202	RH	131,043	202202	RH	1,398,494	202202	RH	827,470	202202	RH	129,566	202202	RH	697,904	202202	RH	702,067	202202	RH	1,477	202202	RH	700,590
202203	RA	231,390	202203	RA	62,468	202203	RA	168,922	202203	RA	74,655	202203	RA	3,946	202203	RA	70,709	202203	RA	34,959	202203	RA	3,946	202203	RA	31,013	202203	RA	39,696	202203	RA	-	202203	RA	39,696
202203	RS	37,576,340	202203	RS	7,884,093	202203	RS	29,692,248	202203	RS	##########	202203	RS	1,032,504	202203	RS	12,943,566	202203	RS	6,685,818	202203	RS	1,098,598	202203	RS	5,677,220	202203	RS	7,290,252	202203	RS	23,906	202203	RS	7,266,346
202203	RH	4,568,657	202203	RH	658,221	202203	RH	3,910,335	202203	RH	1,769,836	202203	RH	153,254	202203	RH	1,616,581	202203	RH	843,659	202203	RH	151,694	202203	RH	691,965	202203	RH	926,176	202203	RH	1,560	202203	RH	924,616
202204	RA	178,880	202204	RA	31,593	202204	RA	147,287	202204	RA	71,911	202204	RA	8,401	202204	RA	63,510	202204	RA	32,773	202204	RA	8,401	202204	RA	24,372	202204	RA	39,138	202204	RA	-	202204	RA	39,138
202204	RS	28,650,833	202204	RS	6,010,593	202204	RS	22,640,240	202204	RS	##########	202204	RS	798,738	202204	RS	10,094,254	202204	RS	4,866,662	202204	RS	792,628	202204	RS	4,074,034	202204	RS	6,026,330	202204	RS	6,110	202204	RS	6,020,220
202204	RH	3,569,868	202204	RH	514,169	202204	RH	3,055,699	202204	RH	1,437,169	202204	RH	123,515	202204	RH	1,313,654	202204	RH	596,705	202204	RH	121,663	202204	RH	475,043	202204	RH	840,464	202204	RH	1,853	202204	RH	838,611
202205	RA	153,065	202205	RA	40,268	202205	RA	112,797	202205	RA	46,201	202205	RA	4,621	202205	RA	41,580	202205	RA	9,756	202205	RA	4,621	202205	RA	5,135	202205	RA	36,446	202205	RA	-	202205	RA	36,446
202205	RS	27,787,797	202205	RS	5,711,295	202205	RS	22,076,501	202205	RS	##########	202205	RS	838,502	202205	RS	9,979,095	202205	RS	4,807,104	202205	RS	832,513	202205	RS	3,974,591	202205	RS	6,080,492	202205	RS	5,988	202205	RS	6,074,503
202205	RH	3,557,916	202205	RH	501,967	202205	RH	3,055,949	202205	RH	1,487,058	202205	RH	126,407	202205	RH	1,360,651	202205	RH	620,233	202205	RH	125,488	202205	RH	494,745	202205	RH	866,824	202205	RH	919	202205	RH	865,905
202206	RA	128,174	202206	RA	25,246	202206	RA	102,928	202206	RA	35,288	202206	RA	4,330	202206	RA	30,957	202206	RA	19,603	202206	RA	4,330	202206	RA	15,272	202206	RA	15,685	202206	RA	-	202206	RA	15,685
202206	RS	23,683,525	202206	RS	4,709,917	202206	RS	18,982,607	202206	RS	9,025,850	202206	RS	678,903	202206	RS	8,346,947	202206	RS	4,170,033	202206	RS	663,841	202206	RS	3,506,192	202206	RS	4,855,817	202206	RS	15,063	202206	RS	4,840,755
202206	RH	2,762,943	202206	RH	371,528	202206	RH	2,391,417	202206	RH	1,213,555	202206	RH	86,542	202206	RH	1,127,013	202206	RH	529,201	202206	RH	86,475	202206	RH	442,726	202206	RH	684,354	202206	RH	67	202206	RH	684,287
202207	RA	133,451	202207	RA	29,709	202207	RA	103,742	202207	RA	46,230	202207	RA	6,193	202207	RA	40,037	202207	RA	21,345	202207	RA	6,193	202207	RA	15,152	202207	RA	24,885	202207	RA	-	202207	RA	24,885
202207	RS	22,203,059	202207	RS	4,417,420	202207	RS	17,785,639	202207	RS	8,264,897	202207	RS	667,654	202207	RS	7,597,243	202207	RS	3,989,443	202207	RS	657,780	202207	RS	3,331,663	202207	RS	4,275,454	202207	RS	9,874	202207	RS	4,265,580
202207	RH	2,328,443	202207	RH	268,694	202207	RH	2,059,750	202207	RH	994,618	202207	RH	55,565	202207	RH	939,053	202207	RH	421,600	202207	RH	54,504	202207	RH	367,095	202207	RH	573,018	202207	RH	1,060	202207	RH	571,958
202208	RA	147,394	202208	RA	24,302	202208	RA	123,092	202208	RA	38,092	202208	RA	4,898	202208	RA	33,194	202208	RA	18,796	202208	RA	4,898	202208	RA	13,898	202208	RA	19,326	202208	RA	-	202208	RA	19,326
202208	RS	25,448,523	202208	RS	5,141,944	202208	RS	20,306,589	202208	RS	8,731,667	202208	RS	672,754	202208	RS	8,058,880	202208	RS	4,085,675	202208	RS	669,320	202208	RS	3,416,355	202208	RS	4,645,958	202208	RS	3,434	202208	RS	4,642,524
202208	RH	2,249,627	202208	RH	292,298	202208	RH	1,957,329	202208	RH	900,471	202208	RH	49,156	202208	RH	851,315	202208	RH	345,870	202208	RH	49,156	202208	RH	296,714	202208	RH	554,601	202208	RH	-	202208	RH	554,601
202209	RA	133,266	202209	RA	18,685	202209	RA	114,581	202209	RA	43,785	202209	RA	2,063	202209	RA	41,722	202209	RA	22,798	202209	RA	2,063	202209	RA	20,735	202209	RA	20,987	202209	RA	-	202209	RA	20,987
202209	RS	21,282,481	202209	RS	4,186,090	202209	RS	17,094,392	202209	RS	7,504,150	202209	RS	631,057	202209	RS	6,873,093	202209	RS	3,503,216	202209	RS	622,852	202209	RS	2,880,364	202209	RS	4,000,933	202209	RS	8,205	202209	RS	3,992,728
202209	RH	1,991,293	202209	RH	210,678	202209	RH	1,720,615	202209	RH	824,503	202209	RH	38,275	202209	RH	789,228	202209	RH	374,347	202209	RH	34,649	202209	RH	339,698	202209	RH	460,156	202209	RH	426	202209	RH	459,730
202210	RA	122,910	202210	RA	13,949	202210	RA	108,961	202210	RA	30,849	202210	RA	1,720	202210	RA	29,129	202210	RA	13,420	202210	RA	1,720	202210	RA	11,700	202210	RA	17,429	202210	RA	-	202210	RA	17,429
202210	RS	22,138,845	202210	RS	4,200,448	202210	RS	17,938,398	202210	RS	8,580,494	202210	RS	651,229	202210	RS	7,929,265	202210	RS	3,730,640	202210	RS	649,933	202210	RS	3,080,707	202210	RS	4,849,854	202210	RS	1,296	202210	RS	4,848,559
202210	RH	1,893,362	202210	RH	230,840	202210	RH	1,662,522	202210	RH	821,952	202210	RH	46,479	202210	RH	775,473	202210	RH	316,475	202210	RH	45,945	202210	RH	270,531	202210	RH	505,477	202210	RH	534	202210	RH	504,943
202211	RA	147,967	202211	RA	21,951	202211	RA	125,617	202211	RA	47,115	202211	RA	386	202211	RA	46,729	202211	RA	25,177	202211	RA	386	202211	RA	24,791	202211	RA	21,938	202211	RA	-	202211	RA	21,938
202211	RS	23,044,458	202211	RS	4,380,187	202211	RS	18,683,471	202211	RS	9,252,401	202211	RS	665,011	202211	RS	8,587,393	202211	RS	3,976,276	202211	RS	661,172	202211	RS	3,259,104	202211	RS	5,382,128	202211	RS	3,839	202211	RS	5,378,289
202211	RH	2,103,689	202211	RH	233,309	202211	RH	1,870,380	202211	RH	949,513	202211	RH	46,918	202211	RH	902,595	202211	RH	380,214	202211	RH	46,918	202211	RH	333,296	202211	RH	569,298	202211	RH	-	202211	RH	569,298
202212	RA	188,567	202212	RA	32,726	202212	RA	155,842	202212	RA	55,613	202212	RA	3,632	202212	RA	51,981	202212	RA	31,518	202212	RA	3,632	202212	RA	27,885	202212	RA	24,095	202212	RA	-	202212	RA	24,095
202212	RS	27,070,225	202212	RS	5,233,248	202212	RS	21,836,977	202212	RS	##########	202212	RS	916,634	202212	RS	10,107,993	202212	RS	4,956,531	202212	RS	914,840	202212	RS	4,041,691	202212	RS	6,068,096	202212	RS	1,794	202212	RS	6,066,303
202212	RH	2,693,734	202212	RH	320,616	202212	RH	2,373,117	202212	RH	1,155,511	202212	RH	65,366	202212	RH	1,090,145	202212	RH	519,855	202212	RH	65,366	202212	RH	454,489	202212	RH	635,656	202212	RH	-	202212	RH	635,656
202301	RA	231,796	202301	RA	38,868	202301	RA	192,928	202301	RA	60,424	202301	RA	3,893	202301	RA	56,531	202301	RA	35,036	202301	RA	3,893	202301	RA	31,143	202301	RA	25,388	202301	RA	-	202301	RA	25,388
202301	RS	31,437,031	202301	RS	6,183,881	202301	RS	25,253,151	202301	RS	##########	202301	RS	1,131,148	202301	RS	11,594,113	202301	RS	6,042,458	202301	RS	1,129,282	202301	RS	4,913,177	202301	RS	6,682,803	202301	RS	1,867	202301	RS	6,680,937
202301	RH	3,514,544	202301	RH	425,019	202301	RH	3,089,524	202301	RH	1,438,572	202301	RH	83,166	202301	RH	1,355,406	202301	RH	694,085	202301	RH	83,166	202301	RH	610,919	202301	RH	747,487	202301	RH	-	202301	RH	747,487
202302	RA	260,627	202302	RA	46,807	202302	RA	213,821	202302	RA	64,698	202302	RA	5,059	202302	RA	59,639	202302	RA	39,229	202302	RA	5,059	202302	RA	34,170	202302	RA	25,469	202302	RA	-	202302	RA	25,469
202302	RS	34,149,760	202302	RS	6,835,465	202302	RS	27,313,297	202302	RS	##########	202302	RS	1,272,134	202302	RS	12,458,025	202302	RS	6,706,798	202302	RS	1,279,727	202302	RS	5,433,464	202302	RS	7,035,970	202302	RS	1,408	202302	RS	7,034,562
202302	RH	4,249,797	202302	RH	524,499	202302	RH	3,725,299	202302	RH	1,668,671	202302	RH	103,182	202302	RH	1,565,490	202302	RH	820,701	202302	RH	103,142	202302	RH	717,559	202302	RH	847,971	202302	RH	40	202302	RH	847,931
202303	RA	257,019	202303	RA	48,674	202303	RA	208,345	202303	RA	72,341	202303	RA	4,792	202303	RA	67,550	202303	RA	42,414	202303	RA	4,792	202303	RA	37,623	202303	RA	29,927	202303	RA	-	202303	RA	29,927
202303	RS	31,726,152	202303	RS	6,233,434	202303	RS	25,492,718	202303	RS	##########	202303	RS	1,177,235	202303	RS	11,897,392	202303	RS	6,455,826	202303	RS	1,173,581	202303	RS	5,282,245	202303	RS	6,818,801	202303	RS	3,655	202303	RS	6,815,146
202303	RH	4,297,303	202303	RH	488,986	202303	RH	3,718,368	202303	RH	1,711,467	202303	RH	96,306	202303	RH	1,615,161	202303	RH	830,510	202303	RH	96,306	202303	RH	734,203	202303	RH	880,957	202303	RH	-	202303	RH	880,957
202304	RA	166,538	202304	RA	25,682	202304	RA	140,856	202304	RA	46,957	202304	RA	3,258	202304	RA	43,699	202304	RA	22,521	202304	RA	3,258	202304	RA	19,263	202304	RA	24,436	202304	RA	-	202304	RA	24,436
202304	RS	23,237,480	202304	RS	4,480,115	202304	RS	18,757,365	202304	RS	9,404,493	202304	RS	801,966	202304	RS	8,602,527	202304	RS	4,366,315	202304	RS	801,671	202304	RS	3,564,644	202304	RS	5,038,178	202304	RS	294	202304	RS	5,037,883
202304	RH	3,251,967	202304	RH	379,314	202304	RH	2,872,653	202304	RH	1,298,016	202304	RH	76,958	202304	RH	1,221,058	202304	RH	561,610	202304	RH	76,958	202304	RH	484,652	202304	RH	736,406	202304	RH	-	202304	RH	736,406
202305	RA	164,800	202305	RA	33,289	202305	RA	131,511	202305	RA	35,446	202305	RA	2,367	202305	RA	33,079	202305	RA	16,372	202305	RA	2,367	202305	RA	14,010	202305	RA	19,069	202305	RA	-	202305	RA	19,069
202305	RS	24,388,611	202305	RS	4,902,211	202305	RS	19,486,588	202305	RS	9,484,308	202305	RS	858,059	202305	RS	8,635,249	202305	RS	4,748,488	202305	RS	857,951	202305	RS	3,890,096	202305	RS	4,746,360	202305	RS	1,108	202305	RS	4,745,153
202305	RH	3,179,548	202305	RH	394,607	202305	RH	2,784,941	202305	RH	1,234,301	202305	RH	65,061	202305	RH	1,169,240	202305	RH	516,477	202305	RH	65,061	202305	RH	451,416	202305	RH	717,824	202305	RH	-	202305	RH	717,824
202306	RA	122,862	202306	RA	19,483	202306	RA	103,379	202306	RA	29,448	202306	RA	4,020	202306	RA	25,428	202306	RA	15,203	202306	RA	4,020	202306	RA	11,183	202306	RA	14,245	202306	RA	-	202306	RA	14,245
202306	RS	20,485,265	202306	RS	4,119,338	202306	RS	16,365,927	202306	RS	7,751,462	202306	RS	701,938	202306	RS	7,049,524	202306	RS	3,864,129	202306	RS	701,760	202306	RS	3,162,369	202306	RS	3,887,334	202306	RS	178	202306	RS	3,887,155
202306	RH	2,550,936	202306	RH	329,655	202306	RH	2,221,281	202306	RH	994,215	202306	RH	64,466	202306	RH	929,754	202306	RH	470,461	202306	RH	64,460	202306	RH	406,001	202306	RH	523,754	202306	RH	-	202306	RH	523,754
202307	RA	136,851	202307	RA	28,578	202307	RA	108,272	202307	RA	17,461	202307	RA	2,230	202307	RA	15,231	202307	RA	13,498	202307	RA	2,230	202307	RA	11,268	202307	RA	3,964	202307	RA	-	202307	RA	3,964
202307	RS	21,075,057	202307	RS	4,072,329	202307	RS	17,002,728	202307	RS	7,658,246	202307	RS	654,460	202307	RS	7,003,787	202307	RS	3,825,265	202307	RS	654,259	202307	RS	3,171,007	202307	RS	3,832,981	202307	RS	201	202307	RS	3,832,780
202307	RH	2,060,228	202307	RH	274,816	202307	RH	1,785,411	202307	RH	668,374	202307	RH	51,329	202307	RH	617,046	202307	RH	442,088	202307	RH	51,329	202307	RH	390,760	202307	RH	226,286	202307	RH	-	202307	RH	226,286
202308	RA	193,540	202308	RA	35,261	202308	RA	158,279	202308	RA	59,869	202308	RA	9,173	202308	RA	54,696	202308	RA	27,323	202308	RA	9,173	202308	RA	22,150	202308	RA	32,546	202308	RA	-	202308	RA	32,546
202308	RS	26,067,647	202308	RS	5,148,948	202308	RS	19,933,699	202308	RS	8,551,768	202308	RS	747,442	202308	RS	7,804,326	202308	RS	4,155,475	202308	RS	745,193	202308	RS	3,410,281	202308	RS	4,396,293	202308	RS	2,249	202308	RS	4,394,045
202308	RH	2,745,082	202308	RH	331,097	202308	RH	2,413,985	202308	RH	1,225,543	202308	RH	54,230	202308	RH	1,171,314	202308	RH	475,347	202308	RH	54,121	202308	RH	421,227	202308	RH	750,196	202308	RH	109	202308	RH	750,087
202309	RA	176,274	202309	RA	25,851	202309	RA	150,423	202309	RA	42,376	202309	RA	6,042	202309	RA	36,334	202309	RA	21,382	202309	RA	6,042	202309	RA	15,340	202309	RA	20,995	202309	RA	-	202309	RA	20,995
202309	RS	22,660,379	202309	RS	4,493,474	202309	RS	18,166,905	202309	RS	8,019,514	202309	RS	650,263	202309	RS	7,369,251	202309	RS	3,839,497	202309	RS	648,445	202309	RS	3,191,051	202309	RS	4,180,208	202309	RS	1,818	202309	RS	4,178,200
202309	RH	2,352,760	202309	RH	272,820	202309	RH	2,079,940	202309	RH	1,034,012	202309	RH

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

DIRECT TESTIMONY OF

FRANK CALIVA III

ON BEHALF OF
RETAIL ENERGY SUPPLY ASSOCIATION

Petition of Duquesne Light Company for Approval of
Default Service Plan for the Period from June 1, 2025
Through May 31, 2029
Docket No. P-2024-3048592

Issues:

Statewide Investigation Regarding Default Service Messaging
Green Tariff Pilot
EV-TOU Pilot

July 12, 2024

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TABLE OF EXHIBITS

Exhibit No	Description
FC-1	Curriculum Vitae and Selected Testimony & Comments of Frank Caliva
FC-2	PaPUC Retail Electric Choice Report for 2022 (published in October 2023)
FC-3	PA PowerSwitch Monthly Update as of June 2024
FC-4	Sampling of REC Purchase Options for Residential Customers

PART I: INTRODUCTION AND SUMMARY

Q. PLEASE STATE YOUR NAME, EMPLOYER AND TITLE.

A. My name is Frank Caliva, and I am the President of P.R. Quinlan Associates Inc. ("P.R. Quinlan").

Q. PLEASE DESCRIBE P.R. QUINLAN ASSOCIATES.

A. I founded P.R. Quinlan in July of 2014 which is a business-to-business consulting firm focused on retail energy policy that represents retail electricity and natural gas suppliers, brokers and a consumer education coalition for competitive suppliers. We provide clients with intelligence, analysis and insight that enhances their ability to navigate change, clarify opportunities and accelerate growth.

Q. ON WHOSE BEHALF IS THIS DIRECT TESTIMONY OFFERED?

A. This direct testimony is offered on behalf of the Retail Energy Supply Association ("RESA").[1]

Q. PLEASE DESCRIBE RESA.

A. RESA is an association of diverse competitive energy suppliers devoted to promoting vibrant and sustainable competitive retail energy markets for residential and business customers. Members of RESA include electric generation suppliers ("EGSs" or "competitive suppliers") licensed by the Commission, pursuant to the Electricity Generation Customer Choice and Competition Act ("Competition Act"),[2] to sell electric generation services to retail customers throughout Pennsylvania and in Duquesne Light

[1] The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

[2] 66 Pa. C.S. §§ 2801 *et seq*.

Company's ("Duquesne" or the "Company") service territory. EGSs accomplish these sales pursuant to electric supply contracts entered into with retail customers and, for residential and small business customers, are required to follow the Commission's detailed regulations regarding language to be included in the contracts as well as the timing and content of notices to be provided to customers upon pending expiration of the contract or notice of material changes.[3]

Q. WHAT IS YOUR ROLE WITH RESA?

A. Effective March 13, 2023, I became RESA's national spokesperson. In this role, I am responsible for being RESA's media spokesperson, developing content on retail energy market developments, testifying before state legislatures and public utility commissions, and participating in strategic planning and initiatives for the organization.

Q. IN YOUR ROLE WITH RESA, DO YOU HAVE ACCESS TO ANY MEMBER'S SPECIFIC PRICING, MARKETING OR BUSINESS OPERATIONS?

A. No. RESA is a trade member organization which focuses on regulatory and political strategies to advance the development of competitive retail energy markets. Members do not discuss specific customers, pricing or markets as they pertain to competitive activity among one another, nor does the RESA organization itself maintain this type of information. My testimony about problems faced by competitive suppliers as a result of the current market structure, the design of Duquesne's default service plan and the proposals I will discuss below is informed by anecdotal information from members as well as their learned experience about how competitive markets operate in Pennsylvania and across the country.

[3] 52 Pa Code §§ 54.5 and 54.10.

Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE PRIOR TO JOINING RESA AS ITS NATIONAL SPOKESPERSON AS WELL AS YOUR EDUCATIONAL EXPERIENCE.

A. I have worked nearly exclusively in the retail energy space since 2011 serving as a public affairs and policy consultant for retail energy suppliers and a state lobbyist for supplier coalitions in Maryland, New York and Pennsylvania. Prior to starting P.R. Quinlan in 2014, I managed the public affairs practice at Strategic Communications, LLC. In that role, I helped to identify and influence legislative and regulatory issues facing clients in both the traditional fossil fuel energy sector and the growing renewable energy area. I provided strategic planning facilitation to clients in multiple sectors – including energy, education, healthcare, financial services, engineering, manufacturing and more. Prior to joining Strategic Communications, LLC, I worked as a senior international trade specialist at the U.S. Department of Commerce. My experience includes identifying trade and policy barriers to the competitiveness of clean energy firms and developing effective strategies to overcome those obstacles.

I earned a Master of Arts in German and European Studies, concentrating in international business-government relations, from the School of Foreign Service at Georgetown University and a Bachelor of Arts in political science from Providence College.

My Curriculum Vitae and Selected Testimony and Comments is attached as RESA Exh. FC-1.

Q. HAVE YOU EVER PROVIDED TESTIMONY BEFORE THIS COMMISSION?

A. Yes, I submitted testimony regarding PECO Energy Company's Petition for Approval of its Default Service Program June 1, 2025 through May 21, 2029 at Docket No. P-2024-3046008.

Q. PLEASE SUMMARIZE HOW YOUR TESTIMONY IS STRUCTURED.

A. In Part II, I discuss the competitive market structure in Pennsylvania, the current status of shopping, and the role of these default service proceedings in support of fostering the development of a well-functioning competitive market.

In Part III, I discuss the specifics of Duquesne's proposals of interest to RESA members, why they are problematic from a competitive market standpoint and offer recommendations for improvement.

Q. PLEASE SUMMARIZE RESA'S RECOMMENDATIONS.

A. For the reasons I will discuss more fully below, RESA makes the following recommendations regarding Duquesne's DSP X plan:

- A statewide investigation should be opened to investigate Commission approved messaging of default service as the "Price-to-Compare" to include discontinuing use of that term by replacing it with "default service rate" and how the messaging can be improved to support the ability of customers to make more informed decisions when they evaluate competitive offers.
- Reject the proposed Green Tariff Pilot
- Reject expansion of the Electric Vehicle Time-of-Use Pilot Program to include an EV-only TOU option

Q. ARE YOU SPONSORING ANY EXHIBITS?

A. Yes, the exhibits I am sponsoring are described in the table of exhibits on the table of contents page of this testimony.

PART II: COMPETITIVE MARKET STRUCTURE

I. BACKGROUND REGARDING RETAIL COMPETITION IN PENNSYLVANIA

Q. PLEASE DESCRIBE THE FOUNDATION FOR ELECTRIC COMPETITION IN PENNSYLVANIA.

A. Although I am not an attorney, counsel has informed me about the statutory framework for competition which is useful information in support of RESA's recommendations. I

understand that in 1996, Pennsylvania enacted the Electricity Generation Customer Choice and Competition Act ("Competition Act") to allow retail customers to choose the entity from whom they purchase electricity or electric generation services.[4] In enacting the Competition Act, the General Assembly determined that it is "in the public interest to permit retail customers to obtain direct access to a competitive generation market."[5] I am informed by counsel that this policy determination was based on the legislature's conclusion that "[c]ompetitive market forces are more effective than economic regulation in controlling the cost of generating electricity."[6] To enable electric choice, the Competition Act required electric utilities, like Duquesne Light, "to unbundle their rates and services and provide open access over their transmission and distribution systems to allow competitive suppliers to generate and sell electricity directly to consumers in this Commonwealth."[7] As a result of this law, the generation of electricity is no longer regulated as a monopoly function.[8] However, the transmission and distribution services performed by electric distribution companies ("EDCs") continue to be regulated by the Commission as monopoly services.[9]

Q. WHAT ROLE DO RESA MEMBERS PLAY IN THE COMPETITIVE MARKET?

A. The Competition Act created electric generation suppliers ("EGSs"), which include companies like RESA members, that are licensed by the Commission to sell electricity or provide electric generation services to retail electric customers, using the transmission and distribution systems of the EDCs.[10] To provide these services, EGSs enter into

4 66 Pa. C.S. §§ 2801 *et seq*.
5 66 Pa. C.S. § 2802(3).
6 66 Pa. C.S. § 2802(5).
7 66 Pa. C.S. § 2802(14).
8 *Id.*
9 66 Pa. C.S. § 2802(16).
10 66 Pa. C.S. § 2803 (definitions); 66 Pa. C.S. § 2809.

private contracts with retail electric customers, which are required by the Commission to set forth the terms and conditions of service.[11] Counsel also informs me that while the Commission no longer regulates the generation of electricity as a monopoly function and does not regulate the supply prices charged by EGSs (although the Commission does prohibit customers participating in a low income customer assistance program from shopping),[12] the Commission has implemented a host of regulatory requirements for EGSs to follow that are intended to protect customers.[13]

Q. DO RESA MEMBERS SUPPORT RETAIL COMPETITION?

A. Yes, absolutely. RESA members are eager for the opportunity to develop and offer the innovative and creative products that consumers want but, to do so, the appropriate checks and regulatory systems need to be in place that balance the continuing dominance of EDC provided default service, the regulatory components included in determining the default service rate, and to ensure that the EDC is working cooperatively with suppliers to provide reasonable and nondiscriminatory access to all the systems and information necessary to offer and provide competitive service.

Q. HOW DO EGSs INTERACT WITH EDCs TO PROVIDE SERVICE TO CUSTOMERS?

A. Stated simply, EGSs would not be able to offer or provide competitive services to retail customers without interfacing and having access to important EDC systems that have been developed and paid for by ratepayers during the time the EDCs operated as the monopoly provider for all electricity services. EDCs maintain all the customer

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[11] 52 Pa. Code § 54.5.

[12] 66 Pa. C.S. § 2802(5) ("Competitive market forces are more effective than economic regulation in controlling the cost of generating electricity."); *Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania v. PUC*, 120 A.3d 1087, 1094 (Pa. Cmwlth, 2015); *HIKO Energy, LLC v. PUC*, 163 A.3d 1079, 1100 (Pa. Cmwlth. 2017), *aff'd on appeal*, 2019 Pa LEXIS 3139.

[13] 52 Pa. Code, Chapter 54; 52 Pa. Code §§ 57.171-57.180; 52 Pa. Code, Chapter 111.

information systems for specific customers, which includes important account information such as a customer's rate class, current and historical usage information, customer assistance program participation, and whether the customer has agreed to receive offers from competitive suppliers. EGSs are completely reliant on the utility systems to enroll and disenroll customers from competitive service. In sum, EGSs' largest competitor for supply service, the monopoly EDCs, control every aspect of the ability of EGSs to serve customers. I am informed by counsel that the Competition Act recognized the importance of ensuring that EGSs had reasonable and nondiscriminatory access to this information and the systems of the EDCs, so that they would have a full and fair opportunity to offer competitive services to customers.

Q. ALTHOUGH BOTH THE EDC, THROUGH THE DEFAULT SERVICE PRODUCT, AND EGSs, THROUGH THEIR CONTRACTS, OFFER SUPPLY SERVICE TO CUSTOMERS, DO EGSs AND EDCs PRICE SUPPLY PRODUCTS IN THE SAME WAY?

A. No. The EDCs develop the rate for their default service through the regulated processes approved by the Commission in these default service proceedings. The wholesale electricity purchased by the EDCs for default customers must be contracted for ahead of the time of delivery at then-current market prices to create a "prudent mix" of long- and short-term supply contracts to achieve "the least cost to customers over time."[14] This nearly always guarantees a mismatch between the default rate and the actual wholesale market price when the supply is later delivered. As such, the default rate does not reflect the current market price but instead an average of the varied-term supply contract prices procured in earlier periods. The result is that the earlier obtained prices may be higher or lower than the wholesale price when the supply is delivered. I am informed by counsel

[14] 66 Pa. C.S. § 2807(e)(3.4)(ii); *see also* §§ 2807(e)(3.3), (3.6) & (3.7).

that the Commission has been aware of the harmful effect of this mismatch for some time.[15]

In contrast and in a truly competitive marketplace, the manner in which EGSs set the price offered to a customer is based on a variety of market driven forces which include the actual market price of the commodity at the time a customer enrolls and a risk premium to account for future changes in wholesale prices as well as other business and operating costs. However, because of the current role of EDC provided default service, instead of suppliers pricing their products based on market forces and in competition solely with one another, they must consider the default service rate (misleadingly called the "Price to Compare" or "PTC") which, as I just noted, includes non-wholesale electricity market components which is continually promoted as the benchmark.

II. STATUS OF RETAIL COMPETITION

Q. HAS THE COMMISSION UNDERTAKEN REVIEWS OF THE STATUS OF RETAIL COMPETITION?

A. Yes, I am informed by counsel that the Commission thoroughly examined the state of electric competition as it existed between 2011 and 2013. In its *End State Final Order*, the Commission summarized its findings and recommendations as follows:

> While shopping statistics alone are not indicative of the success of a competitive market, we note that, as of February 13, 2013, nearly two-thirds of Pennsylvania's electric customers still received electric generation supply from their EDCs. Despite a large number of EGSs in the market, many offers are only slightly below each EDC's PTC and few innovative product offerings have emerged to date that attract

[15] *Investigation of Pennsylvania's Retail Electricity Market: End State of Default Service*, Docket No. I-2011-2237952 (Order entered February 15, 2013) (*End State Final Order*), available at https://www.puc.pa.gov/pcdocs/1214105.docx, at 12 ("[D]ue to reconciliation and the mix of contracts that EDCs use to establish the PTC, EGSs must compete with a PTC that often is not correlated to wholesale energy markets and may move in directions opposite that of wholesale energy markets trends. This can inhibit consumers' ability to make informed decisions due to the receipt of false or misleading price signals.").

> residential and small commercial customers into the competitive retail market.[16]
>
> * * *
>
> Therefore, the Commission, through this Final Order, recommends fundamentally changing the default service product so that it more closely resembles market conditions. Through the changes proposed herein, the Commission hopes to create a structure where the market drives prices charged by EGSs, where EGSs expand their investment in Pennsylvania due to certainty and a more level playing field, and where consumers enjoy competitive prices and a wide variety of innovative product offerings. In this manner, the Commission expects Pennsylvania to achieve and sustain the robust competitive market that was envisioned in 1996 by the General Assembly.[17]

Q. IN YOUR OPINION, HAS THE VISION ESPOUSED BY THE COMMISSION AT THAT TIME COME TO PASS?

A. No. Recent trends regarding shopping statistics underscore this point. Residential shopping peaked in April 2014 when 1,863,828 residential customers were served by an EGS. As of January 1, 2023, that number had steadily declined to 1,207,224, a difference of 656,604 customers who returned to their EDC's default service. During the same period, shopping commercial customers decreased from 306,699 to 274,852, and, not surprisingly because of their sophisticated understanding of the benefits of competition, shopping industrial customers increased from 8,752 to 15,460.

In its October 2023 Retail Electricity Choice Report dated October 2023 for calendar year 2022,[18] the Commission states the following about shopping trends:

> In summary the total number of customer accounts served by EGSs in 2022 was down slightly from 27% to 30%, in 2021 and 2020 respectively, to 25%. The amount of load served by EGSs decreased from 89 million MWhs in 2021 to 86 MWhs in 2022.
> . . .

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[16] *Id.* at 11-12 (footnote omitted).

[17] *Id.* at 15.

[18] *See* RESA Exh. FC-2 PaPUC Retail Electricity Choice Activity Report 2022 dated October 2023 at 2, 3, and 8 (emphasis added).

> The total percentage of all customer accounts served by EGSs decreased by 2% compared to 2021, **marking the sixth straight year of decreasing customer accounts.**
>
> EGS sales in Pennsylvania totaled 85,675,047 MWhs during calendar year 2022. This represents a **decrease** of 3,252,400 (4%) compared to . . . the previous calendar year. **During the same period, total EDC sales increased 6%.**

Q. WHAT DO THE MOST RECENT SHOPPING STATISTICS FROM THE COMMISSION REVEAL?

A. As of June 2024, the number of customers shopping is largely consistent with past trends. For residential customers 1,286,177 or 24.4% of all customers are shopping. For commercial customers, 297,972 or 40.6% of all customers are shopping. For industrial customers, 15,129 or 82.1% of all customers are shopping.[19] The Commission's website notes that the percentages are "based on the total number of customers of regulated electric utilities in Pennsylvania as of 5/31/24. (5,273,249 Residential + 733,363 Commercial + 18,388 Industrial = 6,025,000 Total Customers)." Also tracked by the Commission is the percentage of shopping customers relative to the percentage of load served. On a statewide basis, only 27% of the total residential load is being served by competitive suppliers.

Thus, as of June 2024. approximately 3.99 million of Pennsylvania's 5.3 million residential customers and 435,267 of its 733,000 commercial customers are **not** shopping for their electricity, while only 3,294 of Pennsylvania's 18,423 industrial customers are not shopping.

While I agree with the prior Commission statement that shopping alone is not indicative of the status of competition, the current numbers and the trends over the years

[19] *See* RESA Exh. FC-3 PA PowerSwitch Monthly Update as of June 2024.

since the Commission's Retail Markets Investigation support the view that the market has become stagnant. At the most fundamental level, EDCs continue to be the providers of "first resort" default service with widespread brand recognition and elevation of their supply product as the Price to Compare – resulting in default service having an inherent competitive advantage over all competitive EGSs collectively.

Q. PLEASE EXPLAIN MORE FULLY HOW PROMOTION OF THE DEFAULT SERVICE RATE AS THE PRICE TO COMPARE AGAINST ALL COMPETITIVE EGS OFFERS PRESENTS COMPETITIVE MARKET CONCERNS.

A. The reality of today's retail marketplace for electricity is one in which consumers have been educated to elevate the default service supply product as the superior supply product when considering any and all of the competitive supply options in the marketplace. While consumers may compare one supplier product to another supplier product, they are educated to compare all supplier products to the default service supply product on the basis of price and price alone.

This has been the result of years of education by the Commission, the EDCs and consumer advocates counselling consumers to judge competitive offers relative to the default service PTC without any disclaimers about that the nature of this product or the competitive advantages EDC-provided default service enjoys as the monopoly "provider of first resort." The justification for this education has been, in part, that the price of the default supply service of the EDC is determined through procurement processes developed and approved in these default service proceedings. This, in turn, permits the EDCs to claim that there is a measure of "regulatory" control over default service pricing that purportedly "protects" consumers – even though that price may be higher or lower than actual competitive market prices at any point in time. Customers do not need to

make an affirmative choice to be served by the default service provider, nor do they need to make a choice to remain with the default service provided when a default service procurement period ends. In contrast, when exercising their right to shop, customers are free to select or deselect a competitive supplier offer at any time, based on their own unique needs and desires from suppliers who actively compete to attract customers to their products and services.

In addition, the default supply product has name and brand recognition due to the historical monopoly status of EDCs, the fact that EDCs provide distribution service to all customers in their service territory and that they continue to have an exclusive right to bill all customers (even those served by competitive suppliers). Further advantaging the default service supply product is that all distribution customers start with the EDC's supply service and now "default" back to the EDC's supply service when cancelling a supplier contract or if they decide to enroll in a utility's low-income customer assistance program. EGS competitive supply products lack all of these inherent advantages, and, moreover, all EGSs are required to work with EDCs in order to serve any customer because the EDCs retain all the account data and control the entire process of enrolling and dropping customers for suppliers.

Q. WHY DOES THE ELEVATION OF THE DEFAULT SERVICE SUPPLY PRODUCT CREATE A BARRIER TO ENTRY FOR COMPETITIVE SUPPLIERS?

A. The dominance default service provided by the monopoly EDC as it is structured in Pennsylvania today does not foster a robust competitive environment for suppliers where innovation can flourish. Instead, the current market structure incentivizes suppliers to focus their efforts on attracting customers away from the monopoly utility that is offering a highly regulated default service product that, while rooted in market-based dynamics,

does not reflect all of the risks and costs associated with providing competitive retail supply service. In short, default service and the current "Price to Compare" represent an entirely unlevel playing field that is unfair to consumers and the suppliers endeavoring to serve them. In addition, the default service product lacks product features provided by competitive market suppliers like fixed prices that do not fluctuate throughout the year or renewable content above the state required minimums.

Q. HOW DOES THE DOMINANCE OF DEFAULT SERVICE AS IT IS STRUCTURED TODAY IMPACT THE DESIGN OF AN EDC'S DEFAULT SERVICE PROCUREMENT PLAN?

A. Because the default service product is the dominant generation supply product for residential customers and is subject to a regulatory review process in these default service proceedings, EDCs are incentivized to make proposals regarding the default service product to address their perceived problems and further incentivize customers to remain on default service by offering a variety of options. In this proceeding, for example, Duquesne is proposing to further expand the "default supply" options available to residential customers through its proposed Green Tariff Pilot and enhancement option of the EV-TOU Program. The "concerns" Duquesne is seeking to address are unnecessary. As will be discussed further below, there are numerous competitive products on the market today that consumers can elect to address the stated purpose for Duquesne's Green Tariff Pilot. Regarding products for consumers who own EVs, there is no doubt that such offers will emerge as more customers make the transition to EVs - According to USDOE Alternative Fuels Data Center, there are just 64,000 EVs registered in in the entire Commonwealth of Pennsylvania as of June 2024.[20] As there are 12.97 million

[20] See afdc.energy.gov/data/10962

people in Pennsylvania as of 2022,[21] this equates to approximately an adoption rate of less than one percent. The competitive market will respond with TOU rate offers as there are more and more customers who own EVs and need such rates.

Q. HOW DOES THE CURRENT STATE OF COMPETITION AS YOU HAVE DESCRIBED IT NEGATIVELY AFFECT CONSUMERS?

A. With the EDC default service supply dominating the market and consumers being educated to judge all competitive offers based on the price of the EDC provided default service, customers may actually be discouraged from adopting innovative products or services which are fundamentally different and, therefore, priced differently than default service. Moreover, the EDC controls access to the customer information system paid by ratepayers as well as the other processes necessary for EGSs to offer and bill supply and are able to seek full cost recovery for the default service product and other "innovations" proposed under the guise of default service. All of these already existing features of today's marketplace negatively impact the ability of consumers to access new and innovative competitive market products. Adopting the increased default service offerings proposed by Duquesne will further place additional negative pressures on the competitive market and must be rejected by the Commission which is required to ensure that utility-provided services do not impede the development of the retail competitive market.

III. OVERARCHING GOAL OF RESA'S RECOMMENDATIONS

Q. HOW ARE RESA'S PROPOSALS IN THIS PROCEEDING INTENDED TO ADDRESS THE CURRENT REALITY OF TODAY'S COMPETITIVE MARKET?

A. RESA members continue to believe, as the Commission stated in 2013, that "fundamentally changing the default service product so that it more closely resembles

[21] *See* https://www.statista.com/statistics/206292/resident-population-in-pennsylvania/

market conditions" is warranted and necessary to deliver true competitive offerings to customers. However, and in consideration of the on-going messaging surrounding the EDC's default service product as the barometer to judge all EGS competitive products, a good first step for the Commission would be to open a statewide investigation regarding the permissible messaging around the default service product to better educate customers about the how the default service product is developed to enable them to make more informed choices about competitive supplier options. I will discuss this recommendation further in the next section.

In addition, and notwithstanding the outcome of the suggested statewide investigation, Duquesne's proposals to further expand the default service options available exclusively to default service customers must be rejected because, if they are adopted as presented, they will only serve to further exacerbate the already existing inherent advantages enjoyed by the default service product to the detriment of Pennsylvania's competitive market and more importantly, to customers. A competitive market cannot be fully realized when the underlying structure of the market is designed so that the utility is consistently positioned to be the dominant provider of generation supply service for end user customers and given approval to expand the types of generation service offered under the guise of trying to meet the desires of customers. Allowing regulated utilities to move beyond "plain vanilla" default service, where utilities have a right to full cost recovery whether customers elect the products, is tipping the scales in favor of the utility provided generation service. I am informed by counsel that this is not what was intended by the Competition Act. Rather, the goal was to rely on competitive innovation for customers to have access to products other than the plain

vanilla service that default service is intended to provide and which would be designed with current market trends and customer preferences in mind. As such, the Commission must reject the proposals made in this default service proceedingthat will result in a multiple utility provided generation supply products which further suppresses consumer activity by making it more difficult for suppliers to compete.

Q. IS THIS THE APPROPRIATE PROCEEDING FOR THE COMMISSION TO CONSIDER RESA'S PROPOSALS?

A. Yes. I am advised by counsel that the Commission and appellate courts have clearly determined that a default service proceeding is the opportunity for competitive suppliers to raise issues related to the EDC's proposed default structure and other mechanisms which have a direct impact on the ability of competitive suppliers to operate.[22]

PART III: SPECIFIC ISSUES AND RECOMMENDATIONS

I. STATEWIDE INVESTIGATION REGARDING DEFAULT SERVICE MESSAGING

Q. HOW DOES RESA RECOMMEND THE COMMISSION BEGIN TO ADDRESS THE CONCERNS YOU IDENTIFIED ABOVE REGARDING THE CURRENT MESSAGING OF THE DEFAULT SERVICE RATE?

A. As discussed in the previous section, a good first step to begin to address the current competitive market deficiencies would be for a statewide investigation to be opened to investigate Commission approved messaging of the default service as the "Price-to-Compare" to include discontinuing use of that term and replacing it with "Default Service Rate" and how the messaging can be improved to support the ability of customers to make more informed decisions when they evaluate competitive offers. At a minimum, changing the customer-facing "name" of the default service rate and better educating

[22] *See Respond Power, LLC v. Pa. Public Utility Commission*, 250 A.3d 547 (Pa. Cmwlth. 2021).

customers about the nature of the default service product would be an improvement over the current messaging which encourages customers to only consider the price of the default service rate when judging competitive market offers.

Q. WHY DO YOU SEE THIS AS ONLY A FIRST STEP?

A. The reality is that as long as the historical monopoly provider continues to dominate the market supported by less than transparent messaging as sanctioned by regulators and advocates, EGSs will be reluctant to make longer term investments in the market. Despite the Commission's acknowledgment back in 2013 of the need to "fundamentally change" the default service product, I recognize that the Commission has been hesitant to pursue such change in subsequent years. A statewide investigation focused on the messaging of the default service product, however, would be a beneficial path for the Commission to pursue at this time and, because of the focus on messaging, is one that should not be objectionable to any party in this proceeding. Simply put, EGSs are reluctant to make longer term investments in the market so long as the messaging reinforcing the purported superiority of the default service product rate continues. When the messaging around choice consistently instructs consumers to use the default service "price to compare" as a benchmark to evaluate all competitive offers, this has a direct impact on decisions of EGSs about whether to undertake the investment and resources necessary to develop and market innovative products given that consumers are educated to focus on one aspect. As discussed previously, this is a disappointing result for consumers which, based on the information I reviewed earlier, shows no hope of reversing without decisive Commission action in this proceeding.

II. ADDITIONAL DEFAULT SERVICE PRODUCTS

Q. DOES DUQUESNE PROVIDE MULTIPLE DEFAULT SERVICE SUPPLY OPTIONS FOR RESIDENTIAL CUSTOMERS?

A. Yes. Below is a chart of the current and proposed options for residential default service customers:

EDC Supply Product		**Requirements**
Standard Default Service Supply	Basic product	For customers who do not shop
EV- Whole Home	Current TOU product	In lieu of Standard Default Service Supply
EV-only TOU	Proposed "add on"	Must also receive Standard Default Service Supply
Green Tariff	Proposed "add on"	Must also receive Standard Default Service Supply

Q. WHAT ARE YOUR GENERAL OBSERVATIONS ABOUT ALL THESE DEFAULT SERVICE PRODUCTS?

A. Duquesne's proposed expansion of default service products to be made available only to customers on default service is worrisome from a competitive market standpoint. EDC-provided generation products provided under the guise of "default service" further entrenches the utility as a generation services provider making it more difficult for competition to develop by crowding out the incentive of EGSs to offer these products.[23]

Q. WHY IS SUPPORTING THE COMPETITIVE DEVELOPMENT OF THESE TYPES OF PRODUCTS AND SERVICES PREFERABLE TO RELYING ON EDC'S TO MAKE PROPOSALS LIKE DUQUESNE HAS IN THIS PROCEEDING?

A. Because one of the major benefits of competition is that it encourages the development of innovative products and services that add value to customers beyond the electric

[23] *Investigation of Pennsylvania's Retail Electric* Market, Docket No. I-2011-2237952, Comments of the Retail Energy Supply Association dated June 3, 2011 at 14-17.

commodity. By supporting and encouraging increased "default service" offerings by the EDCs, the Commission is tipping the scale in favor of the utility and against customers who will ultimately be denied the opportunity to find alternatives in the market. Suppliers simply cannot compete against utility offers that benefit from full cost recovery and, I am informed by counsel, utilities are no longer legally permitted to own generation for this reason. I also understand from counsel that the Competition Act requires default service to ensure customers have supply if they make no choice and not to make "innovative" multiple product offerings in direct competition with the competitive EGSs.

Q. WHY ARE EDCS NOT POSITIONED TO DEVELOP THE PRODUCTS AND SERVICES DESIRED BY CONSUMERS?

A. EDCs operate within the parameters of a regulatory framework wherein all offerings must undergo regulatory review and approval given that any approved proposals will be paid by ratepayers (whether they succeed or fail). This is very different from making decisions relying on private investment because unsuccessful ventures will result in a loss of the investment without any opportunity for recoupment. The competitive model is the superior way to address consumer needs and desires which evolve quickly. The regulated model is simply too slow to adapt to the ever changing consumer needs and technological advances and is simply not designed for innovation.

Q. WHY IS THE COMPETITIVE MARKET MORE SUITED TO ADDRESS EVER CHANGING AND EVOLVING DESIRES OF CONSUMERS?

A. Competitive retail suppliers are highly motivated to identify customer needs and deliver the products and services that customers want in order to attract and retain customers. They have customer call centers that listen to consumers, and product development teams focused on creating products that meet those consumers' needs. And competitive retail suppliers do not have captive ratepayers and have no guaranteed right to cost recovery if

they fail. Rather, competitive suppliers must provide products and services at prices customers want because if they do not, customers either will not choose their service or they will leave. By relying on the competitive market to deliver innovative solutions, such as renewable energy or dynamically priced products, the Commission – and, most importantly, consumers – can be certain that customers will get the best price and the best value for those products.

Q. ARE THERE OTHER WAYS IN WHICH THE EXPANSION OF EDC PROVIDED DEFAULT SERVICE PRODUCTS HARM THE COMPETITIVE MARKET?

A. Yes. These expanded offerings are being made available only to default service customers. Thus, a customer wishing to select one of the options cannot receive supply from an EGS. There is no middle ground available to the customer. This negatively impacts the value of shopping for a customer in an existing market where all of the Commission's efforts to date have not resulted in robust residential customer shopping. For all the reasons discussed previously, EDCs continue to enjoy inherent advantages in terms of name recognition and historical monopoly provider status which continues the reluctance on the part of consumers to explore the competitive market. Approving additional default service products in this current market structure and forcing the customer to remain with the default service supply as a condition of electing the options is a serious disservice to consumers. These reasons alone support rejection of both the proposed Green Tariff Pilot and expansion of the Electric Vehicle Time-of-Use Pilot Program to include an EV-only TOU option.

Q. APART FROM THIS OVERARCHING CONCERN HAS RESA REVIEWED THE SPECIFICS OF THE GREEN TARIFF PILOT AND THE EV-TOU PILOT?

A. Yes, and I will discuss the specifics of each proposal next.

(A) Green Tariff Pilot

Q. PLEASE DESCRIBE DUQUESNE'S PROPOSED GREEN TARIFF PILOT.

A. Duquesne is also proposing a Green Tariff Pilot for residential default service customers. Through this Pilot, Duquesne proposes to give these customers the option to have an additional 7% of their annual consumption to be matched with "carbon-free electricity" ("CFE") sourced within Pennsylvania. This amount would be above the Alternative Energy Portfolio Standards Act ("AEPS Act") requirements. Duquesne proposes to treat this as non-basic service, and to list the name of the EGS or provider on customer bills who participate in the Green Tariff. (Duquesne St. No. 1 at 12-17.)

Q. WHAT ARE THE OBJECTIVES OF THE GREEN TARIFF PILOT?

A. According to Duquesne witness Davis, the Green Tariff Pilot is intended to provide default service customers the option to increase the portion of their electricity supply from Pennsylvania clean energy resources. Mr. Davis also references other important objectives including: (1) benefits to wholesale default service suppliers who will not be required to include these costs in their bids to provide default service; (2) "expand market opportunities for EGSs and/or third parties to offer green product services to residential customers"; and, (3) provide a "customer-friendly design" to increase the likelihood of success of the pilot program. (Duquesne St. No. 1 at 12.)

Q. WHAT IS YOUR UNDERSTANDING OF THE MECHANICS OF HOW THIS PROGRAM SUPPORTS THE EXPANSION OF CLEAN ENERGY?

A. Apart from the requirements of Pennsylvania's Alternative Energy Portfolio Standards ("AEPS") Act, which require suppliers of electricity to source certain portions of the customer's load from various "clean" energy sources, all electricity consumers have the option to purchase renewal energy certificates ("RECs") as a stand-alone product. A

REC is a common type of energy attribute certificate ("EAC") in North America. RECs can be unbundled from the underlying electricity at the point of generation and are used to assign ownership to the generation delivered to the grid. Generally, the purchase of RECs supports the development and use of green energy in the United States.

Q. PLEASE EXPLAIN HOW DUQUESNE'S PROPOSED GREEN TARIFF PILOT WILL FACILITATE THE ABILITY OF RESIDENTIAL CUSTOMERS TO PURCHASE RECS.

A. Pursuant to Duquesne's proposal, it will bid for and contract with an entity who will acquire the RECs for Duquesne to then sell to participating residential customers in the Green Tariff Pilot for the price of the winning bid multiplied by 7% of the metered monthly load. (Duquesne St No. 4 at 30-31). Duquesne does not specify how payments from customers participating in the Green Tariff Pilot will be transferred to the winning bidder and how non-payment from the customer will be addressed.

Q. IS DUQUESNE REQUIRING THAT BIDDERS FOR THE GREEN PILOT TARIFF BE PENNSYLVANIA LICENSED EGSs?

A. No. According to a discovery response from Duquesne witness Davis, "any entity that could procure EAC's could participate" in the bidding process so long as the "entity also satisfies the credit requirements of the Company's independent auction manager."[24]

Q. AS A THRESHOLD QUESTION, DO RESA MEMBERS SUPPORT OFFERING CONSUMERS THE ABILITY TO SUPPORT CLEAN ENERGY THROUGH THE PURCHASE OF RECs?

A. Yes, absolutely. In fact, a number of EGSs already have such programs currently available to consumers and, in addition, consumers have the ability already to purchase EACs directly from non-EGSs. RESA Exh. FC-4 is a sampling of residential offerings which include the purchase of RECs on behalf of customers. Many of these offers

[24] Duquesne Response to RESA-I-4.

include the purchase of RECs equal to 100% of a customer's usage which is above the amount required by the AEPS act. In addition to EGS offers, Green-e identifies retailers of certified green power and renewable energy certificate programs where consumers can purchase EACs directly. According to a search for Residential Renewable Energy Certificates in Pennsylvania on this website, twelve companies are providing offerings to consumers.[25] As discussed previously, the competitive marketplace is the better option to develop these products for consumers and, in fact, there are currently multiple options available for consumers to purchase RECs above and beyond the state minimum. As such, there is no need for a Commission approved EDC program to offer these products. I also understand that no other EDC offers this type of product and, for the reasons discussed before, RESA does not support the intrusion of the utility in this space.

Q. DO YOU HAVE OTHER CONCERNS ABOUT DUQUESNE'S PROPOSAL?

A. Yes. I am concerned about endorsing a utility program which 1) enables the monopoly utility to offer a product more appropriately offered in the competitive market and which is already available from licensed retail suppliers, and 2) may utilize a non-licensed entity to source the EACs. While I recognize that the product here is a certificate, it is still one that is attached to energy generation. Pennsylvania's licensing requirements are fairly broad requiring any entity that is securing energy supply for a customer, including aggregators or entities working on behalf of customers, to have a license. I am concerned about allowing the EDC to create a pathway for unlicensed entities to source energy products for customers.

Additionally, Duquesne witness Ogden testifies that the costs of the additional EACs

[25] RESA Exh. FC-4 includes more specific details about the offers as well as links.

will be recovered from participating Green Tariff customers on a monthly basis. (Duquesne St. No. 4 at 31). He also testifies that the "incremental" administrative costs to implement the Green Tariff pilot program will be recovered from all residential default service customers. (Duquesne St. No. 4 at 32). Mr. Ogden does not address how other costs, such as billing system costs and costs for increased customer service issues, are being recovered. Nor does Mr. Ogden address the recovery of any costs related to an undersubscribed pilot. Because Duquesne, as the default service provider, is entitled to full cost recovery of what is being position as a default service product, it is important to ensure that the costs are being appropriately recovered from the customer being served on the product and not from all distribution ratepayers. A lack of cost alignment is one of the issues I discussed previously creating negative pressures on the development of a fully robust competitive market. By allowing Duquesne to recover the administrative costs of the Green Tariff pilot program from all default service customers and not only from the customers receiving the service, it is artificially lowering the cost of the green default service product, placing EGSs offering similar products at a competitive disadvantage.

Finally, I am advised by counsel that default service provider lack statutory authorization to offer this product.

For all these reasons, RESA strongly recommends that the Green Tariff Pilot proposal be rejected. It is not necessary and has the potential to lead to larger problems given the access to unlicensed entities and cost allocation issues.

(B) Expansion of Electric Vehicle Time-of-Use Program

Q. PLEASE DESCRIBE THE PROPOSED EXPANSION OF DUQUESNE'S CURRENT ELECTRIC VEHICLE TIME-OF-USE PILOT PROGRAM.

A. Pursuant to Duquesne's current default service plan (DSP IX), Duquesne offers an optional EV-TOU Supply Rate Pilot, which was available to Residential, Small Commercial and Industrial ("C&I"), and Medium C&I < 299kW customers who owned or leased a plug-in battery electric vehicle or plug-in hybrid electric vehicle, or offered charging infrastructure to employees or visitors. This current Pilot charges rates that varied by time of day, including times classified as Peak, Off-Peak, and Super Off-Peak. This was a "whole premises" rate that applied to all load behind the meter at the service location. (Duquesne St. No. 5 at 3-4.)

In this proceeding, Duquesne is proposing to continue the EV-TOU Pilot with certain modifications, including changing the time windows for Peak, Off-Peak, and Super Off Peak to create a larger price differential between these time periods, and changing how holidays are classified. (Duquesne St. No. 4 at 9-10.) Duquesne also proposes to allow up to 1,500 residential customers at a time to opt into an EV-only option (as opposed to the "whole premises" rate). (Duquesne St. No. 4 at 10-14.) Duquesne also confirmed in discovery that a customer enrolling in the EV-TOU Pilot must receive default service and that customers participating in the EV-only option will receive four "supply" charges on their bill.[26]

[26] DLC Response to RESA Set I, No. 16 and No. 17.

Q. AS A THRESHOLD QUESTION, DO RESA MEMBERS SUPPORT OFFERING CONSUMERS THE ABILITY TO AVAIL THEMSELVES OF TIME OF USE RATES THAT CAN SUPPORT ELECTRIC VEHICLE CHARGING?

A. Yes, absolutely. Below are examples of a few offers in the marketplace. However, as I testified previously, EV adoption rate in Pennsylvania is still in its infancy with only a 0.4934% adoption rate. If the demand increases and the competitive market is free to respond, it will do so and at a much quicker rate than a utility can develop a program and likely more responsive to the then current needs of consumers.

Sample competitive EV TOU Offerings

NRG

https://www.picknrg.com/en/pennsylvania

12 Month Plan for Electric Vehicles

- Get green energy and a lower price while charging your car
- Lower price every night 10:01 pm - 7:00 am, perfect for charging your car
- 100% renewable energy
- Supply price security for 12 months

Constellation

Texas Offer:
https://www.constellation.com/energy-101/energy-education/peak-vs-off-peak.html

EV TOU Rate Plans : Flex Charge and Free Charge

There are two Time of Use Rate plans for EV owners to choose from:

FlexCharge 10pm-6am (TX); 11pm- 7am (MD): **LOWER off-peak rate**
All other hours: On Peak Rate

FreeCharge 12:00am-3:59am: **FREE off-peak rate**
4:00am-11:59pm: On Peak Rate

Our TOU Rate Structure drives the desired outcome by incentivizing customers to charge during off-peak periods.

Q. WHAT IS RESA'S POSITION REGARDING UTILITY INVOLVEMENT IN THE EV MARKET SPECIFICALLY?

A. RESA has consistently argued in prior Commission proceedings that there is no need for utility intervention in the competitive EV market given the availability of private entities

using their own funds to build the required infrastructure to meet EV customer demand.[27] Reliance on private investment and private entities regarding EV development creates more flexibility and nimbleness to adapt to changing EV demands. The EDCs' reliance on ratepayer funds is subject to a time consuming Commission litigation process with no specific timeframe for follow-up review given the discretion of the EDCs as to when to file a subsequent rate case. While RESA does recognize the Commission has not been persuaded by these views, the proposal here to create an "enhancement" for Duquesne's existing program implicates competitive market concerns and creates further pressures on the ability of the competitive market to innovate in response to the ever changing market demands. EV development is a dynamic and rapidly growing market that is attracting investment from energy, technology and automotive players all willing to risk their own capital to meet the anticipated EV adoption growth. Rather than focusing resources and ratepayer funding on utility developed program, the far better result for consumers would be to not approve programs like this that incentivize EDCs to utilize less efficient ratepayer money against which private investment cannot effectively compete. The same reasons I discussed previously about how about how approving the Green Tariff Pilot is unnecessary and creates further barriers to competitive market development are applicable in the context of the EV TOU proposal. Moreover, the slow adoption of EV in Pennsylvania undercuts the need for utility involvement at this stage. The best course for consumers would be to support competitive market development of products and services to address EV customer needs. As seen in the prior examples, companies are already starting to innovate in this direction and the Commission should not stymie such

[27] *See, e.g., PECO Energy Company – Electric Division 2021 Base Rate Proceeding*, Docket No. R-2021-3024601, RESA and NRG St. No. 1, Direct Testimony of Danita Park dated June 28, 2021.

development by approving a utility generation supply product such as proposed by Duquesne.

Q. DO YOU HAVE OTHER CONCERNS ABOUT DUQUESNE'S PROPOSAL?

A. Yes. Duquesne confirmed in discovery that it is not planning to share EV-only usage data with EGSs during the EV TOU Supply Rate Pilot period "because the data is not needed for EGS billing." (Duquesne Response to RESA-I-18).

Q. PLEASE DESCRIBE THE SIGNIFICANCE OF THIS DATA TO PARTICIPANTS IN THE COMPETITIVE MARKET.

A. Customer usage data is critically important to engaging and educating customers about their electricity use. It is also critically important to developing individually tailored products, including time-of-use rates, and services designed to help consumers take control of their energy consumption. The Eligible Customer List ("ECL") currently includes historical usage information for all customers who have not opted out of inclusion on that list. This is invaluable information that enables competitive suppliers to develop products tailored to meet customers' unique needs and it is information within the control of the EDC solely by virtual of their monopoly hold on the distribution service and retaining the exclusive right to issue consolidated bills to customers. If the EDC is permitted to offer an EV only TOU rate, it should absolutely be required to share that data with the market so that competitors have the ability to learn from customer usage patterns and craft their own products. The Commission should reject this proposed information withholding as creating another unnecessary barrier to competitive market development.

Q. DO YOU HAVE ANY CONCERNS WITH DUQUESNE'S POSITION REGARDING ACCESS TO AND UTILIZATION OF CUSTOMER-OWNED DATA?

A. Yes. While Duquesne takes the view that the customer data for this pilot need not be made available to EGSs because EGSs are not able to bill for the product (since this is a default service customer only option), this is not consistent with the structure of the competitive market works in Pennsylvania. Importantly, because EDCs maintain the customer information system and customer data, they have been required by the Commission to share relevant customer data on a nondiscriminatory basis with EGSs to enable them to develop offers for potential new customers. There is no reasonable basis to deny EGSs access to customer usage data for participants in the EV Only Pilot. Duquesne's access to customer-owned data should be limited to fulfilling its core functions in a regulated utility. An example of an appropriate use of the customer-owned data would be Duquesne utilizing the data to analyze distribution circuit capacity so that if customers on a particular circuit adopt and install EV charging infrastructure, Duquesne can better predict when upgrades are necessary or respond to outages more quickly. However, because Duquesne's proposal does not provide third party entities that offer EV products and installations with access to customer data, Duquesne would have an unfair advantage in offering EV related products and installations.

Q. WHAT DO YOU RECOMMEND REGARDING DUQUESNE'S PROPOSED EXPANSION OF ITS EV-TOU PILOT?

A. I recommend that the proposed expansion be rejected.

PART IV: SUMMARY OF RECOMMENDATIONS AND CONCLUSIONS

Q. PLEASE SUMMARIZE ALL OF RESA'S RECOMMENDATIONS AS SUPPORTED BY YOUR PREVIOUS DISCUSSION.

A. For the reasons I discussed more fully above, RESA makes the following recommendations regarding Duquesne's DSP X plan:

- A statewide investigation should be opened to investigate Commission approved messaging of default service as the "Price-to-Compare" to include discontinuing use of that term by replacing it with "default service rate" and how the messaging can be improved to support the ability of customers to make more informed decisions when they evaluate competitive offers.
- Reject the proposed Green Tariff Pilot
- Reject expansion of the Electric Vehicle Time-of-Use Pilot Program to include an EV-only TOU option

Q. DOES THAT COMPLETE YOUR DIRECT TESTIMONY?

A. Yes, it does.

Exhibit FC-1

Francis S. Caliva III

P.O. Box 7235 | Cumberland, RI 02864 | 315.450.1998 | frankcaliva@prquinlan.com

EXPERIENCE

RETAIL ENERGY SUPPLY ASSOCIATION, Harrisburg, PA
National Spokesperson, March 2023 – present

- Serve as the national spokesperson for the leading retail energy supplier industry association.
- Collaborating closely with members, the public relations lead, and the executive leadership of RESA,
  provide oral testimony before state legislature and regulatory commissions, draft written comments for submission in policy proceedings, represent the association in print and broadcast media appearances, advise on public relations and policy matters, and deliver remarks at public events and conferences.

P.R. QUINLAN ASSOCIATES INC., Cumberland, RI
President, July 2014 – president

- Own business advisory firm providing clients with intelligence, analysis, and advocacy services related to state and federal regulations and legislation in the retail and renewable energy sectors.
- Have assisted and advised close to 50 competitive energy suppliers and brokers on regulatory and policy issues related to retail energy.
- Developed a deep expertise in retail energy issues, including through the provision of regulatory and legislative monitoring services to retail suppliers, brokers, trade associations, and energy law firms.
- Testify in front of state legislatures and public utility commissions in markets across the country, including Maryland, New York, Pennsylvania, on behalf of individual retail suppliers as well as coalitions of suppliers.
- Participate in a wide range of state public utility commission stakeholder working groups and collaboratives. A non-exhaustive but representative sample includes:
- File comments, on behalf individual retail suppliers as well as coalitions of suppliers, in regulatory proceedings across the United States.
- Produce white papers and memos on retail energy market developments.
- Managed a national consumer education coalition of competitive energy suppliers (the American Coalition of Competitive Energy Suppliers).

STRATEGIC COMMUNICATIONS, LLC, Washington, DC
Director, January 2013 – June 2014

- Opened and led the Washington, D.C. office of Strategic Communications, LLC.
- Managed team of full-time and part-time staffers to deliver state government relations services.
- Provided strategic planning and business advisory services to clients in manufacturing, defense contracting, and higher education sectors.
- Developed innovative *Strategic Update Service* product, a biweekly regulatory and legislative monitoring service which delivered over $180,000 in new revenue in its first 18 months.

STRATEGIC COMMUNICATIONS, LLC, Syracuse, NY
Senior Consultant, January 2011 – January 2013

- Managed state government relations for clients in the retail electricity and natural gas sectors.
- Drafted and filed formal comments and testimony before state utility commissions and legislatures.
- Represented clients and industry coalitions in industry meetings and public-private working groups.

DEPARTMENT OF COMMERCE, International Trade Administration, Washington, DC
Senior International Trade Specialist, July 2009 – January 2011

- Co-led Civil Nuclear Trade Initiative, which supports U.S. nuclear energy firms through an interagency working group, an industry advisory committee, trade missions and official advocacy.
- Developed and managed innovative resources for U.S. companies, including an online civil nuclear exporters guide and a U.S. industry promotion program at the annual IAEA General Conference.
- Drafted remarks, policy memos, and research reports to support senior Department officials.
- Participated as an ITA staff representative on the U.S. climate change negotiations team in the UN Framework Convention on Climate Change process.

DEPARTMENT OF COMMERCE, International Trade Administration, Washington, DC
Office of Legislative and Intergovernmental Affairs, February 2009-July 2009

- During six-month detail, prepared senior Department officials and Administration political nominees for Congressional hearings, including drafting testimony and developing briefing materials.
- Worked with legislative affairs team to effectively respond to Congressional information requests and to actively engage with Congressional staff in support of agency strategic objectives.

DEPARTMENT OF COMMERCE, International Trade Administration, Washington, DC
Presidential Management Fellow / International Trade Specialist August 2006 – February 2009

- Selected in a highly competitive process as one of two Presidential Management Fellows.
- Responsible for developing research and analysis, industry outreach, and other activities to increase exports by U.S. clean energy companies.
- Completed a capstone project which included organizing and executing the first ever U.S. Clean Energy Trade Mission to India and China, a two-week, 17 company trade mission led by an Assistant Secretary of Commerce that contributed to over $70 million in U.S. exports.

EDUCATION

GEORGETOWN UNIVERSITY, School of Foreign Service, Washington, DC
Master of Arts, German and European Studies (*with distinction*) September 2004 – May 2006

- 3.9 GPA, Concentration in International Business-Government Relations
- Practicum with Royal Phillips Electronics' Washington, D.C. government relations office.
- Internships with Rep. Jim Walsh (New York 25th Congressional District), the Heritage Foundation, and lobbying firm Barbour Griffith and Rogers.

PROVIDENCE COLLEGE, Providence, RI
Bachelor of Arts, Political Science (*summa cum laude*) September 2000 – May 2004

- 3.9 GPA, Minor in German
- Awarded Fulbright Scholarship for study at the Frei-Universität Berlin, May 2004 *(declined for personal reasons)*
- President, Epsilon Chi chapter, Pi Sigma Alpha (national political science honor society)
- Editor-in-Chief, *The Cowl* (weekly student newspaper)

SELECTED COMMENTS & TESTIMONY

On behalf of RESA

- February 2024 – written comments to the Pennsylvania Legislative Budget and Finance Committee (LBFC) on Supplier Consolidated Billing (SCB).
- September 21, 2023 – oral and written testimony before the Joint Committee on Telecommunications, Utilities and Energy in Massachusetts in support of House Bill 3155 and in opposition to House Bill 3196 and Senate Bill 2106
- September 12, 2023 – oral and written testimony before the House Consumer Protection, Technology & Utilities Committee in Pennsylvania in support of House Bill 1578.
- June 5, 2023 – oral and written testimony before the Joint Committee on Telecommunications, Utilities and Energy in Massachusetts in support of House Bill 3155 and in opposition to House Bill 3196 and Senate Bill 2106

On behalf of other clients

- Comments on behalf of the Maryland Energy Marketers Coalition in MDPSC Rulemaking No. RM62, related to changes to the regulator's retail electric and natural gas supplier regulations.
- Comments on behalf of the New York Energy Marketers Coalition in NYPSC Docket No. 18-M-0376, related to data and cybersecurity requirements.
- Comments on behalf of the Pennsylvania Energy Marketers Coalition in PAPUC Docket No. L-2015-2508421, related to delivery of utility notices to third parties.

SELECTED PUBLIC REMARKS

On behalf of RESA

- "Retail Energy 101," panel discussion, Energy Bar Association annual conference, April 2024
- "Navigating Risk in Retail Energy," panel discussion, Energy Marketing Conference, March 2024
- "Educating the Younger Generation on Energy," panel discussion, Energy Marketing Conference, October 2023

On behalf of other clients

- "Retail Energy Regulatory Trends – What's New, What's Coming Soon, and What You Should Do About It," Energy Marketing Conference webinar, July 2019
- "Regional Solar Market Outlook for 2019," panel discussion, MDV-SEIA Solar Focus conference, November 2018
- "Future of Clean Energy Choice" panel discussion on Capitol Hill, sponsored by R Street Institute, November 2017

SELECTED OP-EDS

On behalf of RESA

March 29, 2024 – "Preserve choice, retail competitive electricity suppliers," *CommonWealth Beacon*
September 7, 2023 - "Pennsylvania must do more to protect consumers in shopping for energy," *Penn Live and Patriot-News*

On behalf of other clients

- October 2019 - "Three Policy Trends That are Good News for Energy Marketers," *Energy Marketing Conference Newsletter*

- July 2015 - As part of a campaign on behalf of the American Coalition of Competitive Energy Suppliers, had op-eds published in a number of newspapers, including the Lockport (NY) *Union Sun & Journal*, Delaware County (PA) *Times*, Montclair (NJ) *Dispatch*, Warwick (RI) *Beacon*, Chillicothe (OH) *Gazette*, and Morrow County (OH) *Sentinel*
- April 10, 2012 – "Energy Choice," *Breaking Energy*

SELECTED MEDIA APPEARANCES

On behalf of RESA

- May 8, 2023 – quoted in article for WBUR (Boston NPR) on retail supplier issues in Massachusetts
- May 8, 2023 – quoted in article for WBUR (Boston NPR) on renewable energy offers
- November 22, 2023 – *Arizona Republic*, background interview
- June 30, 2023 - *Baltimore Sun*, informational interview
- June 29, 2023 - *Maryland Matters*, informational interview
- March 27, 2023 - *Green Biz*, informational interview
- March 17, 2023 - *Virginia Mercury*, informational interview

On behalf of myself or other clients

- January 11, 2023 – discussion with ABC affiliate WMTW on energy choice in Maine
- January 18, 2020 – quoted in article in *Utility Dive* on retail choice legislation in Virginia
- June 23, 2019 – quoted in article in the Kennebec *Journal* and *Morning Sentinel* on smart meter deployment in Maine.
- August 1, 2019 – quoted in article in the Boston *Globe* on allegations of suppliers overcharging customers in Massachusetts.
- February 9, 2018 – quoted in article in the Binghamton *Press & Sun Bulletin* on changes to the New York retail energy market.
- August 8, 2018 – discussion with CBS affiliate WPRI on electric supplier offers in Rhode Island.
- May 19, 2017 – quoted in article in the Pensacola *News Journal* on retail choice in Florida.
- February 28, 2014 – quoted in article in the UK's *The Guardian* on shopping for renewable energy

Background Conversations

- *Energy Choice Matters* publisher, confidential client matters, 2014-present
- KMPG South Korea analyst, consultant's report on U.S. electricity market, February 2022
- Akron *Beacon Journal* reporter, confidential client matter, 2020
- *Wall Street Journal* reporter, confidential client matter, 2020
- Washington *Post* reporter related to June 12, 2018 article, "Should you switch electricity suppliers? Maybe — but do your homework first"
- New York *Times* reporter, April 2018

SELECTED WORKING GROUPS

- the AG-X collaborative led by utility Arizona Public Service;
- the Competitive Markets and Customer Choice working group in Maryland;
- the Competitive Suppliers Working Group / DPU Docket No. 19-07 proceedings in Massachusetts;
- the Track II collaborative in New York considering additional value-added products and services that can be offered by retail suppliers; and
- the CHARGE working group in Pennsylvania.

Exhibit FC-2

RETAIL ELECTRICITY CHOICE

Activity Report 2022

October 2023

Bureau of Technical Utility Services

Policy and Planning Section

PAPUC

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I. Executive Summary

This report has been prepared to provide access to data reported to the Pennsylvania Public Utility Commission (Commission) by electricity market suppliers. The information contained within this report is provided in a manner that does not compromise the confidentiality of company data while also providing it in a useful format. This report illustrates short-term data trends that may appear but does not provide any market analysis beyond what is apparent in the data; additionally, the Commission does not speculate as to the possible reasons for any trends.

Section 54.203 of the Commission's regulations, 52 Pa. Code § 54.203, requires electric distribution companies (EDCs) to file quarterly reports on retail sales activity of electric generation suppliers (EGSs) operating in their service territories. As of Dec. 31, 2022, the EDCs reported a total of 109 active EGSs operating in Pennsylvania.

Section 54.203 also requires active EGSs to file an annual report by April 30 for the previous calendar year. These EGS filings provide aggregate EGS market-share data for the number of customer accounts, megawatt-hour (MWh) sales, and customer participation in various programs including, flat and time-varying rates, fixed-term contracts, green power, and curtailable program offerings, as well as information on which EGSs are providing supplier billing services.

The data contained specifically within Section V of this report is based on information submitted by active EGSs. Of the 109 active EGSs identified by the EDCs as having served load within their service territories, 107 (98%) have filed reports with the Commission. The Bureau of Technical Utility Services (TUS) has made several efforts to contact EGSs who were either tardy or who remain delinquent in filing these required reports. Delinquent EGSs were sent notification that failure to comply with the reporting requirements subjects them to possible loss of their license to serve as an EGS in Pennsylvania. As of August 1, 2023, 2 EGSs are delinquent in their reporting requirements. Those 2 EGSs are identified in Appendix B of this report.

Summary Data for 2022:
Number of Customer Accounts Served by EGSs

- 1,480,056 of 5,932,085total accounts served by EGSs (25%)
  - 1,192,378 residential accounts served by EGSs
  - 23% of all residential accounts served by EGSs
  - 287,678 non-residential accounts served by EGSs
  - 40% of all non-residential accounts served by EGSs
- Note: all values are down slightly from the previous year

MWhs Served by EGSs

- 85,675,047 MWhs of 137,733,574 total MWhs served by EGSs (62%)
  - 13,379,823 MWhs served by EGSs from residential accounts
  - 26% of all residential MWhs served by EGSs
  - 72,295,224 MWhs served by EGSs from non-residential accounts
  - 85% of all non-residential MWhs served by EGSs
- Note: all values are down slightly from the previous year

Total Number of Time-of-Use (TOU) Customer Accounts and MWhs

- 10,328 total TOU customer accounts of 5,932,085 total accounts (0.17%)

Although well less than one percent, this represents a 756% increase over the prior year. Of the total above, 2,745 accounts were reported by the EDCs. 7,583 TOU customer accounts were reported by the EGSs.

EGSs are required to report the number of TOU customer accounts in their annual filings with the Commission, however, because of limited data and confidentiality concerns, prior editions of this report had only included EDC data.

- 24,084 TOU MWhs of 137,733,574 total MWhs (<1%)
  - Despite being less than 1%, this represents a 272% increase from the previous year's total of 6,471 MWh. This total, however, is from only the EDCs, as EGSs are not required to report TOU customer account MWhs.

Total Number of Hourly/Real-Time Priced (RTP) Non-Residential Customer Accounts and MWhs

- 16,035 RTP accounts of 723,785 non-residential accounts (2%)
- 44,704,528 RTP MWhs of 85,316,877 non-residential MWhs (52%)
- These values for RTP metrics are in the same range as the previous year.

In summary, the total number of customer accounts served by EGSs in 2022 was down slightly from 27% and 30%, in 2021 and 2020 respectively, to 25%. The amount of load served by EGSs decreased from 89 million MWhs in 2021 to 86 million MWhs in 2022. The percentage of load being served decreased from 64% in 2021 to 62% in 2022.

Residential TOU customer accounts have increased from 432 in 2020 to 10,328 in 2022. The number of non-residential customers enrolled in hourly or RTP accounts is 16,035 and the associated load from these customers has remained relatively static over the past three years, from 59% in 2020, to 52% in 2022.

Further details of the aggregate data above can be found in the tables and figures throughout this report.

II. Electric Generation Supplier Data and Trends

This section provides information on trends in EGS customer accounts and MWh sales during 2022. In all cases, "Customer Accounts" data is reported as of Dec. 31, 2022; MWh sales is the sum of the quarterly reported data during the year. The data is broken out into residential and non-residential which is further broken out into small, medium, and large non-residential classes.

A. Number of Customer Accounts

1. Residential and Non-Residential

As noted in Table 1, in 2022, the percentage of all customer accounts served by EGSs was 25%. The total percentage of all customer accounts served by EGSs decreased by 2% compared to 2021, marking the sixth straight year of decreasing customer accounts.

Table 1. Number of EGS Customer Accounts and MWh Sales: 2020-2022
Residential and Non-Residential

	Residential		*Non-Residential*		*Total*	
	Customer Accounts	*MWh*	*Customer Accounts*	*MWh*	*Customer Accounts*	*MWh*
Total Served by EGSs and EDCs-2022	5,208,300	52,416,697	723,785	85,316,877	**5,932,085**	**137,733,574**
Total Served by EGSs and EDCs-2021	5,194,470	53,172,074	724,951	85,278,860	**5,919,421**	**138,450,934**
Total Served by EGSs and EDCs-2020	5,182,477	53,363,074	713,679	77,024,466	**5,896,156**	**130,387,540**
Total Served by EGSs – 2022	1,192,378	13,379,823	287,678	72,295,224	**1,480,056**	**85,675,047**
Total Served by EGSs – 2021	1,296,603	15,005,547	297,069	73,921,900	**1,593,672**	**88,927,447**
Total Served by EGSs – 2020	1,431,284	14,721,256	309,811	62,163,890	**1,741,095**	**76,885,146**
Percent Served by EGSs – 2022	23%	26%	40%	85%	**25%**	**62%**
Percent Served by EGSs – 2021	25%	28%	41%	87%	**27%**	**64%**
Percent Served by EGSs – 2020	28%	28%	43%	81%	**31%**	**60%**

Figure 1. Trends - Number of Customer Accounts Served by EGSs: 2020 - 2022

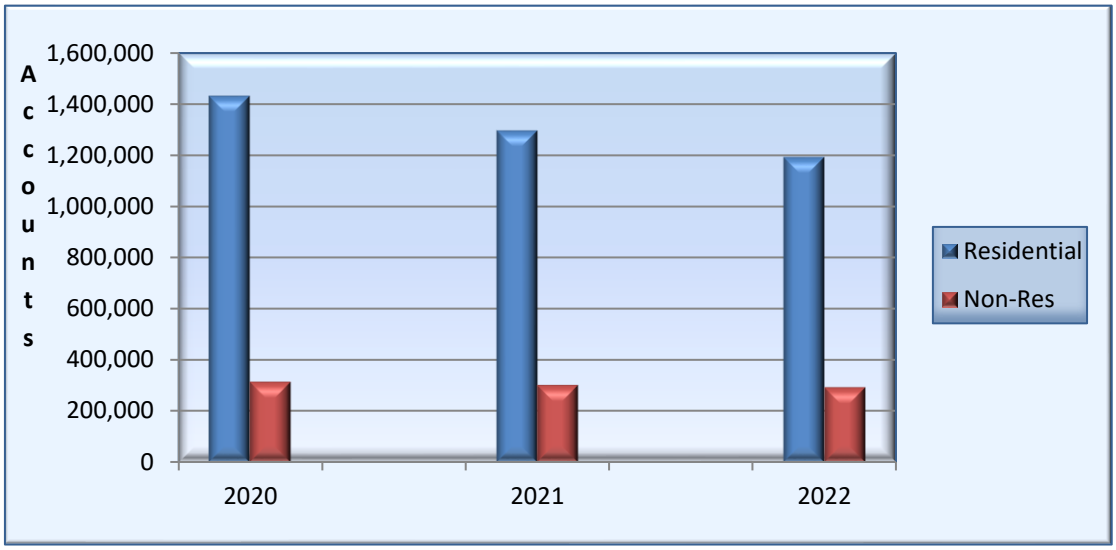
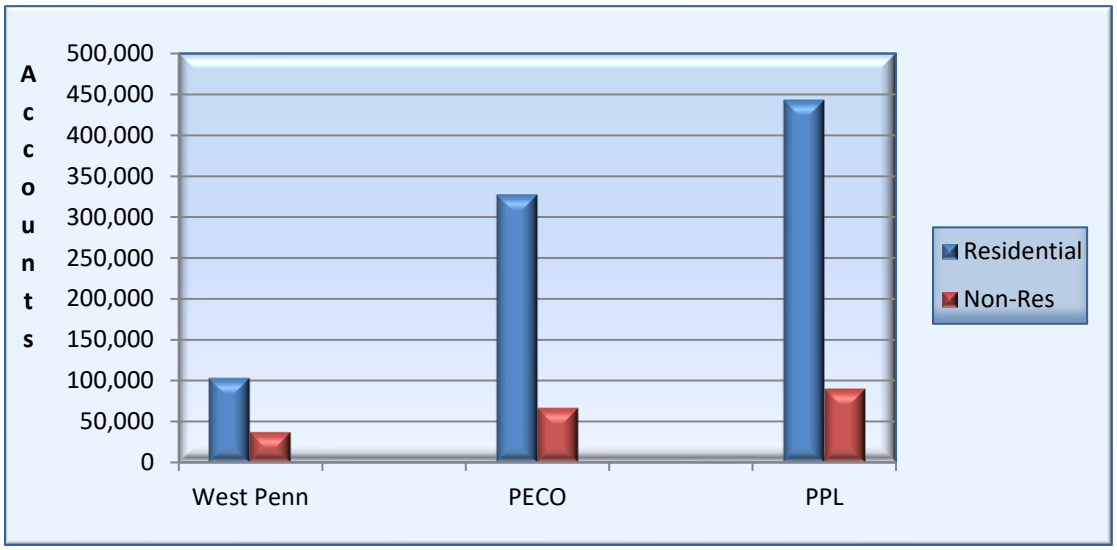


Table 2. Number of Customer Accounts, by EDC Service Territory: 2022
Residential and Non-Residential

EDC	Residential Accounts			Non-Residential Accounts			Total Accounts		
	EGS	Total	% EGS	EGS	Total	% EGS	EGS	Total	% EGS
Citizens	0	5,914	0	46	1,201	4	**46**	**7,115**	**1**
Duquesne	112,640	546,358	21	23,037	63,337	36	**135,677**	**609,695**	**22**
Met-Ed	97,221	516,932	19	28,285	69,801	41	**125,506**	**586,733**	**21**
PECO	326,795	1,525,657	21	65,845	171,790	38	**392,640**	**1,697,447**	**23**
Penelec	84,954	497,351	17	34,498	87,073	40	**119,452**	**584,424**	**20**
Penn Power	24,626	149,269	17	9,440	21,433	44	**34,066**	**170,702**	**20**
Pike	809	4,263	19	232	951	24	**1,041**	**5,214**	**20**
PPL	442,090	1,269,826	35	88,929	193,663	46	**531,019**	**1,463,489**	**40**
UGI	354	55,557	1	835	8,913	9	**1,189**	**64,470**	**2**
Wellsboro	0	5,150	0	57	1,279	4	**57**	**6,429**	**1**
West Penn	102,889	632,023	16	36,474	104,344	35	**139,363**	**736,367**	**19**
Total	**1,192,378**	**5,208,300**	**23**	**287,678**	**723,785**	**40**	**1,480,056**	**5,932,085**	**25**

Figure 2. Number of EGS Customer Accounts: 2022
Top Three EDC Territories with EGS Customer Accounts
Residential and Non-Residential



As noted above, in Figure 2, West Penn Power Company (West Penn), PECO Energy Company (PECO), and PPL Electric Utilities (PPL) had the highest number of total EGS customer accounts. The accounts were predominantly in the residential class.

2. Small, Medium, and Large Non-Residential

Data in Table 3 shows that 85% of all large non-residential customers are served by EGSs, corresponding to 93% of the load from this customer class. Extrapolation of the data in Table 3 indicates that while small non-residential accounts comprise 83% of all accounts served by EDCs and EGSs, the large non-residential customers account for 62% of all the load from non-residential customers. Further extrapolation of the data will show that 78% of all non-residential EGS accounts are small non-residential customers but that 68% of all the non-residential load that is served by EGSs is from large non-residential customers.

Table 3. Number of Customer Accounts and MWh Sales: 2020 - 2022
Small, Medium, and Large Non-Residential

	Small		*Medium*		*Large*		*Total*	
	Customer Accounts	*MWh*	*Customer Accounts*	*MWh*	*Customer Accounts*	*MWh*	*Customer Accounts*	*MWh*
Total Served-- EGSs and EDCs- 2022	600,772	16,770,731	107,849	15,659,084	15,164	52,887,062	**723,785**	**85,316,877**
Total Served-- EGSs and EDCs- 2021	602,840	16,754,053	107,090	15,956,848	15,021	52,567,959	**724,951**	**85,278,860**
Total Served-- EGSs and EDCs- 2020	589,333	16,924,826	108,919	11,508,208	15,427	48,591,432	**713,679**	**77,024,466**
Total Served by EGSs- 2022	224,350	10,963,417	50,497	11,959,019	12,831	49,372,788	**287,678**	**72,295,224**
Total Served by EGSs- 2021	232,055	11,471,973	52,310	12,651,775	12,704	49,798,152	**297,069**	**73,921,900**
Total Served by EGSs- 2020	240,521	8,775,292	55,914	8,657,371	13,376	44,731,227	**309,811**	**62,163,890**
Percent Served by EGSs- 2022	37%	65%	47%	76%	85%	93%	**40%**	**85%**
Percent Served by EGSs- 2021	38%	68%	49%	79%	85%	95%	**41%**	**87%**
Percent Served by EGSs- 2020	41%	52%	51%	75%	87%	92%	**43%**	**81%**

Figure 3. Number of EGS Customer Accounts: 2022
Small, Medium, and Large Non-Residential

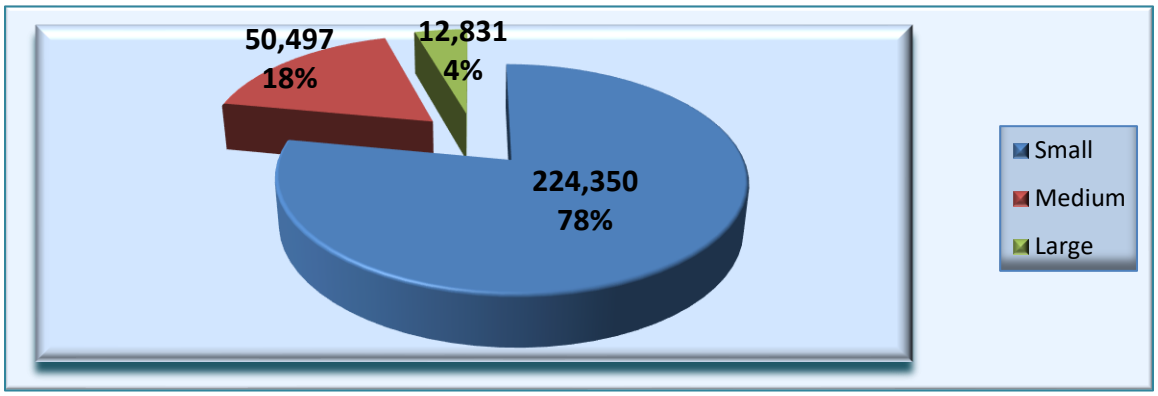
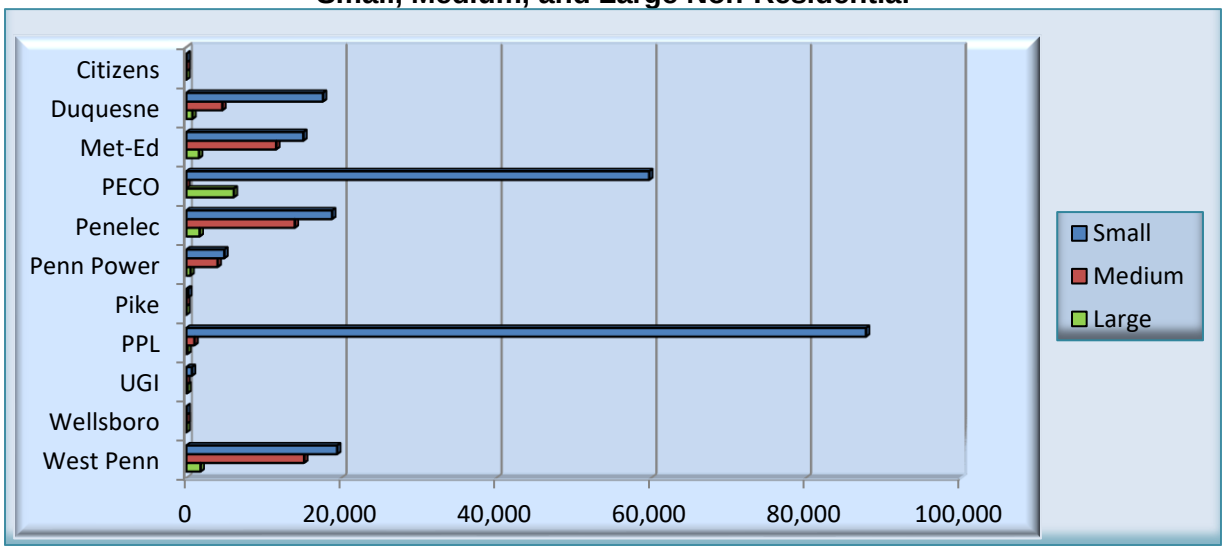


Table 4. Number of Customer Accounts by EDC Service Territory: 2022
Small, Medium, and Large Non-Residential*

EDC	Small Non-Residential Accounts			Medium Non-Residential Accounts			Large Non-Residential Accounts			Total Non-Residential Accounts		
	EGS	Total	% EGS	EGS	Total	% EGS	EGS	Total	% EGS	EGS	Total	% EGS
Citizens	33	1,160	3	11	37	30	2	4	50	**46**	**1,201**	**4**
Duquesne	17,624	55,470	32	4,636	7,004	66	777	863	90	**23,037**	**63,337**	**36**
Met-Ed	15,086	42,034	36	11,579	25,927	45	1,620	1,840	88	**28,285**	**69,801**	**41**
PECO	59,731	164,347	36	0	0	0	6,114	7,443	96	**65,845**	**171,790**	**38**
Penelec	18,803	55,584	34	13,988	29,568	47	1,707	1,921	89	**34,498**	**87,073**	**40**
Penn Power	4,892	12,432	39	4,030	8,402	48	518	599	86	**9,440**	**21,433**	**44**
Pike	232	941	25	0	0	0	0	10	0	**232**	**951**	**24**
PPL	87,770	192,320	46	1,033	1,195	86	126	148	85	**88,929**	**193,663**	**46**
UGI	707	8,689	8	0	0	0	128	224	57	**835**	**8,913**	**9**
Wellsboro	20	896	2	29	371	8	8	12	67	**57**	**1,279**	**4**
West Penn	19,452	66,899	29	15,191	35,345	43	1,831	2,100	87	36,474	104,344	35
Total	**224,350**	**600,772**	**37**	**50,497**	**107,849**	**47**	**12,831**	**15,164**	**85**	**287,678**	**723,785**	**40**

***See Appendix for definitions of small, medium, and large non-residential classifications.**

Figure 4. Number of EGS Customer Accounts by Classification: 2022
Small, Medium, and Large Non-Residential



B. MWh Sales

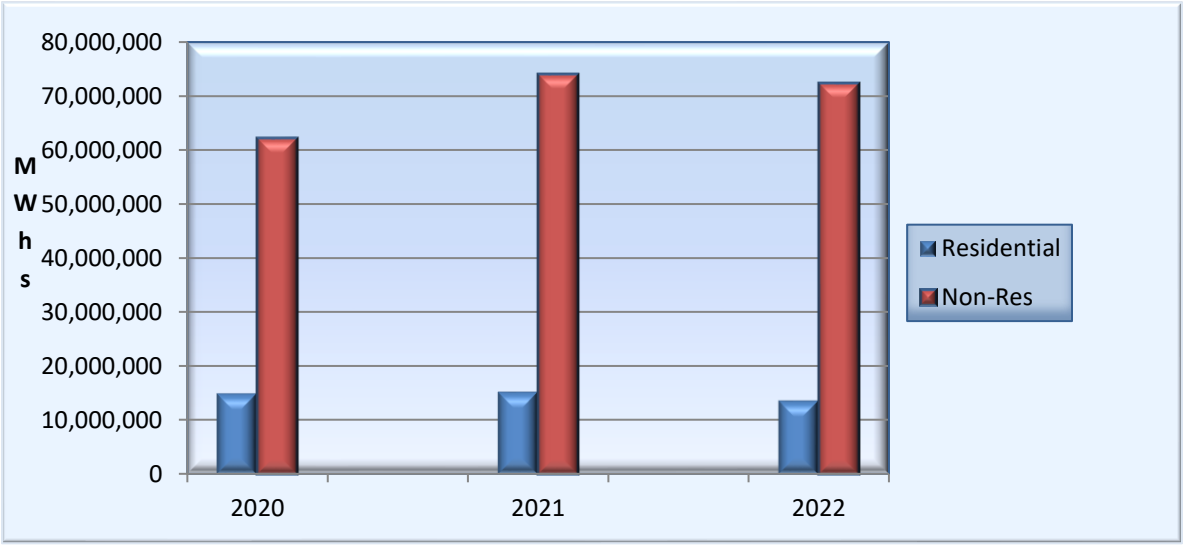
1. Residential and Non-Residential

As noted in Table 5, EGS sales in Pennsylvania totaled 85,675,047 MWhs during calendar year 2022. This represents a decrease of 3,252,400 (4%) compared to 88,927,447 MWhs during the previous calendar year. During the same period, total EDC sales increased 6%.

Table 5. EGS Sales (MWh): 2020- 2022
Residential and Non-Residential

Year	*Residential*	*Non-Residential*	*Total*
2022	13,379,823	72,295,224	85,675,047
2021	15,005,547	73,921,900	88,927,447
2020	14,721,256	62,163,890	76,885,146

Figure 5. Trends - Total MWhs Served by EGSs: 2020 - 2022

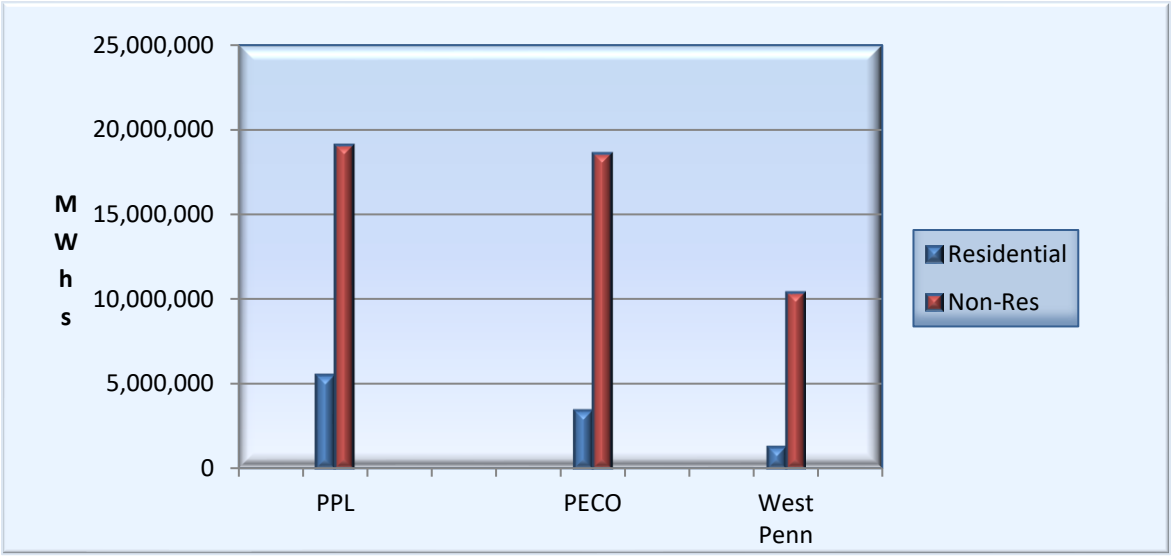


As noted below in Table 6 and Figure 6, PPL, PECO, and West Penn respectively, had the highest total EGS sales (MWhs) for calendar year 2022, predominantly in the non-residential sector.

Table 6. Sales (MWh) by EDC Service Territory: 2022
Residential and Non-Residential

EDC	Residential Sales (MWh)			Non-Residential Sales (MWh)			Total Sales (MWh)		
	EGS	Total	%	EGS	Total	%	EGS	Total	%
Citizens	0	89,686	0	33,398	69,107	48	**33,398**	**158,793**	**21**
Duquesne	928,057	4,121,229	23	6,939,886	8,280,460	84	**7,867,943**	**12,401,689**	**63**
Met-Ed	1,225,982	5,871,983	21	7,128,522	8,483,643	84	**8,354,504**	**14,355,626**	**58**
PECO	3,387,896	14,207,832	24	18,566,725	22,149,935	84	**21,954,621**	**36,357,767**	**60**
Penelec	808,500	4,349,172	19	7,660,717	8,868,581	86	**8,469,217**	**13,217,753**	**64**
Penn Power	300,143	1,666,177	18	2,454,112	2,895,271	85	**2,754,255**	**4,561,448**	**60**
Pike	6,448	35,418	18	7,438	45,049	17	**13,886**	**80,467**	**17**
PPL	5,467,284	14,682,564	37	19,064,497	22,096,318	86	**24,531,781**	**36,778,882**	**67**
UGI	1,020	152,838	1	54,993	112,046	49	**56,013**	**264,884**	**21**
Wellsboro	0	44,030	0	20,180	57,430	35	**20,180**	**101,460**	**20**
West Penn	1,254,493	7,195,768	17	10,364,756	12,259,037	85	**11,619,249**	**19,454,805**	**60**
Total	**13,379,823**	**52,416,697**	**26**	**72,295,224**	**85,316,877**	**85**	**85,675,047**	**137,733,574**	**62**

Figure 6. EGS Sales (MWh): 2022
Top Three EDC Territories with EGS Sales
Residential and Non-Residential



2. Small, Medium, and Large Non-Residential

Table 7 and Figure 8 show EGS sales (MWhs) for each EDC service territory. PECO, West Penn, and Pennsylvania Electric Company (Penelec) service territories had the highest EGS sales, predominantly in the large non-residential sector.

Table 7. Sales (MWh) by EDC Service Territories: 2022
Small, Medium, and Large Non-Residential*

EDC	Small Non- Residential			Medium Non-Residential			Large Non-Residential			Total Non-Residential		
	EGS	Total	%	EGS	Total	%	EGS	Total	%	EGS	Total	%
Citizens	2,836	28,670	10	10,217	20,092	51	20,345	20,345	100	**33,398**	**69,107**	**48**
Duquesne	378,081	928,898	41	1,612,508	2,168,848	74	4,949,297	5,182,714	96	**6,939,886**	**8,280,460**	**84**
Met-Ed	85,792	201,688	43	1,206,889	1,965,419	61	5,835,841	6,316,536	92	**7,128,522**	**8,483,643**	**84**
PECO	2,454,068	4,677,564	52	0	0	0	16,112,657	17,472,371	96	**18,566,725**	**22,149,935**	**84**
Penelec	102,523	269,123	38	1,414,688	2,201,311	64	6,143,506	6,398,147	96	**7,660,717**	**8,868,581**	**86**
Penn Power	25,150	64,167	39	422,282	649,125	65	2,006,680	2,181,979	92	**2,454,112**	**2,895,271**	**85**
Pike	7,438	30,891	24	0	0	0	0	14,158	0	**7,438**	**45,049**	**17**
PPL	7,796,557	10,218,663	76	5,685,696	6,024,416	94	5,582,244	5,853.239	95	**19,064,497**	**22,096,318**	**86**
UGI	10,257	46,434	22	0	0	0	44,736	65,612	68	**54,993**	**112,046**	**49**
Wellsboro	142	4,270	3	7,283	27.832	26	12,755	25,328	50	**20,180**	**57,430**	**35**
West Penn	100,573	300,363	33	1,599,456.	2,602,041	61	8,664,727	9,356,633	93	**10,364,756**	**12,259,037**	**85**
Total	10,963,417	16,770,731	65	11,959,019	15,659,084	76	49,372,788	52,887,062	93	**72,295,224**	**85,316,877**	**85**

*See Appendix A for definitions of small, medium, and large non-residential classifications.

Figure 7. EGS MWh Sales: 2022
Small, Medium, and Large Non-Residential

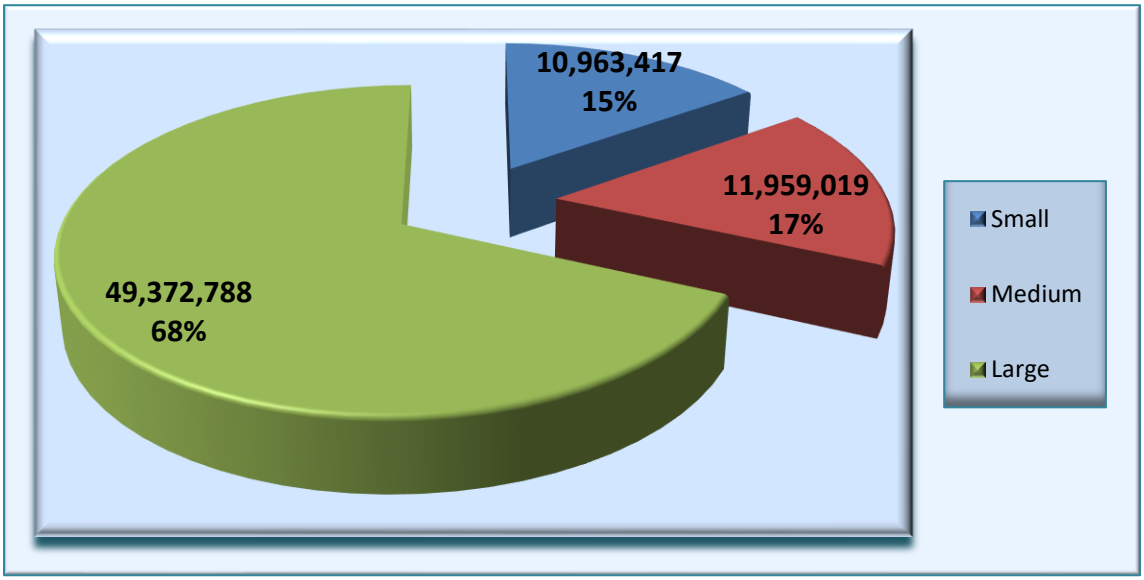
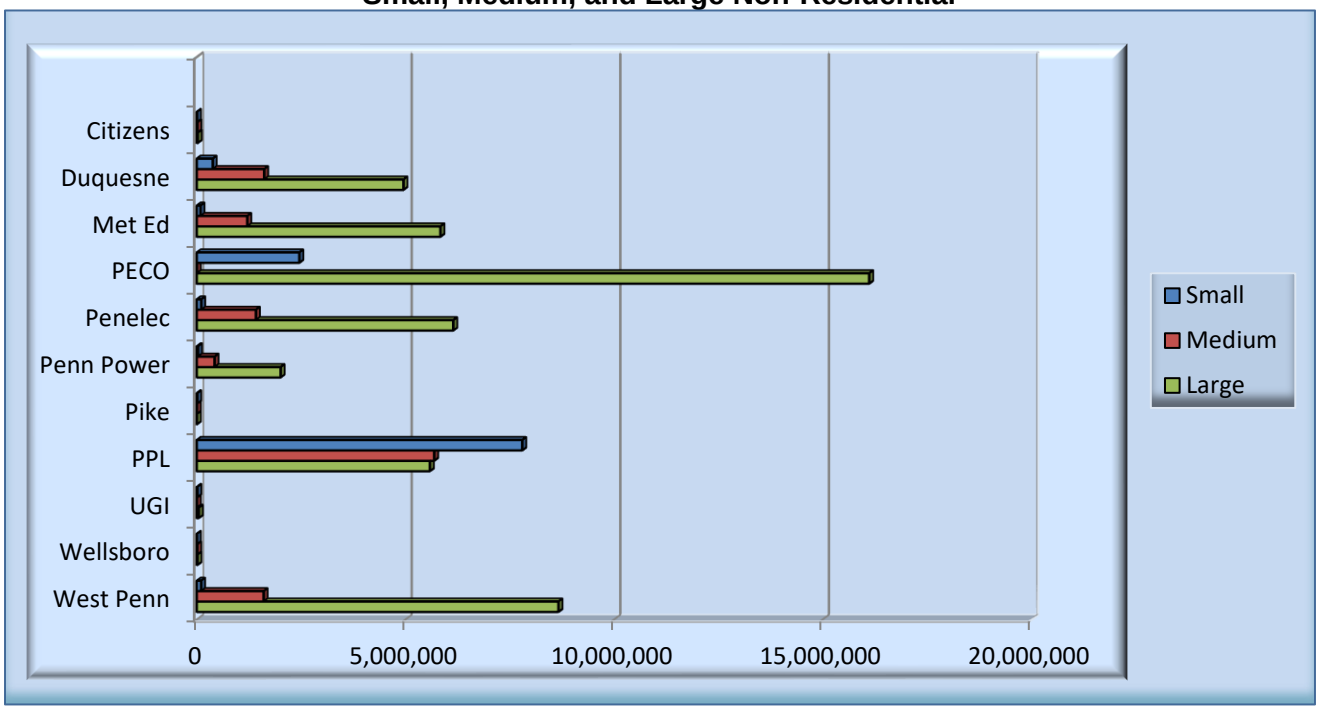


Figure 8. EGS Sales (MWh) by Classification: 2022
Small, Medium, and Large Non-Residential



III. Time-Varying Rates

A TOU Rate is defined as follows – A rate that changes at different times of the day or night, or at different times during a 24-hour or 7-day period, but not as frequently as each hour, to reflect the costs of serving the customer during different time periods. See Appendix A.

An Hourly/RTP Rate is defined as follows – A pricing arrangement based on hourly or daily energy prices. See Appendix A.

This section provides information on trends as defined in the Commission's regulations for:

TOU

- Total Number of TOU Customer Accounts Served by EGSs
  - See 52 Pa. Code § 54.203(a)(2)(vi)
- Total Number of TOU Customer Accounts Served by EGSs and EDCs
  - See 52 Pa. Code § 54.203(a)(2)(vii)
- MWh Sales of EGSs; MWh Sales of EGSs and EDCs
  - See 52 Pa. Code § 54.203(a)(2)(viii) and (ix)

Hourly/RTP

- Total Number of Hourly/RTP Customer Accounts Served by EGSs
  - See 52 Pa. Code § 54.203(a)(2)(x)
- Total Number of Hourly/RTP Customer Accounts Served by EGSs and EDCs
  - See 52 Pa. Code § 54.203(a)(2)(xi)
- MWh Sales of EGSs; MWh Sales of EGSs and EDCs
  - See 52 Pa. Code § 54.203(a)(2)(xii) and (xiii)

A. TOU

As noted in Table 8, for calendar year 2022, the number of reported TOU customer accounts, as of the end of the calendar year, saw a dramatic increase to 10,328. This figure includes 7,583 and 2,745 customer accounts reported by EGSs and EDCs respectively. Due to limited data in prior years and confidentiality concerns, this is the first edition of the report to include TOU customer account data filed by EGSs. As a result, the total customer accounts data below is significantly higher than the prior year's data that included only EDC customers. Additionally, EGSs TOU customer account data is only reported in aggregate, not by EDC service territory.

Duquesne Light Company (Duquesne), PECO and PPL are the only EDCs that reported TOU customer accounts. Metropolitan Edison Company (Met-Ed), Penelec, Pennsylvania Power Company (Penn Power), and West Penn have TOU tariffs but did not report any customer accounts on this service.

The EGS columns in Table 9 indicates NA for each EDC service territory. The aggregate number is reported in the "Total" row.

The EDC columns in Tables 9 and 10 report the number and MWhs of EDC TOU customer accounts. As of Dec. 31, 2022, Duquesne, PECO, and PPL are the only EDCs that report TOU customer accounts. Met-Ed, Penelec, Penn Power, and West Penn have TOU tariffs but do not report any customer accounts on this service.

As noted in Table 10, the electric load from EDC TOU customer accounts totaled 24,084 total MWhs in 2022. The EGS columns in Table 10 indicates NA because EGSs are not required to report TOU MWhs.

Table 8. Number of TOU Customer Accounts: 2020-2022

Year	*Accounts*	*Sales (MWh)*
2022	10,328	24,084
2021	1,207	6,471
2020	432	1,432

Table 9. Number of TOU Customer Accounts, by EDC Service Territory: 2022
Residential and Non-Residential

EDC	Residential Accounts			Non-Residential Accounts			Total Accounts		
	EGS*	EDC	% EGS	EGS*	EDC	% EGS	EGS*	EDC	% EGS
Citizens	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Duquesne	NA	469	NA	NA	5	NA	**NA**	**474**	**NA**
Met-Ed	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
PECO	NA	1,361	NA	NA	12	NA	**NA**	**1,373**	**NA**
Penelec	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Penn Power	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Pike	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
PPL	NA	865	NA	NA	33	NA	**NA**	**898**	**NA**
UGI	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Wellsboro	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
West Penn	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Total	**6,380**	**2,695**	**70%**	**1,203**	**50**	**96%**	**7,583**	**2,745**	**73%**

* EGS's are only required to report this data in aggregate form, not by EDC service territory.

Table 10. TOU Customer Accounts Sales (MWh), by EDC Service Territory: 2022
Residential and Non-Residential

EDC	Residential Sales (MWh)			Non-Residential Sales (MWh)			Total Sales (MWh)		
	EGS*	EDC	% EGS	EGS*	EDC	% EGS	EGS*	EDC	% EGS
Citizens	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Duquesne	NA	4,024	NA	NA	20	NA	**NA**	**4,044**	**NA**
Met-Ed	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
PECO	NA	11,643	NA	NA	247	NA	**NA**	**11,890**	**NA**
Penelec	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Penn Power	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Pike	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
PPL	NA	7,527	NA	NA	623	NA	**NA**	**8,150**	**NA**
UGI	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Wellsboro	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
West Penn	NA	0	NA	NA	0	NA	**NA**	**0**	**NA**
Total	**NA**	**23,194**	**NA**	**NA**	**890**	**NA**	**NA**	**24,084**	**NA**

* EGS's are not required to report MWh data.

B. Hourly/RTP

Residential customers participating in Hourly/RTP rates are currently only being served by EGSs, which is further detailed in Table 16 of this report. Tables 11 through 13 provide data on hourly/RTP non-residential customer accounts. From calendar year 2020 through 2022, the number of hourly/RTP customer accounts remained relatively static, while electricity sales (MWh) increased 8%, from a low of 45,672,076 in 2020.

Table 11. Number of Hourly/RTP Customer Accounts and Sales (MWh): 2020 - 2022

Year	*Accounts*	*Sales (MWh)*
2022	16,035	49,299,017
2021	15,609	47,516,250
2020	16,034	45,672,076

Table 12. Number of Hourly/RTP Customer Accounts, by EDC Service Territory: 2022 Small, Medium, and Large Non-Residential*

EDC	*Small Non-Residential Accounts*			*Medium Non-Residential Accounts*			*Large Non-Residential Accounts*			*Total Non-Residential Accounts*		
	EGS	*Total*	*% EGS*	*EGS*	*Total*	*% EGS*	*EGS*	*Total*	*% EGS*	*EGS*	*Total*	*% EGS*
Citizens	0	0	0	0	4	0	0	0	0	**0**	**4**	**0**
Duquesne	0	0	0	387	474	82	777	863	90	**1,164**	**1,337**	**87**
Met-Ed	0	0	0	0	0	0	1,620	1,840	88	**1,620**	**1,840**	**88**
PECO	0	0	0	0	0	0	6,114	7,443	96	**6,114**	**7,443**	**82**
Penelec	0	0	0	0	0	0	1,707	1,921	89	**1,707**	**1,921**	**89**
Penn Power	0	0	0	0	0	0	518	599	86	**518**	**599**	**86**
Pike	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
PPL	0	454	0	0	73	0	0	37	0	**0**	**564**	**0**
UGI	0	0	0	0	0	0	128	224	57	**128**	**224**	**57**
Wellsboro	0	0	0	0	0	0	0	3	0	**0**	**3**	**0**
West Penn	0	0	0	0	0	0	1,831	2,100	87	**1,831**	**2,100**	**87**
Total	***0***	***454***	***0***	***387***	***551***	***70***	***12,695***	***15,030***	***84***	***13,082***	***16,035***	***82***

***See Appendix A for definitions of small, medium, and large non-residential classifications.**

Table 13. Hourly/RTP Customer Account Sales (MWh), by EDC Service Territory: 2022
Small, Medium, and Large Non-Residential*

EDC	Small Non-Residential Accounts			Medium Non-Residential Accounts			Large Non-Residential Accounts			Total Non-Residential Accounts		
	EGS	Total	% EGS	EGS	Total	% EGS	EGS	Total	% EGS	EGS	Total	% EGS
Citizens	0	0	0	0	5,061	0	0	0	0	**0**	**5,061**	**0**
Duquesne	0	0	0	477,154	563,112	85	4,949,297	5,182,714	96	**5,426,451**	**5,745,826**	**94**
Met-Ed	0	0	0	0	0	0	6,177,942	6,920,745	89	**6,177,942**	**6,920,745**	**89**
PECO	0	0	0	0	0	0	16,112,657	17,472,371	92	**16,112,657**	**17,472,371**	**92**
Penelec	0	0	0	0	0	0	6,143,506	6,398,147	96	**6,143,506**	**6,398,147**	**96**
Penn Power	0	0	0	0	0	0	2,006,680	2,181,979	92	**2,006,680**	**2,181,979**	**92**
Pike	0	0	0	0	0	0	0	0	0	**0**	**0**	**0**
PPL	0	377,941	0	0	285,884	0	0	270,995	0	**0**	**934,820**	**0**
UGI	0	0	0	0	0	0	172,565	272,840	63	**172,565**	**272,840**	**63**
Wellsboro	0	0	0	0	0	0	0	10,595	0	**0**	**10,595**	**0**
West Penn	0	0	0	0	0	0	8,664,727	9,356,633	93	**8,664,727**	**9,356,633**	**93**
Total	***0***	***377,941***	***0***	***477,154***	***854,057***	***56***	***44,227,374***	***48,067,019***	***92***	***44,704,528***	***49,299,017***	***91***

***See Appendix A for definitions of small, medium, and large non-residential classifications.**

IV. Number of Active EGSs in EDC Service Territories

This section summarizes the number of active EGSs serving customer accounts in the respective EDC service territories as of December 31 of the year indicated. An active EGS is defined as "an EGS that is licensed to provide retail electric generation service and is providing that service to one or more customers." The data is presented for residential and non-residential classes which is further broken out by small, medium, and large non-residential classes.

As of Dec. 31, 2022, there was a combined 109 active EGSs serving residential and non-residential sectors. An active EGS may serve more than one rate class. The numbers shown in Tables 14 and 15 reflect EGSs serving multiple service territories and therefore cannot be added in a cumulative fashion. From Dec. 31, 2021, through Dec. 31, 2022, the number of active EGSs in the residential sector increased in the UGI and Pike territories. During this period, the number of active EGSs in the non-residential sector did not increase in any service territory. PPL, PECO, and Met-Ed reported the most active EGSs during this period. The small non-residential class had the highest number of active EGSs.

Table 14. Number of Active EGSs by EDC Service Territories: 2020 - 2022
Residential and Non-Residential

EDC	*Active EGSs Residential*			*Active EGSs Non-Residential*		
	2020	*2021*	*2022*	*2020*	*2021*	*2022*
Citizens	1	1	1	1	1	1
Duquesne	79	87	80	83	84	80
Met-Ed	81	86	81	87	88	86
PECO	97	97	89	104	104	95
Penelec	80	84	78	85	84	81
Penn Power	60	63	58	55	58	54
Pike	3	0	1	3	1	1
PPL	107	103	98	109	112	104
UGI	11	8	9	10	10	7
Wellsboro	0	0	0	1	1	1
West Penn	70	75	71	73	74	71

Figure 9. Active EGSs by EDC Service Territories: 2022
Residential and Non-Residential

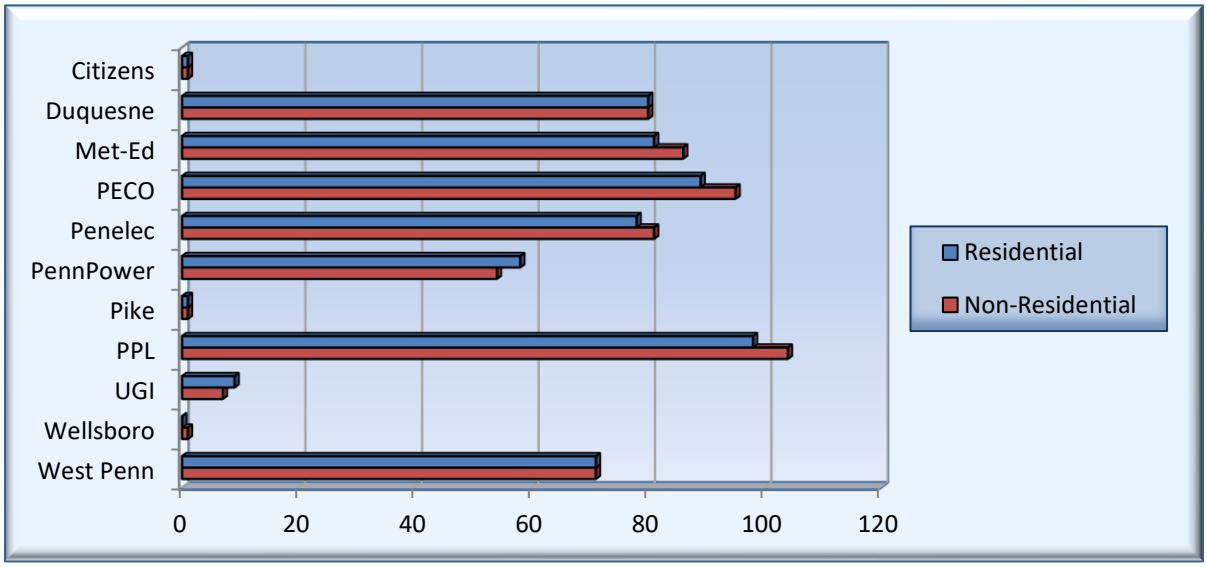


Figure 10. Active EGSs by EDC Service Territories: 2020 - 2022
Residential

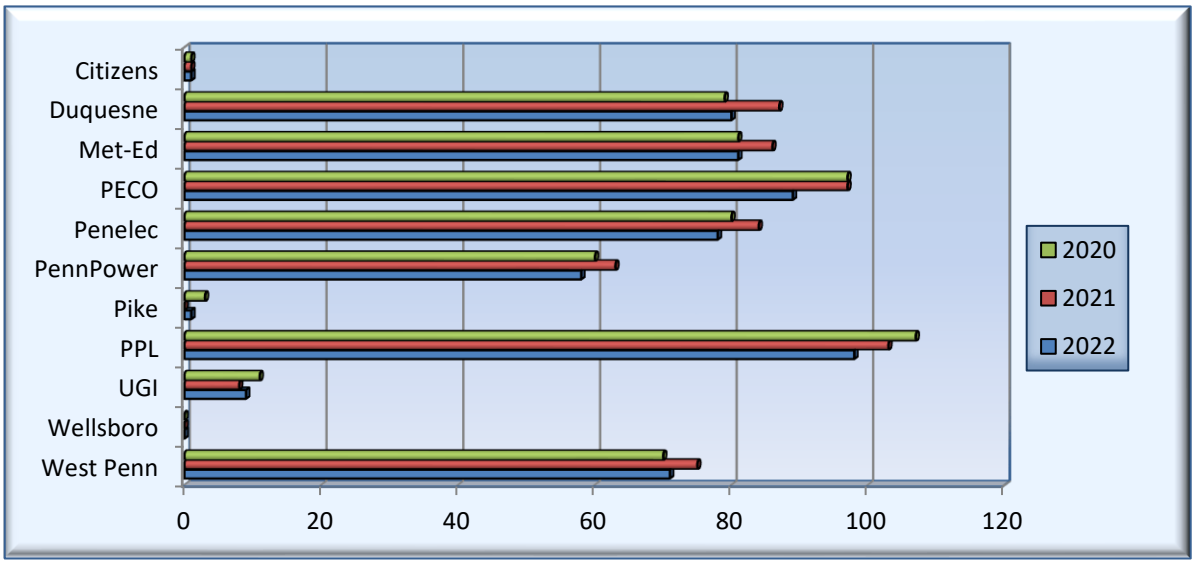


Figure 11. Active EGSs by EDC Service Territories: 2020 - 2022
Non-Residential

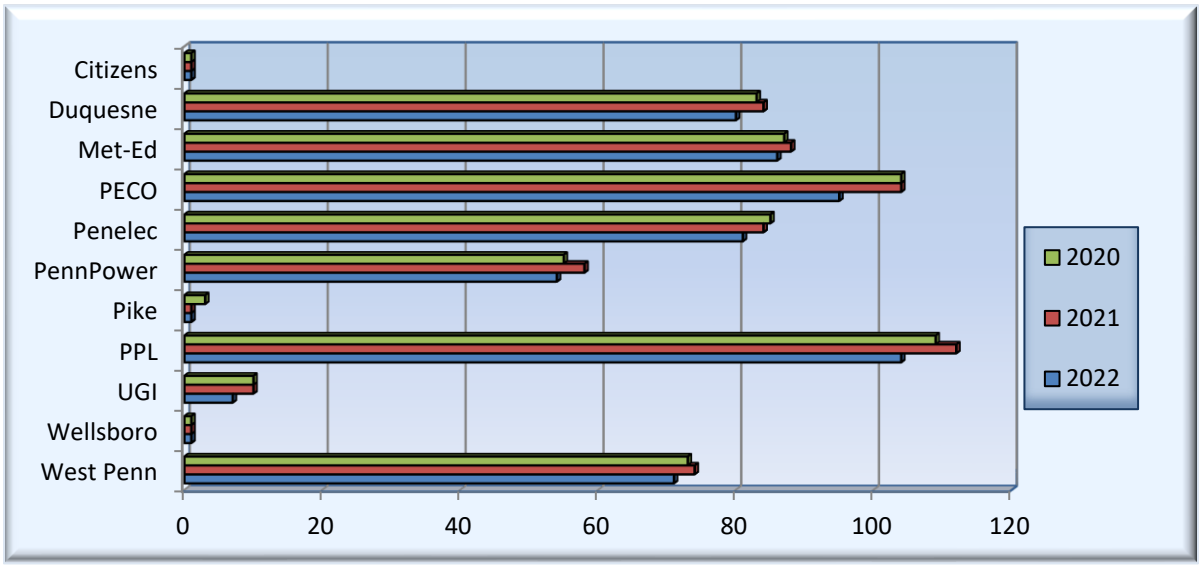
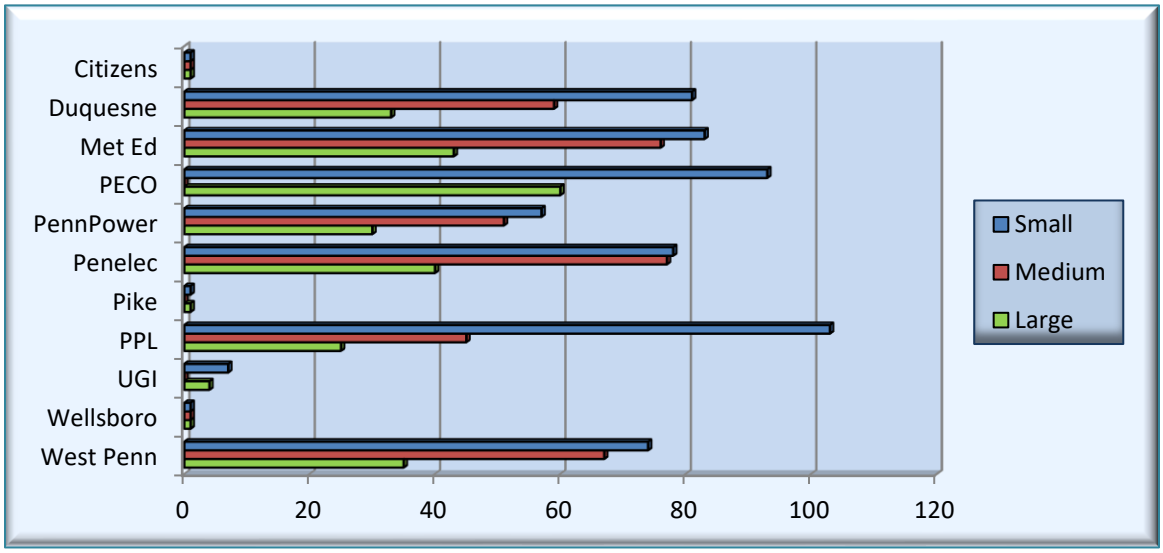


Table 15. Number of Active EGSs by EDC Service Territory: 2022
Small, Medium, and Large Non-Residential*

EDC	*Active EGSs Small Non-Residential*	*Active EGSs Medium Non-Residential*	*Active EGSs Large Non-Residential*
Citizens	1	1	1
Duquesne	81	59	33
Met-Ed	83	76	43
PECO	93	0	60
Penelec	78	77	40
Penn Power	57	51	30
Pike	1	0	1
PPL	103	45	25
UGI	7	0	4
Wellsboro	1	1	1
West Penn	74	67	35

***See Appendix A for definitions of small, medium, and large non-residential classifications.**

Figure 12. Active EGSs by EDC Service Territories: 2022
Small, Medium, and Large Non-Residential



V. EGS Programs

This section summarizes data submitted to the Commission by 107 of the 109 active EGSs regarding the number of customer accounts that participated in various programs. To maintain confidentiality, the data is reported in aggregate, so as not to disclose individual EGS market share data. EGS program categories include flat and time-varying rates, fixed-term contract lengths, curtailable and green power products, and EGS billing information.

Highlights as of Dec. 31, 2022:

A. Flat and Time-Varying Rates:

Flat rates had the most customer accounts with 1,386,280. The residential class comprised 1,182,855 (85%) of flat-rate accounts. The small non-residential class had the most non-residential, flat-rate customer accounts with 158,738.

Time-Varying rates, including TOU, hourly/RTP, seasonal, hybrid and others had a combined total of 518,580 customer accounts. The residential class comprised 395,522 (76%) of time-varying accounts. The small non-residential class had the most non-residential time-varying rate customer accounts with 105,652.

B. Fixed-Term Contract Lengths:

One-year, fixed-term contracts had the most customer accounts with 637,002. The residential class comprised 599,534 (94%) of these contracts. The small non-residential class had the most non-residential three-year, fixed-term customer accounts with 51,680.

C. Curtailable*:*

Voluntary curtailable programs had the most customer accounts with 1,365. Mandatory curtailable programs had 1 customer account. The non-residential class comprised all of the curtailable programs. The small non-residential class had the most non-residential, voluntary curtailable customer accounts with 744.

D. Green Power:

Green power programs had 508,591 customer accounts. The residential class comprised 487,443 (96%) of these accounts. The small non-residential class had the most non-residential green power customer accounts with 17,240.

E. Billing:

Supplier billing had 57,364 customer accounts with 99% coming from the non-residential class. The small non-residential class had the most non-residential supplier billing customer accounts with 43,316. Auto billing had 3,825 customer accounts with 100% from non-residential.

A. Flat and Time-Varying Rates

Table 16. Number of EGS Flat and Time-Varying Customer Accounts: 2020 - 2022 Residential and Non-Residential

Program	*Residential Customer Accounts*		*Non-Residential Customer Accounts*		*Total Customer Accounts*
Flat Rate- 2022	1,182,855	85%	203,425	15%	**1,386,280**
Flat Rate- 2021	838,374	79%	216,983	21%	**1,055,357**
Flat Rate- 2020	944,260	81%	224,925	19%	**1,169,185**
Time of Use- 2022	6,380	84%	1,203	16%	**7,583**
Time of Use- 2021	2,061	83%	431	17%	**2,492**
Time of Use- 2020	1,779	98%	41	2%	**1,820**
Hourly/Real Time- 2022	16,044	36%	28,838	64%	**44,882**
Hourly/Real Time- 2021	39,851	52%	36,799	48%	**76,650**
Hourly/Real Time- 2020	29,012	60%	19,361	40%	**48,373**
Seasonal Rates- 2022	59,972	82%	12,921	18%	**72,893**
Seasonal Rates- 2021	45,752	79%	12,274	21%	**58,026**
Seasonal Rates- 2020	50,443	86%	8,467	14%	**58,910**
Hybrid- 2022	254	1%	42,576	99%	**42,830**
Hybrid- 2021	9,768	18%	44,491	82%	**54,259**
Hybrid- 2020	9,543	33%	19,650	67%	**29,193**
Other- 2022	312,872	89%	37,520	11%	**350,392**
Other- 2021	306,201	83%	62,930	17%	**369,131**
Other- 2020	293,303	82%	66,544	18%	**359,847**

Figure 13. EGS Flat and Time-Varying Customer Accounts: 2022
Residential and Non-Residential

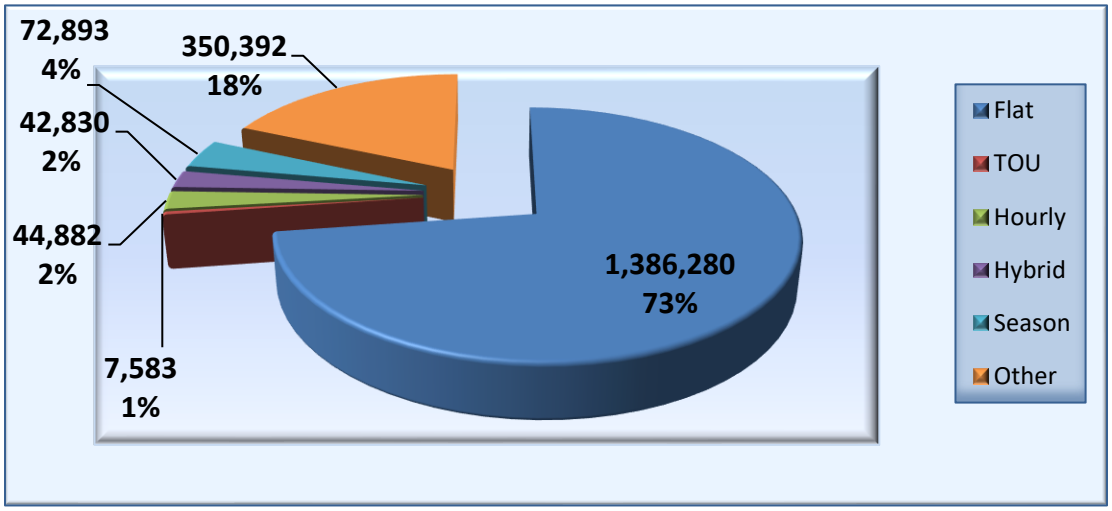
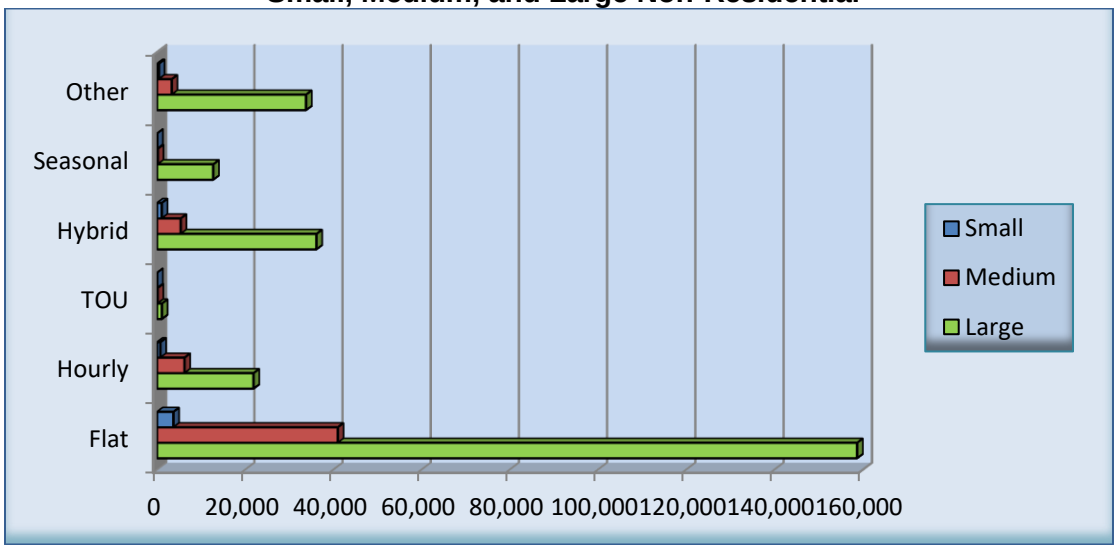


Table 17. Number of EGS Flat and Time-Varying Customer Accounts: 2020 - 2022
Small, Medium, and Large Non-Residential*

Program	*Small Customer Accounts*		*Medium Customer Accounts*		*Large Customer Accounts*		*Total Customer Accounts*
Flat Rate- 2022	158,738	78%	40,990	20%	3,697	2%	**203,425**
Flat Rate- 2021	171,679	79%	36,943	17%	8,361	4%	**216,983**
Flat Rate- 2020	182,118	81%	36,626	16%	6,181	3%	**224,925**
Time of Use- 2022	1,081	90%	115	10%	7	<1%	**1,203**
Time of Use- 2021	344	80%	81	19%	6	1%	**431**
Time of Use- 2020	30	73%	8	20%	3	7%	**41**
Hourly/Real Time- 2022	21,883	76%	6,217	22%	738	2%	**28,838**
Hourly/Real Time- 2021	30,837	84%	5,070	14%	892	2%	**36,799**
Hourly/Real Time- 2020	15,865	82%	2,871	15%	625	3%	**19,361**
Seasonal- 2022	12,743	99%	154	1%	24	<1%	**12,921**
Seasonal- 2021	11,582	94%	650	5%	42	<1%	**12,274**
Seasonal- 2020	7,814	92%	514	6%	139	2%	**8,467**
Hybrid- 2022	36,146	85%	5,361	13%	1,069	2%	**42,576**
Hybrid- 2021	39,231	88%	4,127	9%	1,133	3%	**44,491**
Hybrid- 2020	15,439	79%	3,371	17%	840	4%	**19,650**
Other- 2022	33,799	90%	3,318	9%	403	1%	**37,520**
Other- 2021	58,862	94%	3,484	6%	584	1%	**62,930**
Other- 2020	59,630	90%	6,331	10%	583	1%	**66,544**

***See Appendix A for definitions of small, medium, and large non-residential classifications.**
Note: Due to rounding, some percentage values may not sum to 100%

Figure 14. EGS Flat and Time-Varying Customer Accounts: 2022
Small, Medium, and Large Non-Residential



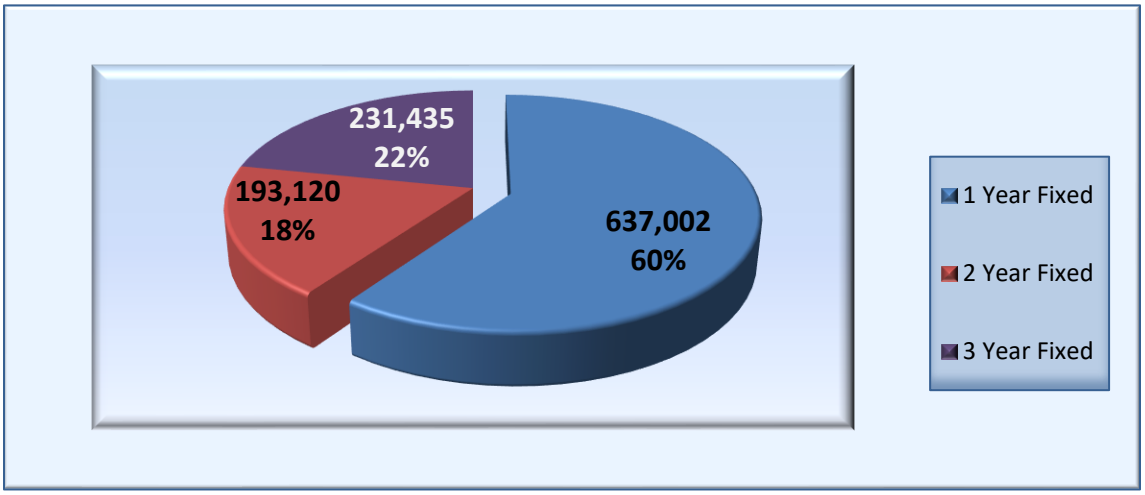
B. Fixed-Term Contract Lengths

Table 18. Number of EGS Fixed-Term Contract Customer Accounts: 2020 Through 2022
Residential and Non-Residential*

Program	*Residential Customer Accounts*		*Non-Residential Customer Accounts*		*Total Customer Accounts*
1 Year Fixed Term- 2022	599,534	94%	37,468	6%	**637,002**
1 Year Fixed Term- 2021	449,800	92%	38,191	8%	**487,991**
1 Year Fixed Term- 2020	479,355	92%	41,869	8%	**521,224**
2 Year Fixed Term- 2022	153,956	80%	39,164	20%	**193,120**
2 Year Fixed Term- 2021	154,422	80%	38,492	20%	**192,914**
2 Year Fixed Term- 2020	208,415	81%	49,726	19%	**258,141**
3 Year Fixed Term- 2022	161,207	70%	70,228	30%	**231,435**
3 Year Fixed Term- 2021	158,564	60%	105,360	40%	**263,924**
3 Year Fixed Term- 2020	256,193	70%	109,578	30%	**365,771**

*Data reflects the number of fixed-term contract customer accounts by length of the original primary contract, specifying the length in number of years. Data includes customer accounts on flat, seasonal, TOU and hybrid rate schedules.

Figure 15. EGS Fixed-Term Contract Customer Accounts: 2022
Residential and Non-Residential*



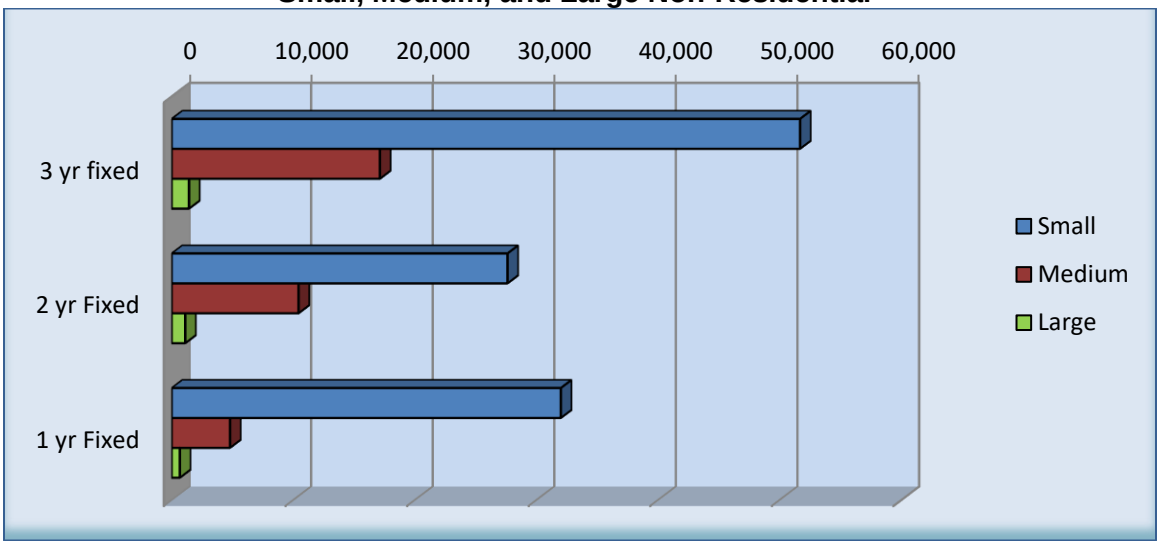
*Data reflects the number of fixed-term contract customer accounts by length of the original primary contract, specifying the length in number of years.
Data includes customer accounts on flat, seasonal, TOU, and hybrid rate schedules.

Table 19. Number of EGS Fixed-Term Contract Customer Accounts: 2020 Through 2022
Small, Medium, and Large Non-Residential*

Program	*Small Customer Accounts*		*Medium Customer Accounts*		*Large Customer Accounts*		*Total Customer Accounts*
1 Year Fixed Term- 2022	32,007	85%	4,796	13%	665	2%	**37,468**
1 Year Fixed Term- 2021	29,439	77%	7,008	18%	1,744	5%	**38,191**
1 Year Fixed Term- 2020	33,088	79%	6,746	16%	2,035	5%	**41,869**
2 Year Fixed Term- 2022	27,618	70%	10,433	27%	1,113	3%	**39,164**
2 Year Fixed Term- 2021	27,644	72%	9,381	24%	1,467	4%	**38,492**
2 Year Fixed Term- 2020	34,822	70%	12,291	25%	2,613	5%	**49,726**
3 Year Fixed Term- 2022	51,680	74%	17,124	24%	1,424	2%	**70,228**
3 Year Fixed Term- 2021	88,026	84%	15,485	15%	1,849	1%	**105,360**
3 Year Fixed Term- 2020	87,900	80%	17,092	16%	4,586	4%	**109,578**

*Data reflects the number of fixed-term contract customer accounts by length of the original primary contract, specifying the length in number of years.
Data includes customer accounts on flat, seasonal, TOU and hybrid rate schedules.

Figure 16. EGS Fixed-Term Contract Customer Accounts: 2022
Small, Medium, and Large Non-Residential*



*Data reflects the number of fixed-term contract customer accounts by length of the original primary contract, specifying the length in number of years.
Data includes customer accounts on flat, seasonal, TOU, and hybrid rate schedules.

C. Curtailable Programs

Curtailment is defined by PJM as "A reduction in transmission service or generation as a result of system reliability conditions".[1] As noted in Table 20, in 2022, voluntary curtailable programs had the most customer accounts with 1,365. Mandatory programs had only one customer account. While we don't speculate the reasoning for the change in trends, it appears that many prior Mandatory Curtailable customers have moved to Voluntary Curtailable program offerings and/or have left curtailable program offerings entirely. Table 21 provides additional breakout of this data, by non-residential class.

Table 20. Number of EGS Curtailable Customer Accounts: 2020 Through 2022
Residential and Non-Residential

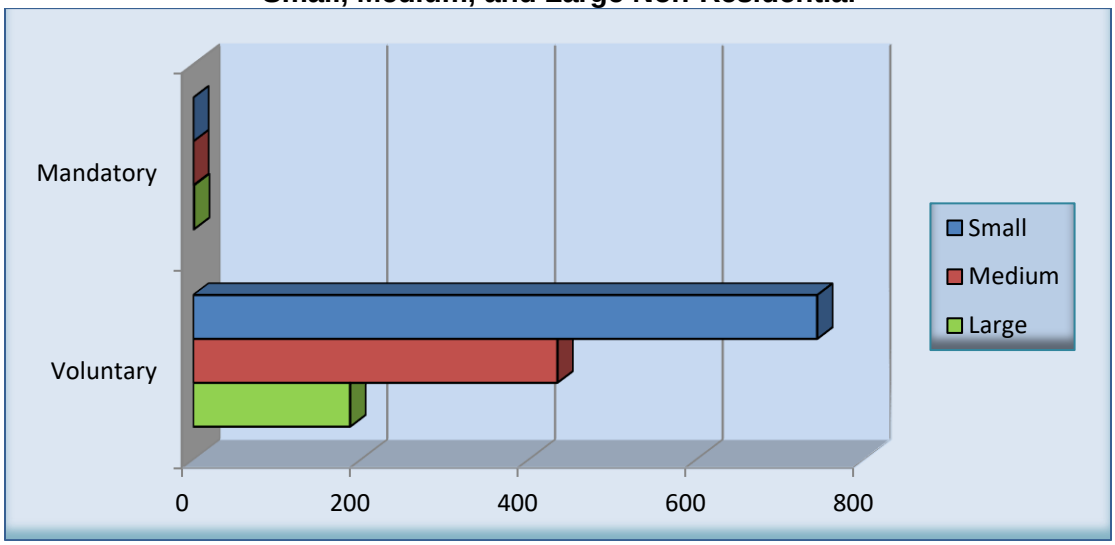
Program	*Residential Customer Accounts*	*Non-Residential Customer Accounts*	*Total Customer Accounts*
Mandatory Curtailable- 2022	0	1	**1**
Mandatory Curtailable- 2021	0	2,040	**2,040**
Mandatory Curtailable- 2020	0	4,801	**4,801**
Voluntary Curtailable- 2022	0	1,365	**1,365**
Voluntary Curtailable- 2021	0	287	**287**
Voluntary Curtailable- 2020	0	973	**973**

[1] *See* PJM - PJM Glossary

Table 21. Number of EGS Curtailable Customer Accounts: 2020 Through 2022
Small, Medium, and Large Non-Residential

Program	*Small Customer Accounts*	*Medium Customer Accounts*	*Large Customer Accounts*	*Total Customer Accounts*
Mandatory Curtailable- 2022	0	0	1	**1**
Mandatory Curtailable- 2021	2,040	0	0	**2,040**
Mandatory Curtailable- 2020	4,729	69	3	**4,801**
Voluntary Curtailable- 2022	744	434	187	**1,365**
Voluntary Curtailable- 2021	287	0	0	**287**
Voluntary Curtailable- 2020	523	277	173	**973**

Figure 17. EGS Curtailable Customer Accounts: 2022
Small, Medium, and Large Non-Residential



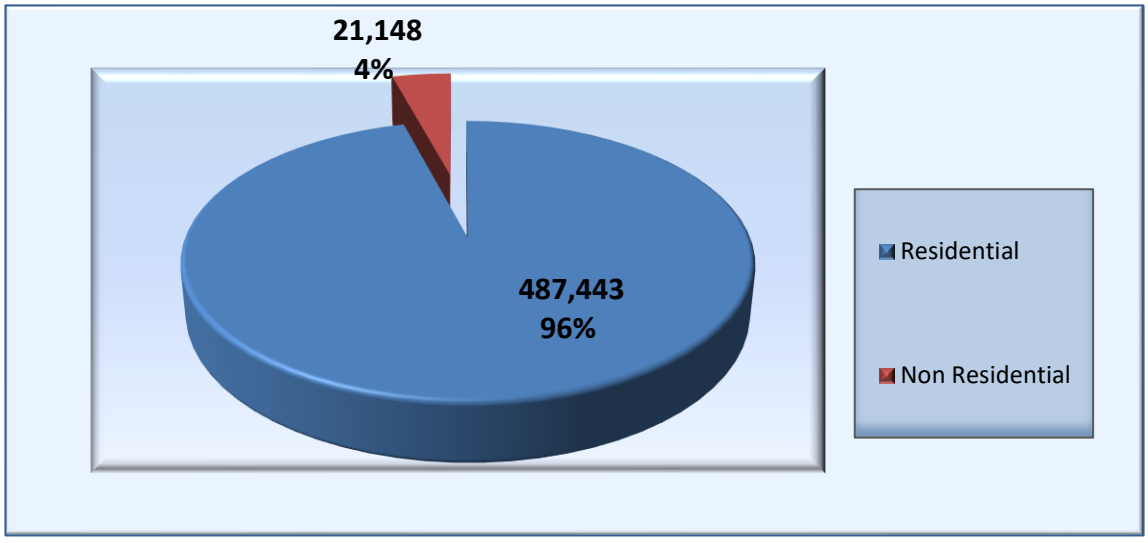
D. Green Power

Green Power Customer Account is defined as: A retail customer account incorporating electric power supply that has greater-than-required renewable content, as specified in Section 3 of the Alternative Energy Portfolio Standards Act (73 P.S. § 1648.3). From 2020 through 2022, Green Power customer accounts declined by 2% with a 65% decline among non-residential customers, while residential Green Power customer accounts increased by 6%.

Table 22. Number of EGS Green Power Customer Accounts: 2020 Through 202 Residential and Non-Residential

Program	*Residential Customer Accounts*	*Non-Residential Customer Accounts*	*Total Customer Accounts*
Green Power- 2022	487,443	21,148	**508,591**
Green Power- 2021	484,815	40,570	**525,385**
Green Power- 2020	457,867	60,822	**518,689**

Figure 18. EGS Green Power Customer Accounts: 2022 Residential and Non-Residential

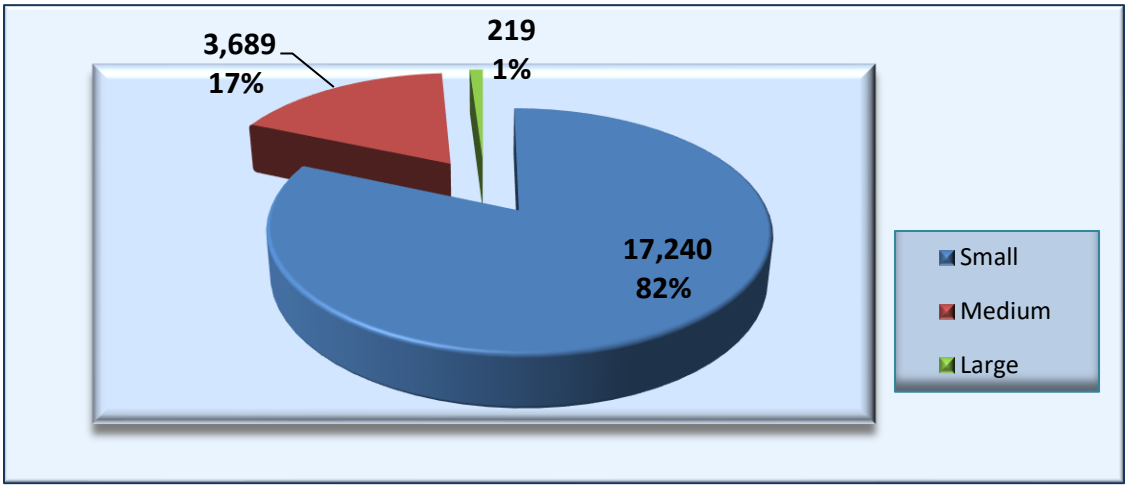


Analysis of the data contained in Table 23 shows that among the non-residential customer classes, there was a general decrease between 2021 and 2022 of Green Power customer accounts by 48%. Respectively, the changes in the small, medium, and large customer classes were -54%, +60%, and -60%.

Table 23. Number of EGS Green Power Customer Accounts: 2020 Through 2022
Small, Medium, and Large Non-Residential

Program	*Small Customer Accounts*	*Medium Customer Accounts*	*Large Customer Accounts*	*Total Customer Accounts*
Green Power- 2022	17,240	3,689	219	**21,148**
Green Power- 2021	37,615	2,308	647	**40,570**
Green Power- 2020	54,397	5,914	511	**60,822**

Figure 19. EGS Green Power Customer Accounts – 2022
Small, Medium, and Large Non-Residential



E. Billing

Table 24. Number of EGS Billing Customer Accounts: 2020 Through 2022
Residential and Non-Residential*

Program	*Residential Customer Accounts*	*Non-Residential Customer Accounts*	*Total Customer Accounts*
Supplier Billing- 2022	425	56,939	**57,364**
Auto Payment- 2022	0	3,825	**3,825**
Supplier Billing- 2021	140,491	57,776	**198,267**
Auto Payment- 2021	0	3,509	**3,509**
Supplier Billing- 2020	168,369	48,771	**217,140**
Auto Payment- 2020	1	3,516	**3,517**

*Auto Payment customers are a subset of Supplier Billing. Auto Payment customers are billed automatically on credit cards or other automatic payment arrangements. (i.e., bank transfer)

Figure 20. EGS Billing Customer Accounts: 2022
Residential and Non-Residential

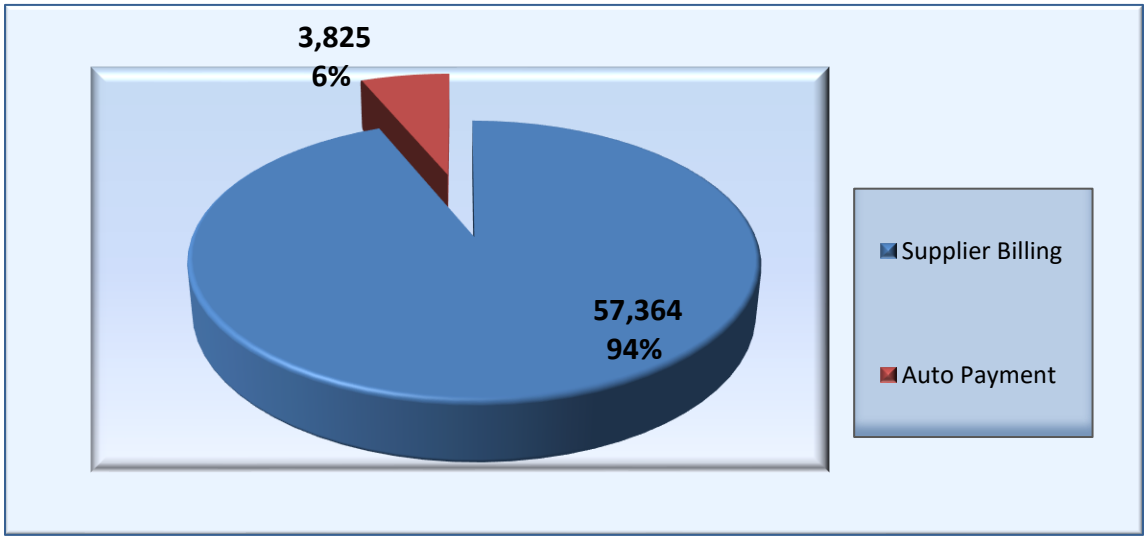


Table 25. Number of EGS Billing Customer Accounts: 2020 Through 2022
Small, Medium, and Large Non-Residential*

Program	*Small Customer Accounts*		*Medium Customer Accounts*		*Large Customer Accounts*		*Total Customer Accounts*
Supplier Billing- 2022	43,316	76%	11,644	20%	1,979	4%	**56,939**
Auto Payment- 2022	2,077	54%	1,488	39%	260	7%	**3,825**
Supplier Billing- 2021	40,218	70%	13,224	23%	4,334	7%	**57,776**
Auto Payment- 2021	1,818	51%	1,424	41%	267	8%	**3,509**
Supplier Billing- 2020	34,477	71%	8,118	17%	6,176	13%	**48,771**
Auto Payment- 2020	2,175	62%	1,083	31%	258	7%	**3,516**

*Auto Payment customers are a subset of Supplier Billing. Auto Payment customers are billed automatically on credit cards or other automatic payment arrangements. (i.e., bank transfer).
Note: Due to rounding some percentage values may not sum to 100%.

Figure 21. EGS Billing Customer Accounts—Auto Payment: 2022
Small, Medium, and Large Non-Residential

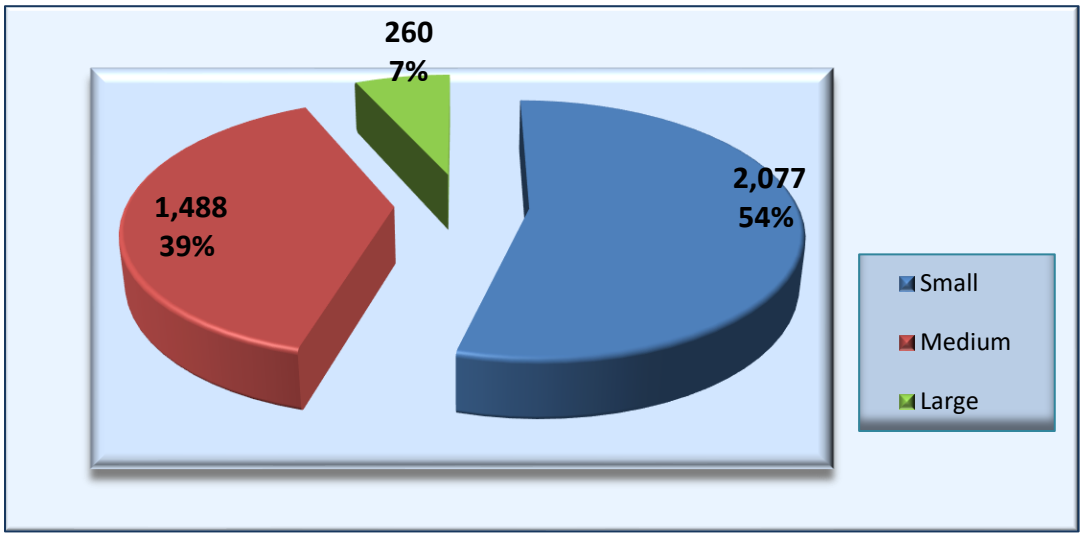
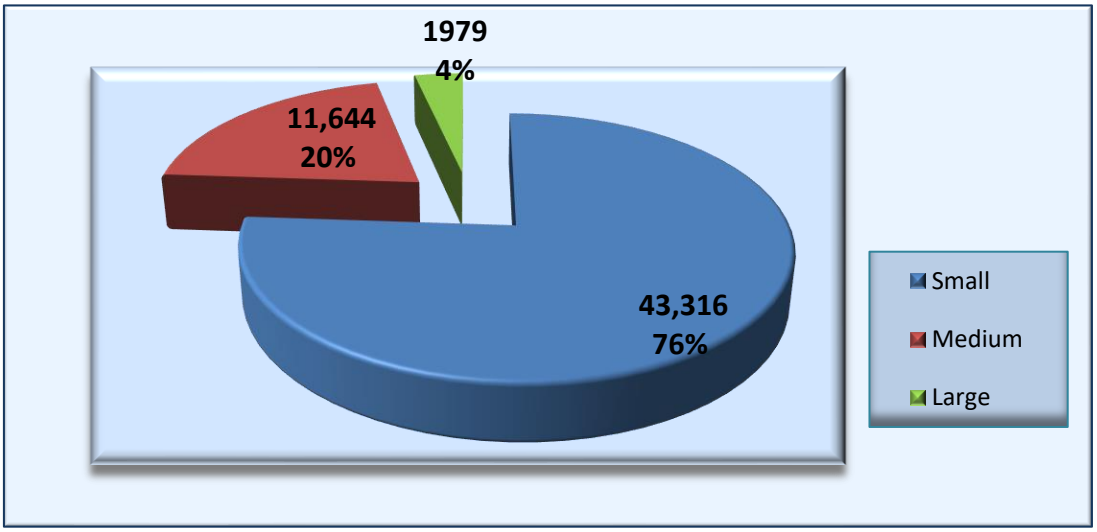


Figure 22. EGS Billing Customer Accounts – Supplier Billing: 2022
Small, Medium, and Large Non-Residential



VI. Appendix A – Definitions

A. General

Active EGS – An EGS that is licensed to provide retail electric generation service and is providing that service to one or more customers.

Flat-Rate Customer Account – A customer account that is charged a fixed, cents-per-kwh rate that changes no more frequently than monthly, excluding seasonal rates.

Green Power Customer Account – A retail customer account incorporating electric power supply that has greater-than-required renewable content, as specified in section 3 of the Alternative Energy Portfolio Standards Act (73 P.S. § 1648.3).

Fixed-Term Contract – A contract which includes an all-inclusive per kWh price that will remain the same for at least three billing cycles or the term of the contract, whichever is longer.

Hourly/Real-Time-Price – A pricing arrangement based on hourly or daily energy prices.

Hybrid-Rate Customer Account – A retail customer account that is charged via an electric generation pricing arrangement that incorporates hourly and block rates.

Seasonal Rates – Rates which differ in summer/non-summer.

Supplier Billing – Includes all customers who are not billed by the utility for the supplier's services. Also includes customers billed by a billing service other than the utility**.**

Time-of-Use Rate – A rate that changes at different times of the day or night, or at different times during a 24-hour or 7-day period, but not as frequently as each hour, to reflect the costs of serving the customer during different time periods.

B. Small, Medium, and Large Non-Residential Definitions

Citizens' Electric Company

- Small Non-Residential: General light and power service under 50 kW.
- Medium Non-Residential: General light and power service of 50 kW minimum.
- Large Non-Residential: General light and power service greater than 1,000 kW, at primary voltage.

Duquesne Light Company

- Small Non-Residential: Small commercial and industrial customers with maximum registered peak metered demand of less than 25 kW, lighting customers, and unmetered customers.
- Medium Non-Residential: Medium commercial and industrial customers with a maximum registered peak metered demand of 25 kW or greater. This includes customers with demand of 25 kW to 200 kW eligible for fixed-price default supply; and customers with demands of 200 kW or more eligible for hourly-priced service.
- Large Non-Residential: Large commercial and industrial customers with a maximum registered peak metered demand of 300 kW or greater.

UGI Utilities Inc.

- Small Non-Residential: Annual peak load of less than 100 kW.
- Medium Non-Residential: Annual peak load of between 100 kW-500 kW.
- Large Non-Residential: Annual peak load greater than 500 kW. Annual peak load is defined as the highest one-hour usage in a 12-month period.

Metropolitan Edison Company

- Small Non-Residential: Secondary service with monthly usage of 1,500 kWh or less.
- Medium Non-Residential: Secondary service with monthly usage greater than 1,500 kWh and less than 100 kW.
- Large Non-Residential: Secondary, Primary and Transmission service with monthly demand greater than 100 kW.

Pennsylvania Electric Company

- Small Non-Residential: Secondary service with monthly usage of 1,500 kWh or less.
- Medium Non-Residential: Secondary service with monthly usage greater than 1,500 kWh and less than 100 kilowatts.
- Large Non-Residential: Secondary, Primary and Transmission service with monthly demand greater than 100 kW.

Pennsylvania Power Company

- Small Non-Residential: Secondary service with monthly usage of 1,500 kWh or less.
- Medium Non-Residential: Secondary service with monthly usage greater than 1,500 kWh and less than 100 kW.
- Large Non-Residential: Secondary, Primary and Transmission service with monthly demand greater than 100 kW.

PECO Energy Company

- Small Non-Residential: Registered demand of less than 100 kW, GS non-demand metered and, Lighting rate classes.
- Medium Non-Residential: Registered demand of between 100 kW to less than 500 kW.
- Large Non-Residential: Registered demand equal to or greater than 500 kW, rate class EP.

Pike County Light and Power Company

- Small Non-Residential: Small Commercial and Industrial General Service- Secondary Service and Municipal/Private Lighting rate classes.
- Medium Non-Residential: N/A
- Large Non-Residential: Large Commercial/Industrial – Primary Service.

PPL Electric Utilities Corporation

- Small Non-Residential: Secondary voltage-level rate classes: BL, GH-1, GH-2, GS-1, GS-3, IS-1, and Street Lighting.
- Medium Non-Residential: Primary voltage-level rate classes: LP-4, IS-P.
- Large Non-Residential: Transmission voltage-level rate classes: LP-5, LP-6, LPEP.

Wellsboro Electric Company

- Small Non-Residential: Small Commercial rate class with demand under 7 kW.
- Medium Non-Residential: Small Commercial rate class with demand of 7 kW or more.
- Large Non-Residential: Large Commercial rate class with primary voltage of not less than 50 kW.

West Penn Power Company

- Small Non-Residential: Secondary service with monthly usage of 1,500 kWh or less.
- Medium Non-Residential: Secondary service with monthly usage greater than 1,500 kWh and less than 100 kW.
- Large Non-Residential: Secondary service and, Primary and Transmission service with monthly demand greater than 100 kW.

Appendix B – Overview: EGS Retail Electricity Choice Activity Reporting - 2021 & 2022

EGS Name	2021 Report	2022 Report
AEP Energy, Inc.	YES	YES
Aggressive Energy	YES	YES
Agway Energy Services, LLC	YES	YES
Alpha Gas & Electric, LLC	YES	YES
All American Power and Gas	YES	YES
Ambit Northeast, LLC dba Ambit Energy	YES	YES
American Power & Gas of Pennsylvania, LLC	YES	YES
American Power Net Management, LP	NO	YES
AP Gas & Electric (PA), LLC dba APG&E	YES	YES
APN Starfirst, LP	NO	YES
Astral Energy, LLC	YES	YES
Atlantic Energy MD, dba Atlantic Energy	YES	YES
BP Energy Retail fka EDF Energy Services, LLC	YES	YES
Calpine Energy Solutions	YES	YES
Champion Energy Services, LLC	YES	YES
Choice Energy dba 4 Choice Energy, LLC	YES	YES
City Power and Gas	NA	YES
Clean Choice Energy, Inc.	YES	YES
Clearview Electric, Inc.	YES	YES
Click Energy	YES	YES
Community Energy, Inc.	YES	YES
Constellation New Energy, Inc.	YES	YES
Direct Energy Business, LLC	YES	YES
Direct Energy Services, LLC	YES	YES
Discount Power, Inc.	YES	YES
Dynegy Energy Services East, LLC	YES	YES
Eco Plus Power	NA	YES
Eligo Energy PA, LLC	YES	YES
Energy Cooperative of America, Inc.	YES	YES
Energy Cooperative Association of PA- The Energy Co-op	YES	YES
Energy Plus Holdings, LLC	YES	YES
Energy Services Providers, Inc. dba PA Gas & Electric	YES	YES
Energy Transfer Retail Power, LLC	YES	YES
Ener Penn USA, LLC dba Y.E.P. Energy	YES	YES
ENGIE Retail, LLC dba Think Energy	YES	YES
ENGIE Resources, LLC	YES	YES
ENGIE Power & Gas	YES	YES
Everyday Energy, LLC dba Energy Rewards	YES	YES
Energy Harbor (fka First Energy Solutions Corp.)	YES	YES
First Point Power	YES	YES
Freepoint Energy Solutions, LLC	YES	YES
Frontier Utilities Northeast, LLC	YES	YES
Gateway Energy Services Corporation	YES	YES
Great American Power, LLC	YES	YES

Overview: EGS Retail Electricity Choice Activity Reporting – 2021 & 2022

EGS Name	2021 Report	2022 Report
Greenlight Energy	YES	YES
Green Mountain Energy Co	YES	YES
Grid Power Direct	YES	YES
Holcim (US), Inc.	YES	YES
Hudson Energy Services, LLC	YES	YES
IDT Energy, Inc.	YES	YES
Independence Energy Group dba Cirro Energy Group	YES	YES
Inspire Energy Holdings, LLC	YES	YES
Interstate Gas Supply dba IGS Energy	YES	YES
Jack Rich, Inc. dba Anthracite Power & Light Company	YES	YES
Josco Energy USA, LLC	YES	YES
Just Energy Pennsylvania Corp.	YES	YES
Just Energy Solutions, Inc.	YES	YES
Land O Lakes, Inc.	YES	YES
Median Energy PA, LLC	YES	YES
Messer Energy Services, Inc.	YES	YES
MidAmerican Energy Services, LLC	YES	YES
MP2 Energy NE, LLC	YES	YES
MPower Energy NJ, LLC	YES	NO
National Gas & Electric, LLC	YES	NO
New Wave Energy Corp.	YES	YES
nTherm, LLC	YES	YES
NextEra Energy Services Pennsylvania, LLC	YES	YES
Nordic Energy Services, LLC	YES	YES
North American Power & Gas, LLC	YES	YES
PA Grain Processing	NO	YES
Palmco Power PA, LLC (dba Indra Energy)	YES	YES
Park Power, LLC	YES	YES
Pinnacle Power, LLC	YES	YES
Planet Energy (Pennsylvania) Corp.	YES	YES
Polaris Power Services, LLC	YES	YES
Power Up Pennsylvania dba Power Up Energy	NA	YES
Powervine Energy	YES	YES
Public Power, LLC	YES	YES
Pure Energy USA PA, LLC	YES	YES
Reliant Energy Northeast (dba NRG)	YES	YES
Residents Energy East, LLC	YES	YES
Respond Power dba Major Energy	NA	YES
Robindale Retail Power	YES	YES
RPA Energy dba Green Choice Energy	YES	YES

Overview: EGS Retail Electricity Choice Activity Reporting - 2021 & 2022

EGS Name	2021 Report	2022 Report
Rushmore Energy, LLC	YES	YES
Santanna Energy Services	YES	YES
SFE Energy	YES	YES
Shipley Choice, LLC	YES	YES
Smart Energy Holdings, LLC	YES	YES
Smartest Energy	YES	YES
South Bay Energy Corp	YES	YES
Spring Energy RRH, LLC dba Spring Power & Gas	YES	YES
Star Energy Partners	NO	YES
Statewise Energy Penna, LLC	YES	YES
Stream Energy Pennsylvania, LLC	YES	YES
Summer Energy Midwest, LLC	YES	YES
Talen Energy, LLC	YES	YES
Texas Retail Energy, Inc.	YES	YES
Titan Gas & Power, LLC dba Clean Sky Energy	YES	YES
Tomorrow Energy Corp	YES	YES
Town Square Energy East, LLC	YES	YES
Tri Eagle Energy, LP	YES	YES
Trustees of University of Pennsylvania	YES	YES
UGI Energy Services, LLC	YES	YES
Verde Energy USA	YES	YES
Viridian Energy PA, LLC	YES	YES
Vista Energy Marketing, LP	YES	YES
WGL Energy Services	YES	YES
XOOM Energy Pennsylvania, LLC	YES	YES

Note: “YES” indicates EGS is “active” & submitted the report.
“NO” indicates EGS is “active” & did not submit the report.
“NA” indicates EGS is “not active”.

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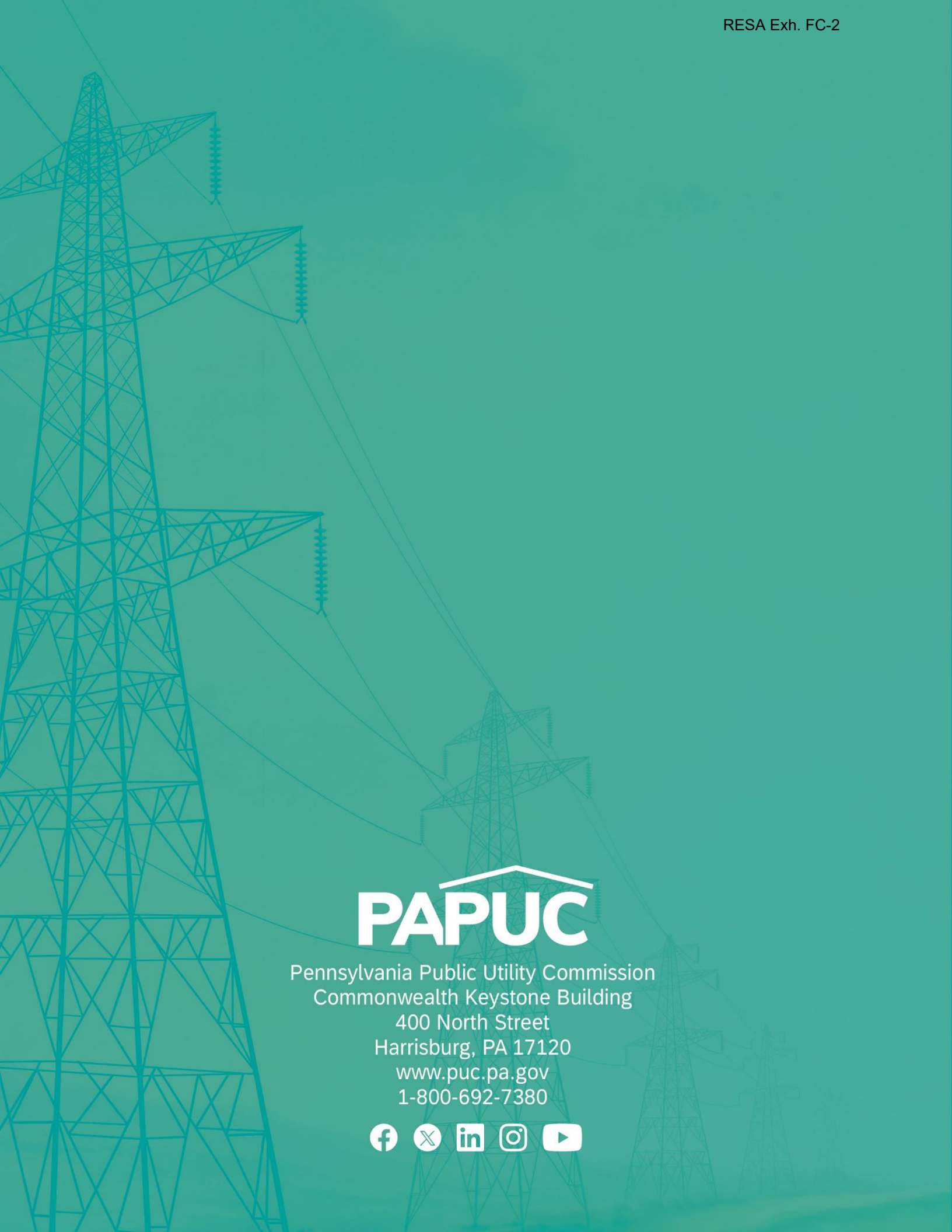

PAPUC

Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120
www.puc.pa.gov
1-800-692-7380

Exhibit FC-3

PAPowerSwitch

Pennsylvania Public Utility Commission

MONTHLY UPDATE - JUNE 2024

CUSTOMERS WHO HAVE SWITCHED TO AN ELECTRIC GENERATION SUPPLIER AS OF JUNE 2024

Electric Utility	Date Updated	Total Switching Customers			Residential Switching Customers			Commercial Switching Customers			Industrial Switching Customers		
		#	%	% of Load	#	%	% of Load	#	%	% of Load	#	%	% of Load
Citizens' Electric	5/31/24	68	1.0	23.0	5	0.1	0.2	45	3.8	15.0	18	46.2	77.2
Duquesne	6/30/24	141,104	23.0	67.0	116,489	21.2	21.9	23,934	38.4	82.7	681	67.4	98.2
Met-Ed	6/26/24	143,844	23.7	59.7	112,723	21.2	20.7	29,421	41.2	64.0	1,700	89.1	95.3
PECO	6/25/24	399,905	23.0	53.0	329,398	21.0	22.0	64,066	39.0	51.0	6,441	83.0	93.0
Penelec	6/26/24	123,435	20.6	64.8	86,421	17.2	16.4	35,285	36.9	64.5	1,729	89.6	97.1
Penn Power	6/26/24	38,448	22.1	63.5	28,102	18.6	18.0	9,921	44.6	75.4	425	87.1	97.5
Pike County Light & Electric	6/30/24	949	18.1	15.9	734	17.1	16.7	215	22.8	20.2	0	0	0
PPL	6/30/24	596,322	40.2	71.6	497,373	38.4	43.3	96,824	51.5	86.2	2,125	72.2	97.9
UGI	6/22/24	1,539	2.4	22.2	526	1.0	1.0	927	10.5	43.4	86	50.6	86.0
Wellsboro Electric	5/31/24	59	0.9	21.2	0	0	0	51	4.0	24.1	8	61.5	45.7
West Penn Power	6/26/24	153,605	20.3	61.8	114,406	18.0	17.2	37,283	32.0	60.6	1,916	88.8	96.3
Statewide Total	6/30/24	1,599,278	26.5	63.5**	1,286,177	24.4	27.1	297,972	40.6	74.9	15,129	82.1	96.1

* Percentage based on the total number of customers of regulated electric utilities in Pennsylvania as of 6/30/24. (5,274,339 Residential + 733,239 Commercial + 18,423 Industrial = 6,026,001 Total Customers).

** Percentage represents megawatt hours currently delivered by alternative suppliers.

PAPUC

Exhibit FC-4

Sampling of REC Purchase Options for Residential Customers

PA Power Switch, Residential Offers

AEP Energy, Renewable Fixed Price Offer
https://www.aepenergy.com/acquisition/campaign/offers/?state=PA&cc=papower-meted&utm_source=papower&utm_medium=shopping&utm_campaign=meted_36eco

> Your purchase of renewable energy certificates (RECs) is supporting electricity production in the United States. You will continue to receive one electricity bill from your utility. For every unit of renewable electricity generated, an equivalent amount of RECs is produced. The purchase of RECs helps offset conventional electricity generation in the region where the renewable electricity generator is located. The purchase also helps build a market for renewable electricity and may have other local and global environmental benefits such as reducing global climate change and regional air pollution. For more information about RECs, please visit www.green-e.org.

Agway, GreenChoice™
https://www.agwayenergy.com/agway-green-choice/

> Agway GreenChoice™ power is renewable electricity that is produced from various US based green technologies. It is made available through our renewable energy partner Sterling Planet and green energy markets.

Alpha Gas & Electric, Planet Green
https://alphagasandelectric.com/wp-content/uploads/2022/05/Alpha-Gas-and-Electric-2021-Green-e-PCL.pdf

> Planet Green matches 100% of your electricity usage.
> Planet Green is a Renewable Energy Certificate (REC) product and does not contain electricity.

Brighten Energy, Renewable Energy Product
https://enrollment.brightenenergy.com/handlers/pdfgenerator.ashx?url=https%3a%2f%2fprod.landpower.net%2fapi%2finfrastructure%2fstorage%2fstorageservice%2f0d011ec8-764d-4160-86f3-47253cb940d1

> Renewable Energy Product: If you have elected to purchase a renewable energy plan it will include a number of Renewable Energy Credits ("RECs") that is approximately equal to the percentage specified in your Enrollment Documentation of the net retail electricity delivered to your contracted account. One REC represents 1,000 kWh or 1 MWh of electricity from an eligible renewable energy generating facility. A REC will include all additional environmental attributes associated with the generation of electricity, and those environmental attributes may, but need not be, verified or certified by the same or different verification authorities or certification authorities. You agree and understand a REC is separate from the retail electricity being delivered but, nonetheless, constitutes value associated with the provision of retail electricity.

Sampling of REC Purchase Options for Residential Customers

CleanChoice Energy
https://faq-clean-electricity.cleanchoiceenergy.com/hc/en-us/articles/360015434094-How-does-buying-renewable-electricity-from-CleanChoice-Energy-work

> When you become a customer of CleanChoice Energy, you'll be supporting clean, renewable energy sources, from wind and solar, every time you pay your power bill. CleanChoice Energy purchases renewable electricity on behalf of our customers, in the form of grid power plus renewable energy certificates (RECs). We also work to support the growth of the renewable energy market, using the power demand of our customers. By becoming an CleanChoice Energy customer, you're helping to reduce the amount of polluting fossil fuels.

CleanSky Energy, Embrace Green 12
https://signup.cleanskyenergy.com/?customerTypeId=7&zipcode=&_gl=1*2u50fh*_gcl_au*MTQwNjE3NzUxNi4xNzIwNjQxNDg3*_ga*MjQyNDQ2NDkyLjE3MjA2NDE0ODY.*_ga_H31ZYZC5HK*MTcyMDY0MTQ4NS4xLjEuMTcyMDY0MTUxOC4yNy4wLjA.*_ga_SHGE4VM027*MTcyMDY0MTQ4Ny4xLjEuMTcyMDY0MTQ5OS4wLjAuMA..

> CleanSky purchases and retires Renewable Energy Certificates ("RECs") to offset 100% of Customer's electricity usage. CleanSky's renewable Price Plan rates include a charge for the purchasing of RECs. CleanSky will (directly or indirectly) retire, on Customer's behalf, non-certified RECs resulting from electricity generated from renewable energy sources, which may include solar, wind, hydro, or any other zero-emission source. CleanSky guarantees our Customer's electricity usage is offset with a direct investment in 100% RECs in an amount sufficient to match Customer's annual consumption from the Electric Distribution Company ("EDC"). Each REC represents proof that 1 megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource to the grid. Customer will not have electricity from a specific generation facility or renewable energy source delivered directly to Customer's meter.

IDT Energy, Inc., Renewable Energy Option
https://idtenergy.com/tcs/?type=terms_conditions&term=1&rate=0.11000&ptc=0.10400&filter_state=Pennsylvania&filter_commodity=Electric&filter_rate_type=Variable&filter_energy_type=Green&filter_fees=No%20ETF&filter_program=&search_display=filters-off

> Renewable Energy Option: "Renewable" energy refers to energy that is generated from renewable resources, such as solar, wind, water or biomass. If you have chosen to participate in IDT Energy's Renewable Energy Option, IDT Energy will ensure that 100% of the customer's electricity usage is matched with renewable energy certificates or renewable energy attributes. IDT Energy shall have up to 24 months from the end of each calendar year to address any deficiency that may have arisen in the renewable content of electricity sold under this Agreement during such calendar year. If you have chosen a Variable Rate (SmartFlex) product and the Renewable Energy Option, your rate for the electricity supplied will be IDT Energy's Variable Rate plus an "adder" of up to 3 cents per kWh for the Renewable Energy Option. If you wish to remove the Renewable Energy Option from your account, please contact IDT Energy Customer Service at 1-877-887-6866.

Sampling of REC Purchase Options for Residential Customers

IGS Energy, Green Energy Product
https://igs.com/product-selection?section=ELECTRIC (Terms and Conditions)

> If You have elected to purchase a green energy product, IGS Energy will purchase Voluntary Renewable Energy Credits ("RECs") from one or more generators registered with a renewable energy tracking system, including but not necessarily limited to PJM Generation Attribute Tracking System ("PJM GATS"), Midwest Renewable Energy Tracking System ("M-RETS"), and TexasRenewables.com ("ERCOT"). The RECs purchased will be reconciled annually and equal 100% of Your electric consumption while You are an IGS Energy Customer.

Inspire Clean Energy
https://www.inspirecleanenergy.com/plans?zipcode=17033&marketCode=METED

> 100% of your electricity consumption is sourced from renewable energy generation facilities or otherwise paired with RECs from such U.S. facilities

Residents Energy LLC, Renewable Energy Option

> Renewable Energy Option: "Renewable" energy refers to energy that is generated from renewable resources, such as solar, wind, water or biomass. If you have chosen to participate in Residents Energy's Renewable Energy Option, Residents Energy will ensure that 100% of the customer's electricity usage is matched with renewable energy certificates or renewable energy attributes. Residents Energy shall have up to 24 months from the end of each calendar year to address any deficiency that may have arisen in the renewable content of electricity sold under this Agreement during such calendar year. If you have chosen a Variable Rate (ResiFlex) product and the Renewable Energy Option, your rate for the electricity supplied will be Residents Energy's Variable Rate plus an "adder" of up to 3 dollars per kWh for the Renewable Energy Option. If you wish to remove the Renewable Energy Option from your account, please contact Residents Energy Customer Service at 1.888.828.7374.

Sampling of REC Purchase Options for Residential Customers

Shipley Energy, Green Plan
https://www.shipleyenergy.com/enrollment?product=el&zipCode=17033

> Green Plan: In order to promote an increased usage of renewable energy and the development of renewable products, many states have adopted Renewable Portfolio Standards (RPS) or Alternative Energy Portfolio Standards (AEPS). Both the RPS and AEPS are statewide benchmarks for the percentage of electricity that must come from green, renewable energy sources such as wind, hydro, and solar. Continued development of renewable resources is largely driven by the adoption of these standards. As many states continue to work toward green energy solutions and higher renewable or alternative standards, Shipley Choice is proud to lead the way with our commitment to 100% green electricity above the applicable RPS or AEPS in all of our markets. Our voluntary green power offerings come from regional sources such as wind, solar, and hydro which have all been registered and qualified by a local state RPS or AEPS. When you purchase Shipley Energy's voluntary green power product you can be assured of the following:
>
> Shipley Choice's Voluntary Green Power Product comes from renewable energy sources in your region which have been qualified by a local AEPS or RPS and which do not create new carbon emissions.
>
> The Green Power is generated within 10 years of customer's usage.
> Shipley Choice's Voluntary Green Power Product will provide green power credits equivalent to 100% of your annual usage.

SmartEnergy
https://account.smartenergy.com/puc-step-1

> SmartEnergy's provides 100% renewable electricity through the purchase of Renewable Energy Certificates ("RECs").

Think Energy, Think Clean 12
https://signup.thinkenergy.com/offers

> Think Energy offsets 100% of your electricity usage with renewable energy certificates. Basically, that means your bill helps invest in the development of clean energy sources like solar and wind.

Tomorrow Energy, EarthCare Plan
https://tomorrowenergy.com/our-plans/

> Tomorrow Energy will purchase national wind Renewable Energy Credits to offset consumer electricity consumption.

Sampling of REC Purchase Options for Residential Customers

WGL Energy Services, Wind Power

WGL Energy's WindPower is Green-e Energy certified and meets the environmental and consumer-protection standards set forth by the nonprofit Center for Resource Solutions. Learn more at www.green-e.org.

Renewable Energy Certificates (REC) do not contain electricity. A REC represents the environmental benefits of 1 megawatt hour (MWh) of renewable energy that can be paired with electricity. National WindPower from WGL Energy is a Green-e Energy certified REC product.

WGL Energy is also supplying your electricity. Green-e Energy has only certified the RECs, which may be sourced from outside of your local electricity distribution area. Learn more at www.wglenergy.com/RECs.

National WindPower matches 100% of your electricity usage. Each 1,000 kWh is equal to one REC.

Green-e Products

Green-e® is an energy certification program. Part of its website shows where Green-e certified products are available, https://www.green-e.org/certified-resources

Searching for "Residential Renewable Energy Certificates" in Pennsylvania shows 12 companies. (At least) 3 of those products match RECs with electricity usage :

Eco-Advantage, https://www.aepenergy.com/small-business/solutions/eco-advantage/

JuiceEco, https://www.enelxway.com/us/en/solutions/juiceeco

National WindPower from WGL Energy,
https://www.wglenergy.com/small-business/renewable-energy#:~:text=National%20WindPower%20from%20WGL%20Energy%20is%20composed%20of%20Renewable%20Energy,can%20be%20paired%20with%20electricity.

Other Products

Other available products are:

TerraPass
https://terrapass.com/product/renewable-energy-certificates/

Docusign Envelope ID: 06B78695-B6BA-4B64-A59A-AE45249E1C5A

VERIFICATION

I, Frank Caliva III, hereby state that: (1) I am the President for P.R. Quinlan Associates; (2) the facts set forth in my direct testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 07/12/2024 | 9:10 AM PDT

DocuSigned by:
Frank Caliva III
C09A4974DCFB40E...

Frank Caliva III
President
P.R. Quinlan Associates

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

REBUTTAL TESTIMONY OF

FRANK CALIVA III

ON BEHALF OF
RETAIL ENERGY SUPPLY ASSOCIATION

Petition of Duquesne Light Company for Approval of
Default Service Plan for the Period from June 1, 2025
Through May 31, 2029
Docket No. P-2024-3048592

August 9, 2024

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TABLE OF EXHIBITS

Exhibit No	Description
FC-5	"*Default Service Pricing Has Been Wrong All Along*," by Frank Lacey, published in Public Utilities Fortnightly, January 2019
FC-6	RESA Retail Market Savings Report for May 2024
FC-7	RESA Retail Market Savings Report for June 2024
FC-8	RESA Retail Market Savings Report for July 2024

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, EMPLOYER AND TITLE.

A. My name is Frank Caliva, and I am the President of P.R. Quinlan Associates Inc. ("P.R. Quinlan").

Q. DID YOU PREVIOUSLY SUBMIT TESTIMONY IN THIS PROCEEDING?

A. Yes. My Direct Testimony on behalf of the Retail Energy Supply Association ("RESA")[1] was served on July 12, 2024.

Q. PLEASE BRIEFLY SUMMARIZE RESA'S RECOMMENDATIONS THAT YOU PREVIOUSLY ADVANCED IN YOUR DIRECT TESTIMONY.

A. In my Direct Testimony, RESA made the following recommendations regarding Duquesne Light Company's ("Duquesne" or the "Company") Petition for Approval of Its Default Service Program For the Period from June 1, 2025 through May 31, 2029 ("DSP X plan"):

- A statewide investigation should be opened to investigate Commission approved messaging of default service as the "Price-to-Compare" to include discontinuing use of that term by replacing it with "default service rate" and how the messaging can be improved to support the ability of customers to make more informed decisions when they evaluate competitive offers.
- Reject the proposed Green Tariff Pilot
- Reject expansion of the Electric Vehicle Time-of-Use Pilot Program to include an EV-only TOU option

Q. ON WHOSE BEHALF IS THIS REBUTTAL TESTIMONY OFFERED?

A. This Rebuttal Testimony is offered on behalf of RESA.

[1] The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?

A. Through my Rebuttal Testimony, I am responding to specific statements and assertions set forth in the following: (1) Direct Testimony of Barbara Alexander offered on behalf of OCA;[2] and (2) Direct Testimony of Harry Geller submitted on behalf of the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA").[3] The specific topics addressed by this Rebuttal Testimony include a discussion:

- As to why price comparisons between the default service supply product and EGS contractual supply products available to residential customers are misleading and spurious;
- About why either termination of or completely revising the Standard Offer Program ("SOP") is unreasonable in the current competitive market structure where utility provided default service continues to dominate; and,
- Opposing proposals to end Bill Ready billing.

Q. ARE YOU SPONSORING ANY EXHIBITS?

A. Yes, the exhibits I am sponsoring are described in the table of exhibits on the table of contents page of this testimony.

II. SPURIOUS NATURE OF PRICE COMPARISONS

Q. DO WITNESSES ALEXANDER AND GELLER PRESENT COMPARISONS OF THE PRICE OF DEFAULT SERVICE WITH COMPETITIVE EGS PRICING?

A. Yes. Witness Geller presents a review of data that compares his calculated average shopping price per kWh with the applicable default service rate to calculate the total and average price charged to residential customers.[4] Upon review of this data as well as a review of data from other states with particular consideration on the impacts to low income customers, Mr. Geller concludes that there is "a clear pattern of suppliers

[2] OCA St. No. 2.
[3] CAUSE-PA St. No. 1.
[4] CAUSE-PA St. No. 1 at 7.

overcharging residential customers, with low income and minority customers bearing disproportionately severe consequences."[5]

Q. NOTWITHSTANDING YOUR VIEWS ABOUT MR. GELLER'S ANALYSIS, DO YOU HAVE A VIEW ABOUT WHY THEY ARE OFFERED HERE?

A. Yes. The clear intended "take away" Mr. Geller is offering the Commission is that competition is bad for consumers based on prices charged in the competitive market. I am advised by counsel, however, that the Commission is statutorily required to support the competitive market and is not empowered to regulate the pricing of generation service. Nonetheless, Mr. Geller is positioned to rely on the conclusions he draws from his analysis to oppose any pro-market proposals that are advanced by the parties in this proceeding and to support anti-market recommendations.

Q. DOES MS. ALEXANDER SIMILARLY PRESENT THE RESULTS OF HER COMPARISON OF THE DEFAULT SERVICE RATE TO EGS PRICING?

A. Yes but she offers her analysis in the context of the customer referral Standard Offer Program ("SOP") and in support of OCA's proposal to "reform its presentation of supplier charges on customer bills."[6] While I will discuss the specifics of Ms. Alexander's recommendations later, her effort to try to present a meaningful price comparison between the default service rate and competitive pricing in support of her recommendations suffers from the same flaws and Mr. Geller's analysis.

Q. WHAT IS YOUR FUNDAMENTAL DISAGREEMENT REGARDING THE EFFORTS TO COMPARE THE DEFAULT SERVICE RATE WITH EGS' PRICES?

A. A comparison of "price" for these two very different supply products is complicated and not a simply matter of looking at offerings made at a particular point in time. This is the

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5 CAUSE-PA St. No. 1 at 17-18.
6 OCA St. No. 2 at 11-12, 14.

case for a number of reasons, none of which either witness appear to factor into their analyses.

Q. DID YOU ADDRESS SOME OF THE REASONS WHY PRICE COMPARISONS BETWEEN THE DEFAULT SERVICE AND EGS CONTRACT PRICES IS MISLEADING IN YOUR DIRECT TESTIMONY?

A. Yes. As I discussed on pages 7-9 of my Direct Testimony, the way the default service rate is developed through the regulatory approval processes of these default service proceedings does not reflect the current market price nor how the costs of providing the service are recovered. In contrast and in a truly competitive marketplace where the EDC provided default service rate is not exalted as the "price to beat," EGSs would set contract prices based on a variety of market driven forces which would include the actual price of the commodity as well as other business and operating costs in competition with other EGSs. Neither Mr. Geller nor Ms. Alexander take these factors into consideration in developing their analysis. Recovering the costs of providing a product is a significant factor in determining how that product can be priced for the customer. While competitive suppliers will each make different decisions about which costs are to be recovered and how through the resulting price, none of the competitive suppliers has the opportunity to seek full recovery of those costs from ratepayers.[7] Thus, the rate of the EDC's default service product cannot meaningfully be compared with all EGSs products by simply looking at the end rate/price without factoring in these other cost recovery issues or product feature attributes.

[7] For an explanation regarding how some utilities recover these costs, see "*Default Service Pricing Has Been Wrong All Along,*" by Frank Lacey, Electric Advisors Consulting, Public Utilities Fortnightly, January 2019, which is attached as RESA Exh. FC-6.

Q. WHY IS FOCUSING ON A PARTICULAR POINT-IN-TIME TO COMPARE THE DEFAULT SERVICE RATE WITH AN EGS'S CONTRACT RATE PROBLEMATIC?

A. This focus is problematic because a snapshot of a given point in time does not reflect current market conditions or the ability of EDCs to fully reconcile their prices at a later time. Thus, the default service rate may look "lower" at one point in time but, because of the ability to fully recover costs granted to the EDC, the default service rate may be higher at a future point in time. Further, there are a myriad of reasons why the contract price offered by an EGS is different from the default service rate due to the nature of the EGS offering. Examples include a choice to select a product that includes renewable energy[8] or a product that provides long term price stability, or a product that includes any number of benefits or superior customer service – any of which could result in a price that is higher than PTC at any point in time.

The significance of these competitive market features is that a customer has made a choice to enter into a contract for specific reasons which may or may not be related to a price comparison with the default service rate. For example, a customer may elect a three-year contract with a fixed price for the full term of the contract for reasons of predictability and stability. In some periods, that price may be higher than the default service rate and in some periods it will be lower. A point-in-time analysis does not capture this nuance, nor does it factor in the selected benefit of the fixed contract for the

[8] According to data collected by the Commission in its Annual Retail Electric Choice Reports, the percent of EGS accounts with "Green Power" continues to be noteworthy. The reports are available at: https://www.puc.pa.gov/filing-resources/reports/retail-choice-activity-reports/. According to the Report for 2022 (published in October 2023), EGS accounts with "Green Power" accounted for a quarter of all EGS accounts. *See* RESA Exh. FC-2. In the Report published in January 2023 for 2021, "Green Power" EGS accounts accounted for nearly 40% of all EGS accounts. *See* https://www.puc.pa.gov/media/2203/retail-elec-choice-report-21draft11622-communications-edits-with-covers-011323.pdf.

customer who is not focused on "beating" the default service rate at any particular point in time but rather seeking a consistent price over a defined period of time.

Q. ARE YOU TESTIFYING THAT PROVIDING CUSTOMERS BENEFITS, TO INCLUDE PRICE SAVINGS, IS NOT IMPORTANT?

A. No, but price savings is just one potential benefit for customers of a truly competitive market which, for reasons already discussed in my Direct Testimony,[9] is not the current market structure in Pennsylvania today. I am advised by counsel that the Competition Act makes it clear that the prices of competitive retail offerings are not regulated by the Commission.[10] While one of the policy declarations of the Competition Act recognizes that "[c]ompetitive market forces are more effective than economic regulation in controlling the cost of generating electricity,"[11] this concept does not support the notion that retail market supply prices must be lower than the default service rate at all points in time and for all customers. Based on my review of the Competition Act, it makes no such guarantee and, in my opinion, to do so would (i) be contrary to the fundamental principle of competition; (ii) overlook the mismatch in time between the setting of default service rates and market prices; (iii) ignore the legal ability of generators and EGSs to set their own prices for supply; and (iv) disregard the legitimate reasons for EGS supply prices to be higher than default service rates, including but not limited to the offering of green offerings and long-term stability.

Q. SETTING ASIDE YOUR FUNDAMENTAL DISAGREEMENT WITH THE FOCUS OF PRICE COMPARISONS BETWEEN THE DEFAULT SERVICE RATE AND EGS OFFERINGS, DO YOU AGREE WITH THE CONCLUSIONS

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9 RESA St. No. 1 at 10-15.
10 66 Pa. C.S. § 2802(14).
11 66 Pa.C.S. § 2802(5)

REACHED BY MR. GELLER AND MS. ALEXADER AS A RESULT OF THEIR EVALUATIONS?

A. No. Both witnesses conclude that residential customers are not receiving lower prices from the competitive market. Despite all the pitfalls of comparing the default service rate to the EGS contract price, according to RESA Market Savings Reports, numerous offers are available in the Pennsylvania retail market that are below the utilities' default service rate.

- RESA Exh. FC-6 is the Retail Market Savings Report for May 2024, which was compiled using data from www.powerswitch.com and shows that customers as a group had the potential to save over $136 million in one month by choosing an EGS for their supply.

- RESA Exh. FC-7 is the Retail Market Savings Report for June 2024, which shows that customers had the potential to save more than $182 million by purchasing from an EGS.

- RESA Exh. FC-8 is the Retail Market Savings Report for July 2024, which shows that customers had the potential to save nearly $161 million in one month.

Q. IF THESE PRICE SAVINGS ARE AVAILABLE, THEN WHY ARE THE SAVINGS NOT REFLECTED IN THE PRICE COMPARISONS OFFERED BY MR. GELLER AND MS. ALEXANDER?

A. Mr. Geller and Ms. Alexander are only looking at what customers who elected to shop paid in comparison with the default service rate in effect during the same point-in-time. The Retail Market Savings Reports show that there are price savings available in the Pennsylvania market even though the majority Pennsylvania's residential consumers are not availing themselves of these opportunities.

Q. WHY ARE RESIDENTIAL CUSTOMERS NOT AVAILING THEMSELVES OF EGS PRODUCTS WHICH COULD SAVE THEM MONEY IN COMPARISON WITH THE DEFAULT SERVICE PRODUCT?

A. Principal reasons for this hesitation are the treatment of default service as a "first resort" rather than a "last resort" and the perception that consumers have developed of viewing

EDCs as "the" electric providers. As I discussed more in my Direct Testimony,[12] the elevation of the default service supply product over the decades has created a barrier to entry for competitive suppliers. Due to a variety of shortcomings in the market, including the inability of EGSs to issue supplier consolidated bills, EGSs face ongoing challenges in showing customers how they can develop and deliver innovative product offerings that are tailored to meet their individual needs.

Former Commissioner James Cawley described the scenario well when he explained that the "fundamental problem with the current default supply structure is that the majority of consumers will not make a proactive decision to choose an energy supplier when they are provided a default supplier if they do not choose one."[13] He pointed out that this "is especially so when customers are accustomed to receiving complete service from their electric utility."[14] Using the service territory of Duquesne Light Company as example, Commissioner Cawley noted that multiple supplier offers were available that would be more than 20% lower than the utility's prices but that the vast majority of customers were still not shopping. Based on this scenario, he concluded that "mass market customers, including residential and small commercial customers, often will not make affirmative choices for their supplier unless they are required to."[15] I believe the merit of these sentiments is evidenced in this proceeding where the majority of Pennsylvania's residential customers continue to remain with default service and are missing out on the very real opportunities offered by the competitive market - one of

[12] RESA St. No. 1 at 11-13.
[13] *Investigation of Pennsylvania's Retail Electricity Market*, Docket No. I-2011-2237952 (Concurring and Dissenting Statement dated September 27, 2012) at 1.
[14] *Id.*
[15] *Id.* at 2

which includes price savings. To the contrary, the fact that some consumers are choosing EGS contracts with prices that are higher than the default service rate supports the notion that all consumers are not solely focused on that aspect of the product offering.

Q. BASED ON ALL OF THIS DISCUSSION, WHAT DO YOU CONCLUDE REGARDING THE PRICE COMPARISONS OFFERED BY MR. GELLER AND MS. ALEXANDER?

A. I respectfully conclude that they are unhelpful in terms of attempting to analyze the status of the competitive market. They simply show that the majority of residential customers continue to remain with default service despite the availability of "lower priced" products in the competitive market. The analysis fails to consider any other aspect of why the customer electing to shop may have chosen a competitive product that at any particular point in time may be higher than the default service rate. The review also neglects to consider how the current structure of EDC provided default service presents the EDC with full cost recovery opportunities that are not available to EGSs and which, therefore, result in very different pricing considerations between the default service product and the EGS product. For all these reasons, I continue to assert that at a minimum the Commission should open a statewide investigation regarding its messaging of shopping and discontinue use of the term "Price-to-Compare" to describe the EDC's default service product. Adopting this recommendation is a reasonable first step for the Commission to take regarding the root cause structural deficiencies of the current market structure that are leading to the results presented by Mr. Geller and Ms. Alexander.

III. CONTINUING ROLE FOR STANDARD OFFER PROGRAM

Q. PLEASE DESCRIBE THE RECOMMENDATIONS OF MS. ALEXANDER AND MR. GELLER REGARDING THE STANDARD OFFER PROGRAM.

A. Both Ms. Alexander and Mr. Geller both primarily recommend that the SOP be terminated or, alternatively, reformed to return the EGS customer acquired through SOP to the EDC provided default service upon expiration of the SOP contract unless the customer affirmatively agrees to new EGS contract terms.[16]

Q. PLEASE PROVIDE A BRIEF HISTORY OF THE SOP AND ITS PURPOSE.

A. Since as early as 2007, the Commission has recognized the value of a customer referral standard offer program ("SOP") to "enhance customer choice and facilitate the development of retail markets" and specifically codified its view in 52 Pa. Code §69.1815.[17] Following this determination, Commission staff (in collaboration with interested stakeholders) embarked upon a nearly three year process to develop an appropriate structure for SOP to be implemented in Pennsylvania.[18] The final result of this effort is detailed in the *RMI Intermediate Work Plan Final Order.* At its core, the SOP was designed to introduce customers to the competitive market, in part, to address the inertia issue identified by former Commissioner James Cawley.

Q. IN YOUR VIEW HAS THIS PURPOSE BEEN SATISFIED?

A. No. As supported by my Direct Testimony as well as the direct testimony of Mr. Geller and Ms. Alexander, the majority of residential customers continue to remain with the

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[16] OCA St. No. 2 at 12-13. CAUSE-PA St. No. 1 at 18-24.

[17] *Default Service and Retail Electric Markets,* Docket No. M-00072009, Final Policy Statement entered February 9, 2007 at 13. 52 Pa. Code §69.1815 states: "The public interest would be served by consideration of customer referral programs in which retail customers are referred to EGSs."

[18] *See Investigation of Pennsylvania's Retail Electricity Market: Intermediate Work Plan*, Docket No. I-2011-2237952, Tentative Order entered December 16, 2011 at 9-15 (*"RMI Intermediate Work Plan Tentative Order*") (details the history of the development of SOP in Pennsylvania).

EDC provided default service. And, for those who do shop, their decisions are reviewed through the narrow lens of whether or not they achieved a "price savings" compared to the EDC default service rate at a particular point in time. The "merits" of making such a price evaluation is constantly reinforced by the Commission and advocates. Because OCA and CAUSE-PA appear to support EDC provided default service and are unbothered by the lack of shopping – despite the availability of "price saving" competitive offers – terminating the SOP is of no consequence to either party. While I do not disagree about the purpose of SOP, to introduce customers to shopping, I firmly disagree that an evaluation of the pricing of EGS contracts following the initial SOP term is the way to evaluate whether the SOP should be continued. Rather, continuance of the SOP should only be seriously evaluated when significant numbers of residential customers are shopping. Until residential customers are more actively participating in the market, the SOP remains as one of the last programs in Pennsylvania that is at least providing an opportunity for customers to become familiar with EGSs and shopping.

Q. HOW DO YOU RESPOND TO CONCERNS THAT THE SOP CUSTOMER REMAINING WITH THE EGS AFTER THE CONTRACT TERM EXPIRES MAY RECEIVE AN EGS PRICE HIGHER THAN THE DEFAULT SERVICE RATE?

A. Like every other shopping customer, the SOP customer receives full disclosure of the nature of the product and regulatory required notices about options after the expiration of the one-year contract. All EGSs acquiring a customer through the SOP are required to provide a disclosure statement with all the required regulatory elements of 52 Pa. Code § 54.5. This information informs the customer about the terms of the SOP product, the customer's options to cancel without any termination fees, and that the EGS will be providing two notices in advance of the expiration of the contract term about options for

the customer to consider going forward. Moreover, all EGSs are required to send customers two contract expiration notices prior to expiration of a fixed duration contract or prior to a change in contract terms, pursuant to the Commission's regulations at 52 Pa. Code § 54.10. The first is an "Initial Notice" that the EGS is required to send to the customer between 45 and 60 days before the expiration date of the contract. The second is an "Options Notice" that the EGS must send to the customer at least 30 days prior the expiration of the fixed duration contract. The Commission's regulations are very detailed as to what must be contained in those notices. For example, the Options Notice is required to advise the customer of the specific changes being proposed by the EGS and inform the customer of how to exercise the customer's options, including the customer's ability to accept the proposed change, to choose another product offering from the customer's existing EGS, to select another EGS or to return to default service. 52 Pa. Code § 54.10(2)(i).

Terminating the SOP or requiring affirmative consent for the SOP customer to remain with the EGS after the initial one-year term is wholly unnecessary and defeats a core purpose of shopping, i.e. the customer electing to make his or her own decisions. Rather than focus on tearing down the one program that continues to encourage customers to shop, I urge the Commission to consider the recommendation in my Direct Testimony to open a statewide investigation regarding consumer education about shopping and discontinuing the use of the term "Price-to-Compare." While more significant structural measures are likely needed to address the fundamental issues related to shopping, adopting this recommendation would be a good start to more accurately set customer expectations about shopping.

Q. ASIDE FROM PRICE COMPARISONS, HAVE EITHER MS. ALEXANDER OR MR. GELLER PRESENTED ANY OTHER COMPELLING REASONS THAT THE COMMISSION SHOULD CONSIDER AS A JUSTIFICATION TO TERMINATE THE SOP?

A. No. The other issues raised by both Ms. Alexander and Mr. Geller about the functioning of the SOP are ones that they have been raising since prior to the Commission's final decision about how the SOP should be structured. Examples include: (1) the requirement that EGSs provide the same contract expiration notices to customers acquired via the SOP as they provide all other customers acquired through other means; (2) the determination to offer customers the SOP option during high bill calls; (3) the Commission approved marketing of the SOP as a "potential savings" program; (4) Ms. Alexander's view of the reasons for EGS participation in the SOP "to make a profit" and/or to use the EDC as "a marketing and enrollment agent." All of these issues were raised during the Commission's consideration of the SOP structure and ultimately resolved by the Commission contrary to the viewpoint of the advocates. Nothing in either the testimony of Ms. Alexander or Mr. Geller presents any new or compelling evidence to overturn these prior determinations. Rather, both witnesses are simply restating once again their fundamental disagreement with the SOP program structure that has already heard and rejected by the Commission. Both advocates simply refuse to acknowledge or analysis the actual barometer of the program's success which is the program's impact on shopping levels of residential customers. Lacking any significant increase in residential shopping, the answer is not to terminate or detrimentally reform the SOP but, rather, to engage in a serious effort to reconsider the default service messaging promoted by the Commission. In my opinion, that is a much more viable

option that could lead to significant reform that addresses concerns about the functioning of the current competitive retail market for residential customers.

IV. BILL PRESENTATION ISSUES

(A) Comparison Chart

Q. PLEASE DESCRIBE MS. ALEXANDER'S PROPOSAL TO ADD A COMPARISON CHART ON RESIDENTIAL BILLS.

A. Ms. Alexander recommends that Duquesne revise its bill to show a dollars and cents calculation of the customer's supplier charges, as compared to the dollars and cents calculation of what the customers would pay under the default service rate. In offering this recommendation, Ms. Alexander contends that the current presentation that relies on comparing a cents per kilowatt hour ("kWh") comparison is insufficient, particularly if the supplier either does not include such information in its billing detail or misrepresents its cents per kWh, such as by failing to include fixed or additional monthly charges.[19]

Q. DOES RESA OPPOSE MS. ALEXANDER'S RECOMMENDATION?

A. Yes. RESA opposes any comparison of the regulated default service rate and the competitive supply price in the market, for the reasons explained in my Direct Testimony about the fallacy of holding out the EDC default service rate as the barometer to just EGS pricing. [20] Importantly, the default service product and an EGS's contractual retail product are priced very differently, and nothing in Ms. Alexander's proposed presentation explains that. Including a visual graph to portray the difference between the supplier price and the default service rate in effect during a particular month's billing period does not consider the nature of the supplier contract, the length of the contract

[19] OCA St. No. 2 at 13-15
[20] RESA St. No. 1 at 16-18.

(which could be anywhere from one month to multiple years), or any other reason why the price in a particular month may be higher than the default service rate. According to the Commission's most recent Activity Report, EGSs are offering the following types of products to customer as of December 31, 2022:[21]

a. Flat and Time-Varying Rates with residential customers comprising 85% of flat rate accounts and 76% of time-varying accounts.
b. Fixed-Term Contract Lengths comprising 94% of customers on a one-year, fixed-term contract.
c. Curtailable Contracts.
d. Green Power contracts.

Q. IS THE COMPARISON OF THE DEFAULT SERVICE RATE TO THE EGS PRICE A COMPARISON OF SIMILARLY DEVELOPED PRICES?

A. No. As discussed previously, the EDC provided default service rate is the product of a highly regulated procurement process through a Commission approved default service plan that is backward-looking where the default service provider is guaranteed full cost recovery for the provision of that service. Competitive retail supply products are priced based on current market forces and include the retail costs associated with providing service going forward and an associated risk premium to account for future changes in the costs to service customers. The proposed comparison chart creates the misleading impression that the pricing developed for the default service products is the same and comparable to the retail supply product, which it is not.

Q. WHY IS AN ATTEMPTED COMPARISON, ON THE EDC BILL, OF THE DEFAULT SERVICE RATE AND AN EGS CONTRACT PRICE MISLEADING AND ANTI-COMPETITIVE?

A. As discussed previously, true comparisons of the EDC default service rate with any particular EGS contract price as a particular point in time is not possible because (1) the

[21] *See* RESA Exh. FC-2 at 21.

two products are priced differently with different cost recovery mechanisms; and, (2) the EDC does not know the specific details of the contract price nor the reasons the customer may have selected the specific EGS product. Thus, highlighting variances between the default service rate and the EGS contract price for consumers who have elected to shop for reasons beyond such a price comparison is truly a disservice to customers who have placed a value on these other options. Moreover, it is also wholly unnecessary as the default service rate is termed as the "Price to Compare" on every single bill giving customers the ability to make their own informed comparisons of the price they are paying a supplier to the default service rate. Attempting to accurately calculate and portray the variance is misleading because it will not be accurate and it sends the wrong message to customers that they should be judging all competitive offers by the default service rate.

Q. WHAT OPTIONS ARE AVAILABLE TO EGSs WHO DO NOT WISH TO HAVE THEIR SUPPLIER CHARGES INCLUDED ON A BILL SHOWING A RATE COMPARISON AS PRESENTED BY MS. ALEXANDER?

A. For residential customers, EGSs effectively have no choice but to accept whatever is permitted by the Commission to be included on residential bills if they want to serve residential customers. In Pennsylvania today, EGSs must use the EDC consolidated bill to invoice residential customers EGSs' charges. Duquesne requires EGSs wishing to participate in the Purchase of Receivables ("POR") program to utilize EDC consolidated billing.[22] POR leverages the ratepayer funded termination systems of the utility to reduce the amount of uncollectible charges from all customers. Since EGSs are <u>not</u> permitted by the Commission to terminate a customer for nonpayment, the POR program allows

[22] *See* Duquesne Light Company Electric Generation Supplier Coordination Tariff,, Electric – Pa. P.U.C. No. 3S, Supplement No. 28, Fifth Revised Page No. 30A at Section 12.1.7.1.

termination for non-payment to be pursued by the utility with payment to the EGS for the services rendered. The payments to EGSs from the utility for the shopping customer charges are provided at a discount to reflect the collection risk remaining with the utility. By approving the POR program, the Commission determined it was a necessary tool to encourage EGSs to offer competitive products to residential customers while leveraging the ratepayer funded collections tool of the utility. While Duquesne's Tariff does permit EGSs to issue a "dual bill" for its charges if an EGS elects to do this, it will not be able to participate in POR and will lose the ability to have service terminated for nonpayment. Without use of this very effective payment collection tool for mass market customers and no guaranteed cost recovery, EGSs are unlikely to offer competitive products and services to residential customers. Thus, there is no real choice for EGSs wishing to serve residential customers but to have their charges included on the EDC consolidated bill and to have that bill sent by the EDC to every single EGS residential customer every month with total control of the content and bill messaging in control of the EDC. All this alone presents a significant competitive advantage to EDC provided default service such that adding more misleading content, such as Ms. Alexander's proposal, is wholly inappropriate and, I am advised by counsel, inconsistent with the Competition Act.

Q. GIVEN ALL OF THESE CONCERNS, WHAT DO YOU RECOMMEND REGARDING OCA'S RECOMMENDATION TO INCLUDE A DEFAULT SERVICE RATE TO EGS PRICE COMPARISON ON THE UTILITY CONSOLIDATED BILL?

A. I strongly recommend that the proposal be rejected as anti-competitive, misleading and serving no significant purpose beyond further entrenching the view that default service supply is the superior supply product for customers based solely on price. Moreover, spending ratepayer money to revise a ratepayer funded billing system in an effort to

"perfectly" educate all consumers about how to compare the EDC provided default service rate with a specific EGS contract rate is not justifiable or reasonable.

(B) Bill Ready Rates

Q. WHAT DO MS. ALEXANDER AND MR. GELLER RECOMMEND REGARDING BILL READY RATES?

A. Mr. Geller proposes that Duquesne should "end its Bill Ready program" based on the claim that Duquesne cannot "verify" whether the supplier charges "properly delineate nonbasic service charges."[23] Similarly, Ms. Alexander recommends that the Commission prohibit Duquesne from permitting "suppliers to submit bill ready charges that do not include a properly calculated cents per kWh rate that reflects supplier charges."[24]

Q. DOES RESA SUPPORT THESE PROPOSALS?

A. No, absolutely not. Aside from the fact that putting the EDC in the role of "policing" EGS pricing is anti-competitive and unnecessary, the changes are not necessary given the already Commission approved tariff requirements on suppliers. Specifically, numerous provisions of Duquesne's tariff limits participation in POR to "only basic electric service supply to residential customers" and limits termination for non-payment to the EGS commodity service.[25] I am advised by counsel that alleged violations of a Commission approved tariff must be addressed through a complaint proceeding. Nonetheless, in this proceeding, there has been no showing that EGSs have violated any of these tariff provisions; rather, Ms. Alexander and Mr. Geller focus on what they misperceive as Duquesne's lack of ability to find the violations for them. The tariff provisions are clear

[23] CAUSE-PA St. No. 1 at 35.
[24] OCA St. No. 2 at 15.
[25] *See* Duquesne Light Company Electric Generation Supplier Coordination Tariff,, Electric – Pa. P.U.C. No. 3S, Tariff Supplement No. 28 page 30A, Section 12.1.7 and page 30 C at Section 12.1.7.5.

and address the concerns raised by OCA and CAUSE-PA. They have presented no reason in this proceeding to revise them.

Q. DOES RESA SUPPORT DUQUESNE'S CONTINUED USE OF BOTH RATE READY AND BILL READY SYSTEMS?

A. Yes. both Bill Ready and Rate Ready options are necessary for the full development of a fair and robust competitive market. Support for both types of systems encourage more suppliers to participate in the competitive market. In a Rate Ready system, the EGS submits a customer's per kWh rate to the EDC. The EDC takes the rate and multiplies it by the customer's usage and calculates a bill for the customer. The EDC systems perform the mathematical calculations. This type of system benefits customers who purchase a straight-forward single priced electricity product. Under a Bill Ready system, the EGS calculates all of its customer's charges and then sends the EDC a statement of charges and potentially other information that is ready to be placed directly onto the bill. Bill Ready systems are more conducive to special products, variable priced products and other risk-sharing products available in the market. These two types of billing systems serve different functions and benefit different types of customers. Further, EGSs may be better equipped to provide one over the other. As the primary difference between the two systems is "where the math is calculated" and the POR program has requirements in place to prohibit service termination for nonpayment of anything beyond EGS' commodity charge, there is no reason to prefer one over the other. Removing the bill ready option at this point in time will negatively impact EGSs utilizing that platform by creating a new and totally unnecessary barrier to their ability to service residential customers in Duquesne's service territory. I am also advised by counsel that the

Commission has already expressed its support for Bill Ready billing.[26] For all these reasons, recommendations to either discontinue Bill Ready billing or to require Duquesne to implement policing procedures regarding the charges submitted by EGSs must be rejected.

V. CONCLUSION

Q. DOES THAT COMPLETE YOUR REBUTTAL TESTIMONY?

A. Yes, it does.

[26] *PPL Electric Utilities Corporation Retail Markets*, Docket No. M-2009-2104271, Opinion and Order entered April 19, 2010 at 2.

Exhibit FC-5

Default Service Pricing Has Been Wrong All Along

Allows Utilities to Maintain Dominance in Markets

By Frank Lacey, Electric Advisors Consulting

Default service prices have been wrong for two decades.

Most of the states that have implemented competition in electric and gas sales have employed a Provider of Last Resort, POLR, or default service to supply electricity to customers who do not select an alternative provider. Yet the utilities allocate few to no "costs to serve customers" to default service rates.

This practice has allowed the incumbent utilities to price default service below market rates. And it has allowed them to maintain unregulated monopoly-like power and dominant market positions in the energy markets in their respective service territories.

The failure to allocate costs appropriately to a utility business unit is in direct conflict with cost allocation guidance from the National Association of Regulatory Utility Commissioners, NARUC. Until the default service pricing distortion is corrected, utility default service providers will continue to hold an anti-competitive pricing advantage in the provision of retail electricity service.[1] Regulators should act to correct this major market flaw.

Default Service Rates Artificially Low

Several states have deregulated or restructured their energy markets to allow consumers to choose their own electric and or gas supplier. With few notable exceptions, the deregulation models adopted in these states called for the incumbent utility to become the POLR or default service provider.[2]

While initially envisioned to serve a small number of customers who needed a "last resort" provider, the market rules incorporated into most restructured markets placed all customers on last resort service at the inception of retail competition, making it more of a "default" service.

Because an appropriate amount of costs are not allocated to default service, customers are reluctant to leave their incumbent utility. They are receiving electricity that is subsidized by distribution rates.

The default service pricing subsidy provides the incumbent utilities with what are effectively unregulated monopolies. Default service customers are not being charged an amount that is reflective of the cost to serve them.

The lack of any meaningful cost allocations to default service allows (requires) the incumbent utilities in restructured states to understate the price of retail electricity. This practice effectively eliminates competitive suppliers from functioning in those markets.

This pricing error leads to numerous market flaws. Distribution rates are too high. Default service rates are too low. Customers are receiving incorrect and inappropriate price signals from their host utilities.

The failure to allocate costs appropriately to a utility business unit is in direct conflict with cost allocation guidance from NARUC.

Customers who have switched to competitive suppliers are subsidizing those who stay on default service. And competitive suppliers are at a distinct pricing disadvantage compared to default service providers, allowing the utility market power to proliferate in retail energy markets.

This pricing incongruity allows utilities to maintain a stronghold over customers in their service territory. It also has given rise to claims about overcharging by competitive suppliers.

Freestanding Default Service Business Couldn't Survive

It is easy to prove the anti-competitive pricing in default service. One only needs to contemplate how long a default service business could operate if it was removed from the distribution company but kept its current cost structure intact. The short answer is that it would survive for only a very short period of time – technically, not even a day.

Default service companies need to issue tens of thousands of invoices every day and then need to process revenues as they come in. But because no costs to serve customers are allocated to default service businesses, there would be no money to pay any employees to perform those functions, nor any other function involved in running a default service business.

The current default service businesses would be bankrupt in a matter of days, or even hours, if they were operated outside of the distribution utilities. Clearly, this is a fundamentally flawed

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FIG. 1 COMPARATIVE ELECTRIC CUSTOMER RATES

Electric customer rates of switching from utility to competitive retail provider.

		Percentage migration by customer count		
State	Utility	Residential customers	Small and medium customers	Large customers
DC	PEPCO	15.0	32.1	N/A
MD	BGE	23.9	41.0	96.5
	PEPCO	19.8	42.8	87.9
	POT ED	10.8	32.4	90.3
	Delmarva	13.8	35.8	96.9
NJ	ACE	12.8	32.2	87.1
	JCPL	16.6	38.1	83.7
	PSEG	9.7	24.7	81.0
	RECO	6.9	18.4	74.5
PA	Duquesne	29.9	39.9	63.1
	Met-Ed	30.2	45.1	86.3
	PECO	31.0	46.0	91.0
	Penn Elec	26.1	42.2	88.1
	Penn Power	24.2	46.3	100.0
	PPL	41.3	53.7	70.5
	West Penn	24.7	32.8	91.9
NY	Central Hud	13.1	23.1	78.0
	Con Ed	22.8	29.8	91.6
	Nat Grid	16.1	38.5	80.2
	NYSEG	18.6	35.2	66.0
	O & R	33.5	45.9	26.4
	Rochester	16.2	42.0	93.2
Maine	State-wide	14.1	42.6	84.2
Delaware	Delmarva	9.8	32.2	

system and one that conflicts with all traditional rate-making standards.

Cost allocation is a fundamental tenet of utility ratemaking. The principles of cost allocation are fully endorsed by NARUC and should be applied to default service as they are to all other utility rates.

Allocations are required to appropriately assign fixed costs to multiple products or services that drive the costs. The principles of cost allocation are the foundation for nearly every (if not every) utility rate, aside from default service rates.

The NARUC Cost Accounting Manual states:

"While opinions vary on the appropriate methodologies to be used to perform cost studies, few analysts seriously question the standard that *service should be provided at cost.* Non-cost concepts and principles often modify the cost of service standard, but it remains the primary criterion for the reasonableness of rates. The cost principle applies not only to the overall level of rates, but to *the rates set for individual services, classes of customers, and segments of the utility's business.*" Emphasis added.

NARUC has separately published cost allocation principles. The principles should be applied, according to NARUC "whenever products or services are provided between a regulated utility and its non-regulated affiliate or division." NARUC principles apply to default service, a business segment where many services are provided by the distribution company:

"The allocation methods should apply to the regulated entity's affiliates in order to *prevent subsidization* from and ensure equitable cost sharing among the regulated entity and its affiliates, and vice versa." Emphasis added.

NARUC states that the objective of its guidelines is to "lessen the possibility of subsidization in order to *protect monopoly ratepayers and to help establish and preserve competition* in the electric generation and the electric and gas supply markets." Emphasis added.

In fact, to ensure the competitiveness of markets, NARUC states that generally, "the price for services, products and the use of assets provided by a regulated entity to its non-regulated affiliates should be *at the higher of* fully allocated costs or prevailing market prices." Emphasis added.

NARUC's objectives and guidelines have been ignored in pricing default service.

Market Distortions

The default service pricing anomaly has given rise to many market distortions and has resulted in competitive suppliers being cast in a negative light in many jurisdictions. It has caused competitive suppliers to spend millions of dollars in unnecessary marketing costs, regulatory costs and legal and compliance costs.

Most important, it has resulted in customer harm from being constrained to the utilities' "no service" products and from the

lack of product options that are available in more competitive markets.

Table One details the percentage of customers who have chosen a competitive electric supplier across many of the deregulated electricity markets. Despite two decades of competition and dozens of suppliers vying for customers in every market, the incumbent utility stronghold on the market, especially over residential customers, is painfully clear.

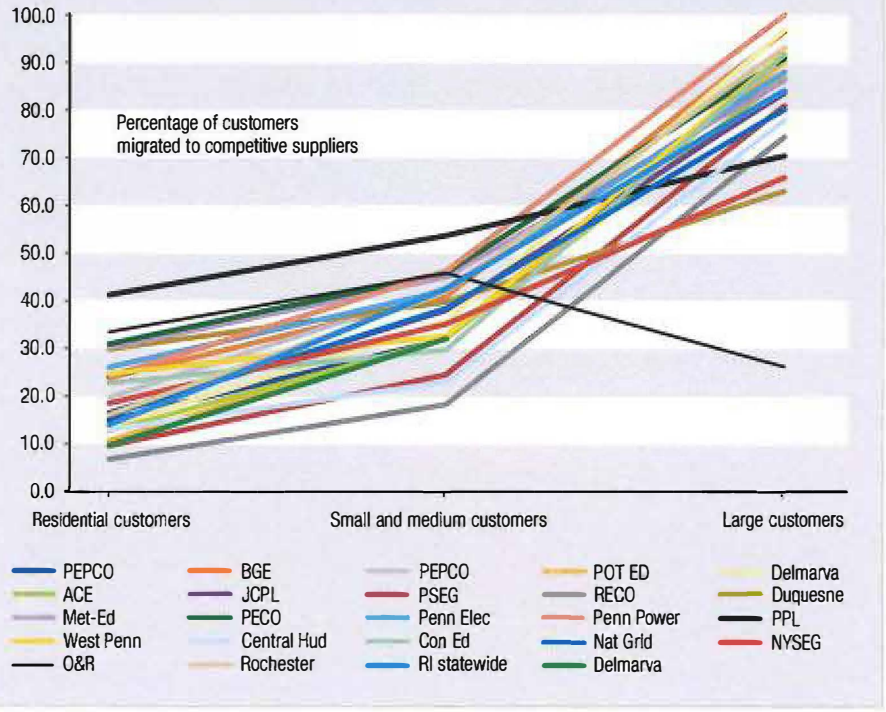
See Figure One.

At the low end, we see single digit migration rates for residential customers to competitive suppliers. The Pennsylvania market shows the most promising residential migration numbers – ranging from the mid-twenty percent range to just over forty percent in PPL's service territory.

States that have deployed municipal aggregations to facilitate customer migration are not included in this chart because aggregations are simply a regulatory fix that masks the pricing problem in the short-term. Municipal aggregations do not solve the pricing problems over time.

Figure Two shows the same data in graphical form. The utilities all show the same migration trends. Small customers do not migrate away from the utilities while the largest customers participate in the competitive markets at very high penetration levels.[3] See Figure Two.

FIG. 2 CUSTOMER MIGRATION TRENDS ARE CONSISTENT ACROSS MARKETS



Artificially Low Default Service Prices Harms Customers

Under an appropriate cost allocation approach, the customers will pay, on net, the same amount every year. Cost allocation does not cause an increase in costs to customers. It only moves costs to different buckets.

Because there is no total cost increase to customers with an appropriate cost allocation, the argument that the customers are better off under the current pricing model is flawed. In fact, because of the inaccurate pricing signal with the current model, customers are harmed in meaningful ways.

Most important, customers are not receiving the appropriate price signal for energy. This results in a potential to over-consume energy provided by default service providers, yielding what could be a higher overall monthly cost to the customer than would otherwise incur if the electricity was priced appropriately.

Customers who have switched to competitive suppliers are subsidizing those who stay on default service.

The distribution subsidy also creates a barrier to evaluating competitive offers. It is impossible for customers to assess fairly a competitive offer when the utility price is artificially low.[4] Because the basic competitive market product would be viewed as uneconomic by the consumers, competitive suppliers are less likely to invest fully in the market, depriving customers of other products and services that the suppliers might be inclined to offer in that market. Foregone products and services include many that might reduce a consumer's consumption overall, benefitting the customers and the environment.

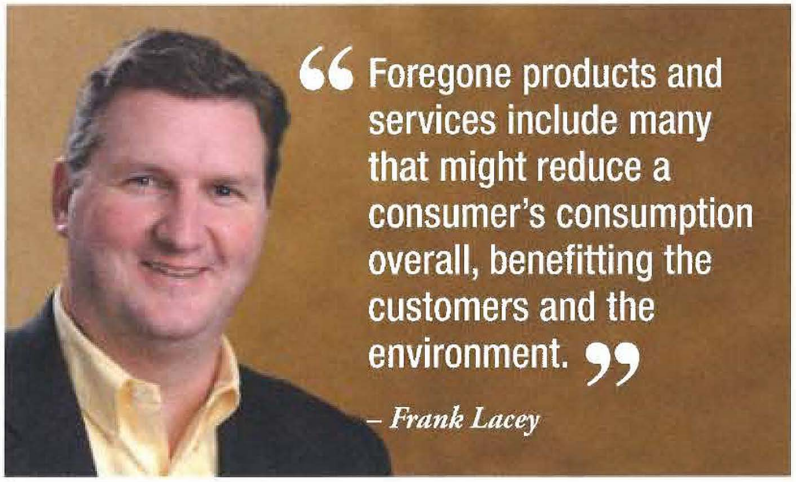
Finally, the distribution subsidy results in a distribution rate that is too high. Customers who have moved away from the utility are forced to pay costs that benefit customers who remain on default service.

Recent Analyses Reveal Subsidies

Substantial analyses seeking to understand the magnitude of the distribution subsidy have been performed in two recent distribution rate cases. The results of those analyses have been presented to utility commissions in Pennsylvania and New

Jersey in the form of expert testimony in those respective cases. These analyses show that the subsidy is significant – a penny or more per kilowatt-hour – as high as fifteen percent of the default service rate.

In PECO's rate proceeding, Pennsylvania Public Utility Commission's docket R-2018-3000164, NRG Energy Company provided an analysis of PECO's distribution rates to determine if any distribution costs were being used to subsidize PECO's default service rates. The analysis showed that the subsidy of PECO's default service by PECO's distribution business amounts to 1.25 cents per kilowatt-hour for residential customers.



If that amount was properly allocated to PECO's default service rates, it would increase those rates by approximately fifteen percent. Of course, if the costs were properly allocated to default service, the corresponding cost components from the distribution rates would decrease by the same amount.

In PSEG's rate proceeding, New Jersey Board of Public Utilities docket ER18010029, I undertook on behalf of Direct Energy, a similar analysis. My analysis showed that the subsidy that PSEG distribution rates were providing to PSEG's default service amounts to 1.0 cents per kilowatt-hour to residential customers. Because PSEG's default service rates are higher than PECO's, an additional 1.0 cents per kWh represents a subsidy of about eight percent to residential default service rates.

In the PSEG rate case, not enough information was provided by the utility to determine the magnitude of costs (working capital, credit, bad debt, etc.) that should be directly assigned to default service. As a matter of conservatism in my analysis, I assumed that those should be only partially allocated.

If direct costs were assigned properly to default service and indirect costs were allocated appropriately, the actual costs to serve default service customers in New Jersey could be in the range of 1.5 cents per kilowatt-hour.

With default service rates ranging from the low single digits to the low teens in cents per kilowatt-hour in markets across the country, and the unallocated funds (or subsidies) ranging from 1.0 to 1.5 cents per kilowatt-hour, this subsidy can be valued anywhere between eight percent and fifty percent of a monthly default service charge. A subsidy of that magnitude, or that scale of utility "discount" severely distorts the market, unfairly advantages the utilities over competitive service providers and harms customers.

Conclusion

Appropriately allocating costs currently paid by distribution customers to default service is a critical next step in creating more competitively neutral energy markets in the United States. This one step will not create the perfect markets, but it will remove a significant anti-competitive pricing advantage held by monopoly utilities.

It will also remove a subsidy that competitive supply customers are forced to pay to benefit default service customers, and it will help create a market that competitive suppliers are more willing to invest in. At the same time, if implemented correctly, it keeps distribution utilities financially whole. It is a win-win-win solution benefitting all market participants. PDF

Endnotes:

1. While this article is focused on electricity markets, the same pricing problems exist in gas markets. The costs to serve customers are not allocated to those customers' rates. Instead, they are charged to distribution customers.
2. Most of the deregulation models deployed in the U.S. are generally very similar. In contrast, Texas electricity customers and Georgia natural gas customers were placed with market participants at the inception of those markets and default service in those markets is truly a "last resort" service, not a "default" or "do nothing" service.
3. The one anomaly revealed in this chart is in the Orange & Rockland Utility in New York. It shows an uncharacteristic low level of customer migration at the large end of the customer spectrum. It is not clear whether this is a data error on the NY PSC website, or if there is a market anomaly in that market that results in the largest customers remaining with the utility.
4. Under no circumstance should any price, including the utilities' default service price, be considered a benchmark price. The default service price is for a specific product with a specific set of parameters associated with it. Additionally, as this article notes, it is heavily subsidized. It comes with a certain level of service and a limited ability for it to be modified in any way to meet customers' needs. Regardless, regulators in many states have mandated rules that require a comparison of all products to the utility default service price. These requirements include for example, a requirement that the default service price be placed on a customer's invoice, even if the customer is being served by another supplier, with a different product. Some have required that all sales interactions include a notice of the utilities' default service price.

Exhibit FC-6

RESA
Retail Energy Supply Association

Energy Market Savings Report

Pennsylvania

By shopping for the best deal for electricity, Pennsylvania consumers could have saved more than **$136.4 million** in May and benefited from a wide range of value-added products and services by switching to competitive suppliers.

Savings Over	
Duquesne:	$9,829,042
MetEd:	$19,910,238
PECO:	$30,744,360
Penelec PA:	$10,873,139
Penn Power:	$3,819,681
PPL:	$46,985,611
West Penn Power:	$14,275,772
May Potential Market Savings:	**$136,437,843**

May

25% rebate is available to all of customers

One tree planted on your behalf

$50 in Reward Dollars every month

Source: www.papowerswitch.com

Exhibit FC-7

RESA
Retail Energy Supply Association

Energy Market Savings Report

Pennsylvania

By shopping for the best deal for electricity, Pennsylvania consumers could have saved more than **$182 million** in June and benefited from a wide range of value-added products and services by switching to competitive suppliers.

Savings Over	
Duquesne:	$12,995,561
MetEd:	$24,055,108
PECO:	$54,085,176
Penelec PA:	$10,975,773
Penn Power:	$3,900,950
PPL:	$60,347,649
West Penn Power:	$15,842,065
June Potential Market Savings:	**$182,202,281**

June Notable Offers:

25% rebate is available to all of customers

One tree planted on your behalf

$50 in Reward Dollars every month

Source: www.papowerswitch.com

Exhibit FC-8

All Offers								Fixed Price Offers						Variable Price Offers			Green Offers		
Jul-24	Price to Compare "PTC" ($/kWh)	Lowest Offer ($/kWh)	Customer Savings ($/kWh)	Potential Market Savings for the Month (Total $)	# of Offers	Offers Below PTC	Recorded Date	# of Offers	Offers Below PTC	Longest Term Lowest Offer (2) (bill cycles)	($/kWh)	Lowest Offer (bill cycles)	($/kWh)	# of Offers	Offers Below PTC	Lowest Offer ($/kWh)	# of Offers	Offers Below PTC	Lowest Offer ($/kWh)
MARKETS																			
Connecticut				**$9,979,690**															
Eversource - CL&P	$0.08995	$0.08780	$0.00215	$2,066,473	23	3	7/2/24	23	3	40	$0.13970	5	$0.08780	N/A	N/A	N/A	0	0	N/A
United Illuminating	$0.11910	$0.08870	$0.03040	$7,913,217	23	10	7/2/24	23	10	40	$0.13970	5	$0.08870	N/A	N/A	N/A	0	0	N/A
D.C.				**$2,394,583**															
Pepco DC	$0.11029	$0.09900	$0.01129	$2,394,583	20	1	7/2/24	12	1	36	$0.13900	6	$0.09900	0	0	N/A	8	0	$0.12590
Illinois				**$6,115,418**															
Ameren I - CIPS	$0.07878	$0.07499	$0.00379		21	1	7/2/24	15	0	36	$0.10390	7	$0.09490	1	1	$0.07499	5	0	$0.09200
Ameren II - CILCO	$0.08086	$0.07499	$0.00587	($1,038,182)	15	1	7/2/24	11	0	36	$0.10390	12	$0.09990	1	1	$0.07499	3	0	$0.09200
Ameren III - IP	$0.07929	$0.09200	($0.01271)		19	0	7/2/24	14	0	36	$0.10390	7	$0.09490	0	N/A	N/A	5	0	$0.09200
ComEd	$0.06575	$0.06300	$0.00275	$7,153,600	39	3	7/2/24	29	3	60	$0.07290	6	$0.06300	0	N/A	N/A	10	0	$0.08000
Maryland				**$40,089,685**															
BGE	$0.11107	$0.09390	$0.01717	$23,550,923	74	25	7/2/24	38	17	60	$0.11990	12	$0.09890	6	3	$0.09490	30	5	$0.09390
Delmarva MD	$0.11189	$0.09500	$0.01689	$3,827,867	57	16	7/2/24	34	11	60	$0.10990	12	$0.09990	4	3	$0.09500	19	2	$0.09900
Potomac Edison	$0.09785	$0.07790	$0.01995	$6,584,252	51	20	7/2/24	28	10	24	$0.10190	12	$0.08590	5	4	$0.07790	18	6	$0.07900
Pepco MD	$0.10340	$0.09390	$0.00950	$6,126,642	59	14	7/2/24	29	7	60	$0.10290	12	$0.09490	5	2	$0.09690	25	5	$0.09390
Massachusetts (1)				**$97,704,546**															
NSTAR BECO	$0.17216	$0.10670	$0.06546		45	42	7/4/24	21	21	36	$0.13870	6	$0.10670	N/A	N/A	N/A	24	21	$0.10690
NSTAR CAMB	$0.17216	$0.10670	$0.06546	$40,770,133	45	42	7/4/24	21	21	36	$0.13870	6	$0.10670	N/A	N/A	N/A	24	21	$0.10690
NSTAR COMM	$0.17216	$0.10670	$0.06546		40	37	7/4/24	19	19	36	$0.13870	6	$0.10670	N/A	N/A	N/A	21	18	$0.10690
Unitil - FGE	$0.19338	$0.11970	$0.07368	$1,017,529	16	15	7/4/24	9	9	36	$0.15900	6	$0.11970	N/A	N/A	N/A	7	6	$0.14110
NGRID - MECO	$0.18213	$0.10500	$0.07713	$50,013,618	44	42	7/4/24	19	19	36	$0.13970	6	$0.10500	N/A	N/A	N/A	25	23	$0.10690
NGRID - Nantucket	$0.18213	$0.12190	$0.06023	$789,775	9	9	7/4/24	4	4	36	$0.15900	6	$0.12190	N/A	N/A	N/A	5	5	$0.14001
Eversource - WMECO	$0.15810	$0.10370	$0.05440	$5,113,490	35	33	7/4/24	19	19	36	$0.12970	6	$0.10370	N/A	N/A	N/A	16	14	$0.10390
Ohio				**$169,525,181**															
AEP Columbus Southern	$0.07699	$0.04300	$0.03399	$41,297,449	125	81	7/7/24	69	52	36	$0.06800	12	$0.04510	5	3	$0.06090	51	26	$0.04300
AEP Ohio Power	$0.07699	$0.04300	$0.03399		125	81	7/7/24	69	52	36	$0.06800	12	$0.04510	5	3	$0.06090	51	26	$0.04300
Cleveland Electric Illuminating	$0.09952	$0.04700	$0.05252	$28,694,187	104	97	7/7/24	57	55	36	$0.06600	12	$0.04800	3	2	$0.05590	44	40	$0.04700
AES Ohio	$0.08580	$0.04300	$0.04280	$18,883,640	90	78	7/7/24	53	50	36	$0.07180	3	$0.04300	3	2	$0.05990	34	26	$0.04390
Duke	$0.08012	$0.04300	$0.03712	$24,863,754	105	78	7/7/24	57	42	36	$0.07900	12	$0.05060	4	2	$0.06790	44	34	$0.04300
Ohio Edison	$0.09456	$0.04700	$0.04756	$42,973,313	106	96	7/7/24	59	56	36	$0.06600	12	$0.04810	3	2	$0.05590	44	38	$0.04700
Toledo Edison	$0.09653	$0.04700	$0.04953	$12,812,839	104	95	7/7/24	57	55	36	$0.06600	12	$0.04810	3	2	$0.05590	44	38	$0.04700
Pennsylvania				**$160,907,413**															
Duquesne	$0.10528	$0.07400	$0.03128	$11,762,724	119	72	7/7/24	68	47	60	$0.11990	3	$0.07400	6	4	$0.09999	45	21	$0.07490
MetEd	$0.10404	$0.07900	$0.02504	$15,282,808	109	67	7/7/24	64	47	60	$0.09990	3	$0.07900	4	3	$0.09999	41	17	$0.07990
PECO	$0.09276	$0.05450	$0.03826	$55,417,426	129	84	7/7/24	70	55	60	$0.07990	3	$0.06700	6	5	$0.08370	53	24	$0.05450
Penelec PA	$0.09744	$0.07400	$0.02344	$8,136,346	111	39	7/7/24	62	27	60	$0.09490	3	$0.07400	4	2	$0.08990	45	10	$0.07490
Penn Power	$0.10389	$0.06900	$0.03489	$4,223,089	92	51	7/7/24	51	36	48	$0.00000	3	$0.06900	4	2	$0.09999	37	13	$0.06990
PPL	$0.10040	$0.05450	$0.04590	$60,585,502	137	43	7/7/24	74	28	60	$0.10490	3	$0.06900	8	5	$0.09499	55	10	$0.05450
West Penn Power	$0.08787	$0.07600	$0.01187	$5,499,518	104	42	7/7/24	57	30	60	$0.07990	3	$0.07600	6	3	$0.08090	41	9	$0.07990

FOOTNOTE

1) Massachusetts Lowest Offer Price includes Community Choice as it's our understanding that anyone can sign up for Community Choice
2) Longest Term Lowest Offer does include Green offers with fixed rate terms since the intent is to show the longest term of a non-variable rate.

State	REP	Description
Connecticut	XOOM Energy Connecticut, LLC	Airline reward miles available.
	XOOM Energy Connecticut, LLC	Supplier will make a charitable donation based on customer usage.
D.C.	Major Energy Electric Services	You can be qualified to a $100 total rebate over the course of service.
	Think Energy	Gift Card available. Contact for details.
	WGL Energy Services	$50 in Reward Dollars every month that you can use to save in over 500,000 ways.
Illinois	AEP Energy	Receive up to $60 in Reward Dollars for the AEP Energy Reward Store, an online marketplace filled with a variety of energy-saving products for your home.
	Ambit Northeast	Get 50% off your energy charges on bill cycles beginning November 1st through the end of February.
	EcoPlus Power	Free Subscription to Norton LifeLock Personal Identity Theft Protection and an Amazon Gift Card Loyalty Program every 6 Months.
	Illinois Gas & Electric	$50 in Reward Dollars every month once your account's active.
	Spark Energy	You can be qualified to a $100 total rebate.
	Think Energy	Receive a $100 gift card.
Maryland	AEP Energy, Inc.	Includes access to AEP Energy Reward Store, a one-stop online marketplace filled with a variety of energy-saving products for your home and is exclusively for AEP Energy customers. You can earn Reward Dollars to use in the Reward Store by enrolling in this price plan.
	Agway Energy Services LLC	Includes our EnergyGuard repair program. This valuable coverage provides Peace of Mind repair protection on your central a/c unit and the interior electric lines in your home.
	Ambit Northeast, LLC	Get 50% off your energy charges on bill cycles beginning November 1st through the end of February.
	American Power & Gas of MD LLC	25% Rebate on average monthly supply charges after 12 months.
	Energy Harbor	Ask about how to get $50 in gift cards when you sign up.
	Energy Services Providers, Inc. d/b/a Maryland Gas and Electric	$50 in Reward Dollars every month once your account's active.
	RPA Energy Inc	As a customer you automatically qualify for our Power Perks Rewards Program.
	Shipley Choice LLC d/b/a Shipley Energy	Earn 3% Rewards with Shipley Energy's Reward Program.
	Spring Energy RRH LLC d/b/a Spring Power & Gas	Customers receive $25 in Spring Rewards Dollars each month.
	Spring Energy RRH LLC d/b/a Spring Power & Gas	Includes HVAC coverage up to $750 per year or Surge Protection up to $1500 per year.
	Tomorrow Energy Corporation fka Sperian Energy Corporation	4 trees will be planted in partnership with the Arbor Day foundation over your 12-month term.
	WGL Energy Services, Inc.	$50 in Reward Dollars every month that you can use to save in over 500,000 ways.
	XOOM Energy Maryland, LLC	Cash Back program, you earn a 5% rebate for your everyday energy usage.
	XOOM Energy Maryland, LLC	Enroll on RescueLock 12 and 5% of your monthly energy charges will be donated to PetSmart Charities.
Massachusetts	Alpha Gas and Electric	Cash Back after 12 consecutive months of service.
	CleanChoice Energy	$50 Gift Card, Rewards Programs, Sponsored Promotions.
	Discount Power	Rewards Program to saving on shopping, dining, travel, movies, and more.
	SmartEnergy	$100 Visa after 6 months.
	Verde Energy USA	Receive a digital $50 Home Depot gift card after 90 days of active service and the second $50 after 9 months of active service.
Ohio	AEP Energy Inc	Enroll in this plan and receive up to $180 Reward Dollars over course of the plan to use in Energy Reward Store.
	American Power & Gas of Ohio LLC	Our 25% rebate is available to all of our customers.
	Atlantic Energy MD LLC	3% Cash Back
	Atlantic Energy MD LLC	Free Smart Home Products (color changing bulbs, security cameras with two-way talk, smart plugs, and more).
	Discount Power Inc	Save on shopping, dining, travel, movies, and so much more.
	EcoPlus Power LLC	Complimentary Norton LifeLock Personal Identity Theft Protection Subscription (Valued over $300 annually).
	Kiwi Energy	Receive up to $25 in Rewards Dollars monthly.
	Major Energy Electric Services LLC	$100 Rebate offer available.
	NRG Home	1% cash back annually
	Ohio Gas & Electric	$50 in Reward Dollars every month once your account's active.
	ResCom Energy LLC	Sign up and enjoy monthly ResCom Rewards to shop at your favorite stores through rescomenergyrewards.com.
	Santanna Energy Services	Earn Rewards Points for discounts and coupons on top brands dining and groceries.
	Shipley Choice LLC	Earn 3% REWARDS with Shipley Energy's Rewards Program.
	Think Energy LLC	Sign up and receive a $100 gift card.
	XOOM Energy Ohio LLC	Enroll on RescueLock 12 and 5% of your monthly energy charges will be donated to PetSmart Charities.
Pennsylvania	AEP Energy	Receive up to $180 Reward Dollars to use in AEP Energy Reward Store, our one-stop online marketplace filled with a variety of energy-saving products for your home.
	Alpha Gas and Electric LLC	Free month of energy supply after a year of service.
	American Power & Gas of Pennsylvania LLC	Our famous 25% rebate is available to all of our customers.
	City Power & Gas PA	$25 in Reward Dollars every month and an annual 2% Cashback Reward.
	IDT Energy, Inc.	Earn REWARD points for every kWh used and redeem them for gift cards and more.
	Major Energy	For the $100 rebate, redeem the first $50 after one month of service and the second $50 after 6 months of service from Major.
	nTherm LLC	20% rebate on the average months energy supply cost after 12 consecutive months with nTherm.
	Pennsylvania Gas & Electric	$50 in Reward Dollars every month once your account's active.
	SFE Energy Pennsylvania, Inc.	Will plant 1 tree on your behalf.
	Shipley Energy	Earn 3% REWARDS with Shipley Energy's Rewards Program.
	SmartEnergy	6 Month Fixed Rate with $100 Visa after 6 months
	Spring Power & Gas	Receive $25 in Spring Rewards Dollars each month.
	Think Energy	Conditional Cash rebate of up to $25 per year of service at the end of your contract term if you paid more for electricity with Think Energy.
	Verde Energy USA, Inc.	$100 in digital Home Depot Gift Cards, by enrolling in a 100% renewable energy credits supply plan with a fixed rate for 12 months.
	WGL Energy Services	$50 in Reward Dollars every month that you can use to save in over 500,000 ways.

State	Utility	Rate Schedule	Number of Residential Customers	Utility Load Profile Assigned	Monthly kWh by Profile	Total Monthly kWh	Sources	Notes
Connecticut	Eversource - CL&P	Residential - Rate 1		RNSH: Residential Non-Space Heat (01)		961,150,032	Rate Schedule: Utility Tariff Offers taken from Connecticut Rate Board: www.energizect.com CL&P Energy Usage: https://www.eversource.com/content/residential/about/doing-business-with-us/energy-suppliers/connecticut-wholesale-supply UI Energy Usage: https://www.uinet.com/web/uinet/suppliers_and_partners/power_procurement/active_rfps/ui_filings_for_ct_dpuc_docket_no._06-10-22	1) # of Fixed and Green Offers excludes offers not available until the following month 2 Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed offer analysis 3) Offers containing enrollment fees are not included in this analysis 4) Offers containing monthly service fees are not included in this analysis. A few offers might have hidden monthly pass through fees for capacity. 5) Total Monthly kWh = Number of Residential Customers x Monthly kWh by Profile 6) Number of Residential Customers and Monthly kWh by are using values for the same corresponding month from the previous year
	United Illuminating	Residential - Rate R		R: Residential		260,294,632		
D.C. (1)	Pepco	Residential - Schedule R		RDNS: Residential Non-Space Heating (DC)		212,083,000	Rate Schedule: Utility Tariff Offers taken from D.C. Power Connect: http://search.dcpowerconnect.com/search-offers Pepco's Number of Residential Accounts and Energy Usage: https://dcpsc.org/Utility-Information/Electric/Historical-and-Analytical-Information-for-Electric.aspx	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis 2) Number of Residential Customers and Monthly kWh are using values for the same corresponding month from the previous year
Illinois	Ameren_IL Zone I	BGS-1 - Residential Service		RESDHL: High summer use; Low winter use		1,018,410,144	Rate Schedule: Utility Tariff Offers taken from Plug In Illinois website: www.pluginillinois.org Source for Number of Residential Customers and Total Monthly kWh: https://www.icc.illinois.gov/Electricity/SwitchingStatistics.aspx	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis 2) Offers were not considered green in cases where green is mentioned in the offer description but there are no details of what percentage is green 3) Offers containing Monthly fees assessed by the retail suppliers, as well as offers showing "Custom Price" as the rate, with no actual value, are not included as part of the analysis 4) Monthly kWh values reflect the values for the same corresponding month from the previous year since current month values are not yet available
	Ameren_IL Zone II	BGS-1 - Residential Service		RESDHL: High summer use; Low winter use				
	Ameren_IL Zone III	BGS-1 - Residential Service		RESDHL: High summer use; Low winter use				
	ComEd	Residential		23: Residential Single Family Without Electric Space Heat		2,601,308,950		
Maryland	BGE	Schedule R	1,207,134	R: Residential Service	1,136	1,371,632,082	Rate Schedule: Utility Tariff Offers taken from Maryland PSC: https://www.mdelectricchoice.com/shop Source for Number of Residential Customers: http://www.psc.state.md.us/electricity/electric-choice-monthly-enrollment-reports/#	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis 2) Total Monthly kWh = Number of Residential Customers x Monthly kWh by Profile 3) Offers classified by PSC as Variable with Term listed as 'Varies' or 0 Months are assumed to have a term of 1 month as the utliity still describes the term as monthly or month to month
	Delmarva MD	Service Classification - R	184,853	MDDRS: Maryland - Residential Service	1,226	226,640,499		
	Potomac Edison	Schedule R	253,055	RSNH: Residential Service - No Electric Heat	1,304	330,037,711		
	Pepco MD	Schedule R	548,442	RMNS: Residential Non-Space Heating (MD)	1,176	645,174,555		
Massachusetts	NSTAR BECO	Rate A1		R1: Rate R1 Residential		622,825,133	Rate Schedule: Utility Tariff Offers taken from Energy Switch MA: http://energyswitchma.gov Source for Number of Residential Customers and Total Monthly kWh: https://www.mass.gov/service-details/electric-customer-migration-data	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis 2) Offer do include Community Choice that are listed on the energyswitchma.gov website 3) Energyswitchma.gov website does not publish any variable offers 4) Available Number of Residential Customers and Total Monthly kWh for NSTAR not broken out by utility within the state so state totals for all of NSTAR used
	NSTAR CAMB	Rate A1		R1: Rate R1 Residential				
	NSTAR COMM	Rate A1		R1: Rate R1 Residential				
	FGE	Residential - RD-1		RD1: Residential RD1		13,810,118		

	MECO	Rate R1		R1: Residential - Non-Space Heat		648,432,745		5) Previously Massachusetts Variable Price Offers represented the offers that automatically renew to a variable price-product. All offers are now categorized as Fixed or Green. 6) Monthly kWh values reflect the values for the same corresponding month from the previous year since current month values are not yet available
	Nantucket	Rate R1		R1: Rate R1 Residential Regular		13,112,659		
	WMECO	Residential Electric (Non-heating)		R1: Rate R1 Residential Regular		93,997,981		
OH	AEP Columbus Southern AEP Ohio Power	Schedule RS Schedule RS		CSRESA: Residential OPRESA: Residential		1,214,931,000	Rate Schedule: Utility Tariff Offers taken from PUC: www.energychoice.ohio.gov Source for Number of Residential Customers and Total Monthly kWh: https://app.powerbigov.us/view?r=eyJrIjoiZTliZDEzNGEtZjlhYi00YWEzLThjZjktMGZmNDg4OWE4ZDFkIiwidCI6IjUwZjhmY2M0LTk0ZDgtNGYwNy04NGViLTM2ZWQ1N2M3YzhhMiJ9	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis 2) Offers, Available Number of Residential Customers and Total Monthly kWh for AEP not broken out by utility within the state so state totals for all of AEP used 3) Total Monthly kWh derived by multiplying monthly listed MWh by 1,000 4) Offers containing a monthly service fee are not included in this analysis 5) Offers classified by PSC as Variable with Term listed as 'Varies' or 0 Months are assumed to have a term of 1 month as the utliity still describes the term as monthly or month to month 6) Monthly kWh values reflect the values for the same corresponding month from the previous year since current month values are not yet available
	Cleveland Electric Illuminating	Residential		RG: Residential-General		546,327,000		
	AES Ohio	Residential		RS00: Residential No Heat Default		441,222,000		
	Duke	Residential		RS0: Residential - Unknown Winter Load		669,839,000		
	Ohio Edison	Residential		RG: Residential-General		903,484,000		
	Toledo Edison	Residential		RG: Residential-General		258,678,000		
Pennsylvania	Duquesne	Rate Schedule RS	548,758	RS: Residential Service	376,082,245	376,082,245	Rate Schedule: Utility Tariff Offers taken from PA Power Switch www.papowerswitch.com/ Number of Residential Customers: https://www.oca.pa.gov/electric-shopping-guide-2/ (Current year statistics are not being provided so previous year used as proxy) http://www.oca.state.pa.us/Industry/Electric/elecstats/ElectricStats.htm	1) Green Offers, defined as those with green provisions exceeding the state minimum, are not included in Fixed and Variable offer analysis 2) # of Fixed, Variable, and Green Offers for this analysis excludes any offers containing Enrollment Fees, Monthly Service Fees, Daily Service Fees, or are not available until the following month 3) GRT embedded in Utility PTC rate and retail offers 4) Total Monthly kWh for DQE = Monthly kWh by Profile 5) Total Monthly kWh for all other utilities = Number of Residential Customers x Monthly kWh by Profile 6) Offers classified by PUC as Variable with Term listed as 'No term length' are assumed to have a term of 1 month
	MetEd	Rate RS	516,314	RSNH: Residential Service - No Electric Heat	1,182	610,335,767		
	PECO	Rate R	1,525,516	R112: Residential - Average Monthly 451- 800 kWh	949	1,448,442,912		
	Penelec PA	Rate RS	501,055	RSNH: Residential Service - No Electric Heat	693	347,113,741		
	Penn Power	Rate RS	149,509	RG: Residential-General	810	121,040,098		
	PPL	Schedule RS	1,286,293	RS-GRS: RESIDENTIAL SERVICE - NON-ELEC HEAT	1,026	1,319,945,583		
	West Penn Power	Rate RS	635,563	RSNH: Residential Service - No Electric Heat	729	463,312,382		

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VERIFICATION

I, Frank Caliva III, hereby state that: (1) I am the President for P.R. Quinlan Associates; (2) the facts set forth in my testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 08/09/2024 | 12:01 PM PDT

DocuSigned by:
Frank Caliva III
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Frank Caliva III
President
P.R. Quinlan Associates

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

SURREBUTTAL TESTIMONY OF

FRANK CALIVA III

ON BEHALF OF
RETAIL ENERGY SUPPLY ASSOCIATION

Petition of Duquesne Light Company for Approval of
Default Service Plan for the Period from June 1, 2025
Through May 31, 2029
Docket No. P-2024-3048592

August 22, 2024

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, EMPLOYER AND TITLE.

A. My name is Frank Caliva, and I am the President of P.R. Quinlan Associates Inc. ("P.R. Quinlan").

Q. DID YOU PREVIOUSLY SUBMIT TESTIMONY IN THIS PROCEEDING?

A. Yes. My Direct Testimony on behalf of the Retail Energy Supply Association ("RESA")[1] was preserved on July 12, 2024, and my Rebuttal Testimony on behalf of RESA was preserved on August 9, 2024.

Q. ON WHOSE BEHALF IS THIS SURREBUTTAL TESTIMONY OFFERED?

A. This Surrebuttal Testimony is likewise offered on behalf of RESA.

Q. WHAT IS THE PURPOSE OF YOUR SURREBUTTAL TESTIMONY?

A. The purpose of my Surrebuttal Testimony is to respond to the opposition to RESA's proposals set forth in the rebuttal testimonies of: (1) Duquesne Light Company ("Duquesne") Witnesses C. James Davis, Scott G. Fisher, and Edwin Schuck; (2) Office of Consumer Advocate ("OCA") Witness Barbara R. Alexander; and (3) the Coalition for Affordable Utility Services and Energy Efficiency in Pennsylvania ("CAUSE-PA") Witness Harry S. Geller. As I will discuss further below, these witnesses present no compelling reason for the Commission to reject RESA's recommendation to open a statewide investigation regarding default service messaging.

[1] The comments expressed in this filing represent the position of the Retail Energy Supply Association (RESA) as an organization but may not represent the views of any particular member of the Association. Founded in 1990, RESA is a broad and diverse group of retail energy suppliers dedicated to promoting efficient, sustainable and customer-oriented competitive retail energy markets. RESA members operate throughout the United States delivering value-added electricity and natural gas service at retail to residential, commercial and industrial energy customers. More information on RESA can be found at www.resausa.org.

Q. HAVE YOU BEEN PERSUADED TO REVISE ANY OF RESA'S ORIGINAL RECOMMENDATIONS?

A. No. While I am limiting this Surrebuttal Testimony to just a few points, I wish to be clear that my decision not to address every point adverse to RESA's positions is based on the view that all these points have already been fully addressed in my prior written testimony and no witness has presented any new or persuasive argument to which I feel compelled to respond. I continue to recommend the following:

- A statewide investigation should be opened to investigate Commission approved messaging of default service as the "Price-to-Compare" to include discontinuing use of that term by replacing it with "default service rate" and how the messaging can be improved to support the ability of customers to make more informed decisions when they evaluate competitive offers.
- Rejection of Duquesne's proposed Green Tariff Pilot; and,
- Rejection of the expansion of the Electric Vehicle Time-of-Use Pilot Program to include an EV-only TOU option.

Q. ARE YOU SPONSORING ANY EXHIBITS?

A. No.

II. STATEWIDE INVESTIGATION REGARDING DEFAULT SERVICE MESSAGING

Q. PLEASE RESTATE RESA'S RECOMMENDATIONS RELATED TO OPENING A STATEWIDE INVESTIGATION REGARDING DEFAULT SERVICE MESSAGING.

A. For the reasons supported by my Direct Testimony related to the current stagnant state of the retail competitive market for residential consumers and RESA's decision not to recommend more aggressive structural reforms in this proceeding, I recommend the opening of a statewide investigation regarding Commission approved messaging of the default service rate as the "Price-to-Compare" (or "PTC"). This investigation would include consideration of discontinuing use of that term and replacing it with "Default Service Rate" and exploration of how messaging can be improved to support the ability

of customers to make more informed decisions when they evaluate competitive offers. (RESA St. No. 1 at 9-17).

Q. HOW DID DUQUESNE RESPOND TO THIS PROPOSAL?

A. Duquesne opposes the proposal. Duquesne Witness Fisher focuses on the view that the availability of competitive offers is what is important and not whether or not consumers are receiving competitive supply. He also advocates that customers may be "choosing" not to shop and cites, with apparent agreement, the Direct Testimony of CAUSE-PA Witness Geller to claim that the pricing of EGS offers higher than the default service rate is the reason why customers are not electing to receive supply from an EGS. (Duquesne St. No. 3 at 3-6). Duquesne Witness Schuck claims that I provided no "substance" for the proposed statewide investigation beyond discontinuing use of the term "Price to Compare" to describe the default service rate and concludes that alone is not enough to "justify the dedicated resources and time to investigate." (Duquesne St. No. 6 at 11.)

Q. ARE YOU CONVINCED BY ANY OF DUQUESNE'S REBUTTAL TESTIMONY THAT RESA'S PROPOSAL SHOULD NOT BE ADOPTED?

A. I am not. Importantly, the purpose of an investigation is to consider current data and then make a determination on how to move forward. In RESA's view, as the term PTC has evolved and is used today to refer to the EDC provided default service rate, it is not an effective tool to help educate consumers about the differences between the default service rate and products in the competitive market. If there is no effort to revisit even the use of the term "PTC" as the rate by which all other prices should be gauged, then market development will continue to not reach its full potential for the benefit of consumers. When EGSs are not on a level playing field with the EDC's default service and cannot trust the regulatory landscape to support their investment of dollars for the benefit of

consumers, it is not realistic to expect full market development as envisioned by the Competitive Act. Notably, RESA's recommendation was a review of the term "PTC" and it is entirely possible that after a statewide investigation, the Commission would conclude that "PTC" remains the most accurate and acceptable term. The opposition to this type of discussion all these years later is not reasonable in consideration of the record evidence supporting the proposal. Further, and given the data and experience amassed over the years that would assist with developing a better understanding of how consumers view the competitive markets and the drivers of their decision making, I struggle to understand how evaluating current data with the goal of better informing customers is objectionable. I disagree with Duquesne Witness Schuck that the record in this proceeding does not form a solid basis upon which to further investigate these issues.

Q. DOES MR. FISHER'S TESTIMONY DISPUTING THE REASONS YOU OFFER TO SUPPORT THE OPENING OF A STATEWIDE INVESTIGATION GIVE YOU PAUSE?

A. No. Clearly RESA has a fundamental disagreement with Duquesne and the other advocates in this proceeding about the current state of the competitive market for mass market customers in Pennsylvania. I would note, though, that the Commission itself recognized that 2022 marked "the sixth straight year of decreasing customer accounts" served by an EGS. (RESA St. No. 1 at 9, referencing RESA Exh. FC-2 at 3). And, as discussed more fully in my Rebuttal Testimony, residential customers continue not to shop despite the presence of numerous offers available in the Pennsylvania retail market below the utilities' default service rate between May 2024 and July 2024. (RESA St. No. 1-R at 6-9, referencing RESA Exh. FC-6 through FC-8). Further, in his quest to claim that customers are making a decision "not to shop," Mr. Fisher does not consider the

issue of "customer inertia,"[2] as described by former Commission James Cawley. In my opinion, these facts undercut the view that customers are simply "choosing not to shop." Ultimately, none of the Duquesne witnesses present any reasonable basis to reject RESA's proposal to open a statewide investigation, which would have the benefit of evaluating current data and making recommendations that would ultimately better educate customers about the role of default service and competitive supplier options.

Q. DO OCA AND TURN/CAUSE-PA ALSO OPPOSE RESA'S RECOMMENDATION FOR A STATEWIDE INVESTIGATION?

A. Yes. Ms. Alexander and Mr. Geller oppose RESA's recommendations for reasons similar to those offered by PECO. Ms. Alexander calls RESA's proposal "unreasonable" given "the costs incurred, and years of customer education." (OCA St. No. 2-R at 5). She also explains her view that RESA fails to consider alleged "subsidies" EGSs receive as a result of the Commission approved Purchase of Receivables ("POR") program and the Customer Referral Standard Offer Program ("SOP"). (OCA St. 2-R at 3, 8-9). Mr. Geller opines that the default service proceeding is not the place to advocate for a statewide proceeding. He also opines that the default service rate is "appropriately" referred to as the Price-to-Compare to "serve a critical consumer education function" of supposedly helping consumers "to make fully informed decisions about the price they wish to pay for home energy services." (CAUSE-PA St. No. 1-R at 4-6).

[2] The "fundamental problem with the current default supply structure is that the majority of consumers will not make a proactive decision to choose an energy supplier when they are provided a default supplier if they do not choose one." *Investigation of Pennsylvania's Retail Electricity Market*, Docket No. I-2011-2237952 (Concurring and Dissenting Statement dated September 27, 2012) at 1. He pointed out that this "is especially so when customers are accustomed to receiving complete service from their electric utility." *Id.* Using the service territory of Duquesne Light Company as example, Commissioner Cawley noted that multiple supplier offers were available that would be more than 20% lower than the utility's prices but that the vast majority of customers were still not shopping. Based on this scenario, he concluded that "mass market customers, including residential and small commercial customers, often will not make affirmative choices for their supplier unless they are required to." *Id.* at 2.

Q. ARE YOU CONVINCED BY MS. ALEXANDER'S CONCERN ABOUT THE COSTS INCURRED AND TIME SPENT ESTABLISHING COMMISSION APPROVED CUSTOMER EDUCATION ABOUT SHOPPING AS A REASON TO NOT OPEN AN INVESTIGATION NOW?

A. No. I recognize her point, but I do not agree that just because something is in place and has existed over a number of years it should never be evaluated again. The Commission has significant data acquired over the past few years which would assist it and interested stakeholders in better understanding how consumers view the competitive markets and the drivers of their decision making. I struggle to understand how evaluating current data with the goal of better informing customers is objectionable.

Q. DO MS. ALEXANDER'S VIEWS ABOUT ALLEGED "SUBSIDIES" GRANTED TO EGSs MERIT ANY SERIOUS CONSIDERATION IN THE CONTEXT OF RESA'S RECOMMENDATION?

A. No. By taking this opportunity to air her grievances about the structure and operation of the current Commission-approved POR program and SOP, Ms. Alexander is attempting to shift the focus of attention away from the EDC provided default service product – the issue that is core to this proceeding. None of her points are relevant to consumers understanding the differences between the EDC provided default service supply product and competitive EGSs' offers and whether Commission approved messaging can be refined. With that said, I would be remiss if I did not point out that the Commission (with strong support from OCA) has determined that only the EDC may terminate service for non-payment. The ability to terminate service is a significant tool to collect payment for services rendered, and utilities (with their ratepayer funded billing and collections systems) have strong collections success historically. Despite this tool being available to utilities, EGSs in Pennsylvania and elsewhere have sought supplier consolidated billing, which would likewise permit them to terminate service for non-payment and, therefore,

take away the collections risk from the utility, but they have been met with strong opposition.

Thus, with POR, the EDC remains in control of the bill for supplier charges and maintains control of the ratepayer funded billing and collections systems developed over the years. The bill is the most powerful method for communicating with customers, and the EDC exercises total control over how the EGS may communicate with the EGS's own customers on the bill as well as what products and services can be invoiced. Dual billing for residential customers, under which EDCs send a bill for distribution charges and EGSs send a bill for supply charges, is completely unrealistic as it causes customer confusion and frustration and prohibits EGSs from having any serious chance of collecting payment for services rendered because they cannot terminate service for non-payment. For all these reasons, and even if it were relevant to the discussion about RESA's recommended statewide investigation, Ms. Alexander's claims that EGSs are "subsidized" by EDCs are patently false and unconstructive.

Q. DO YOU AGREE THAT THIS PROCEEDING IS NOT THE "RIGHT" PLACE TO ADVOCATE FOR A STATEWIDE INVESTIGATION AS ARGUED BY MR. GELLER?

A. No. Respectfully, Mr. Geller is trying to elevate form over substance. This proceeding is about the default service product. The structure of the default service product impacts the competitive market as I discussed in my testimony. The result impacts consumers. The Commission has the discretion, based on the testimony presented here, to determine that a statewide investigation is a reasonable way to proceed to address the statewide concerns belying the use of the term Price-to-Compare and the impact of Commission approved messaging on the competitive market. I am also informed by counsel that there are numerous examples of the Commission being persuaded by the record in a litigated

proceeding to open a statewide investigation to consider issues of broad applicability. For example, the Retail Markets Investigation was initiated in response to the record developed during the FirstEnergy merger case of 2010.[3]

Q. DOES THE MANNER IN WHICH EGSs PRICE PRODUCTS HAVE ANY BEARING ON YOUR RECOMMENDATION?

A. No, it does not. The witnesses for Duquesne, OCA and CAUSE-PA all attempt to shift focus to EGS pricing to avoid responding directly to the real issues I raised in my testimonies. However, I am informed by counsel that the Commission does not regulate EGS pricing and the Commission is equipped with tools to address violations by EGSs of the Commission's customer protection rules. Moreover, a structurally sound competitive market would take care of any instances of excessive pricing because the EGSs would be in real competition against each other rather than all EGSs just trying to "beat" the EDC provided default service rate which is established through a Commission approved procurement process and subject to reconciliations to ensure full cost recovery. Any anomalous EGS pricing would be rejected by customers and, therefore, would not be sustainable.

[3] *Joint Application of West Penn Power Company d/b/a Allegheny Power, Trans-Allegheny Interstate Line Company and FirstEnergy Corp. for a Certificate of Public Convenience under Section 1102(a)(3) of the Public Utility Code approving a change of control of West Penn Power Company and Trans-Allegheny Interstate Line Company*, Docket Nos. A-2010-2176520 and A-2010-2176732 (Order entered March 8, 2011), at 46. Similarly, the Commission elected to open an informal review of the non-market based charges imposed on load serving entities by PJM Interconnection, LLC as those issues were recurring in the various default service proceedings of the EDCs. *See* Secretarial Letter dated May 1, 2015 and addressed to All Jurisdictional Electric Distribution Companies. Similarly, the Commission has approved settlement agreements which recommended addressing issues raised in the context of the litigated proceeding through a statewide proceeding. Support for a statewide investigation regarding issues of broad concern raised in the context of its Smart Meter proceedings has also been included in Commission approved settlement agreements. *See Petition of PECO Energy Company for Approval of its Smart Meter Universal Deployment Plan, Docket No. M-2009-2123944,* Recommended Decision dated July 12, 2013, at 9.

Q. HAS MR. GELLER ACCURATELY CHARACTERIZED RESA'S CONCERNS REGARDING DEFAULT SERVICE?

A. No, he has not. His summary of my testimony about Pennsylvania's default service model and the state of competitive electric markets in Pennsylvania does not accurately convey all the points I made in my Direct Testimony. Importantly, Mr. Geller does not mention that the provision of default service by the EDC is a core problem of the current model. As I discussed at length in my Direct Testimony, "EDC provided default service enjoys name and brand recognition due to the historical monopoly status of EDCs, the fact that EDCs provide distribution service to all customers in their service territory and they continue to have an exclusive right to bill all customers (even those served by EGSs)." (RESA St. No. 1 at 11-14). I also pointed out that in the current market structure, "EGSs would not be able to offer or provide competitive services to retail customers without interfacing and having access to important EDC systems that have been developed and paid for by ratepayers during the time the EDCs operated as the monopoly provider for all electricity services." (RESA St. No. 1 at 6-7).

Q. WHY IS THE FACT THAT EDCS PROVIDE DEFAULT SERVICE IMPORTANT?

A. Because it creates opportunities that can blur the lines between necessary "partner" and true supply competitor. On one hand, EGSs have to rely on the systems of the EDCs to provide retail services and, as I am advised by counsel, the Competition Act provides directives and requirements to ensure that the EDCs do not misuse their position of power to forestall development of the competitive market. On the other hand, the EDCs <u>also</u> provide the "default service" supply product. I understand that this is a separate and distinct role created in the Competition Act which the Commission has elected to have performed by the EDCs. However, having the EDCs with all their brand recognition and

ratepayer funded systems available to support the default service product and educating consumers to treat the price of the default service product as the barometer by which to judge all competitive pricing offers has led to the problems in the marketplace today which I describe through my testimonies. The choice of Mr. Geller (and other witnesses as well) to evade the very real competitive market impacts of EDC provided default service is a significant disservice to consumers because it ignores a fundamental structural problem in existence today that is negatively impacting full development of a competitive market.

Q. WHY DO YOU TAKE ISSUE WITH MR. GELLER'S BEANS ANALOGY?

A. Mr. Geller argues that the price for electricity supply offered by various entities can be presented as directly comparable and then portrayed to consumers as an apples-to-apples choice for them to make, like grocery store tags showing the per unit price for various types of beans on the shelf. (CAUSE-PA St. No. 1-R). The differences between EDC provided default service and EGS competitive products are not just a simple and clearly visible matter of a bigger can, organic ingredients or low sodium. Rather they involved complex pricing calculations of the differences between guaranteed full cost recovery (available to EDC provided default service) and a lack of captive ratepayers for cost recovery when unforeseeable events occur such as Polar Vortex or unexpected PJM costs that impact the price of EGS provided retail products. The consumer looking at a can of beans in the grocery store has the ability to judge the differences in the products with no one product given a superior placement. The consumer of electricity, however, has not been given a similar opportunity but rather has been educated over many years that a comparison of the EDC provided default service rate to all other prices is appropriate. To take Mr. Geller's analogy *ad absurdum,* imagine if one type of beans was displayed

prominently on the shelf, given a government seal of approval as the default type of bean, and, even if purchased by a consumer at the displayed price, could result in the consumer getting a bill several months later for the actual "reconciled" price of the bean. Meanwhile, whole varieties of other beans are relegated to the bottom of the shelf and the price tags are written in such a way to make the approved beans appear the most desirable. An absurd scenario when beans are the commodity, but unfortunately all-too-real when it comes to electricity supply. While Mr. Geller clearly supports the view that the EDC provided default service price is the appropriate benchmark, my testimonies in this proceeding explain why these products are not directly comparable and how customers have been disserved by current messaging which does not make any meaningful attempt to explain the differences to consumers.

Q. BASED ON ALL OF THIS, DO YOU CONTINUE TO SUPPORT RESA'S RECOMMENDATION FOR A STATEWIDE INVESTIGATION?

A. I do. Neither Duquesne, OCA nor CAUSE-PA present sound reasons for rejecting the proposal. Instead, they offer their own views about the current state of the market and recommend that the status quo remain without any further evaluation. I find this to be a disservice to consumers and contrary to what I understand from counsel is the Commission's statutory obligation to foster the development of a functioning competitive market.

III. CONCLUSION

Q. DOES THAT COMPLETE YOUR SURREBUTTAL TESTIMONY?

A. Yes, it does.

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VERIFICATION

I, Frank Caliva III, hereby state that: (1) I am the President for P.R. Quinlan Associates; (2) the facts set forth in my surrebuttal testimony are true and correct (or are true and correct to the best of my knowledge, information and belief); and, (3) I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: 08/22/2024 | 7:41 AM PDT

DocuSigned by:
Frank Caliva III
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Frank Caliva III President
P.R. Quinlan Associates