

Michael Brechlin
Assistant General Counsel, Regulatory

411 Seventh Avenue
Mail drop 15-7
Pittsburgh, PA 15219



December 2, 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-Annual Reconciliation of Rider No. 5
Universal Service Charge
Docket No. M-2024-_____**

Dear Secretary Chiavetta:

Enclosed for filing, please find Duquesne Light Company's ("Duquesne Light" or "Company") is a copy of the Company's Rider No. 5- Universal Service Charge Rider reconciliation statement for the period November 1, 2023, through October 31, 2024. ("Reconciliation Filing").

The Pennsylvania Public Utility Commission ("Commission") approved Rider No. 5 in Duquesne Light's general base rate increase case at Docket No. R-2010-20179522. The reconcilable charge is designed to recover the costs incurred by the Company to provide its Universal Service and Energy Conservation Plan.

Should you have any questions, please do not hesitate to contact me or David Ogden, Senior Manager, Rates & Tariff Services, at (412) 393-6343 or dogden@duqlight.com

Respectfully Submitted,

Michael Brechlin

Assistant General Counsel,
Regulatory

Enclosures

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):

ELECTRONIC MAIL

Bureau of Investigation & Enforcement
Scott B. Granger
Commonwealth Keystone Building
400 North Street, 2nd Floor West
PO Box 3265
Harrisburg, PA 17105-3265
sgranger@pa.gov

Office of Small Business Advocate
Sharon E. Webb
Steven C. Gray
555 Walnut Street, 1st Floor
Harrisburg, PA 17101
swebb@pa.gov
sgray@pa.gov

Office of Consumer Advocate
Lauren R. Myers
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923
lmeyers@paoca.org

Bureau of Audits
Pennsylvania Public Utility Commission
Kelly Monaghan
Commonwealth Keystone Building
400 North Street, 3rd Floor East
Harrisburg, PA 17120
kmonaghan@pa.gov

Date: December 2, 2024



Michael Brechlin
Duquesne Light Company
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Pittsburgh, PA 15219
Phone: 412-393-6431
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EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2025

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2023 through October 31, 2024

	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Total
1 Net Surcharge Revenue, Incl. GRT	\$3,959,069	\$4,579,609	\$5,397,935	\$4,453,997	\$4,098,169	\$3,702,022	\$4,622,723	\$6,346,293	\$7,614,211	\$6,244,626	\$5,059,743	\$3,696,900	\$59,775,297
2 E-Factor Revenue, Incl. GRT	(\$485,861)	(\$559,868)	(\$651,862)	(\$514,618)	(\$485,759)	(\$437,791)	(\$548,161)	(\$742,649)	(\$900,570)	(\$788,666)	(\$558,409)	(\$435,516)	(\$7,109,730)
3 Universal Service Charge Related Revenue	\$3,473,208	\$4,019,741	\$4,746,073	\$3,939,379	\$3,612,410	\$3,264,230	\$4,074,562	\$5,603,644	\$6,713,641	\$5,455,959	\$4,501,334	\$3,261,384	\$52,665,566
4 Universal Service Charge Related Revenue	\$3,473,208	\$4,019,741	\$4,746,073	\$3,939,379	\$3,612,410	\$3,264,230	\$4,074,562	\$5,603,644	\$6,713,641	\$5,455,959	\$4,501,334	\$3,261,384	\$52,665,566
5 Less PA Gross Receipts Tax	\$204,919	\$237,165	\$280,018	\$232,423	\$213,132	\$192,590	\$240,399	\$330,615	\$396,105	\$321,902	\$265,579	\$192,422	\$3,107,268
6 Universal Service Charge Related Revenue	\$3,268,289	\$3,782,577	\$4,466,055	\$3,706,956	\$3,399,278	\$3,071,641	\$3,834,163	\$5,273,029	\$6,317,536	\$5,134,058	\$4,235,755	\$3,068,962	\$49,558,298
7 Expense	\$3,057,603	\$3,647,588	\$4,269,950	\$3,679,549	\$3,013,927	\$3,592,532	\$2,937,807	\$3,645,391	\$5,726,959	\$5,454,118	\$4,478,292	\$3,391,155	\$46,894,872
8 CAP Discount Credit	\$17,870	\$15,467	\$20,392	\$16,653	\$14,391	\$21,629	\$18,881	\$23,213	\$40,091	\$37,719	\$33,901	\$25,231	\$285,440
9 Adjusted Expense	\$3,039,734	\$3,632,121	\$4,249,558	\$3,662,896	\$2,999,536	\$3,570,903	\$2,918,926	\$3,622,178	\$5,686,867	\$5,416,399	\$4,444,391	\$3,365,924	\$46,609,432
10 Over/(Under) Collection	\$228,556	\$150,456	\$216,497	\$44,060	\$399,742	(\$499,263)	\$915,237	\$1,650,852	\$630,669	(\$282,341)	(\$208,636)	(\$296,962)	\$2,948,866
11 Interest	\$22,856	\$14,293	\$19,485	\$3,745	\$31,979	(\$37,445)	\$64,067	\$107,305	\$37,840	(\$15,529)	(\$10,432)	(\$13,363)	\$224,802
12 Total Over/(Under) Collection	\$251,411	\$164,749	\$235,982	\$47,805	\$431,721	(\$536,707)	\$979,304	\$1,758,157	\$668,509	(\$297,870)	(\$219,067)	(\$310,325)	\$3,173,667

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2025

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2023 through October 31, 2024

Rate Class	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Total
A. Actual Surcharge Revenue by Month, Incl. GRT													
1 RS	\$3,401,730	\$3,940,969	\$4,477,705	\$3,741,870	\$3,522,854	\$3,281,875	\$4,242,667	\$5,806,185	\$7,091,674	\$6,156,406	\$4,307,914	\$3,278,158	\$53,250,007
2 RH	\$478,512	\$549,672	\$801,951	\$615,901	\$491,359	\$349,253	\$307,020	\$444,901	\$342,516	\$46,497	\$687,979	\$334,676	\$5,450,236
3 RA	\$78,827	\$88,968	\$118,279	\$96,227	\$83,957	\$70,894	\$73,036	\$95,207	\$180,021	\$41,723	\$63,849	\$84,066	\$1,075,054
4 Total	\$3,959,069	\$4,579,609	\$5,397,935	\$4,453,997	\$4,098,169	\$3,702,022	\$4,622,723	\$6,346,293	\$7,614,211	\$6,244,626	\$5,059,743	\$3,696,900	\$59,775,297
B. Actual Surcharge Revenue by Month, Excl. GRT													
5 RS	\$3,201,028	\$3,708,452	\$4,213,521	\$3,521,100	\$3,315,006	\$3,088,244	\$3,992,350	\$5,463,620	\$6,673,266	\$5,793,178	\$4,053,747	\$3,084,746	\$50,108,257
6 RH	\$450,279	\$517,241	\$754,636	\$579,563	\$462,369	\$328,647	\$288,906	\$418,652	\$322,307	\$43,753	\$647,389	\$314,930	\$5,128,672
7 RA	\$74,176	\$83,719	\$111,301	\$90,549	\$79,003	\$66,711	\$68,726	\$89,590	\$169,400	\$39,262	\$60,082	\$79,107	\$1,011,626
8 Total	\$3,725,484	\$4,309,413	\$5,079,457	\$4,191,212	\$3,856,377	\$3,483,602	\$4,349,982	\$5,971,862	\$7,164,973	\$5,876,193	\$4,761,218	\$3,478,783	\$56,248,554

EXHIBIT 1

**Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2025**

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2023 through October 31, 2024

<u>Rate Class</u>	<u>Nov-23</u>	<u>Dec-23</u>	<u>Jan-24</u>	<u>Feb-24</u>	<u>Mar-24</u>	<u>Apr-24</u>	<u>May-24</u>	<u>Jun-24</u>	<u>Jul-24</u>	<u>Aug-24</u>	<u>Sep-24</u>	<u>Oct-24</u>	<u>Total</u>
A. Actual Non-CAP kWh by Month													
1 RS	220,725,473	254,876,924	278,734,765	222,919,022	215,304,589	200,141,014	258,645,575	354,098,316	431,096,862	376,055,902	263,556,546	200,433,371	3,276,588,360
2 RH	31,160,222	35,439,065	49,930,459	36,680,688	29,950,442	21,235,917	19,258,690	22,906,980	26,237,512	24,223,474	19,395,928	19,811,452	336,230,828
3 RA	5,183,568	5,910,578	7,345,904	5,667,285	5,136,293	4,288,700	4,652,781	5,803,381	6,877,198	6,249,552	4,887,231	4,248,070	66,250,542
4 B. E-Factor Rate (1) Cents per kWh, Inc. GRT	(0.189)	(0.189)	(0.194)	(0.194)	(0.194)	(0.194)	(0.194)	(0.194)	(0.194)	(0.194)	(0.194)	(0.194)	
C. E-Factor Revenue, Incl. GRT													
5 RS	(\$417,171)	(\$481,717)	(\$540,745)	(\$432,463)	(\$417,691)	(\$388,274)	(\$501,772)	(\$686,951)	(\$836,328)	(\$729,548)	(\$511,300)	(\$388,841)	(\$6,332,801)
6 RH	(\$58,893)	(\$66,980)	(\$96,865)	(\$71,161)	(\$58,104)	(\$41,198)	(\$37,362)	(\$44,440)	(\$50,901)	(\$46,994)	(\$37,628)	(\$38,434)	(\$648,958)
7 RA	(\$9,797)	(\$11,171)	(\$14,251)	(\$10,995)	(\$9,964)	(\$8,320)	(\$9,026)	(\$11,259)	(\$13,342)	(\$12,124)	(\$9,481)	(\$8,241)	(\$127,971)
8 Total	(\$485,861)	(\$559,868)	(\$651,862)	(\$514,618)	(\$485,759)	(\$437,791)	(\$548,161)	(\$742,649)	(\$900,570)	(\$788,666)	(\$558,409)	(\$435,516)	(\$7,109,730)
D. E-Factor Revenue, Excl. GRT													
9 RS	(\$392,558)	(\$453,296)	(\$508,841)	(\$406,948)	(\$393,047)	(\$365,365)	(\$472,168)	(\$646,421)	(\$786,985)	(\$686,505)	(\$481,133)	(\$365,899)	(\$5,959,166)
10 RH	(\$55,418)	(\$63,028)	(\$91,150)	(\$66,962)	(\$54,676)	(\$38,767)	(\$35,158)	(\$41,818)	(\$47,898)	(\$44,221)	(\$35,408)	(\$36,167)	(\$610,669)
11 RA	(\$9,219)	(\$10,512)	(\$13,410)	(\$10,346)	(\$9,377)	(\$7,829)	(\$8,494)	(\$10,594)	(\$12,555)	(\$11,409)	(\$8,922)	(\$7,755)	(\$120,421)
12 Total	(\$457,195)	(\$526,836)	(\$613,402)	(\$484,256)	(\$457,099)	(\$411,962)	(\$515,819)	(\$698,833)	(\$847,437)	(\$742,135)	(\$525,463)	(\$409,821)	(\$6,690,256)

1/ Per December 1, 2022 submittal at Docket No. M-2022-3037030 and November 30, 2023 submittal at Docket No. M-2023-3044521.

EXHIBIT 1

Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2025

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2023 through October 31, 2024

	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Total
1 CAP Revenue Deficiency	\$2,450,072	\$2,780,092	\$3,683,718	\$3,044,391	\$2,348,973	\$2,577,871	\$2,171,404	\$2,982,337	\$4,807,495	\$4,209,590	\$3,454,262	\$2,573,519	\$37,083,724
2 CAP Frozen Arrearage	\$341,886	\$197,831	\$197,328	\$226,397	\$300,159	\$482,553	\$464,340	\$311,625	\$338,945	\$340,015	\$310,407	\$337,832	\$3,849,317
3 Recoverable PIPP Costs - 55% (4)	\$12,574	\$7,041	\$5,359	\$5,365	\$6,424	\$14,971	\$11,486	\$5,171	\$10,205	\$9,625	\$11,590	\$7,821	\$107,631
4 CAP Administrative Costs	\$26,243	\$276,292	\$151,217	\$151,217	\$151,311	\$151,217	\$138,694	\$26,243	\$276,192	\$153,917	\$144,663	\$150,155	\$1,797,361
5 Smart Comfort	\$214,745	\$374,249	\$220,245	\$240,095	\$194,977	\$353,837	\$139,800	\$225,846	\$282,039	\$728,888	\$545,287	\$309,744	\$3,829,753
6 CARES	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$12,083	\$145,000
7 Hardship Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$82,086	\$0	\$0	\$0	\$0	\$82,086
8 Total Expenses	\$3,057,603	\$3,647,588	\$4,269,950	\$3,679,549	\$3,013,927	\$3,592,532	\$2,937,807	\$3,645,391	\$5,726,959	\$5,454,118	\$4,478,292	\$3,391,155	\$46,894,872
9 CAP Customers	38,197	37,732	37,755	37,693	37,823	38,459	38,497	38,451	38,747	38,949	39,241	39,102	
10 Monthly Enrollment Level (1)	35,853	35,853	35,853	35,853	35,853	35,853	35,853	35,853	35,853	35,853	35,853	35,853	
11 CAP Customers>Enrollment	2,344	1,879	1,902	1,840	1,970	2,606	2,644	2,598	2,894	3,096	3,388	3,249	
12 Average CAP Deficiency/CAP Customer (2)	\$64.14	\$73.68	\$97.57	\$80.77	\$62.10	\$67.03	\$56.40	\$77.56	\$124.07	\$108.08	\$88.03	\$65.82	
13 Average Frozen Arrearage/CAP Customer (2)	\$8.95	\$5.24	\$5.23	\$6.01	\$7.94	\$12.55	\$12.06	\$8.10	\$8.75	\$8.73	\$7.91	\$8.64	
14 Deficiency and Arrearage Combined	\$73.09	\$78.92	\$102.80	\$86.77	\$70.04	\$79.58	\$68.47	\$85.67	\$132.82	\$116.81	\$95.94	\$74.46	
15 Bad Debt Offset (3)	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	10.43%	
16 CAP Discount Credit (line 11 * line 14 * line 15)	\$17,870	\$15,467	\$20,392	\$16,653	\$14,391	\$21,629	\$18,881	\$23,213	\$40,091	\$37,719	\$33,901	\$25,231	\$285,440
17 Total Adjusted Expenses (line 8 - line 16)	\$3,039,734	\$3,632,121	\$4,249,558	\$3,662,896	\$2,999,536	\$3,570,903	\$2,918,926	\$3,622,178	\$5,686,867	\$5,416,399	\$4,444,391	\$3,365,924	\$46,609,432
18 Non-Recoverable PIPP Costs - 45% (4)	\$10,288	\$5,761	\$4,384	\$4,390	\$5,256	\$12,249	\$9,397	\$4,231	\$8,349	\$7,875	\$9,483	\$6,399	\$88,061

1/ Per Tariff No. 25, Rider 5, Universal Service Charge, page 94 and at Docket No. R-2019-3013287. In accordance with the Company's approved distribution rate case at Docket No. R-2021-3024750, effective 01/15/2022 the CAP participation level has been reset per the provisions of Rider No. 5.

2/ Average amount per CAP customer per month.

3/ Per Company Tariff No. 25, Rider 5, Universal Service Charge, page 94.

4/ Pursuant to the Commission's Order on Reconsideration entered April 19, 2018, at Docket No. M-2016-2534323, concurrent with the transition to the PIPP, CAP customers' in-program arrears (IPA) will be written off, giving CAP customers who are delinquent at that time a "fresh start" as a one-time accommodation. The Company will assume responsibility for 45% of this IPA, and will not seek rate recovery on this amount. The remaining 55% - not to exceed 55% of \$12 million, or \$6.6 million - will be deferred and combined with CAP customers' pre-program arrearages, and forgiven in 1/24th increments upon CAP customers' in-full monthly payments. The costs of this forgiven IPA will be recovered via Duquesne Light's USC. The IPA balance at cutover is \$10.4M.

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Duquesne Light Company
Rider No. 5 - Universal Service Charge
Proposed Charge Effective January 1, 2025

Statement of Over/(Under) Collection for the Reconciliation Period - November 1, 2023 through October 31, 2024

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2 E-Factor Revenue, Excl. GRT	(\$457,195)	(\$526,836)	(\$613,402)	(\$484,256)	(\$457,099)	(\$411,962)	(\$515,819)	(\$698,833)	(\$847,437)	(\$742,135)	(\$525,463)	(\$409,821)	(\$6,690,256)
3 Universal Service Charge Related Revenue, Excl. GRT	\$3,268,289	\$3,782,577	\$4,466,055	\$3,706,956	\$3,399,278	\$3,071,641	\$3,834,163	\$5,273,029	\$6,317,536	\$5,134,058	\$4,235,755	\$3,068,962	\$49,558,298
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5 Over/(Under) Collection	\$228,556	\$150,456	\$216,497	\$44,060	\$399,742	(\$499,263)	\$915,237	\$1,650,852	\$630,669	(\$282,341)	(\$208,636)	(\$296,962)	\$2,948,866
6 Interest Rate	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%	
7 Interest Weight	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	12/12	11/12	10/12	9/12	
8 Interest	\$22,856	\$14,293	\$19,485	\$3,745	\$31,979	(\$37,445)	\$64,067	\$107,305	\$37,840	(\$15,529)	(\$10,432)	(\$13,363)	\$224,802