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VIA HAND DELIVERY

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September 14, 2012

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street, 2nd Floor Harrisburg, PA 17120

RE: Petition of Duquesne Light Company for Approval of its Final Smart Meter Procurement and Installation Plan; Docket No. M-2009-2123948

Dear Secretary Chiavetta:

Enclosed please find for filing with the Pennsylvania Public Utility Commission the Prehearing Memorandum of the Duquesne Industrial Intervenors ("DII"), in the above-referenced proceeding.

As shown by the attached Certificate of Service, all parties to this proceeding are being duly served. Please date stamp the extra copy of this transmittal letter and Prehearing Memorandum, and kindly return them to our messenger for our filing purposes. Thank you.

Very truly yours,

MCNEES WALLACE & NURICK LLC

Teresa K. Schmittberger

Counsel to the Duquesne Industrial Intervenors

Enclosures

c: Administrative Law Judge Katrina Dunderdale (via E-mail and First-Class Mail) Certificate of Service

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BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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Petition of Duquesne Light Company for Approval of its Final Smart Meter Procurement And Installation Program

Docket No. M-2009-2123948

PREHEARING MEMORANDUM OF THE DUQUESNE INDUSTRIAL INTERVENORS

The Duquesne Industrial Intervenors ("DII") hereby submit this Prehearing Memorandum in the above-referenced proceeding. DII intends to participate in this proceeding as an "active" party.

I. HISTORY OF THE PROCEEDING

On September 25, 2009, DII filed a Petition to Intervene in the above-referenced docket.

On June 29, 2012, the Duquesne Light Company ("Duquesne" or "Company") filed the above-referenced Petition with the Pennsylvania Public Utility Commission ("PUC" or "Commission"). The Petition requests approval of Duquesne's proposed Final Smart Meter Procurement and Installation Plan ("Final Smart Meter Plan").

On August 17, 2012, the Commission issued a Secretarial Letter stating that the proceeding would be referred to the Office of Administrative Law Judge.

The Prehearing Conference for the instant proceeding will be held on September 17, 2012. Administrative Law Judge ("ALJ") Katrina L. Dunderdale is the presiding officer.

II. ANTICIPATED ISSUES AND SUB-ISSUES

DII's preliminary review of the Company's Petition indicates a significant \$238 million cost associated with the implementation of the Company's Final Smart Meter Plan. DII is concerned regarding the necessity and allocation of these costs, particularly with respect to Large Commercial and Industrial ("C&I") customers.

Moreover, DII anticipates that other parties to this proceeding will recommend proposals in their testimony that may adversely impact the costs and terms of service for Large C&I customers. Under such circumstances, DII will participate in order to protect the interests of Large C&I customers. DII reserves the right to raise and address other issues of concern and to respond to issues raised by other parties.

III. PROPOSED WITNESSES

DII is in the process of evaluating whether it will sponsor testimony in this proceeding. In the event that DII decides to sponsor testimony, it will inform the parties and the ALJ as soon as possible of the intended witness(es) and topics of testimony. DII also intends to participate in this proceeding through the submission of discovery; the cross-examination of other parties' witnesses; participation in settlement negotiations as they occur; and the submission of briefs, exceptions, and reply exceptions, as necessary.

IV. PROPOSED SCHEDULE AND DISCOVERY RULES

DII will work with the parties to develop an appropriate procedural schedule. DII will cooperate to develop discovery rules in accordance with the Commission's regulations and any ALJ directives.

V. POSSIBILITY OF SETTLEMENT

DII is willing to participate in discussions with the other parties to amicably resolve the issues in this proceeding.

Respectfully submitted,

MCNEES WALLACE & NURICK LLC

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Counsel to the Duquesne Industrial Intervenors

Dated: September 14, 2012

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CERTIFICATE OF SERVICE

I hereby certify that I am this day serving a true copy of the foregoing document upon the participants listed below in accordance with the requirements of Section 1.54 (relating to service by a participant):

VIA E-MAIL AND FIRST-CLASS MAIL

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Teresa K. Schmittberger

Counsel to the Duquesne Industrial Intervenors

Dated this 14th day of September, 2012, in Harrisburg, Pennsylvania.

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