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September 17, 2018

Via Electronic Filing

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

**Re: Duquesne Light Company – Transmission Service Charge Interim Adjustment
Supplement No. 182 to Tariff Electric – Pa. P.U.C. No. 24**

Dear Secretary Chiavetta:

Enclosed for filing is an original copy of Supplement No. 182 to Duquesne Light Company's ("Company") Tariff Electric – Pa. P.U.C. No. 24 ("Supplement No. 182"). Supplement No. 182 revises the Company's Tariff Appendix A, Transmission Service Charges ("TSC"), to become effective October 1, 2018.

This filing represents an interim adjustment to the Company's TSC to reflect the effects of the Federal Energy Regulatory Commission's ("FERC") *Order on Contested Settlement*, issued May 31, 2018, at FERC Docket No. EL05-121-009 ("Settlement Order"). The Settlement Order approved a contested multiparty settlement¹ that provides, in relevant part, for a Transmission Enhancement Charge Adjustment to be paid or credited to Responsible Customers (as defined in the PJM Tariff) from January 1, 2016, to December 31, 2025. The Company is a beneficiary of Transmission Enhancement Charge Adjustment credits under the settlement, and began receiving a credit of approximately \$900,000 each month beginning July 31, 2018.

This monthly credit is not reflected in the Company's present TSC rates, because the Settlement Order was issued, and the Company began receiving this monthly credit, after the Company filed its most recent adjustment to the TSC on May 15, 2018 (Supplement No. 178, permitted to become effective by Secretarial Letter dated May 29, 2018, at Docket No. M-2018-3001534). Supplement No. 182 would reduce TSC rates to: (1) refund to customers the monthly credits the Company will have received under the Settlement Order as of October 1, 2018, (together totaling approximately \$2.8 million) through May 31, 2019; and (2) reflect the Company's projected ongoing receipt of a monthly credit of approximately \$900,000 through May 31, 2019. Based on these figures, this filing updates final retail transmission rates for the Company's default service customers for the period October 1, 2018, through May 31, 2019. Also

¹ The Pennsylvania Public Utility Commission and Duquesne Light Company are both parties to the settlement.



enclosed please find Attachment A, which provides supporting detailed calculations for the proposed retail transmission rates.

Supplement No. 182 is filed pursuant to 52 Pa. Code § 69.1809 (authorizing interim price adjustments to default service rates, which include the TSC)² and Appendix A to the Company's tariff (governing the TSC), which provides in part:

The Transmission Service Charges (TSC) defined herein will be updated effective June 1st of each calendar year **or more often upon determination that the rates then in effect would result in a significant over or under collection.** (Emphasis added.)

As described above, the TSC rates currently in effect do not account for the monthly credit under the Settlement Order, and therefore would result in a significant over collection through the TSC's next annual adjustment on June 1, 2019. The Company respectfully submits that this proposed adjustment to the TSC is in the public interest because it is reasonably necessary to avert such projected over collection.

Attachment A to the Company's tariff does not prescribe a minimum time period between the filing and effective date of interim adjustments to the TSC. The Company respectfully requests that the Commission authorize Supplement No. 182 to become effective October 1, 2018, (i.e., on 14 days' notice) to expedite the return to customers of credits under the Settlement Agreement.

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

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Michael W. Zimmerman".

Michael W. Zimmerman
Counsel, Regulatory

Enclosures

cc: David Ogden
Certificate of Service

² See, e.g., 52 Pa. Code § 69.1809(a) ("Consistent with the default service regulations, default service rates, and correspondingly the PTC, may not be adjusted more frequently than on a quarterly basis for residential and small business customers to reflect changes in and ensure the recovery of reasonable costs resulting from changes in wholesale energy prices or other costs from the introduction of new, differently priced energy supply products to the DSP's portfolio, and to correct the under and over collection of costs. . .") More than one quarter (i.e., more than three months) have elapsed since the most recent adjustment to the TSC on June 1, 2018.

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).

VIA U.S. MAIL

Bureau of Investigation and Enforcement
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor West
P.O. Box 3265
Harrisburg, PA 17105-3265

Pennsylvania Public Utility Commission
UPARC
Bureau of Audits
3070 William Pitt Way
Pittsburgh, PA 15238

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101-1923

Office of Small Business Advocate
Commerce Tower, Suite 202
300 North Second Street
Harrisburg, PA 17101-1923



Michael Zimmerman
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Phone: 412-393-6268
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Dated: September 17, 2018



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

Richard Riazzi
President and Chief Executive Officer

ISSUED: September 17, 2018

EFFECTIVE: October 1, 2018

NOTICE

THIS TARIFF SUPPLEMENT DECREASES RATES WITHIN AN EXISTING APPENDIX

In accordance with Commission Order at Docket No. M-2018-2641242 adopted and entered on March 15, 2018, the current rates and riders are declared to be temporary rates pursuant to Section 1310 (d) of the Public Utility Code, 66 Pa. C.S. § 1310(d) for a trial period ending September 15, 2018.

See Page Two

LIST OF MODIFICATIONS MADE BY THIS TARIFF**DECREASE****Appendix A – Transmission Service Charges****Nineteenth Revised Page No. 113
Cancelling Eighteenth Revised Page No. 113****Twelfth Revised Page No. 114
Cancelling Eleventh Revised Page No. 114**

Supplement No. 182 to Tariff No. 24 is being filed to refund customers the monthly credit the Duquesne Zone began receiving July 31, 2018, through PJM, for its allocated share of the Settlement dated May 31, 2018, at EL05-121-009. The Settlement addresses the assignment of cost responsibility for Required Transmission Enhancements operating at or above 500 kV that the PJM Board approved prior to February 1, 2013.

APPENDIX A

TRANSMISSION SERVICE CHARGES

(Applicable to All Rates)

The Company will provide and charge for transmission service consistent with the PJM Open Access Transmission Tariff approved or accepted by the Federal Energy Regulatory Commission (FERC) for customers who receive Default Service from the Company. Customers taking Default Service from the Company shall be charged in accordance with the charges of the applicable rate schedules stated below. These charges shall also apply to riders applicable to each rate schedule.

MONTHLY RATES

| Rate Class | Energy Charge \$/kWh | Demand Charge \$/kW | Monthly Charge Per Fixture | Monthly Charge Per Fixture | Monthly Charge Per Fixture | |
|-----------------------------|----------------------|-----------------------|----------------------------|----------------------------|----------------------------|-------------|
| RS | \$0.013764 | — | | | | (D) |
| RH | \$0.004588 | — | | | | (D) |
| RA | \$0.009661 | — | | | | (D) |
| GS | \$0.007339 | — | | | | (D) |
| GM < 25 kW | \$0.003556 | \$1.56 | | | | (D) |
| GM => 25 kW | \$0.003502 | \$1.77 | | | | (D) |
| GMH < 25 kW | \$0.002588 | \$3.29 ⁽¹⁾ | | | | (D) |
| GMH => 25 kW | \$0.002227 | \$5.09 ⁽¹⁾ | | | | (D) |
| GL | — | \$3.95 | | | | (D) |
| GLH | — | \$4.61 | | | | (D) |
| L | — | \$4.10 | | | | (D) |
| HVPS | — | \$4.10 | | | | (D) |
| AL | \$0.008101 | — | | | | (D) |
| SE | (\$0.002564) | — | | | | (D) |
| UMS | (\$0.002564) | \$4.47 | | | | (D) |
| | | | Rate Class | | | |
| | | | SH | PAL | SM | |
| By Wattage | | | | | | |
| Mercury Vapor | | | | | | |
| 100 | | | — | — | (\$0.13) | (D) |
| 175 | | | — | — | (\$0.23) | (D) |
| 250 | | | — | — | (\$0.31) | (D) |
| 400 | | | — | — | (\$0.49) | (D) |
| 1000 | | | — | — | (\$1.17) | (D) |
| High Pressure Sodium | | | | | | |
| 70 | | | — | (\$0.08) | (\$0.09) | (D) (D) |
| 100 | | | (\$0.16) | (\$0.13) | (\$0.15) | (D) (D) (D) |
| 150 | | | (\$0.23) | (\$0.19) | (\$0.22) | (D) (D) (D) |
| 200 | | | (\$0.31) | — | — | (D) |
| 250 | | | — | (\$0.29) | (\$0.33) | (D) (D) |
| 400 | | | (\$0.55) | (\$0.45) | (\$0.52) | (D) (D) (D) |
| 1000 | | | — | — | (\$1.18) | (D) |

(1) June through September

APPENDIX A – (Continued)

TRANSMISSION SERVICE CHARGES – (Continued)

(Applicable to All Rates)

MONTHLY RATES – (Continued)

| Rate Class | Energy Charge \$/kWh | Demand Charge \$/kW | Monthly Charge Per Fixture | Monthly Charge Per Fixture | Monthly Charge Per Fixture | |
|-----------------------------------|----------------------|---------------------|----------------------------|----------------------------|----------------------------|-----|
| | | | Rate Class | | | |
| By Wattage | | | SH | PAL | SM | |
| Flood Lighting - Unmetered | | | | | | |
| 70 | | | — | (\$0.08) | — | (D) |
| 100 | | | — | (\$0.12) | — | (D) |
| 150 | | | — | (\$0.18) | — | (D) |
| 250 | | | — | (\$0.27) | — | (D) |
| 400 | | | — | (\$0.41) | — | (D) |
| Light-Emitting Diode (LED) | | | | | | |
| 43 | | | — | — | (\$0.05) | (D) |
| 106 | | | — | — | (\$0.11) | (D) |

BILLING DEMAND

Billing Demand subject to Transmission Service Charges for customers taking service under Rate Schedules GS/GM and GMH shall be the same as that determined for distribution and supply charges under the applicable rate schedules.

Billing Demand subject to Transmission Service Charges for Customers taking service under Rate Schedules GL, GLH, L, HVPS and UMS shall be the customer's daily network service coincident peak load contribution in MW. This quantity is determined based on the customer's load coincident with the annual peak of the Duquesne Zone (single coincident peak) as defined in the PJM Tariff Section 34.1.

ANNUAL UPDATE

The Transmission Service Charges (TSC) defined herein will be updated effective June 1st of each calendar year or more often upon determination that the rates then in effect would result in a significant over or under collection. On or about May 1st, the Company will file revised TSC rates with the PA Public Utility Commission (Commission) defining rates in effect from June 1 to May 31 of the following year, the computation year. These rates shall be determined based on the projected revenue requirement for the computation year, the projected cost of PJM charges and the over or under collection of expenses based on actual TSC revenue and expense incurred up to March 1 of each filing year. The revenue requirement and over or under collection shall be allocated to each rate class based on the class contribution to the Company's coincident peak load (1CP) and Default Service share of the 1CP load from the previous calendar year. The costs for ancillary services and PJM administrative expenses are included in the Default Service Supply rates defined in Rider No. 8. The costs for ancillary services and PJM administrative expenses for rate classes GL, GLH, L and HVPS will be billed in accordance with Rider No. 9. The rates applicable to each Rate Schedule shall be determined in accordance with the following formulas.

(D) – Indicates Decrease

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Proposed Rates - Effective October 1, 2018**

| A | B | C | D | E |
|---------------------------------------|-----------------------------------|-----------------------------|----------------------------|-----------------------------------|
| <u>Rate Class</u> | <u>Energy kWh per Fixture/Mo.</u> | <u>Energy Charge \$/kWh</u> | <u>Demand Charge \$/KW</u> | <u>Monthly Charge Per Fixture</u> |
| RS | | \$0.013764 | | |
| RH | | \$0.004588 | | |
| RA | | \$0.009661 | | |
| GS | | \$0.007339 | | |
| GM<25 kW | | \$0.003556 | \$1.56 | |
| GM=>25 kW | | \$0.003502 | \$1.77 | |
| GMH<25 kW | | \$0.002588 | \$3.29 | |
| GMH=>25 kW | | \$0.002227 | \$5.09 | |
| GL | | | \$3.95 | |
| GLH | | | \$4.61 | |
| L | | | \$4.10 | |
| HVPS | | | \$4.10 | |
| AL | | \$0.008101 | | |
| SE | | (\$0.002564) | | |
| UMS | | (\$0.002564) | \$4.47 | |
| SM (1) | | (\$0.003042) | | |
| <u>Mercury Vapor</u> | | | | |
| 100 watt lamp | 44 | | | (\$0.13) |
| 175 watt lamp | 74 | | | (\$0.23) |
| 250 watt lamp | 102 | | | (\$0.31) |
| 400 watt lamp | 161 | | | (\$0.49) |
| 1,000 watt lamp | 386 | | | (\$1.17) |
| <u>High Pressure Sodium</u> | | | | |
| 70 watt lamp | 29 | | | (\$0.09) |
| 100 watt lamp | 50 | | | (\$0.15) |
| 150 watt lamp | 71 | | | (\$0.22) |
| 250 watt lamp | 110 | | | (\$0.33) |
| 400 watt lamp | 170 | | | (\$0.52) |
| 1,000 watt lamp | 387 | | | (\$1.18) |
| <u>LED</u> | | | | |
| 43 watt lamp | 15 | | | (\$0.05) |
| 106 watt lamp | 37 | | | (\$0.11) |
| SH (1) | | (\$0.003234) | | |
| <u>High Pressure Sodium</u> | | | | |
| 100 watt lamp | 50 | | | (\$0.16) |
| 150 watt lamp | 71 | | | (\$0.23) |
| 200 watt lamp | 95 | | | (\$0.31) |
| 400 watt lamp | 170 | | | (\$0.55) |
| PAL (1) | | | | |
| <u>High Pressure Sodium</u> | | (\$0.002663) | | |
| 70 watt lamp | 29 | | | (\$0.08) |
| 100 watt lamp | 50 | | | (\$0.13) |
| 150 watt lamp | 71 | | | (\$0.19) |
| 250 watt lamp | 110 | | | (\$0.29) |
| 400 watt lamp | 170 | | | (\$0.45) |
| <u>Flood Lighting & Unmetered</u> | | | | |
| 70 watt lamp | 29 | | | (\$0.08) |
| 100 watt lamp | 46 | | | (\$0.12) |
| 150 watt lamp | 67 | | | (\$0.18) |
| 250 watt lamp | 100 | | | (\$0.27) |
| 400 watt lamp | 155 | | | (\$0.41) |

(1) Unmetered lighting rates billed a fixed charge per month. Monthly fixed charge based on lamp wattage and kWh usage.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Rate Component Summary - Effective October 1, 2018**

| | | B | | C | | D | | E | | F | | G | | H | | I | |
|-------------------|------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|---|--|---|--|
| | | Rate Component to Recover Projected PJM Charges Att. A, page 3 | | Rate Component to Recover (Over)/Under Collection of E-Factor Charges for the Reconciliation Period Att. A, page 5 | | Rate Component to Recover Projected PJM Charges Att. A, page 7 & 8 | | Proposed Rates Effective October 1, 2018 B+D+F | | C+E+G | | | | | | | |
| <u>Rate Class</u> | | <u>Energy Rate</u> \$/kWh | <u>Demand Rate</u> \$/kW/mo. | <u>Energy Rate</u> \$/kWh | <u>Demand Rate</u> \$/kW/mo. | <u>Energy Rate</u> \$/kWh | <u>Demand Rate</u> \$/kW/mo. | <u>Energy Rate</u> \$/kWh | <u>Demand Rate</u> \$/kW/mo. | <u>Energy Rate</u> \$/kWh | <u>Demand Rate</u> \$/kW/mo. | <u>Energy Rate</u> \$/kWh | <u>Demand Rate</u> \$/kW/mo. | | | | |
| 1 | RS | \$0.016779 | n/a | (\$0.004970) | n/a | \$0.001955 | n/a | \$0.013764 | n/a | | | | | | | | |
| 2 | RH | \$0.007249 | n/a | (\$0.004616) | n/a | \$0.001955 | n/a | \$0.004588 | n/a | | | | | | | | |
| 3 | RA | \$0.013522 | n/a | (\$0.005816) | n/a | \$0.001955 | n/a | \$0.009661 | n/a | | | | | | | | |
| 4 | GS | \$0.011086 | n/a | (\$0.005702) | n/a | \$0.001955 | n/a | \$0.007339 | n/a | | | | | | | | |
| 5 | GM<25 kW | \$0.006706 | \$1.56 | (\$0.005105) | n/a | \$0.001955 | n/a | \$0.003556 | \$1.56 | | | | | | | | |
| 6 | GM=>25 kW | \$0.005804 | \$1.77 | (\$0.004257) | n/a | \$0.001955 | n/a | \$0.003502 | \$1.77 | | | | | | | | |
| 7 | GMH<25 kW | \$0.005005 | \$3.29 | (\$0.004372) | n/a | \$0.001955 | n/a | \$0.002588 | \$3.29 | | | | | | | | |
| 8 | GMH=>25 kW | \$0.004674 | \$5.09 | (\$0.004402) | n/a | \$0.001955 | n/a | \$0.002227 | \$5.09 | | | | | | | | |
| 9 | AL | n/a | n/a | \$0.006146 | n/a | \$0.001955 | n/a | \$0.008101 | n/a | | | | | | | | |
| 10 | SE | n/a | n/a | (\$0.004519) | n/a | \$0.001955 | n/a | (\$0.002564) | n/a | | | | | | | | |
| 11 | SM | n/a | n/a | (\$0.004997) | n/a | \$0.001955 | n/a | (\$0.003042) | n/a | | | | | | | | |
| 12 | SH | n/a | n/a | (\$0.005189) | n/a | \$0.001955 | n/a | (\$0.003234) | n/a | | | | | | | | |
| 13 | UMS | n/a | \$4.61 | (\$0.004519) | (\$0.14) | \$0.001955 | n/a | (\$0.002564) | \$4.47 | | | | | | | | |
| 14 | PAL | n/a | n/a | (\$0.004618) | n/a | \$0.001955 | n/a | (\$0.002663) | n/a | | | | | | | | |
| 15 | GL | n/a | \$4.61 | n/a | (\$1.38) | n/a | \$0.72 | n/a | \$3.95 | | | | | | | | |
| 16 | GLH | n/a | \$4.61 | n/a | (\$0.72) | n/a | \$0.72 | n/a | \$4.61 | | | | | | | | |
| 17 | L | n/a | \$4.61 | n/a | (\$1.23) | n/a | \$0.72 | n/a | \$4.10 | | | | | | | | |
| 18 | HVPS | n/a | \$4.61 | n/a | (\$1.23) | n/a | \$0.72 | n/a | \$4.10 | | | | | | | | |

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Calculation of Retail Rates to Recover Projected Transmission Charges**

| | A | B | C | D | E = C + D | F | G | H = E / F | I = E / G |
|----|-------------------------|-----------------------------|----------------------------------|----------------------------|---|--------------------------|--------------------------|-----------------------------------|--------------------------------------|
| | <u>Rate Class</u> | <u>Class 1CP kW (2)</u> | <u>Allocated Charges (3)</u> | <u>PA GRT at 5.90%</u> | <u>Adjusted Revenue Requirement</u> | <u>Sales kWh (4)</u> | <u>Demand kW (4)</u> | <u>Energy Rate \$/kWh</u> | <u>Demand Rate \$/kW/mo.</u> |
| 1 | Revenue Requirement (1) | | \$139,341,808 | | | | | | |
| 2 | RS | 1,063,327 | \$55,300,637 | \$3,467,309 | \$58,767,946 | 3,502,438,158 | 0 | \$0.016779 | n/a |
| 3 | RH | 49,626 | \$2,580,925 | \$161,822 | \$2,742,747 | 378,383,680 | 0 | \$0.007249 | n/a |
| 4 | RA | 13,880 | \$721,855 | \$45,260 | \$767,115 | 56,732,692 | 0 | \$0.013522 | n/a |
| 5 | GS | 19,441 | \$1,011,079 | \$63,394 | \$1,074,473 | 96,921,790 | 0 | \$0.011086 | n/a |
| 6 | GM<25 kW | 116,373 | \$6,052,236 | \$379,471 | \$6,431,707 | 479,530,486 | 2,056,798 | \$0.006706 | \$1.56 |
| 7 | GM=>25 kW | 479,944 | \$24,960,529 | \$1,565,007 | \$26,525,535 | 2,284,943,882 | 7,501,532 | \$0.005804 | \$1.77 |
| 8 | GMH<25 kW | 6,598 | \$343,132 | \$21,514 | \$364,647 | 36,430,171 | 55,479 | \$0.005005 | \$3.29 |
| 9 | GMH=>25 kW | 38,670 | \$2,011,114 | \$126,095 | \$2,137,209 | 228,612,851 | 209,989 | \$0.004674 | \$5.09 |
| 10 | AL | 0 | \$0 | \$0 | \$0 | 108,419 | 0 | n/a | n/a |
| 11 | SE | 0 | \$0.00 | \$0 | \$0 | 24,414,803 | 0 | n/a | n/a |
| 12 | SM | 0 | \$0 | \$0 | \$0 | 26,269,341 | 0 | n/a | n/a |
| 13 | SH | 0 | \$0 | \$0 | \$0 | 862,577 | 0 | n/a | n/a |
| 14 | UMS | 2,415 | \$125,613 | \$7,876 | \$133,489 | 19,487,075 | 28,984 | n/a | \$4.61 |
| 15 | PAL | 0 | \$0 | \$0 | \$0 | 2,795,008 | 0 | n/a | n/a |
| 16 | GL | 483,593 | \$25,150,309 | \$1,576,906 | \$26,727,215 | 2,784,705,828 | 5,803,117 | n/a | \$4.61 |
| 17 | GLH | 73,636 | \$3,829,622 | \$240,114 | \$4,069,736 | 394,101,190 | 883,637 | n/a | \$4.61 |
| 18 | L | 205,961 | \$10,711,426 | \$671,598 | \$11,383,025 | 1,250,502,573 | 2,471,526 | n/a | \$4.61 |
| 19 | HVPS | 125,816 | \$6,543,330 | \$410,262 | \$6,953,592 | 1,145,602,096 | 1,509,791 | n/a | \$4.61 |
| 20 | TOTAL | 2,679,280 | \$139,341,808 | \$8,736,628 | \$148,078,436 | 12,712,842,618 | 20,520,852 | | |

(1) The revenue requirement is the net zonal revenue requirement in the Company's FERC Formula Filing that was submitted May 15, 2018, effective June 1, 2018 to May 31, 2019. The net zonal revenue requirement is used to determine the Network Service Rate for the Duquesne zone that is charged to network customers by PJM in accordance with the Open Access Transmission Tariff. PJM charges the Company the Network Service Rate for POLR load.

(2) Actual peak load July 19, 2017 at hour 16, by rate class.

(3) Revenue requirement allocated to each rate class based on class share of total 1CP.

(4) Forecast June 2018 to May 2019 sales and billing demand assuming 100% POLR load.

Demand for rates GL, GLH, L, HVPS and UMS is based on the rate class 1CP load in accordance with the tariff. Rates are calculated at 100% POLR load. Any (over)/under collection will be reconciled in the subsequent year transmission service charge ("TSC") filing through the e-factor charge.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix B
Reconciliation of E-Factor Revenue for the Prior Periods**

| | | A | B | C | D |
|-------------------|--------------|--|--|--|--|
| | | Net Prior Period E-Factor Revenue (Over)/Under Collection | Net Current Period Forecast & Actual E-Factor Revenue | Previous E-Factor Revenue (Over)/Under Collection | [C-(B-A)] Total Current E-Factor Balance (Over)/Under Collection |
| | | March 2017 to May 2017 | June 2017 to May 2018 | May 15, 2017 Filing Att. A, Page 5 | Total (Over) / Under Collection |
| <u>Rate Class</u> | | <u>Exh. 1, Page 14</u> | <u>Exh. 1, Page 15</u> | | |
| 1 | RS | \$13,254 | (\$2,305,044) | (\$2,281,375) | \$36,924 |
| 2 | RH | \$4,209 | \$252,358 | \$246,068 | (\$2,081) |
| 3 | RA | (\$765) | (\$21,865) | (\$19,008) | \$2,093 |
| 4 | GS | \$528 | (\$50,074) | (\$49,285) | \$1,316 |
| 5 | GM < 25 kW | \$1,557 | (\$181,844) | (\$186,620) | (\$3,218) |
| 6 | GM => 25 kW | (\$167,325) | \$104,037 | \$118,430 | (\$152,932) |
| 7 | GMH < 25 kW | \$374 | \$111,154 | \$124,648 | \$13,867 |
| 8 | GMH => 25 kW | (\$3,011) | \$159,039 | \$157,518 | (\$4,531) |
| 9 | AL | \$2 | \$54 | \$98 | \$46 |
| 10 | SE | \$0 | \$0 | (\$30,128) | (\$30,128) |
| 11 | SM | \$9 | \$53,978 | \$54,649 | \$680 |
| 12 | SH | (\$0) | \$3,961 | \$3,903 | (\$59) |
| 13 | UMS | (\$225) | (\$949) | (\$1,483) | (\$759) |
| 14 | PAL | \$58 | \$9,675 | \$10,377 | \$760 |
| 15 | GL | \$0 | (\$19,765) | (\$19,031) | \$735 |
| 16 | GLH | (\$5,731) | \$73,877 | \$105,354 | \$25,746 |
| 17 | L | \$0 | \$0 | (\$7,599) | (\$7,599) |
| 18 | HVPS | \$0 | \$0 | \$73,102 | \$73,102 |
| 19 | Total | (\$157,065) | (\$1,811,409) | (\$1,700,382) | (\$46,038) |

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Calculated "e" Factor Rate to Reconcile (Over)/Under Collection of Transmission Charges**

| A | B | C | D = B + C | E | G = D + E + F | H | I | J = G / H | K = G / I | L | M | N = J + L | O = K + M |
|--------------|--|---|---|--|--|-----------------------------------|--------------------------|--------------------------|-----------------------------|--|----------|--------------------------|-----------------------------|
| Rate Class | Reconciliation Period E-Factor Revenue (Over)/Under Collection <u>Exh. 1, Page 13</u> | PA GRT at 5.90% <u>Exh. 1, Page 1</u> | Total Reconciliation Period E-Factor Revenue (Over)/Under Collection <u>Exh. 1, Page 1</u> | Total Prior Period E-Factor Revenue (Over)/Under Collection <u>Att. A, Page 4</u> | Total E-Factor Revenue (Over)/Under Collection <u>Att. A, Page 4</u> | Forecast POLR Sales kWh (1) | POLR Demand kW (1) | Energy Rate \$/kWh | Demand Rate \$/kW/mo. | Projected PJM Credits Att. A, pages 11 & 12 | | Energy Rate \$/kWh | Demand Rate \$/kW/mo. |
| 1 RS | (\$1,015,596) | (\$63,677) | (\$1,079,273) | \$36,924 | (\$1,042,350) | 2,312,630,752 | 0 | (\$0.000451) | n/a | (\$0.004519) | n/a | (\$0.004970) | n/a |
| 2 RH | (\$25,829) | (\$1,619) | (\$27,448) | (\$2,081) | (\$29,529) | 304,985,682 | 0 | (\$0.000097) | n/a | (\$0.004519) | n/a | (\$0.004616) | n/a |
| 3 RA | (\$48,741) | (\$3,056) | (\$51,797) | \$2,093 | (\$49,704) | 38,311,191 | 0 | (\$0.001297) | n/a | (\$0.004519) | n/a | (\$0.005816) | n/a |
| 4 GS | (\$76,601) | (\$4,803) | (\$81,404) | \$1,316 | (\$80,088) | 67,716,857 | 0 | (\$0.001183) | n/a | (\$0.004519) | n/a | (\$0.005702) | n/a |
| 5 GM<25 kW | (\$140,000) | (\$8,778) | (\$148,778) | (\$3,218) | (\$151,996) | 259,468,586 | 0 | (\$0.000586) | n/a | (\$0.004519) | n/a | (\$0.005105) | n/a |
| 6 GM=>25 kW | \$294,868 | \$18,488 | \$313,356 | (\$152,932) | \$160,425 | 612,051,863 | 0 | \$0.000262 | n/a | (\$0.004519) | n/a | (\$0.004257) | n/a |
| 7 GMH<25 kW | (\$9,828) | (\$616) | (\$10,444) | \$13,867 | \$3,423 | 23,357,405 | 0 | \$0.000147 | n/a | (\$0.004519) | n/a | (\$0.004372) | n/a |
| 8 GMH=>25 kW | \$12,280 | \$770 | \$13,050 | (\$4,531) | \$8,519 | 72,774,750 | 0 | \$0.000117 | n/a | (\$0.004519) | n/a | (\$0.004402) | n/a |
| 9 AL | (\$6) | (\$0) | (\$7) | \$46 | \$39 | 3,665 | 0 | \$0.010665 | n/a | (\$0.004519) | n/a | \$0.006146 | n/a |
| 10 SE | \$0 | \$0 | \$0 | (\$30,128) | (\$30,128) | 0 | 0 | n/a | n/a | (\$0.004519) | n/a | (\$0.004519) | n/a |
| 11 SM | (\$6,184) | (\$388) | (\$6,572) | \$680 | (\$5,891) | 12,315,193 | 0 | (\$0.000478) | n/a | (\$0.004519) | n/a | (\$0.004997) | n/a |
| 12 SH | (\$489) | (\$31) | (\$519) | (\$59) | (\$578) | 862,577 | 0 | (\$0.000670) | n/a | (\$0.004519) | n/a | (\$0.005189) | n/a |
| 13 UMS | \$33 | \$2 | \$35 | (\$759) | (\$723) | 3,274,386 | 5,015 | n/a | (\$0.14) | (\$0.004519) | n/a | (\$0.004519) | (\$0.14) |
| 14 PAL | (\$916) | (\$57) | (\$974) | \$760 | (\$213) | 2,146,301 | 0 | (\$0.000099) | n/a | (\$0.004519) | n/a | (\$0.004618) | n/a |
| 15 GL | (\$46,798) | (\$2,934) | (\$49,732) | \$735 | (\$48,998) | 145,647,665 | 328,995 | n/a | (\$0.15) | n/a | (\$1.23) | n/a | (\$1.38) |
| 16 GLH | (\$704) | (\$44) | (\$748) | \$25,746 | \$24,999 | 22,357,425 | 48,755 | n/a | \$0.51 | n/a | (\$1.23) | n/a | (\$0.72) |
| 17 L | \$0 | \$0 | \$0 | (\$7,599) | (\$7,599) | 0 | 0 | n/a | n/a | n/a | (\$1.23) | n/a | (\$1.23) |
| 18 HVPS | \$0 | \$0 | \$0 | \$73,102 | \$73,102 | 0 | 0 | n/a | n/a | n/a | (\$1.23) | n/a | (\$1.23) |
| 19 Total | (\$1,064,510) | (\$66,744) | (\$1,131,254) | (\$46,038) | (\$1,177,291) | 3,877,904,298 | 382,764 | | | | | | |

1) Forecast June 2018 to May 2019 POLR sales and billing demand. For rate classes GL, GLH, L, HVPS and UMS, the forecast June 2018 through May 2019 POLR demand is the forecast 1CP used for billing purposes.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Projected PJM Enhancement Charges**

Transmission Enhancement Charges (PJM OATT Schedule 12, RTEP)

Share of Revenue Requirements Allocated to the Duquesne Zone
Published by PJM, January 1, 2018

| | <u>Monthly</u> | <u>Annual</u> |
|--|--------------------|---------------------|
| 1 Trans-Allegheny Interstate Line Company (TrAILCo) | \$251,149 | \$3,013,790 |
| 2 Potomac-Appalachian Transmission Highline, L.L.C. (PATH) | (\$27,683) | (\$332,193) |
| 3 Baltimore Gas and Electric Company's Network Customers | \$1,785 | \$21,425 |
| 4 Dominion Virginia Power's Network Customers | \$227,840 | \$2,734,084 |
| 5 PSE&G's Network Customers | \$186,678 | \$2,240,138 |
| 6 PPL Electric Utilities Corp. dba PPL Utilities | \$137,144 | \$1,645,730 |
| 7 AEP East Operating Companies | \$445,500 | \$5,345,998 |
| 8 APS Zone RTEP | \$38,337 | \$460,048 |
| 9 Atlantic Electric's Network Customers | \$4,373 | \$52,474 |
| 10 Delmarva's Network Customers | \$910 | \$10,920 |
| 11 PEPCO's Network Customers | \$1,744 | \$20,929 |
| 12 Mid-Atlantic Interstate Transmission, LLC | \$1,088 | \$13,061 |
| 13 PECO Energy Company | \$10,748 | \$128,974 |
| 14 American Transmission Systems, Inc. | \$58,749 | \$704,987 |
| 15 Transource Maryland, LLC | \$10 | \$116 |
| 16 Transource Pennsylvania, LLC | \$20 | \$237 |
| 17 Total Charges | \$1,338,393 | \$16,060,719 |

Total 1CP (MW)
2,679.3

Residential, Small C&I, & Medium C&I

| | <u>POLR</u> | <u>EGS</u> | <u>Total</u> |
|---|--|-------------|--------------|
| 18 Load 1CP(MW) | 983.8 | 806.5 | 1,790.3 |
| 19 Allocated Charges for Cost Recovery | \$5,897,048 | \$4,834,600 | \$10,731,648 |
| 20 Forecast Sales (MWh) | 3,709,899 | 3,428,032 | 7,137,931 |
| 21 Average Charge for POLR Cost Recovery (\$/MWh) | \$1.5895 | | |

Large C&I (1)

| | <u>POLR</u> | <u>EGS</u> | <u>Total</u> |
|--|--|-------------|--------------|
| 22 Load 1CP (MW) | 36.6 | 852.4 | 889.0 |
| 23 Allocated Charges for Cost Recovery | \$219,503 | \$5,109,567 | \$5,329,070 |
| 17 Forecast 1CP (MW) | 377.7 | 10,755.7 | 11,133.4 |
| 18 Average Charge for POLR Cost Recovery (\$/MW) | \$581.08 | | |

(1) Reflects the change in transmission cost recovery for Large C&I default service Hourly Priced Service (HPS) customers that was adopted as part of the Commission order entered December 22, 2016 at Docket No. P-2016-2543140. Effective June 1, 2017, the Company's Supplier Master Agreement (SMA) will now accommodate Large C&I HPS customers. The transmission cost recovery provisions in the SMA (Appendix D) for Large C&I HPS customers are now similar to that used for other procurement classes.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Summary of Projected PJM Rates by Component - Residential, Lighting, Small C&I, & Medium C&I**

| Component of Projected Rate | | | |
|---|--|------------------------------|-------------------|
| 1 | Average Ancillary Service Charge (1) | | n/a |
| 2 | Average PJM Administrative Charges | Schedule 9-1 to 9-5 | n/a |
| 3 | PJM OATT FERC Annual Recovery (1) | Schedule 9-FERC | n/a |
| 4 | PJM OATT Organization of PJM States, Inc. (1) | Schedule 9-OPSI | n/a |
| 5 | PJM OATT North American Electric Reliability Corp. (1) | Schedule 10-NERC | n/a |
| 6 | PJM OATT Reliability First Corp. (1) | Schedule 10-RFC | n/a |
| 7 | PJM OATT Transmission Enhancement Charges | Schedule 12 (Att. A, page 6) | \$1.5895 \$/MWh |
| | | | |
| <u>Expansion Cost Recovery</u> | | Schedule 13 | |
| 8 | Expansion Cost Recovery Charges, Mar. 2017-Feb. 2018 | Exh. 1, page 6 | \$0 |
| 9 | Forecast POLR sales (MWh) (2) | Att. A, page 5 | <u>3,709,899</u> |
| 10 | Expansion Cost Recovery Charge | Line 8 / Line 9 | \$0.0000 \$/MWh |
| | | | |
| <u>Reliability Must Run (RMR) Charges</u> | | | |
| 11 | Estimated Annual First Energy RMR Charges (3) | Exh. 1, page 5 | \$36,833 |
| 12 | Forecast POLR sales (MWh) (2) | Att. A, page 5 | <u>3,709,899</u> |
| 13 | RMR Charge | Line 11 / Line 12 | \$0.0099 \$/MWh |
| | | | |
| <u>Deferred Tax Charges</u> | | Attachment H-17C | |
| 14 | Estimated Annual Charges (4) | Exh. 1, page 5 | \$891,071 |
| 15 | Forecast POLR sales (MWh) (2) | Att. A, page 5 | <u>3,709,899</u> |
| 16 | Deferred Tax Charge | Line 14 / Line 15 | \$0.2402 \$/MWh |
| <hr/> | | | |
| 17 | Total (Line 7 + Line 10 + Line 13 + Line 16) | | \$1.8396 \$/MWh |
| | | | |
| 18 | Pennsylvania Gross Receipts Tax | 5.90% | \$0.1153 \$/MWh |
| | | | |
| 19 | Total Charges | | \$1.9549 \$/MWh |
| | | | |
| 20 | Adjustment to Retail Rates | | \$0.001955 \$/kWh |
| <hr/> | | | |
| Calculation of Projected PJM Charges | | | |
| 21 | Average Residential, Lighting, Small C&I, & Medium C&I PJM Charge | | \$1.8396 \$/MWh |
| 22 | Forecast Residential, Lighting, Small C&I, & Medium C&I POLR Sales | | 3,709,899 MWh |
| 23 | Projected Residential, Small C&I, & Medium C&I PJM Charges | | \$6,824,731 |

- (1) Ancillary Service and PJM Administrative charges are the responsibility of the wholesale default service suppliers.
(2) POLR sales and cost estimate exclude large C&I POLR sales and costs.
(3) Estimate based on January 2018 RMR charges. Also known as Generation Deactivation charges.
(4) Estimate based on average of months in which charges were incurred in the reconciliation period.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Summary of Projected PJM Rates by Component- Large C&I (4)**

| Component of Projected Rate | | | |
|---|--|------------------------------|----------------|
| 1 | Average Ancillary Service Charge (1) | | n/a |
| 2 | Average PJM Administrative Charges | Schedule 9-1 to 9-5 | n/a |
| 3 | PJM OATT FERC Annual Recovery (1) | Schedule 9-FERC | n/a |
| 4 | PJM OATT Organization of PJM States, Inc. (1) | Schedule 9-OPSI | n/a |
| 5 | PJM OATT North American Electric Reliability Corp. (1) | Schedule 10-NERC | n/a |
| 6 | PJM OATT Reliability First Corp. (1) | Schedule 10-RFC | n/a |
| 7 | PJM OATT Transmission Enhancement Charges | Schedule 12 (Att. A, page 6) | \$581.08 \$/MW |
| | | | |
| <u>Expansion Cost Recovery</u> | | Schedule 13 | |
| 8 | Expansion Cost Recovery Charges, Mar. 2017-Feb. 2018 | Exh. 1, page 6 | \$0 |
| 9 | Forecast POLR Large C&I 1CP (MW) | Att. A, page 5 | <u>377.7</u> |
| 10 | Expansion Cost Recovery Charge | Line 8 / Line 9 | \$0.0000 \$/MW |
| | | | |
| <u>Reliability Must Run (RMR) Charges</u> | | | |
| 11 | Estimated Annual First Energy RMR Charges (2) | Exh. 1, page 5 | \$1,426 |
| 12 | Forecast POLR Large C&I 1CP (MW) | Att. A, page 5 | <u>377.7</u> |
| 13 | RMR Charge | Line 11 / Line 12 | \$3.7739 \$/MW |
| | | | |
| <u>Deferred Tax Charges</u> | | Attachment H-17C | |
| 14 | Estimated Annual Charges (3) | Exh. 1, page 5 | \$34,501 |
| 15 | Forecast POLR Large C&I 1CP (MW) | Att. A, page 5 | <u>377.7</u> |
| 16 | Deferred Tax Charge | Line 14 / Line 15 | \$91.33 \$/MW |
| <hr/> | | | |
| 17 | Total (Line 7 + Line 10 + Line 13 + Line 16) | | \$676.19 \$/MW |
| | | | |
| 18 | Pennsylvania Gross Receipts Tax | 5.90% | \$42.40 \$/MW |
| | | | |
| 19 | Total Charges | | \$718.58 \$/MW |
| | | | |
| 20 | Adjustment to Retail Rates | | \$0.72 \$/kW |
| <hr/> | | | |
| Calculation of Projected PJM Charges | | | |
| 21 | Average Large C&I PJM Charge | | \$676.19 \$/MW |
| 22 | Forecast Large C&I POLR 1CP | | 377.7 MW |
| 23 | Projected Large C&I PJM Charges | | \$255,430 |

- (1) Ancillary Service and PJM Administrative charges are the responsibility of the wholesale default service suppliers.
(2) Estimate based on January 2018 RMR charges. Also known as Generation Deactivation charges.
(3) Estimate based on average of months in which charges were incurred in the reconciliation period.
(4) Refer to footnote (1) on page A6.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Transmission Rate Impact on Customer Bills**

| | Rates Effective - 9/1/2018 | | Proposed Rates Effective 10/1/18 | | Change | Change | |
|---|--|------------|----------------------------------|------------|--------------------|-------------------|--------------|
| | Rate | Charges | Rate | Charges | | | |
| Residential 600 kWh Customer (RS) | | | | | | | |
| 1 | Distribution (\$/month) | \$10.00 | \$10.00 | \$10.00 | \$10.00 | \$0.00 | 0.0% |
| 2 | Retail Market Enhancement (¢ per customer) | 8.00 | \$0.08 | 8.00 | \$0.08 | \$0.00 | 0.0% |
| 3 | EEC&DR Surcharge, Phase I (¢/kWh) | 0.0000 | \$0.00 | 0.0000 | \$0.00 | \$0.00 | 0.0% |
| 4 | EEC&DR Surcharge, Phase II (¢/kWh) | 0.0000 | \$0.00 | 0.0000 | \$0.00 | \$0.00 | 0.0% |
| 5 | EEC&DR Surcharge, Phase III (¢/kWh) | 0.1200 | \$0.72 | 0.1200 | \$0.72 | \$0.00 | 0.0% |
| 6 | Smart Meter (¢/month) | 417.00 | \$4.17 | 417.00 | \$4.17 | \$0.00 | 0.0% |
| 7 | Universal Service Charge (¢/kWh) | 0.972 | \$5.83 | 0.972 | \$5.83 | \$0.00 | 0.0% |
| 8 | Distribution (¢/kWh) | 4.7054 | \$28.23 | 4.7054 | \$28.23 | \$0.00 | 0.0% |
| 9 | Transmission (¢/kWh) | 1.8283 | \$10.97 | 1.3764 | \$8.26 | (\$2.71) | -24.7% |
| 10 | Supply (¢/kWh) | 6.1337 | \$36.80 | 6.1337 | \$36.80 | \$0.00 | 0.0% |
| 11 | Distribution System Improvement Charge | 3.84% | \$1.88 | 3.84% | \$1.88 | \$0.00 | 0.0% |
| 12 | Total | | \$98.69 | | \$95.98 | (\$2.71) | -2.7% |
| Commercial 10 KW & 2,000 kWh Customer (GM < 25) | | | | | | | |
| 13 | Distribution (\$/month) | \$42.00 | \$42.00 | \$42.00 | \$42.00 | \$0.00 | 0.0% |
| 14 | Distribution (\$/KW) - over 5KW | \$5.60 | \$28.00 | \$5.60 | \$28.00 | \$0.00 | 0.0% |
| 15 | Retail Market Enhancement (¢ per customer) | 15.00 | \$0.15 | 15.0000 | \$0.15 | \$0.00 | 0.0% |
| 16 | EEC&DR Surcharge, Phase I (¢/kWh) | 0.0000 | \$0.00 | 0.0000 | \$0.00 | \$0.00 | 0.0% |
| 17 | EEC&DR Surcharge, Phase II (¢/kWh) | 0.0000 | \$0.00 | 0.0000 | \$0.00 | \$0.00 | 0.0% |
| 18 | EEC&DR Surcharge, Phase III (¢/kWh) | 0.1600 | \$3.20 | 0.1600 | \$3.20 | \$0.00 | 0.0% |
| 19 | Smart Meter (¢/month) | 417.00 | \$4.17 | 417.00 | \$4.17 | \$0.00 | 0.0% |
| 20 | Distribution (¢/kWh) | 1.1061 | \$22.12 | 1.1061 | \$22.12 | \$0.00 | 0.0% |
| 21 | Transmission (\$/KW) | \$1.56 | \$15.60 | \$1.56 | \$15.60 | \$0.00 | 0.0% |
| 22 | Transmission (¢/kWh) | 0.8075 | \$16.15 | 0.3556 | \$7.11 | (\$9.04) | -56.0% |
| 23 | Supply (¢/kWh) | 5.8026 | \$116.05 | 5.8026 | \$116.05 | \$0.00 | 0.0% |
| 24 | Distribution System Improvement Charge | 3.84% | \$3.83 | 3.84% | \$3.83 | \$0.00 | 0.0% |
| 25 | Total | | \$251.27 | | \$242.23 | (\$9.04) | -3.6% |
| Commercial 25 KW & 10,000 kWh Customer (GM => 25) | | | | | | | |
| 26 | Distribution (\$/month) | \$54.00 | \$54.00 | \$54.00 | \$54.00 | \$0.00 | 0.0% |
| 27 | Distribution (\$/KW) - over 5KW | \$5.58 | \$111.60 | \$5.58 | \$111.60 | \$0.00 | 0.0% |
| 28 | Retail Market Enhancement (¢ per customer) | 95.00 | \$0.95 | 95.00 | \$0.95 | \$0.00 | 0.0% |
| 29 | EEC&DR Surcharge, Phase I (¢/kWh) | 0.0000 | \$0.00 | 0.0000 | \$0.00 | \$0.00 | 0.0% |
| 30 | EEC&DR Surcharge, Phase II (¢/kWh) | 0.0000 | \$0.00 | 0.0000 | \$0.00 | \$0.00 | 0.0% |
| 31 | EEC&DR Surcharge, Phase III (¢/kWh) | 0.1600 | \$16.00 | 0.1600 | \$16.00 | \$0.00 | 0.0% |
| 32 | Smart Meter (¢/month) | 417.00 | \$4.17 | 417.00 | \$4.17 | \$0.00 | 0.0% |
| 33 | Distribution (¢/kWh) | 0.9364 | \$93.64 | 0.9364 | \$93.64 | \$0.00 | 0.0% |
| 34 | Transmission (\$/KW) | \$1.77 | \$44.25 | \$1.77 | \$44.25 | \$0.00 | 0.0% |
| 35 | Transmission (¢/kWh) | 0.8021 | \$80.21 | 0.3502 | \$35.02 | (\$45.19) | -56.3% |
| 36 | Supply (¢/kWh) | 5.5901 | \$559.01 | 5.5901 | \$559.01 | \$0.00 | 0.0% |
| 37 | Distribution System Improvement Charge | 3.84% | \$10.77 | 3.84% | \$10.77 | \$0.00 | 0.0% |
| 38 | Total | | \$974.59 | | \$929.40 | (\$45.19) | -4.6% |
| Industrial 500 KW & 200,000 kWh Customer (GL) | | | | | | | |
| 39 | Distribution (\$/KW) - first 300 KW | \$2,700.00 | \$2,700.00 | \$2,700.00 | \$2,700.00 | \$0.00 | 0.0% |
| 40 | Distribution (\$/KW) - additional KW | \$8.09 | \$1,618.00 | \$8.09 | \$1,618.00 | \$0.00 | 0.0% |
| 41 | Retail Market Enhancement (¢ per customer) | (1.00) | (\$0.01) | (1.00) | (\$0.01) | \$0.00 | 0.0% |
| 42 | EEC&DR Surcharge, Phase I (\$/month) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| 43 | EEC&DR Surcharge, Phase I (\$/KW) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| 44 | EEC&DR Surcharge, Phase II (\$/month) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| 45 | EEC&DR Surcharge, Phase II (\$/KW) | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | 0.0% |
| 46 | EEC&DR Surcharge, Phase III (\$/month) | \$931.50 | \$931.50 | \$931.50 | \$931.50 | \$0.00 | 0.0% |
| 47 | EEC&DR Surcharge, Phase III (\$/KW) | \$0.23 | \$115.00 | \$0.23 | \$115.00 | \$0.00 | 0.0% |
| 48 | Smart Meter (¢/month) | 417.00 | \$4.17 | 417.00 | \$4.17 | \$0.00 | 0.0% |
| 49 | Transmission - 1CP rate (\$/KW/month) | \$5.18 | \$2,589.29 | \$3.95 | \$1,974.29 | (\$615.00) | -23.8% |
| 50 | Supply (¢/kWh) | 5.4647 | \$10,929.33 | 5.4647 | \$10,929.33 | \$0.00 | 0.0% |
| 51 | Distribution System Improvement Charge | 3.84% | \$206.16 | 3.84% | \$206.16 | \$0.00 | 0.0% |
| 52 | Total | | \$19,093.43 | | \$18,478.43 | (\$615.00) | -3.2% |

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Calculated Revenue at Current and Proposed Rates**

| Rate Class | Forecast POLR Billing Units (October 2018 - May 2019) | | Current Rates Effective 6/1/18 | | | Proposed Rates Effective 10/1/2018 | | |
|--------------|--|-----------------|-----------------------------------|----------------|--------------|---------------------------------------|----------------|--------------|
| | POLR sales (kWh) | Demand (KW) (1) | Energy (\$/kWh) | Demand (\$/KW) | Revenue | Energy (\$/kWh) | Demand (\$/KW) | Revenue |
| | 1 RS | 1,373,339,568 | 0 | \$0.018283 | | \$25,108,630 | \$0.013764 | |
| 2 RH | 240,269,891 | 0 | \$0.009107 | | \$2,188,114 | \$0.004588 | | \$1,102,334 |
| 3 RA | 25,160,862 | 0 | \$0.014180 | | \$356,779 | \$0.009661 | | \$243,077 |
| 4 GS | 45,852,913 | 0 | \$0.011858 | | \$543,719 | \$0.007339 | | \$336,510 |
| 5 GM<25 kW | 162,699,804 | 0 | \$0.008075 | \$1.56 | \$1,313,785 | \$0.003556 | \$1.56 | \$578,544 |
| 6 GM=>25 kW | 390,497,724 | 0 | \$0.008021 | \$1.77 | \$3,132,143 | \$0.003502 | \$1.77 | \$1,367,484 |
| 7 GMH<25 kW | 16,689,926 | 0 | \$0.007107 | \$3.29 | \$118,614 | \$0.002588 | \$3.29 | \$43,192 |
| 8 GMH=>25 kW | 50,804,273 | 0 | \$0.006746 | \$5.09 | \$342,721 | \$0.002227 | \$5.09 | \$113,136 |
| 9 GL | 91,948,880 | 222,937 | | \$5.18 | \$1,154,499 | | \$3.95 | \$880,286 |
| 10 GLH | 14,958,089 | 33,038 | | \$5.84 | \$192,894 | | \$4.61 | \$152,258 |
| 11 L | 0 | 0 | | \$5.33 | \$0 | | \$4.10 | \$0 |
| 12 HVPS | 0 | 0 | | \$5.33 | \$0 | | \$4.10 | \$0 |
| 13 AL | 2,591 | 0 | \$0.012620 | | \$33 | \$0.008101 | | \$21 |
| 14 SE | 0 | 0 | \$0.001955 | | \$0 | (\$0.002564) | | \$0 |
| 15 SM | 8,244,978 | 0 | \$0.001477 | | \$12,177 | (\$0.003042) | | -\$25,082 |
| 16 SH | 577,916 | 0 | \$0.001285 | | \$743 | (\$0.003234) | | -\$1,869 |
| 17 UMS | 2,174,816 | 3,398 | \$0.001955 | \$4.47 | \$19,441 | (\$0.002564) | \$4.47 | \$9,613 |
| 18 PAL | 1,433,593 | 0 | \$0.001856 | | \$2,661 | (\$0.002663) | | -\$3,818 |
| 19 Total | 2,424,655,823 | 259,373 | | | \$34,486,950 | | | \$23,698,194 |

| Rate Class | Forecast 100% POLR Billing Units (October 2018 - May 2019) | | Current Rates Effective 6/1/18 | | | Proposed Rates Effective 10/1/2018 | | |
|---------------|---|-----------------|-----------------------------------|----------------|---------------|---------------------------------------|----------------|--------------|
| | POLR sales (kWh) | Demand (KW) (1) | Energy (\$/kWh) | Demand (\$/KW) | Revenue | Energy (\$/kWh) | Demand (\$/KW) | Revenue |
| | 20 RS | 2,079,898,359 | 0 | \$0.018283 | | \$38,026,574 | \$0.013764 | |
| 21 RH | 298,093,355 | 0 | \$0.009107 | | \$2,714,706 | \$0.004588 | | \$1,367,623 |
| 22 RA | 37,259,176 | 0 | \$0.014180 | | \$528,331 | \$0.009661 | | \$359,957 |
| 23 GS | 65,628,361 | 0 | \$0.011858 | | \$778,215 | \$0.007339 | | \$481,640 |
| 24 GM<25 kW | 300,684,208 | 1,308,169 | \$0.008075 | \$1.56 | \$4,468,739 | \$0.003556 | \$1.56 | \$3,109,947 |
| 25 GM=>25 kW | 1,457,644,677 | 4,767,513 | \$0.008021 | \$1.77 | \$20,130,120 | \$0.003502 | \$1.77 | \$13,543,024 |
| 26 GMH<25 kW | 26,026,714 | 0 | \$0.007107 | \$3.29 | \$184,969 | \$0.002588 | \$3.29 | \$67,355 |
| 27 GMH=>25 kW | 159,597,632 | 0 | \$0.006746 | \$5.09 | \$1,076,630 | \$0.002227 | \$5.09 | \$355,408 |
| 28 GL | 1,767,331,641 | 4,170,846 | | \$5.18 | \$21,599,078 | | \$3.95 | \$16,468,938 |
| 29 GLH | 263,691,032 | 582,679 | | \$5.84 | \$3,402,020 | | \$4.61 | \$2,685,325 |
| 30 L | 802,515,065 | 1,733,085 | | \$5.33 | \$9,234,887 | | \$4.10 | \$7,103,193 |
| 31 HVPS | 772,934,800 | 1,057,747 | | \$5.33 | \$5,636,296 | | \$4.10 | \$4,335,267 |
| 32 AL | 76,665 | 0 | \$0.012620 | | \$968 | \$0.008101 | | \$621 |
| 33 SE | 16,271,884 | 0 | \$0.001955 | | \$31,810 | (\$0.002564) | | -\$41,723 |
| 34 SM | 17,587,231 | 0 | \$0.001477 | | \$25,975 | (\$0.003042) | | -\$53,502 |
| 35 SH | 577,916 | 0 | \$0.001285 | | \$743 | (\$0.003234) | | -\$1,869 |
| 36 UMS | 12,943,132 | 20,223 | \$0.001955 | \$4.47 | \$115,699 | (\$0.002564) | \$4.47 | \$57,209 |
| 37 PAL | 1,866,889 | 0 | \$0.001856 | | \$3,465 | (\$0.002663) | | -\$4,972 |
| 38 Total | 8,080,628,738 | 13,640,262 | | | \$107,959,224 | | | \$78,460,954 |

(1) For GL, GLH, L, HVPS and UMS, the forecast demand is the forecast 1CP used for billing purposes.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Summary of Projected PJM Credits - Residential, Lighting, Small C&I, & Medium C&I**

Component of Projected Rate

| | | |
|--|--|-----------------------------|
| <u>Transmission Enhancement - Line Item 1108</u> | | |
| 1 | Transmission Enhancement Charges - July 1, 2018 - May 31, 2019 | (\$4,614,135) |
| 2 | Forecast POLR sales (MWh) - Oct 1, 2018 - May 31, 2019 | <u>2,317,749</u> |
| 3 | Transmission Enhancement Settlement Charge | (\$1.9908) \$/MWh |
| <u>Transmission Enhancement - Line Item 1115</u> | | |
| 4 | Transmission Enhancement Charges -July 1, 2018 - May 31, 2019 | (\$5,241,472) |
| 5 | Forecast POLR sales (MWh) - Oct 1, 2018 - May 31, 2019 | <u>2,317,749</u> |
| 6 | Transmission Enhancement Settlement Charge | (\$2.2614) \$/MWh |
| <hr/> | | |
| 7 | Total (Line 7 + Line 10 + Line 13 + Line 16) | (\$4.2522) \$/MWh |
| 8 | Pennsylvania Gross Receipts Tax | 5.90% (\$0.2666) \$/MWh |
| 9 | Total Charges | (\$4.5188) \$/MWh |
| 10 | Adjustment to Retail Rates | (\$0.0045188) \$/kWh |

Calculation of Projected PJM Charges

| | | |
|----|--|-------------------|
| 11 | Average Residential, Lighting, Small C&I, & Medium C&I PJM Charge | (\$4.2522) \$/MWh |
| 12 | Forecast Residential, Lighting, Small C&I, & Medium C&I POLR Sales | 2,317,749 MWh |
| 13 | Projected Residential, Small C&I, & Medium C&I PJM Charges | (\$9,855,532) |

(1) FERC approved PJM's settlement of the 500 KV cost allocation on May 31, 2018 per Docket No. EL05-121-009. The refund calculation is based on the projected Transmission Enhancement settlement reports posted on the PJM website. Duquesne Light's allocated credits will be refunded through line items 1108 and 1115 on the PJM bill from July 2018 through December 2025.

ATTACHMENT A

**Duquesne Light Company
Transmission Service Charges (TSC) - Retail Tariff Appendix A
Summary of Projected PJM Credits - Large C&I (2)**

Component of Projected Rate

| | | |
|--|--|-----------------------|
| <u>Transmission Enhancement - Line Item 1108</u> | | |
| 1 | Transmission Enhancement Charges - July 1, 2018 - May 31, 2019 | (\$138,898) |
| 2 | Forecast POLR Large C&I 1CP (MW) - Oct 1, 2018 - May 31, 2019 | <u>256.0</u> |
| 3 | Transmission Enhancement Settlement Charge | (\$542.62) \$/MW |
| | | |
| <u>Transmission Enhancement - Line Item 1115</u> | | |
| 4 | Transmission Enhancement Charges - Jul 1, 2018 - May 31, 2019 | (\$157,782) |
| 5 | Forecast POLR Large C&I 1CP (MW) - Oct 1, 2018 - May 31, 2019 | <u>256.0</u> |
| 6 | Transmission Enhancement Settlement Charge | (\$616.40) \$/MW |
| <hr/> | | |
| 7 | Total (Line 7 + Line 10 + Line 13 + Line 16) | (\$1,159.02) \$/MW |
| 8 | Pennsylvania Gross Receipts Tax | 5.90% (\$72.67) \$/MW |
| 9 | Total Charges | (\$1,231.69) \$/MW |
| 10 | Adjustment to Retail Rates | (\$1.23) \$/kW |

Calculation of Projected PJM Charges

| | | |
|----|---------------------------------|--------------------|
| 11 | Average Large C&I PJM Charge | (\$1,159.02) \$/MW |
| 12 | Forecast Large C&I POLR 1CP | 256.0 MW |
| 13 | Projected Large C&I PJM Charges | (\$296,680) |

- (1) Ancillary Service and PJM Administrative charges are the responsibility of the wholesale default service suppliers.
- (2) Refer to footnote (1) on page A6.
- (3) FERC approved PJM's settlement of the 500 KV cost allocation on May 31, 2018 per Docket No. EL05-121-009. The refund calculation is based on the projected Transmission Enhancement settlement reports posted on the PJM website. Duquesne Light's allocated credits will be refunded through line items 1108 and 1115 on the PJM bill from July 2018 through December 2025.