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June 4, 2021

Via Electronic Filing

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Keystone Bldg. 2nd Floor W
400 N. Street
Harrisburg, PA 17120

**RE: Peoples Natural Gas Company, LLC v. Duquesne Light Company
Docket No. R-2021-3024750**

Dear Secretary Chiavetta:

Enclosed please find Duquesne Light Company's Answer to the Petition to Intervene filed by Peoples Natural Gas Company, LLC in the above-referenced proceeding. A copy of this document and the enclosed filing have been served upon the parties in accordance with the Certificate of Service.

Please contact me with any questions, comments, or concerns.

Respectfully,

A handwritten signature in blue ink, appearing to read "Emily M. Farah", is written over a light blue rectangular background.

Emily M. Farah
Counsel, Regulatory
Duquesne Light Company

Enclosure

cc: Certificate of Service (w/ encl.)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation & Enforcement,	:	
Office of Consumer Advocate,	:	
Office of Small Business Advocate,	:	
Coalition for Affordable Utility Services and	:	
Energy Efficiency in Pennsylvania,	:	R-2021-3024750
Natural Resources Defense Council,	:	C-20213025538
Pennsylvania Weatherization Task Force,	:	C-2021-3025462
United States Steel Corporation,	:	
	:	

v.

Duquesne Light Company,
1308(d) Proceeding.

**ANSWER TO PETITION TO INTERVENE OF
PEOPLES NATURAL GAS COMPANY, LLC**

Duquesne Light Company (“Duquesne Light” or the “Company”) files its Answer to the Petition to Intervene filed by Peoples Natural Gas Company, LLC (“Peoples”) pursuant to 52 Pa. Code § 5.61(e) and 52 Pa. Code § 5.66, and states as follows:

I. INTRODUCTION AND BACKGROUND

On April 16, 2021, Duquesne Light filed Supplement No. 25 to Tariff Electric – PA PUC No. 25 pursuant to 66 Pa. C.S. § 1308(d). Duquesne Light is requesting that the Pennsylvania Public Utility Commission (“Commission”) approve an overall annual increase in distribution revenue of approximately \$115.0 million. Included in the requested increase is approximately \$29.2 million in revenue currently collected through one existing Commission approved surcharge, resulting in a net increase in distribution revenue of approximately \$85.8 million. If granted by the Commission as filed, this request would produce a system average increase in distribution rates of approximately 15.6 percent and an increase in total rates (distribution, transmission, and

generation charges) of approximately 7.72 percent for a typical residential customer using 600 kilowatt-hours per month and taking default power service from the Company. The percentage increase in rates differs for each individual rate class.

On May 20, 2021, the Commission entered an Order suspending Supplement No. 25 to Tariff Electric Pa. P.U.C. No. 25 until January 15, 2022, unless otherwise directed by Order of the Commission, pursuant to 66 Pa. C.S. §1308(d). The matter was referred to the Office of the Administrative Law Judge (“ALJ”). The proceeding was assigned to Deputy Chief ALJ Judge Joel Cheskis and ALJ John M. Coogan Chief (collectively, “Presiding Officers”), and a Prehearing Conference was scheduled.

On May 25, 2021, Peoples filed a Petition to Intervene and Prehearing Memorandum. On May 27, 2021, a Prehearing Conference was held, where Duquesne Light committed to responding to Peoples’ Petition to Intervene by June 4, 2021.

Understanding the Commission’s policy to liberally apply standing in base rate case proceedings, Duquesne Light Company does not object to Peoples’ participation in the above-captioned base rate proceeding due to Peoples’ status as a Duquesne Light customer. However, for the reasons more fully set forth, below, Duquesne Light reserves the right to object to Peoples’ discovery requests or other filings that exceed its proper scope of participation.

II. ANSWER TO PEOPLES’ PETITION TO INTERVENE

Duquesne Light denies all material allegation in Peoples’ Petition to Intervene unless specifically admitted. Duquesne Light further reserves the right to address any and all issues as may be necessary throughout the course of this proceeding.

1. Admitted.
2. Admitted.

3. Admitted.
4. Admitted, upon information and belief.
5. Admitted, upon information and belief.
6. This paragraph asserts a legal conclusion to which no response is required.

7. This paragraph asserts a legal conclusion to which no response is required. By way of further response, Duquesne Light is without information sufficient to form a belief as to whether Peoples is a developer and owner of Combined Heat and Power (“CHP”) projects/distributed generation projects, and therefore, denies the same.

8. Admitted in part and denied in part. Duquesne Light is without information sufficient to form a belief as to whether Peoples is a developer and owner of Combined Heat and Power (“CHP”) projects/distributed generation projects that could be subject to the proposed Rider 16 in the future, and demands strict proof thereof. A redlined version of Rider 16 is attached to this Answer as **Exhibit A**. It is denied that Rider 16 will render Peoples’ CHP projects unfeasible. To the extent Peoples seeks to assert competitive issues regarding Rider 16, such issues are beyond the proper scope of Peoples’ participation in this proceeding, and the Company reserves the right to raise objections thereto in the future.

9. This paragraph contains excerpts from the Commission’s Policy Statement on CHP, which speaks for itself and requires no response.

10. Duquesne Light’s proposed Rider 16 speaks for itself and no response is necessary. See Exhibit A.

11. Duquesne Light’s proposed Rider 16 speaks for itself and no response is necessary. See Exhibit A.

12. Duquesne Light denies Peoples' characterizations of the proposed changes to Rider 16. By way of further response, Duquesne Light's redlined Rider 16 speaks for itself and no response is necessary. See Exhibit A.

13. Duquesne Light's proposed Rider 16 speaks for itself and no response is necessary. See Exhibit A.

14. Denied. Duquesne Light incorporates the response contained within Paragraph 8, above, as if fully restated herein.

15. This paragraph asserts a legal conclusion to which no response is required. To the extent a response is necessary, Duquesne Light incorporates the above paragraphs as if fully restated herein.

16. This paragraph asserts a legal conclusion to which no response is required. To the extent a response is necessary, Duquesne Light incorporates the above paragraphs as if fully restated herein.

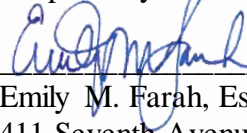
III. CONCLUSION

Duquesne Light does not object to Peoples' intervention in the above-captioned matter, but reserves the right to address any and all issues throughout the course of this proceeding, including the scope of Peoples' participation. The Company reserves the right to object to Peoples' discovery requests or other filings that exceed its proper scope of participation.

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WHEREFORE, Duquesne Light Company, respectfully requests that the Pennsylvania Public Utility Commission grant Peoples' Petition to Intervene and enter an Order reserving Duquesne Light's rights to address any and all issues as may be necessary during the pendency of the above-captioned proceeding.

Respectfully submitted,



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Counsel for Duquesne Light Company

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

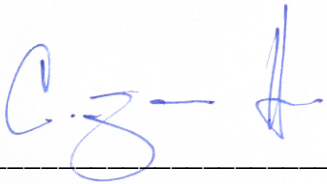
Pennsylvania Public Utility Commission,	:	
Bureau of Investigation & Enforcement,	:	
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Natural Resources Defense Council,	:	C-20213025538
Pennsylvania Weatherization Task Force,	:	C-2021-3025462
United States Steel Corporation,	:	
	:	

v.

Duquesne Light Company,
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VERIFICATION

I, C. James Davis, hereby state that the facts above set forth 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: June 4, 2021

Exhibit A

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES

~~(Applicable to all General Service Rates Except Non-Demand Metered GS/GM Customers)~~
~~(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L)~~

~~(C)~~
~~(C)~~

The following applies to non-utility generating facilities including, but not limited to cogeneration and small power production facilities that are qualified in accord with Part 292 of Chapter I, Title 18, Code of Federal Regulations (qualifying facility). Electric energy will be delivered to a non-utility generating facility in accord with the following:

A. DEFINITIONS

~~**Contract** is the signed agreement between the customer and the Company that is executed upon the customer's request to select Rider No. 16 service. Among other things, the Contract specifies the contractual demand levels for Back-Up Service and Supplementary Service that are defined below.~~

~~(C)~~

~~**Supplementary Power Service** is electric energy and capacity supplied distribution service provided by the Company, inclusive of distribution services included in the applicable monthly customer charge, or by an Electric Generation Supplier (EGS) to a non-utility generating facility and regularly used in addition to that electric energy which the non-utility generating facility generates itself. The Company's regular and appropriate General Service Rates will be utilized for billing for Supplementary Power Service. Customers purchasing Supplementary Power from an EGS will be billed for charges according to their applicable rate and billing arrangement with their EGS.~~

~~(C)~~
~~(C)~~

~~**Back-Up Power Service** is electric energy and capacity supplied distribution services provided by the Company to a non-utility generating facility during any outage of the non-utility generating facility's electric generating equipment or otherwise, to replace electric energy ordinarily generated by the non-utility generating facility's generating equipment.~~

~~(C)~~
~~(C)~~

Base Period is the twelve consecutive monthly billing periods applicable to the customer ending one month prior to the installation of new on-site generation or increase in capacity to existing on-site supply.

~~**Supplementary Contract Demand** may be established and represents the threshold demand for Supplementary Service to the customer's facility.~~

~~(C)~~

~~**Maintenance Contract Demand** is the maximum electrical capacity in kilowatts that the Company shall be required by the contract to deliver to the customer for Back-Up Power Service and is in addition to Supplementary Contract Demand. A Contract Demand may be established for Supplementary Power to the customer's facility.~~

~~(C)~~
~~(C)~~
~~(C)~~

~~**Peak Period** is the period between 12pm and 10pm EST on all days in the months of June through September.~~

~~(C)~~

~~**Supplementary Power Service Billing Determinants** are the monthly billing period billing demand in kilowatts (kW) and the energy usage in kilowatt-hours (kWh) for the kW specified in the Contract with the customer Supplementary for Supplementary Power Service, during the current billing month under which the on-site generation is operable. The Supplementary Power kW shall not exceed the Contract Demand kW for Supplementary Power, if applicable.~~

~~(C)~~
~~(C)~~
~~(C)~~
~~(C)~~
~~(C)~~

~~**Maintenance Demand Back-Up Power Service Billing Determinants** are the monthly billing period billing demand in kilowatts (kW) and energy usage (kWh) in excess of those provided as Supplementary Power. If a Contract Demand exists for Supplementary Power, this is the kW specified in the Contract as Maintenance Contract Demand with the customer for Back-Up Billing Determinants Service. are the kW and kWh in excess of the Supplementary Power Contract Demand. This Billing Determinant applied every billing period regardless of whether the customer calls upon Back-Up Service during the billing period.~~

~~(C)~~
~~(C)~~
~~(C)~~
~~(C)~~
~~(C)~~
~~(C)~~

(C) – Indicates Change

ISSUED: APRIL 16, 2021

EFFECTIVE: JUNE 15, 2021

STANDARD CONTRACT RIDERS - (Continued)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES - (Continued)

~~(Applicable to all General Service Rates Except Non-Demand Metered GS/GM Customers)~~
~~(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L)~~

~~(C)~~
~~(C)~~

A. DEFINITIONS – (Continued)

~~As-Used Demand Billing Determinant is the kW specified in the Contract as Maintenance Contract Demand that applies if the customer calls upon Back-Up Services during the Peak Period. As-Used Demand Billing Determinant will be set to the Maintenance Contract Demand level if the customer's maximum demand during the Peak Period of the billing period exceeds the Supplementary Contract Demand specified in the Contract.~~

~~(C)~~

~~Distribution Base Period Billing Determinants are the billing demand (kW) and the energy usage (kWh) for the month in the Base Period corresponding to the current billing month under which the on-site generation is operable. For new customers, the Company will use existing procedures to estimate Base Period Billing Determinants.~~

~~(C)~~

~~Supply Billing Determinants for customers not being served by an Electric Generation Supplier ("EGS"). on-Rate Schedules GS/GM (GM ≥ 200 kW), GMH (GMH ≥ 200 kW), GL, GLH, and L and HVPS shall be the billing determinates for the current billing month then in effect under Rider No. 9 – Day-Ahead Hourly Price Service. Supply Billing Determinants for customers not being served by an Electric Generation Supplier ("EGS") on Rate Schedule for customers on Rate GS/GM (GM < 200 kW) and GMH (GMH < 200 kW) shall be the billing determinants for the current billing month then in effect under Rider No. 8 – Default Service Supply or Rider No. 9 – Day-Ahead Hourly Price Service, as applicable.~~

~~(C)~~

B. BACK-UP POWERSERVICE

~~(C)~~

The Company will supply ~~Back-Up such s~~Service ~~each month~~ at the following rates:

~~(C)~~

DISTRIBUTION

A distribution charge of ~~\$2.50–\$3.09~~ per kW shall be applied to the Back-Up ~~Power Service maintenance Billing Demand Billing~~ Determinants ~~for Back-Up Power.~~

~~(C)~~
~~(C)~~

The Maintenance Contract Demand distribution charges will be applied in each month based on the customer's Maintenance Contract Demand without regard to ~~actual usage whether or not back-up energy is supplied.~~

~~(C)~~
~~(C)~~
~~(C)~~

~~An additional distribution charge of \$6.79 per kW shall be applied to the Back-Up Service As-Used Contract Demand Billing Determinants. The As-Used Contract Demand distribution charge will be applied in each month based on the customer's As-Used Contract Demand if the customer calls upon Back-Up service during the Peak Period.~~

~~(C)~~

~~Overage charges will also apply if the customer exceeds Maintenance Demand by 10% or more. The Maintenance Overage Charge of \$9.88 per kW shall be applied to the difference in actual maximum kW during the billing period and the customer's Maintenance Contract Demand. No additional charges will apply to the As-Used Contract Demand Charge.~~

~~(C)~~

(I) – Indicates Increase

ISSUED: APRIL 16, 2021

EFFECTIVE: JUNE 15, 2021

STANDARD CONTRACT RIDERS - (Continued)

(C)

RIDER NO. 16 - SERVICE TO NON-UTILITY GENERATING FACILITIES - (Continued)

(Applicable to Rates GM < 25, GM ≥ 25, GMH, GL, GLH and L)

B. BACK-UP SERVICE – (Continued)

SUPPLY

(C)

~~In any month that the Company provides energy to back up the customer's equipment, supply service shall be supplied and billed under Rider No. 9 – Day-Ahead Hourly Price Service for customers with an average Contract Demand of 200 kW or more. For customers having an average Contract Demand of less than 200 kW, the Company will bill the applicable supply demand and energy charges then in effect under Rider No. 8 – Default Service Supply.~~

(C)

~~If actual usage of Back-Up Service exceeds zero for more than 15% of the hours in any Base Period, then those hours above the 15% threshold will be counted toward the billing on the customer's The use of backup power at this price level will be limited to 15% usage for all hours in a year. Incremental usage above this limit will be billed on the applicable general service rates, including all ratchets applicable.~~

(C)

(C)

(C)

(C)

~~If a customer's Back-Up Service requirement at any time actual kW demand at the time back-up is being supplied exceeds the customer's Maintenance back-up Contract Demand by 5% or more, the actual Back-Up Service requirement provided, measured in kW demand as established will become the customer's new Maintenance back-up Contract Demand for the remaining term of the back-up contract. If a customer's actual kW demand at the time bBack-Up service Service requirement provided at any time is being supplied exceeds the customer's Maintenance back-up Contract Demand by 10% or more, the customer will be assessed a fee equal to determined by the difference between the actual demand established when bBack-up Up service Service provided at the time during the billing period is being supplied and the Maintenance backup Contract Demand multiplied by the Overage Charge (\$9.88) two times the applicable charge per kilowatt.~~

(C)

(C)

(C)

(C)

(C)

(C)

(C)

(C)

(C)

C. INTERCONNECTION

Each non-utility generating facility will be required to install at its expense or pay in advance to have the Company install interconnection equipment and facilities which are over and above that equipment and facilities required to provide electric service to the non-utility generating facility according to the Company's General Service Rates, except as noted below. Any such equipment to be installed by the non-utility generating facility must be reviewed and approved in writing by the Company prior to installation. Nothing in this Rider shall exempt a new customer from the application of Rule No. 7 and Rule No. 9 regarding Supply Line Extensions and Relocation of Facilities.

However, customers may elect to pay the cost of existing or newly required transformation equipment that is over and above that equipment necessary for the Company to supply the customer with its contracted Supplemental Power via a monthly charge rather than in total at the onset of the contract. The monthly charge for transformation equipment for customers with contract demand under this rider of 5,000 kW or more will be determined by the Company on a case-by-case basis. ~~For all others, the rate of \$0.2523 per kW per month will apply.~~

(C)

(I) – Indicates Increase

ISSUED: APRIL 16, 2021

EFFECTIVE: JUNE 15, 2021

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission	:	
Bureau of Investigation & Enforcement,	:	
Office of Consumer Advocate,	:	R-2021-3024750
Office of Small Business Advocate,	:	C-20213025538
Coalition for Affordable Utility Services	:	C-2021-3025462
and Energy Efficiency in Pennsylvania,	:	
Natural Resources Defense Council,	:	
Pennsylvania Weatherization Task Force,	:	
United States Steel Corporation,	:	
	:	
v.	:	
	:	
Duquesne Light Company	:	
1308(d) Proceeding.	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing Answer to Petition upon the following parties to this proceeding in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant):

VIA ELECTRONIC MAIL ONLY

The Honorable Joel H. Cheskis
The Honorable John M Coogan
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DUQUESNE LIGHT COMPANY



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Counsel for Respondent,
Duquesne Light Company

DATE: June 4, 2021