



Description of Economic Development Program

Duquesne is introducing an economic development initiative - scheduled to run through March 31, 2013¹ - to encourage commercial and industrial expansion and associated job growth in its service territory in Allegheny and Beaver counties. Eligible projects will represent load growth of 10 megawatts (MW) or more with two new full-time employment positions per MW of new load. Total annual load approved for participation will be limited to 50 MW.

For approved projects, Duquesne will grant discounts to be credited against the distribution charges on the customer's bill for a period of three years (or until program termination, whichever is less).

Program Benefits

*Duquesne Light is offering a flat 50 MW block (7 days by 24 hours) of energy consumed at a new or expanded facility at a discount up to \$3 per mWh below market price for three years to commercial/industrial customers on Schedules HVPS and L that intend to add at least 10 MW of new or expanded load **and** create two new full time employment positions per MW of new load.²*

This translates to a potential monthly discount of **up to \$2,190 per MW of new load** to be credited against the distribution charges on the customer's Duquesne Light bill.

Examples:

A program participant adding the minimum 10 MW and approved for a discount of \$3 would receive a monthly credit of \$21,900. ($\$3 \times 10 \text{ MW} \times 730 \text{ hours}$)

A program participant adding 18 MW of new load and approved for a discount of \$2.50 would receive a monthly credit of \$32,850. ($\$2.50 \times 18 \text{ MW} \times 730 \text{ hours}$)

Discounts will begin when both usage from the expanded load and associated job creation have occurred. Discounts may be reduced or terminated if new load and/or job creation is not maintained.

Application and Approval Process

An online application is available at http://www.duquesnelight.com/OurCommunity/EconomicDevelopment/ED_App.cfm.

Applications will be reviewed and prioritized by Duquesne Light Company.

Program approval and level of discount will be based on a number of factors, including, but not limited to, size of load, type of load (industrial vs. commercial), quantity and quality of employment, and certainty of project completion.

Applications may be submitted for potential projects planned at any point during the program term.

Approval for participation and award of program discounts will not be conditioned upon the customer's obtaining energy under POLR service or purchase of energy from an affiliate of Duquesne Light.

¹ Program termination slated for March 1, 2013 or earlier if Pennsylvania adopts a state-wide economic development program.

² Duquesne also will consider applications associated with new or expanded load under Rate GL, or for customers on schedules HVPS and L that do not meet the above two (2) criteria, if the applicant demonstrates that the new or expanded load, while less than 10 MW, has other significant benefits, such as increasing off-peak power that could be utilized to a greater extent than on-peak power, providing attractive or improved load factor or power factor, or creating significant new employment.