

Duquesne Light Company
Default Service Rate Calculation - Illustrative Purposes Only
Rate Design for Lighting Tariff Rate Schedules AL, SE, SM, SH & PAL
Based on Average Bid Prices for Rates Effective June 1, 2026 through November 30, 2026

| | | | | |
|----|--|-------------|----------|---|
| 1 | Total Average Winning Bid Price for Lighting per MWh | | \$93.40 | |
| 2 | Line Losses (Transmission 0.8%; Distribution 6.1%) | 6.9% | | |
| 3 | Price Adjustment for Losses (per MWh) | | \$6.44 | Line 1 * Line 2 |
| 4 | Price Adjusted for Losses (per MWh) | | \$99.84 | Line 1 + Line 3 |
| 5 | Administrative Fees to conduct RFPs | \$44,375 | | |
| 6 | Forecast POLR Sales (MWh) - June 1, 2026-November 30, 2026 | 1,642,649 | | |
| 7 | Administrative Adder | | \$0.03 | Line 5 / Line 6 |
| | <u>Total Unbundling</u> | | | |
| 8 | Filing Preparation and Approval Process Expense | \$43,244 | | |
| 9 | Working Capital for Default Service Supply Expense | \$403,699 | | |
| 10 | Total Residential/Lighting Unbundling Expense | \$446,943 | | Line 8 + Line 9 |
| 11 | Forecast POLR Sales (MWh) - June 1, 2026-November 30, 2026 | 1,642,649 | | |
| 12 | Unbundling Adder (per MWh) | | \$0.27 | Line 10 / Line 11 |
| 13 | Capacity Adjustment | \$3,164,258 | | |
| 14 | Forecast POLR Sales (MWh) - June 1, 2026-November 30, 2026 | 1,642,649 | | |
| 15 | Capacity Adjustment Rate (per MWh) | | \$1.93 | Line 13 / Line 14 |
| 16 | Solar Contract Cost | \$6,460 | | |
| 17 | Forecast POLR Sales (MWh) - June 1, 2026-November 30, 2026 | 1,642,649 | | |
| 18 | Solar Contract Rate (\$/MWh) | | \$0.00 | Line 16 / Line 17 |
| | <u>Total E-Factor (Over)/Under Reconciliation</u> | | | |
| 19 | E-Factor (Over)/Under Collection | \$733,177 | | |
| 20 | Reconciliation Period (Over)/Under Collection | (\$232,592) | | |
| 21 | Total E-Factor (Over)/Under Collection | \$500,585 | | Line 19 + Line 20 |
| 22 | Total E Factor (Over)/Under Reconciliation | \$500,585 | | Line 21 |
| 23 | Forecast POLR Sales (MWh) - June 1, 2026-November 30, 2026 | 1,642,649 | | |
| 24 | (Over)/Under Reconciliation Adder (per MWh) | | \$0.30 | Line 22 / Line 23 |
| 25 | Adjusted Wholesale Price (per MWh) | | \$102.37 | Line 4 + Line 7 + Line 12 + Line 15 + Line 18 + Line 24 |
| 26 | Rate Factor | 0.5051 | | |
| 27 | Total Adjusted Wholesale Price for Rate Factor (\$/MWh) | | \$51.71 | Line 25 * Line 26 |
| 28 | PA GRT @ 5.9% | | \$3.24 | Line 27 * (.059/(1-.059)) |
| 29 | Total Rate (per MWh) | | \$54.95 | Line 27 + Line 28 |
| 30 | Lighting RFP Retail Supply Rate (¢ per kWh) | | 5.4948 | Line 29 / 10 |