

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 December 1, 2017 through May 31, 2018

1	Total Average Winning Bid Price for Lighting per MWh		\$53.69
2	Line Losses (Transmission 0.8%; Distribution 6.1%)	6.9%	
3	Price Adjustment for Losses (per MWh)		\$3.70
4	Price Adjusted for Losses (per MWh)		\$57.39
5	Administrative Fees to conduct RFPs	\$68,365	
6	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	1,281,695	
7	Administrative Adder		\$0.05
	<u>Total Unbundling</u>		
8	Filing Preparation and Approval Process Expense	\$100,361	
9	Working Capital for Default Service Supply Expense	\$342,402	
10	Total Residential/Lighting Unbundling Expense	\$442,763	
11	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	1,281,695	
12	(Over)/Under Reconciliation Adder (per MWh)		\$0.35
	<u>Total E-Factor (Over)/Under Reconciliation</u>		
13	E-Factor (Over)/Under Collection	\$1,105,920	
14	Reconciliation Period (Over)/Under Collection	(\$316,567)	
15	Total E-Factor (Over)/Under Collection	\$789,353	
16	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	1,281,695	
17	(Over)/Under Reconciliation Adder (per MWh)		\$0.62
18	Adjusted Wholesale Price (per MWh)		\$58.42
19	Rate Factor	0.6150	
20	Total Adjusted Wholesale Price for Rate Factor (\$/MWh)		\$35.93
21	PA GRT @ 5.9%		\$2.25
22	Total Rate (per MWh)		\$38.18
23	Lighting RFP Retail Supply Rate (¢ per kWh)		3.8177