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

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 Total Unbundling 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 Total E-Factor (Over)/Under Reconciliation \$1,105,920 13 E-Factor (Over)/Under Reconciliation \$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 Total E-Factor (Over)/Under Reconciliation Adder (per MWh) \$0.62 18 Adjusted Wholesale Price (per MWh) \$58,42 19 Rate Factor 0.6150 <	1	Total Average Winning Bid Price for Lighting per MWh			\$53.69
Price Adjustment for Losses (per MWh) \$3.70	2	Line Losses (Transmission 0.8%; Distribution 6.1%)		6.9%	
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 Total Unbundling Riling 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 13 E-Factor (Over)/Under Reconciliation \$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 Total Rate (per MWh) \$338.18	3	,			\$3.70
6 Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018 1,281,695 7 Administrative Adder \$0.05 Total Unbundling 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 Total E-Factor (Over)/Under Reconciliation 13 E-Factor (Over)/Under Collection \$1,105,920 14 Reconciliation Period (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 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) \$35.93 21 PA GRT © 5.9% \$2.25 Total Rate (per MWh) \$38.18	4	Price Adjusted for Losses (per MWh)			\$57.39
7 Administrative Adder \$0.05 Total Unbundling \$100,361 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 Total E-Factor (Over)/Under Collection \$1,105,920 4R 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 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) \$35.93 21 PA GRT @ 5.9% \$2.25 Total Rate (per MWh) \$38.18	5	Administrative Fees to conduct RFPs		\$68,365	
Total Unbundling Silling Preparation and Approval Process Expense \$100,361	6	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	1,281,695		
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 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	7	Administrative Adder			\$0.05
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 Total E-Factor (Over)/Under Reconciliation 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 Total Rate (per MWh) \$38.18					
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 Total E-Factor (Over)/Under Reconciliation \$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 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	8	· · · · · · · · · · · · · · · · · · ·			
Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018 1,281,695	_				
12 (Over)/Under Reconciliation Adder (per MWh) \$0.35 Total E-Factor (Over)/Under Reconciliation 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	10	Total Residential/Lighting Unbundling Expense	(\$442,763	
Total E-Factor (Over)/Under Reconciliation 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	11		1,281,695		
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	12	(Over)/Under Reconciliation Adder (per MWh)			\$0.35
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		Total E-Factor (Over)/Under Reconciliation			
Total E-Factor (Over)/Under Collection \$789,353 Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018 1,281,695 (Over)/Under Reconciliation Adder (per MWh) \$0.62 Adjusted Wholesale Price (per MWh) \$58.42 Rate Factor 0.6150 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) \$35.93 PA GRT @ 5.9% \$2.25 Total Rate (per MWh) \$38.18	13	E-Factor (Over)/Under Collection	\$1,	105,920	
Total E-Factor (Over)/Under Collection \$789,353 Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018 1,281,695 (Over)/Under Reconciliation Adder (per MWh) \$0.62 Adjusted Wholesale Price (per MWh) \$58.42 Rate Factor 0.6150 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) \$35.93 PA GRT @ 5.9% \$2.25 Total Rate (per MWh) \$38.18	14	Reconciliation Period (Over)/Under Collection	(\$	316,567)	
17 (Over)/Under Reconciliation Adder (per MWh) 18 Adjusted Wholesale Price (per MWh) 19 Rate Factor 20 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) 21 PA GRT @ 5.9% 22 Total Rate (per MWh) 358.42 359.42 25 Total Rate (per MWh) 358.42 360.62	15	Total E-Factor (Over)/Under Collection	\$	789,353	
18 Adjusted Wholesale Price (per MWh) 19 Rate Factor 20 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) 21 PA GRT @ 5.9% 22 Total Rate (per MWh) \$58.42 \$35.93	16	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	1,281,695		
19 Rate Factor 20 Total Adjusted Wholesale Price for Rate Factor (\$/MWh) 21 PA GRT @ 5.9% 22 Total Rate (per MWh) \$35.93	17	(Over)/Under Reconciliation Adder (per MWh)			\$0.62
Total Adjusted Wholesale Price for Rate Factor (\$/MWh) PA GRT @ 5.9% Total Rate (per MWh) \$35.93 \$2.25 Total Rate (per MWh)	18	Adjusted Wholesale Price (per MWh)			\$58.42
21 PA GRT @ 5.9% \$2.25 22 Total Rate (per MWh) \$38.18	19	Rate Factor	0.6150		
Total Rate (per MWh) \$38.18	20	Total Adjusted Wholesale Price for Rate Factor (\$/MWh)			\$35.93
	21	PA GRT @ 5.9%			\$2.25
23 Lighting RFP Retail Supply Rate (¢ per kWh) 3.8177	22	Total Rate (per MWh)			\$38.18
	23	Lighting RFP Retail Supply Rate (¢ per kWh)			3.8177