

Duquesne Light Company
Default Service Rate Calculation - Illustrative Purposes Only
Rate Design for Medium C&I Tariff Rate Schedules GM => 25kW & GMH => 25kW
Based on Average Bid Prices for Rates Effective December 1, 2017 through February 28, 2018

1	Total Average Winning Bid Price for Medium C&I per MWh		\$52.44	
2	Line Losses (Transmission 0.8%; Distribution 5.3%)	6.1%		
3	Price Adjustment for Losses (per MWh)		\$3.20	Line 1 * Line 2
4	Price Adjusted for Losses (per MWh)		\$55.64	Line 1 + Line 3
5	Administrative Fees to conduct RFPs	\$34,183		
6	Forecast POLR Sales (MWh) - December 1, 2017-February 28, 2018	196,707		
7	Administrative Adder		\$0.17	Line 5 / Line 6
	<u>Total Unbundling</u>			
8	Filing Preparation and Approval Process Expense	\$13,468		
9	Working Capital for Default Service Supply Expense	\$45,950		
10	Total Medium C&I Unbundling Expense	\$59,418		Line 8 + Line 9
11	Forecast POLR Sales (MWh) - December 1, 2017-February 28, 2018	196,707		
12	(Over)/Under Reconciliation Adder (per MWh)		\$0.30	Line 10 / Line 11
	<u>Total E-Factor (Over)/Under Reconciliation</u>			
13	E-Factor (Over)/Under Collection	(\$672,089)		
14	Reconciliation Period (Over)/Under Collection	\$66,125		
15	Total E-Factor (Over)/Under Collection	(\$605,964)		Line 13 + Line 14
16	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	387,714		
17	(Over)/Under Reconciliation Adder (per MWh)		(\$1.56)	Line 15 / Line 16
18	Adjusted Wholesale Price (per MWh)		\$54.55	Line 4 + Line 7 + Line 12 + Line 17
19	PA GRT @ 5.9%		\$3.42	Line 19 * (.059/(1-.059))
20	Total Rate (per MWh)		\$57.97	Line 18 + Line 19
21	Medium RFP Retail Supply Rate (¢ per kWh)		5.7974	Line 20 / 10