

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 September 1, 2018 through November 30, 2018

1	Total Average Winning Bid Price for Medium C&I per MWh		\$49.68	
2	Line Losses (Transmission 0.8%; Distribution 5.3%)	6.1%		
3	Price Adjustment for Losses (per MWh)		\$3.03	Line 1 * Line 2
4	Price Adjusted for Losses (per MWh)		\$52.71	Line 1 + Line 3
5	Administrative Fees to conduct RFPs	\$34,183		
6	Forecast POLR Sales (MWh) - September 1, 2018-November 30, 2018	162,004		
7	Administrative Adder		\$0.21	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) - September 1, 2018-November 30, 2018	162,004		
12	(Over)/Under Reconciliation Adder (per MWh)		\$0.37	Line 10 / Line 11
	<u>Total E-Factor (Over)/Under Reconciliation</u>			
13	E-Factor (Over)/Under Collection	\$13,229		
14	Reconciliation Period (Over)/Under Collection	(\$253,562)		
16	Total E-Factor (Over)/Under Collection	(\$240,334)		Line 13 + Line 14
17	Forecast POLR Sales (MWh) - June 1, 2018-November 30, 2018	349,699		
18	(Over)/Under Reconciliation Adder (per MWh)		(\$0.69)	Line 16 / Line 17
19	Adjusted Wholesale Price (per MWh)		\$52.60	Line 4 + Line 7 + Line 12 + Line 18
20	PA GRT @ 5.9%		\$3.30	Line 19 * (.059/(1-.059))
21	Total Rate (per MWh)		\$55.90	Line 19 + Line 20
22	Medium RFP Retail Supply Rate (¢ per kWh)		5.5901	Line 21 / 10