

Duquesne Light Company
Default Service Rate Calculation - Illustrative Purposes Only
Rate Design for Residential Tariff Rate Schedules RS, RH & RA
Based on Average Bid Prices for Rates Effective December 1, 2021 through May 31, 2022

| | | Fixed Price | Electric Vehicle Time of Use "EV-TOU" | | | |
|---|---|---------------|---------------------------------------|----------|----------------|---|
| | | | Peak | Off Peak | Super Off Peak | |
| 1 | Total Average Winning Bid Price for Residential per MWh | \$53.48 | \$53.48 | \$53.48 | \$53.48 | |
| 2 | Line Losses (Transmission 0.8%; Distribution 6.1%) | 6.9% | | | | |
| 3 | Price Adjustment for Losses (per MWh) | \$3.69 | \$3.69 | \$3.69 | \$3.69 | Line 1 * Line 2 |
| 4 | Price Adjusted for Losses (per MWh) | \$57.17 | \$57.17 | \$57.17 | \$57.17 | Line 1 + Line 3 |
| 5 | Administrative Fees to conduct RFPs | \$68,990 | | | | |
| 6 | Forecast POLR Sales (MWh) - December 1, 2021-May 31, 2022 | 1,345,422 | | | | |
| 7 | Administrative Adder | \$0.05 | \$0.05 | \$0.05 | \$0.05 | Line 5 / Line 6 |
| Total Unbundling | | | | | | |
| 8 | Filing Preparation and Approval Process Expense | \$66,629 | | | | |
| 9 | Working Capital for Default Service Supply Expense | \$509,550 | | | | |
| 10 | Total Residential/Lighting Unbundling Expense | \$576,179 | | | | Line 8 + Line 9 |
| 11 | Forecast POLR Sales (MWh) - December 1, 2021-May 31, 2022 | 1,345,422 | | | | |
| 12 | Unbundling Adder (per MWh) | \$0.43 | \$0.43 | \$0.43 | \$0.43 | Line 10 / Line 11 |
| 13 | Capacity Adjustment | (\$1,560,859) | | | | |
| 14 | Forecast POLR Sales (MWh) - December 1, 2021-May 31, 2022 | 1,345,422 | | | | |
| 15 | Capacity Adjustment Rate (per MWh) | (\$1.16) | (\$1.16) | (\$1.16) | (\$1.16) | Line 13 / Line 14 |
| Total E-Factor (Over)/Under Reconciliation | | | | | | |
| 16 | E-Factor (Over)/Under Collection | (\$536,916) | | | | |
| 17 | Reconciliation Period (Over)/Under Collection | \$359,277 | | | | |
| 18 | Total E-Factor (Over)/Under Collection | (\$177,639) | | | | Line 16 + Line 17 |
| 19 | Forecast POLR Sales (MWh) - December 1, 2021-May 31, 2022 | 1,345,422 | | | | |
| 20 | (Over)/Under Reconciliation Adder (per MWh) | (\$0.13) | (\$0.13) | (\$0.13) | (\$0.13) | Line 18 / Line 19 |
| 21 | Adjusted Wholesale Price (per MWh) | \$56.37 | \$56.37 | \$56.37 | \$56.37 | Line 4 + Line 7 + Line 12 + Line 15 + Line 20 |
| 22 | Rate Factor | 1.0059 | | | | |
| 23 | EV TOU Rate Factor | | 1.65 | 0.65 | 0.47 | |
| 24 | Adjusted Wholesale Price for Rate Factor (\$/MWh) | \$56.70 | \$93.57 | \$36.74 | \$26.57 | Line 21 * Line 22 * Line 23 |
| 25 | EV TOU Program Expenses | \$36,133 | | | | |
| 26 | Residential Forecast POLR Sales (MWh) - December 1, 2021-May 31, 2022 | 1,337,483 | | | | |
| 27 | TOU Adder | \$0.03 | \$0.03 | \$0.03 | \$0.03 | Line 25 / Line 26 |
| 28 | Total Adjusted Wholesale Price (per MWh) | \$56.73 | \$93.60 | \$36.77 | \$26.60 | Line 24 + Line 27 |
| 29 | PA GRT @ 5.9% | \$3.56 | \$5.87 | \$2.31 | \$1.67 | Line 28 * (.059/(1-.059)) |
| 30 | Total Rate (per MWh) | \$60.29 | \$99.47 | \$39.08 | \$28.27 | Line 28 + Line 29 |
| 31 | Residential RFP Retail Supply Rate (¢ per kWh) | 6.0286 | 9.9468 | 3.9077 | 2.8268 | Line 30 / 10 |