

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, 2019 through May 31, 2020

Estimate Only

1	Total Average Winning Bid Price for Residential per MWh		\$48.28	
2	Line Losses (Transmission 0.8%; Distribution 6.1%)	6.9%		
3	Price Adjustment for Losses (per MWh)		\$3.33	Line 1 * Line 2
4	Price Adjusted for Losses (per MWh)		\$51.61	Line 1 + Line 3
5	Administrative Fees to conduct RFPs	\$68,365		
6	Forecast POLR Sales (MWh) - December 1, 2019-May 31, 2020	1,313,451		
7	Administrative Adder		\$0.05	Line 5 / Line 6
	<u>Total Unbundling</u>			
8	Filing Preparation and Approval Process Expense	\$68,258		
9	Working Capital for Default Service Supply Expense	\$522,012		
10	Total Residential/Lighting Unbundling Expense	\$590,270		Line 8 + Line 9
11	Forecast POLR Sales (MWh) - December 1, 2019-May 31, 2020	1,313,451		
12	Unbundling Adder (per MWh)		\$0.45	Line 11 / Line 12
	<u>Total E-Factor (Over)/Under Reconciliation</u>			
13	E-Factor (Over)/Under Collection	\$639,662		
14	Reconciliation Period (Over)/Under Collection	(\$649,161)		
15	Total E-Factor (Over)/Under Collection	(\$9,499)		Line 13 + Line 14
16	Forecast POLR Sales (MWh) - December 1, 2019-May 31, 2020	1,313,451		
17	(Over)/Under Reconciliation Adder (per MWh)		(\$0.01)	Line 15 / Line 16
18	Adjusted Wholesale Price (per MWh)		\$52.10	Line 4 + Line 7 + Line 12 + Line 17
19	Rate Factor	1.0055		
20	Adjusted Wholesale Price for Rate Factor (\$/MWh)		\$52.39	Line 18 * Line 19
21	Total Adjusted Wholesale Price (per MWh)		\$52.39	
22	PA GRT @ 5.9%		\$3.28	Line 24 * (.059/(1-.059))
23	Total Rate (per MWh)		\$55.67	Line 21 + Line 22
24	Residential RFP Retail Supply Rate (¢ per kWh)		5.5669	Line 23 / 10