

Duquesne Light Company
Default Service Rate Calculation - Illustrative Purposes Only
Rate Design for Small C&I Tariff Rate Schedules GS, GM < 25kW & GMH < 25kW & UMS
Based on Average Bid Prices for Rates Effective December 1, 2018 through May 31, 2019

Estimate Only

1	Total Average Winning Bid Price for Small C&I per MWh		\$50.35	
2	Line Losses (Transmission 0.8%; Distribution 5.3%)	6.1%		
3	Price Adjustment for Losses (per MWh)		\$3.07	Line 1 * Line 2
4	Price Adjusted for Losses (per MWh)		\$53.42	Line 1 + Line 3
5	Administrative Fees to conduct RFPs	\$68,365		
6	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	173,187		
7	Administrative Adder		\$0.39	Line 5 / Line 6
<u>Total Unbundling</u>				
8	Filing Preparation and Approval Process Expense	\$14,265		
9	Working Capital for Default Service Supply Expense	\$48,668		
10	Total Small C&I Unbundling Expense	\$62,933		Line 8 + Line 9
11	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	173,187		
12	(Over)/Under Reconciliation Adder (per MWh)		\$0.36	Line 10 / Line 11
<u>Total E-Factor (Over)/Under Reconciliation</u>				
13	E-Factor (Over)/Under Collection	\$158,067		
14	Reconciliation Period (Over)/Under Collection	(\$145,575)		
15	Total E-Factor (Over)/Under Collection	\$12,492		Line 13 + Line 14
16	Forecast POLR Sales (MWh) - December 1, 2017-May 31, 2018	173,187		
17	(Over)/Under Reconciliation Adder (per MWh)		\$0.07	Line 15 / Line 16
18	Adjusted Wholesale Price (per MWh)		\$54.24	Line 4 + Line 7 + Line 12 + Line 17
19	PA GRT @ 5.9%		\$3.40	Line 20 * (.059/(1-.059))
20	Total Rate (per MWh)		\$57.64	Line 18 + Line 19
21	Small RFP Retail Supply Rate (¢ per kWh)		5.7642	Line 20 / 10