

**Duquesne Light Company**  
**Default Service Rate Calculation - Illustrative Purposes Only**  
**Rate Design for Lighting Tariff Rate Schedules AL, SE, SM, SH & PAL**  
**Based on Average Bid Prices for Rates Effective December 1, 2026 through May 31, 2027**

| Estimate Only                                     |                                                           |               |                                                         |
|---------------------------------------------------|-----------------------------------------------------------|---------------|---------------------------------------------------------|
| 1                                                 | Total Average Winning Bid Price for Lighting per MWh      | \$99.42       |                                                         |
| 2                                                 | Line Losses (Transmission 0.8%; Distribution 6.1%)        | 6.9%          |                                                         |
| 3                                                 | Price Adjustment for Losses (per MWh)                     | \$6.86        | Line 1 * Line 2                                         |
| 4                                                 | Price Adjusted for Losses (per MWh)                       | \$106.28      | Line 1 + Line 3                                         |
| 5                                                 | Administrative Fees to conduct RFPs                       | \$46,750      |                                                         |
| 6                                                 | Forecast POLR Sales (MWh) - December 1, 2026-May 31, 2027 | 1,467,714     |                                                         |
| 7                                                 | Administrative Adder                                      | \$0.03        | Line 5 / Line 6                                         |
| <u>Total Unbundling</u>                           |                                                           |               |                                                         |
| 8                                                 | Filing Preparation and Approval Process Expense           | \$43,244      |                                                         |
| 9                                                 | Working Capital for Default Service Supply Expense        | \$403,699     |                                                         |
| 10                                                | Total Residential/Lighting Unbundling Expense             | \$446,943     | Line 8 + Line 9                                         |
| 11                                                | Forecast POLR Sales (MWh) - December 1, 2026-May 31, 2027 | 1,467,714     |                                                         |
| 12                                                | Unbundling Adder (per MWh)                                | \$0.30        | Line 10 / Line 11                                       |
| 13                                                | Capacity Adjustment                                       | \$2,105,663   |                                                         |
| 14                                                | Forecast POLR Sales (MWh) - December 1, 2026-May 31, 2027 | 1,467,714     |                                                         |
| 15                                                | Capacity Adjustment Rate (per MWh)                        | \$1.43        | Line 13 / Line 14                                       |
| 16                                                | Solar Contract Cost                                       | \$6,460       |                                                         |
| 17                                                | Forecast POLR Sales (MWh) - December 1, 2026-May 31, 2027 | 1,467,714     |                                                         |
| 18                                                | Solar Contract Rate (\$/MWh)                              | \$0.00        | Line 16 / Line 17                                       |
| <u>Total E-Factor (Over)/Under Reconciliation</u> |                                                           |               |                                                         |
| 19                                                | E-Factor (Over)/Under Collection                          | (\$1,035,484) |                                                         |
| 20                                                | Reconciliation Period (Over)/Under Collection             | (\$1,581,424) |                                                         |
| 21                                                | Total E-Factor (Over)/Under Collection                    | (\$2,616,908) | Line 19 + Line 20                                       |
| 22                                                | Total E Factor (Over)/Under Reconciliation                | (\$2,616,908) | Line 21                                                 |
| 23                                                | Forecast POLR Sales (MWh) - December 1, 2026-May 31, 2027 | 1,467,714     |                                                         |
| 24                                                | (Over)/Under Reconciliation Adder (per MWh)               | (\$1.78)      | Line 22 / Line 23                                       |
| 25                                                | Adjusted Wholesale Price (per MWh)                        | \$106.26      | Line 4 + Line 7 + Line 12 + Line 15 + Line 18 + Line 24 |
| 26                                                | Rate Factor                                               | 0.5051        |                                                         |
| 27                                                | Total Adjusted Wholesale Price for Rate Factor (\$/MWh)   | \$53.67       | Line 25 * Line 26                                       |
| 28                                                | PA GRT @ 5.9%                                             | \$3.37        | Line 27 * (.059/(1-.059))                               |
| 29                                                | Total Rate (per MWh)                                      | \$57.04       | Line 27 + Line 28                                       |
| 30                                                | Lighting RFP Retail Supply Rate (¢ per kWh)               | 5.7040        | Line 29 / 10                                            |