

**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, 2019 through May 31, 2020**

1	Total Average Winning Bid Price for Small C&I per MWh		\$45.99	
2	Line Losses (Transmission 0.8%; Distribution 5.3%)	6.1%		
3	Price Adjustment for Losses (per MWh)		\$2.81	Line 1 * Line 2
4	Price Adjusted for Losses (per MWh)		\$48.80	Line 1 + Line 3
5	Administrative Fees to conduct RFPs	\$68,365		
6	Forecast POLR Sales (MWh) - December 1, 2019-May 31, 2020	197,552		
7	Administrative Adder		\$0.35	Line 5 / Line 6
<u>Total Unbundling</u>				
8	Filing Preparation and Approval Process Expense	\$9,047		
9	Working Capital for Default Service Supply Expense	\$69,185		
10	Total Small C&I Unbundling Expense	\$78,231		Line 8 + Line 9
11	Forecast POLR Sales (MWh) - December 1, 2019-May 31, 2020	197,552		
12	Unbundling Adder (per MWh)		\$0.40	Line 10 / Line 11
<u>Total E-Factor (Over)/Under Reconciliation</u>				
13	E-Factor (Over)/Under Collection	(\$79,412)		
14	Reconciliation Period (Over)/Under Collection	(\$27,107)		
15	Total E-Factor (Over)/Under Collection	(\$106,520)		Line 13 + Line 14
16	Forecast POLR Sales (MWh) - December 1, 2019-May 31, 2020	197,552		
17	(Over)/Under Reconciliation Adder (per MWh)		(\$0.54)	Line 15 / Line 16
18	Adjusted Wholesale Price (per MWh)		\$49.01	Line 4 + Line 7 + Line 12 + Line 17
19	PA GRT @ 5.9%		\$3.07	Line 20 * (.059/(1-.059))
20	Total Rate (per MWh)		\$52.08	Line 18 + Line 19
21	Small RFP Retail Supply Rate (¢ per kWh)		5.2079	Line 20 / 10