

**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, 2025 through May 31, 2026**

| Estimate Only                                     |   |             |   |
|---|---|-------------|---|
| 1   | Total Average Winning Bid Price for Lighting per MWh      | \$89.51     |   |
| 2   | Line Losses (Transmission 0.8%; Distribution 6.1%)        | 6.9%        |   |
| 3   | Price Adjustment for Losses (per MWh)                     | \$6.18      | Line 1 * Line 2   |
| 4   | Price Adjusted for Losses (per MWh)                       | \$95.69     | Line 1 + Line 3   |
| 5   | Administrative Fees to conduct RFPs                       | \$44,375    |   |
| 6   | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 1,448,736   |   |
| 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, 2025-May 31, 2026 | 1,448,736   |   |
| 12  | Unbundling Adder (per MWh)                                | \$0.31      | Line 10 / Line 11                                       |
| 13  | Capacity Adjustment                                       | \$8,048,526 |   |
| 14  | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 1,448,736   |   |
| 15  | Capacity Adjustment Rate (per MWh)                        | \$5.56      | Line 13 / Line 14                                       |
| 16  | Solar Contract Cost                                       | \$6,460     |   |
| 17  | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 1,448,736   |   |
| 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                          | \$507,782   |   |
| 20  | Reconciliation Period (Over)/Under Collection             | (\$41,176)  |   |
| 21  | Total E-Factor (Over)/Under Collection                    | \$466,605   | Line 19 + Line 20                                       |
| 22  | Capacity Expense - Prior Period                           | \$1,688,642 |   |
| 23  | Total E Factor (Over)/Under Reconciliation                | \$2,155,247 | Line 21 + Line 22                                       |
| 24  | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 1,448,736   |   |
| 25  | (Over)/Under Reconciliation Adder (per MWh)               | \$1.49      | Line 23 / Line 24                                       |
| 26  | Adjusted Wholesale Price (per MWh)                        | \$103.08    | Line 4 + Line 7 + Line 12 + Line 15 + Line 18 + Line 25 |
| 27  | Rate Factor   | 0.5059      |   |
| 28  | Total Adjusted Wholesale Price for Rate Factor (\$/MWh)   | \$52.15     | Line 26 * Line 27                                       |
| 29  | PA GRT @ 5.9%   | \$3.27      | Line 28 * (.059/(1-.059))                               |
| 30  | Total Rate (per MWh)                                      | \$55.42     | Line 28 + Line 29                                       |
| 31  | Lighting RFP Retail Supply Rate (¢ per kWh)               | 5.5416      | Line 30 / 10  |