

**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, 2025 through May 31, 2026**

**Estimate Only**

|   |   |            | Fixed Price | Time of Use "TOU" |          |                |   |
|---|---|------------|-------------|-------------------|----------|----------------|---|
|   |   |            |             | Peak              | Off Peak | Super Off Peak |   |
| 1   | Total Average Winning Bid Price for Small C&I per MWh     |            | \$80.22     | \$80.22           | \$80.22  | \$80.22        |   |
| 2   | Line Losses (Transmission 0.8%; Distribution 5.3%)        | 6.1%       |             |                   |          |                |   |
| 3   | Price Adjustment for Losses (per MWh)                     |            | \$4.89      | \$4.89            | \$4.89   | \$4.89         | Line 1 * Line 2   |
| 4   | Price Adjusted for Losses (per MWh)                       |            | \$85.11     | \$85.11           | \$85.11  | \$85.11        | Line 1 + Line 3   |
| 5   | Administrative Fees to conduct RFPs                       | \$44,375   |             |                   |          |                |   |
| 6   | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 220,876    |             |                   |          |                |   |
| 7   | Administrative Adder                                      |            | \$0.20      | \$0.20            | \$0.20   | \$0.20         | Line 5 / Line 6   |
| <u>Total Unbundling</u>                           |   |            |             |                   |          |                |   |
| 8   | Filing Preparation and Approval Process Expense           | \$6,959    |             |                   |          |                |   |
| 9   | Working Capital for Default Service Supply Expense        | \$64,960   |             |                   |          |                |   |
| 10  | Total Small C&I Unbundling Expense                        | \$71,919   |             |                   |          |                | Line 8 + Line 9   |
| 11  | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 220,876    |             |                   |          |                |   |
| 12  | Unbundling Adder (per MWh)                                |            | \$0.33      | \$0.33            | \$0.33   | \$0.33         | Line 10 / Line 11                                       |
| 13  | Capacity Adjustment                                       | \$790,872  |             |                   |          |                |   |
| 14  | Forecast POLR Sales (MWh)                                 | 220,876    |             |                   |          |                |   |
| 15  | Capacity Adjustment Rate (per MWh)                        |            | \$3.58      | \$3.58            | \$3.58   | \$3.58         | Line 13 / Line 14                                       |
| 16  | Solar Contract Cost                                       | \$1,040    |             |                   |          |                |   |
| 17  | Forecast POLR Sales (MWh)                                 | 220,876    |             |                   |          |                |   |
| 18  | Solar Contract Rate (per MWh)                             |            | \$0.00      | \$0.00            | \$0.00   | \$0.00         | Line 16 / Line 17                                       |
| <u>Total E-Factor (Over)/Under Reconciliation</u> |   |            |             |                   |          |                |   |
| 19  | E-Factor (Over)/Under Collection                          | (\$2,406)  |             |                   |          |                |   |
| 20  | Reconciliation Period (Over)/Under Collection             | \$304,904  |             |                   |          |                |   |
| 21  | Total E-Factor (Over)/Under Collection                    | \$302,498  |             |                   |          |                | Line 19 + Line 20                                       |
| 22  | Capacity Expense - Prior Period                           | \$180,150  |             |                   |          |                |   |
| 23  | Prior Period Adjustment                                   | (\$26,721) |             |                   |          |                |   |
| 24  | Total E Factor (Over)/Under Reconciliation                | \$455,927  |             |                   |          |                | Line 21 + Line 22 + Line 23                             |
| 25  | Forecast POLR Sales (MWh) - December 1, 2025-May 31, 2026 | 220,876    |             |                   |          |                |   |
| 26  | (Over)/Under Reconciliation Adder (per MWh)               |            | \$2.06      | \$2.06            | \$2.06   | \$2.06         | Line 24 / Line 25                                       |
| 27  | Adjusted Wholesale Price                                  |            | \$91.28     | \$91.28           | \$91.28  | \$91.28        | Line 4 + Line 7 + Line 12 + Line 15 + Line 18 + Line 26 |
| 28  | TOU Rate Factor   |            |             | 2.77              | 0.61     | 0.44           |   |
| 29  | Adjusted Wholesale Price for Rate Factor                  |            | \$91.28     | \$252.84          | \$55.68  | \$40.16        | Line 27 * Line 28                                       |
| 30  | TOU Program Expenses                                      | \$3,333    |             |                   |          |                |   |
| 31  | Forecast POLR Sales (MWh)                                 | 220,876    |             |                   |          |                |   |
| 32  | TOU Adder   |            | \$0.02      | \$0.02            | \$0.02   | \$0.02         | Line 30 / Line 31                                       |
| 33  | Adjusted Wholesale Price (per MWh)                        |            | \$91.30     | \$252.86          | \$55.70  | \$40.18        | Line 29 + Line 32                                       |
| 34  | PA GRT @ 5.9%   |            | \$5.72      | \$15.85           | \$3.49   | \$2.52         | Line 33 * (.059/(1-.059))                               |
| 35  | Total Rate (per MWh)                                      |            | \$97.02     | \$268.71          | \$59.19  | \$42.70        | Line 33 + Line 34                                       |
| 36  | Small RFP Retail Supply Rate (\$ per kWh)                 |            | 9.7016      | 26.8705           | 5.9189   | 4.2702         | Line 35 / 10  |