

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, 2020 through May 31, 2021

Estimate Only

1	Total Average Winning Bid Price for Lighting per MWh		\$44.83	
2	Line Losses (Transmission 0.8%; Distribution 6.1%)	6.9%		
3	Price Adjustment for Losses (per MWh)		\$3.09	Line 1 * Line 2
4	Price Adjusted for Losses (per MWh)		\$47.92	Line 1 + Line 3
5	Administrative Fees to conduct RFPs		\$68,365	
6	Forecast POLR Sales (MWh) - December 1, 2020-May 31, 20201	1,308,245		
7	Administrative Adder		\$0.05	Line 5 / Line 6
	<u>Total Unbundling</u>			
8	Filing Preparation and Approval Process Expense		\$68,258	
9	Working Capital for Default Service Supply Expense		\$522,012	
10	Total Residential/Lighting Unbundling Expense		\$590,270	Line 8 + Line 9
11	Forecast POLR Sales (MWh) - December 1, 2020-May 31, 20201	1,308,245		
12	Unbundling Adder (per MWh)		\$0.45	Line 11 / Line 12
	<u>Total E-Factor (Over)/Under Reconciliation</u>			
13	E-Factor (Over)/Under Collection		\$557,174	
14	Reconciliation Period (Over)/Under Collection		(\$417,368)	
15	Total E-Factor (Over)/Under Collection		\$139,806	Line 13 + Line 14
16	Audit Finding No. 1		\$155,168	
17	Forecast POLR Sales (MWh) - December 1, 2020-May 31, 20201	1,308,245		
18	(Over)/Under Reconciliation Adder (per MWh)		\$0.23	(Line 15 + Line 16) / Line 17
19	Adjusted Wholesale Price (per MWh)		\$48.66	Line 4 + Line 7 + Line 12 + Line 18
20	Rate Factor	0.6009		
21	Total Adjusted Wholesale Price for Rate Factor (\$/MWh)		\$29.24	Line 19 * Line 20
22	PA GRT @ 5.9%		\$1.83	Line 23 * (.059/(1-.059))
23	Total Rate (per MWh)		\$31.07	Line 21 + Line 22
24	Lighting RFP Retail Supply Rate (¢ per kWh)		3.1067	Line 23 / 10