



**Duquesne Light**

*Our Energy...Your Power*

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**Tishekia E. Williams**  
Senior Counsel

August 1, 2014

**VIA OVERNIGHT MAIL**

Ms. Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building, 2<sup>nd</sup> Floor  
400 North Street  
Harrisburg, Pennsylvania 17120

**RE: Duquesne Light Company Annual Smart Meter Deployment Update  
Docket No. – M-2009-2123948**

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of Duquesne Light Company's Annual Update regarding its advanced metering infrastructure implementation.

Should you have any questions, please do not hesitate to contact me.

Respectfully,

Tishekia E. Williams  
Senior Counsel, Regulatory

Enclosures

cc: Certificate of Service

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**DUQUESNE LIGHT COMPANY  
SMART METER PROCUREMENT AND INSTALLATION  
ANNUAL UPDATE**

**I. INTRODUCTION**

Act 129 of 2008 (“Act 129”) requires large electric distribution companies (“EDCs”) such as Duquesne Light Company (“Duquesne Light” or “Company”) to deploy smart meter technology.<sup>1</sup> On June 24, 2009, the Pennsylvania Public Utility Commission (“Commission”) entered its Smart Meter Procurement and Installation Implementation Order<sup>2</sup> (“SM Implementation Order”) which provided electric distribution companies (“EDCs”) with further guidance regarding the requirements for smart meter procurement and installation. Among other things, the SM Implementation Order provides that EDCs are required “to file a Smart Meter Progress report on an annual basis that will update the status of their installation plans, including the number of customers who received meters in the prior year, the estimated number of customers scheduled to receive meters in the coming year, and all costs associated with the meter plan incurred during the previous year.” This update is submitted in compliance with the Commission’s SM Implementation Order.

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**II. BACKGROUND**

On June 29, 2012, the Company filed a Petition for Approval of its Final Smart Meter Procurement and Installation Plan (“2012 SMIP”). On December 7, 2012, Duquesne Light and the Office of Consumer Advocate filed an uncontested Joint Petition for Approval of Full

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<sup>1</sup> 66 Pa. C.S. § 2807(f).

<sup>2</sup> Smart Meter Procurement and Installation Order, Docket No. M-2009-2092655

Settlement (“Joint Petition”) in the 2012 SMIP. The Joint Petition proposed to resolve all issues related to the Company’s smart meter implementation including deployment schedule and technology solutions.

On January 24, 2013, Administrative Law Judge Katrina Dunderdale issued an Initial Decision approving the Joint Petition.

On May 6, 2013, the Pennsylvania Public Utility Commission (“Commission”) entered its Opinion and Order (“*May 6 Order*”) approving the Joint Petition. In its *May 6 Order*, the Commission required the Company to propose changes to PJM settlements and profile processes to fully enable Time-of-Use (“TOU”) rates, and provide data supporting whether or not inclusion of the voltage monitoring and communication of outages and restorations capabilities are cost effective.

On August 2, 2013, Duquesne Light submitted a compliance filing which addressed the issues raised in the *May 6 Order*. On January 9, 2014, the Commission entered an Opinion and Order approving the Company’s Compliance filing.

### **III. ADVANCED METERING INFRASTRUCTURE DEPLOYMENT**

Since securing Commission approval of its 2012 SMIP, the Company has made considerable progress and expects to deploy 5,000 Itron Smart meters in 2014. As explained in the Company’s 2012 SMIP, Duquesne Light’s advanced metering infrastructure consists of four components: 1) Local Area Network (“LAN”), 2) Wide Area Network (“WAN”), 3) Head End Data Collection System, and 4) Itron Smart Meters. To deliver the required functionality contained in Act 129 and the Smart Meter Implementation Order, the Company must build out the necessary infrastructure to enable bidirectional communication and interval usage data.

Below is information regarding the status of the various components of the AMI implementation and related projects.

**A. Wide Area Network (WAN)**

The Company is deploying the first 5000 Itron Smart Meters beginning in the Borough of Bellevue and the City of Aliquippa, two small communities in Allegheny County along the Ohio River. In conjunction with the installation of meters, the Company is building a private Wide Area Network (“WAN”), which provides bi-directional data communication transport between the Itron local area network and Head-End data collection system located in the Duquesne Light data centers.

The Company has completed the preliminary system-wide WAN design<sup>3</sup> and the final WAN design for the Bellevue and Aliquippa areas. This final WAN design calls for the installation of WAN equipment on four Duquesne Light owned towers. The WAN equipment consists of an antennae at the top of the tower which receives data from subscriber unit (radio) in the field and transmits the data to radio and telecommunications equipment installed at the base of the tower which is used to transport the data back to the Company data center. Once the equipment is installed and WAN communications are operational, a network monitoring system is installed to monitor the performance of the WAN. Installation of the antennae and base station equipment has been completed on the first tower located in Mt. Washington with the remaining four installations scheduled over the next few months. Additionally, connectivity has been established from the Mt. Washington base station to the data center and can be monitored with the network management system.

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<sup>3</sup> WAN design includes the definition of the data transport requirements, identifying the communications equipment, identifying the optimal placement of the equipment and developing the installation procedures.

As part of WAN deployment, the Company is planning to install equipment at another 18 Company owned towers in 2015. Currently, the Company expects to install equipment on 22 towers to cover the entire service territory.

**B. Local Area Network (LAN)**

In order for the meters to deliver the data to the WAN, other parts of the infrastructure must be designed and put in place. This infrastructure consists of the cell relays and subscriber units. To create deployment and operating efficiencies, the Company has engineered and designed Data Aggregation Points (“DAPs”). The DAPs consist of the cell relay used to collect data from numerous meters and the subscriber unit (radio) used to transmit the meter data to the WAN. The DAP's are assembled and tested in the lab and merely require installation and fine tuning in the field. Prototypes of the DAPs are installed in the DLC pole yard for testing and training. DLC expects 17 DAPs to be installed by the end of 2014 and expects another 475 to be installed by the end of 2015.

**C. Meter Deployment and the Open Way Collection Engine**

The initial meter deployment will begin in Bellevue and Aliquippa this fall. Two systems are required for the meter deployment process and to manage the meters: 1) Field Deployment Manager and 2) the Open Way Collection Engine. These systems have been installed and are *operational in the test environment.*

Additionally, the Company is installing Itron Smart Meters for residential customers throughout its service territory whenever a new meter must be installed, including new

construction and maintenance.<sup>4</sup> As of July 20, 2014, approximately 6525 Itron Smart meters have been installed and the Company expects to install 3000 additional meters over the next year for new construction and maintenance. Initially, these meters will operate on the existing Advanced Meter Reading (“AMR”) system and function similar to existing AMR meters. While operating on the AMR system, the Company will obtain daily reads used for billing purposes. Essentially, once the DAPs and WAN are constructed and activated in the geographies where these meters are located, the meters will be capable of hourly reads and bi-directional communication. Additional functionality will become available pursuant to the schedule outlined in the 2012 SMIP. In accordance with the 2012 SMIP’s mass meter deployment schedule, the Company expects to have 90,000 meters capable of hourly reads and bi-directional communication installed by the end of 2015.

#### **IV. CUSTOMER –SPECIFIC ENERGY USAGE DATA PRIVACY POLICY**

Pursuant to the terms of the Joint Petition in the 2012 SMIP, the Duquesne Light Company committed to hire a third party consultant to assist in developing a privacy policy for customers’ smart meter data in the first quarter of 2013. The settlement provided that “the development of said policy shall be carried out in consultation with interested stakeholders and shall be the subject of at least semiannual meetings with stakeholders during the development of the privacy policy. The third party consultant will be asked to report on the range of practices of other U.S. EDCs with respect to privacy policies for smart meter data. The allowed cost for this study shall not exceed \$40,000.”

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<sup>4</sup> Presently, the cost for replacement meters is not included in the Smart Meter Charge. Nonetheless, the Company is installing Itron Smart Meters, which are able to transmit usage data on the AMR system, for all meter replacements to avoid purchasing outdated technology. These meters will function as AMR meters until the AMI infrastructure is built out in their geography at which point they will be activated as “smart meters.”

Stevens and Lee was hired to develop a report on the range of practices of other EDCs with respect to privacy policies for smart meter data. The study was completed in June 2013 and delivered to interested stakeholder. In April 2014, a stakeholder meeting was held to gather input regarding the Company's Customer-Specific Energy Usage Data ("CEUD") privacy policy. The meeting was attended by the Office of Consumer Advocate ("OCA"), Citizen Power, and Pennsylvania Utility Law Project ("PULP"), The Customer Performance Group, Stevens & Lee and various internal staff members of Duquesne Light. Participants discussed the Company's general privacy policy and CEUD privacy policy. The Company will hold one additional stakeholder meeting in August 2014 to finalize the policy.

#### **V. LOW-INCOME CUSTOMER COLLABORATIVE**

In conjunction with low income advocates and other interested stakeholder, Duquesne Light is developing a plan to research the actual experience of low-income customers to determine how such customers may be able to use smart meter technology to reduce their energy bills and to incorporate information regarding such customers into the Company's Customer Acceptance and Education Plan performance metrics.

On June 27, 2013, the Company conducted the first of three planned stakeholder meetings to begin developing a research plan. The Customer Performance Group, on behalf to Duquesne Light, facilitated the session attended by the OCA, PULP, Citizen Power, Neighborhood Legal Services and Duquesne Light representatives. An informal focus group method was used to elicit input from stakeholders about the research question, namely how do low-income customers use smart meter technology and how Duquesne Light might research this

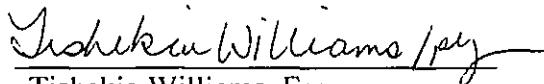
question. From the first meeting, Duquesne Light produced a summary of the stakeholder requirements.

A second collaborative was conducted on April 17, 2014. At the collaborative, the summary of requirements was reviewed, possible research methods were discussed and literature from other like studies was reviewed. A third collaborative is planned for late fall 2014. At that meeting, the final research plan and schedule will be discussed.

## VI. AMI Cost

On July 30, 2014, the Company filed its Smart Meter Charge Annual Reconciliation Statement for the period of July 1, 2013 through June 30, 2014 ("Reconciliation Period"). The reconciliation statement details costs incurred by the Company during the Reconciliation Period. A copy of the filing is attached for convenience.

Respectfully submitted,



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Exhibit 1

Duquesne Light Company  
Rider 20 -Smart Meter Charge  
Annual Reconciliation - July 1, 2013 through June 30, 2014

Summary of Reconciliation Period

1	Surcharge Revenue, Inc. GRT	\$471,710	Exh. 1, Page 3
2	Surcharge Revenue, Excl. GRT	\$443,879	Line 1 * 0.941.
3	E-Factor Revenue, Inc. GRT	(\$50,660)	Exh. Page 4
4	E-Factor Revenue, Excl. GRT	(\$47,671)	Line 3 * 0.941
5	Net Smart Meter Related Revenue, Excl. GRT	\$491,551	Line 2 - Line 4
6	Smart Meter Related Expense	\$1,167,604	Exh. 1, Page 2
7	Reconciliation Period (Over)/Under Collection	\$676,053	Line 6 - Line 5
8	Interest on (Over)/Under Collection	\$26,506	Exhibit 1, Page 5
9	Total Reconciliation Period (Over)/Under Collection	\$702,559	Line 7 + Line 8

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Exhibit 1

Duquesne Light Company  
Rider 20 - Smart Meter Charge  
Annual Reconciliation - July 1, 2013 through June 30, 2014

Summary of Revenue and Expense for the Reconciliation Period - July 2013 through June 2014

	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Total
1 Net Surcharge Revenue, Incl. GRT	\$101,910	\$85,870	\$74,774	(\$3,257)	(\$103,224)	(\$55,569)	\$45,481	\$106,145	\$79,029	\$55,334	\$40,028	\$30,150	\$471,710
2 Less E-Factor Revenue, Incl. GRT	(\$67,428)	(\$68,917)	(\$65,857)	(\$67,901)	(\$65,918)	(\$66,518)	\$34,713	\$37,272	\$37,789	\$37,824	\$37,788	\$37,890	(\$30,690)
3 Smart Meter Charge Related Revenue	\$169,338	\$152,787	\$140,631	\$53,104	(\$37,305)	\$10,948	(\$9,252)	\$48,873	\$21,240	(\$2,489)	(\$17,762)	(\$7,740)	\$522,871
4 Smart Meter Charge Related Revenue	\$169,338	\$152,787	\$140,631	\$53,104	(\$37,305)	\$10,948	(\$9,252)	\$48,873	\$21,240	(\$2,489)	(\$17,762)	(\$7,740)	\$522,871
5 Less PA Gross Receipts Tax	\$9,991	\$9,014	\$8,297	\$3,123	(\$2,201)	\$646	(\$346)	\$2,884	\$1,253	(\$1,677)	(\$1,038)	(\$457)	\$30,820
6 Net Smart Meter Charge Related Revenue	\$159,347	\$143,772	\$132,334	\$49,981	(\$35,106)	\$10,302	(\$8,707)	\$45,989	\$19,987	(\$3,343)	(\$16,714)	(\$7,289)	\$491,551
7 Expense	(\$30,190)	(\$21,435)	\$56,353	\$37,137	\$299,308	(\$110,338)	\$155,570	\$62,081	\$140,243	\$428,893	\$213,435	\$196,594	\$1,167,604
8 (Over)/Under Collection	(\$469,477)	(\$165,257)	(\$75,981)	\$7,166	\$334,408	(\$120,700)	\$154,277	\$16,091	\$120,259	\$431,241	\$230,148	\$103,877	\$676,063
9 Interest	(\$18,337)	(\$19,005)	(\$8,358)	\$752	\$35,441	(\$11,855)	\$14,785	\$1,368	\$9,621	\$32,343	\$16,110	\$13,752	\$76,506
10 Total (Over)/Under Collection	(\$525,814)	(\$184,261)	(\$84,339)	\$7,918	\$367,849	(\$132,555)	\$179,062	\$17,459	\$129,879	\$463,584	\$246,259	\$217,629	\$702,569

Exhibit 1

Duquesne Light Company  
 Rider 20 - Smart Meter Charge  
 Annual Recessionation - July 1, 2013 through June 30, 2014

Summary of Surcharge Revenue

	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Total
<b>A. Surcharge Revenue by Rate Class by Month, Incl. GRT</b>													
1 RS	\$25,892	\$72,448	\$61,551	(\$6,427)	(\$85,683)	(\$46,539)	\$38,940	\$28,684	\$66,216	\$46,202	\$32,975	\$42,264	\$335,562
2 RH	\$5,787	\$4,386	\$4,234	(\$438)	(\$4,049)	(\$2,399)	\$2,285	\$3,464	\$4,028	\$2,934	\$2,388	\$2,718	\$25,197
3 RA	\$651	\$545	\$486	(\$56)	(\$637)	(\$337)	\$297	\$674	\$335	\$374	\$282	\$332	\$3,125
4 GB	\$8,627	\$3,284	\$3,207	(\$946)	(\$4,175)	(\$2,202)	\$1,787	\$4,304	\$3,161	\$2,148	\$1,729	\$1,884	\$18,253
5 GM<25	\$3,284	\$2,927	\$2,851	(\$387)	(\$5,793)	(\$2,063)	\$1,557	\$3,980	\$2,832	\$2,059	\$1,562	\$1,665	\$16,685
6 GM>25	\$1,579	\$1,620	\$1,644	(\$213)	(\$1,046)	(\$1,143)	\$819	\$2,169	\$1,562	\$1,120	\$845	\$901	\$3,151
7 GM25-25	\$360	\$350	\$336	(\$55)	(\$469)	(\$227)	\$213	\$436	\$300	\$225	\$185	\$202	\$1,913
8 GM25-25	\$182	\$147	\$157	\$2	(\$231)	(\$99)	\$69	\$221	\$141	\$108	\$79	\$90	\$808
9 GL	\$170	\$136	\$134	(\$27)	(\$186)	(\$100)	\$69	\$189	\$143	\$91	\$71	\$79	\$790
10 GLH	\$27	\$16	\$19	(\$2)	(\$26)	(\$19)	\$10	\$26	\$20	\$13	\$11	\$11	\$110
11 L	\$11	\$7	\$8	(\$2)	(\$10)	(\$4)	\$5	\$10	\$9	\$5	\$4	\$5	\$47
12 HVPS	\$2	\$1	\$1	(\$1)	(\$1)	(\$1)	\$1	\$1	\$1	\$1	\$1	\$1	\$7
13 AL	\$1	\$0	\$0	\$0	(\$1)	(\$0)	\$0	\$1	\$0	\$0	\$0	\$0	\$3
14 Total	\$101,910	\$85,870	\$74,774	(\$8,197)	(\$103,224)	(\$55,568)	\$45,461	\$106,145	\$79,029	\$55,334	\$40,028	\$50,150	\$471,710
<b>B. Surcharge Revenue by Customer Class by Month, Incl. GRT</b>													
15 Residential (RS, RH, RA)	\$91,829	\$77,379	\$66,811	(\$6,971)	(\$92,370)	(\$49,605)	\$40,932	\$34,822	\$70,779	\$49,511	\$35,545	\$45,314	\$429,884
16 Commercial & Industrial (GS/GM, GM2, GL, GLH, L, HVPS)	\$9,590	\$8,491	\$8,465	(\$1,729)	(\$10,853)	(\$5,974)	\$4,529	\$11,322	\$4,250	\$5,828	\$4,483	\$4,837	\$47,826
17 Lighting (AL)	\$1	\$0	\$0	\$0	(\$1)	(\$0)	(\$0)	\$1	\$0	\$0	\$0	\$0	\$3
18 Total	\$101,920	\$85,870	\$74,774	(\$8,197)	(\$103,224)	(\$55,568)	\$45,461	\$106,145	\$79,029	\$55,334	\$40,028	\$50,150	\$471,710
<b>C. Net Surcharge Revenue by Customer Class by Month, Excl. GRT</b>													
19 Residential (RS, RH, RA)	\$86,882	\$72,813	\$62,398	(\$6,509)	(\$86,320)	(\$46,763)	\$38,517	\$89,227	\$66,603	\$46,980	\$33,448	\$42,680	\$396,875
20 Commercial & Industrial (CS/GM, GM2, GL, GLH, L, HVPS)	\$5,015	\$7,890	\$7,963	(\$1,154)	(\$10,213)	(\$5,527)	\$4,262	\$10,654	\$7,768	\$5,479	\$4,218	\$4,551	\$45,002
21 Lighting (AL)	\$1	\$0	\$0	\$0	(\$1)	(\$0)	(\$0)	\$1	\$0	\$0	\$0	\$0	\$2
22 Total	\$91,897	\$80,703	\$70,362	(\$7,713)	(\$96,534)	(\$52,291)	\$42,778	\$99,882	\$74,366	\$52,477	\$37,666	\$47,192	\$441,879

Exhibit 1

Duquesne Light Company  
Rider 20 - Smart Meter Charge  
Annual Reconciliation - July 1, 2013 through June 30, 2014

Calculation of E-Factor Revenue

	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Total
<b>A. E-Factor Billing Units, Meter Count:</b>													
1 RS	504,440	501,225	493,666	458,989	494,169	497,862	469,704	495,002	498,761	499,048	498,718	499,610	
2 RH	32,281	31,504	30,247	28,972	30,322	31,268	30,519	30,664	31,552	31,585	31,560	31,620	
3 RA	3,826	3,779	3,725	3,496	3,799	3,789	3,643	3,854	3,915	3,918	3,904	3,943	
4 GS	23,650	23,505	23,229	21,366	23,337	23,615	22,955	23,327	23,565	23,509	23,457	23,539	
5 GMH<25	21,837	21,507	21,234	19,780	21,051	21,447	21,012	21,154	21,501	21,563	21,627	21,584	
6 GMH>25	11,858	11,821	11,787	10,902	11,784	11,807	11,559	11,658	11,665	11,691	11,671	11,698	
7 GMH<25	2,458	2,440	2,410	2,288	2,413	2,442	2,362	2,417	2,450	2,444	2,447	2,471	
8 GMH>25	1,125	1,128	1,117	1,028	1,124	1,128	1,090	1,127	1,108	1,109	1,114	1,111	
9 GL	1,007	1,007	998	972	1,008	992	969	998	991	998	998	1,002	
10 GLH	145	143	142	128	142	142	138	141	140	140	140	140	
11 L	60	60	60	59	60	60	60	60	60	56	63	60	
12 HVPS	10	10	10	10	8	8	14	10	10	10	9	4	
13 AL	3	3	3	3	3	3	3	3	3	3	3	3	
14 B. E-Factor Rate Excl. GRT	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.11)	(\$0.11)	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	
<b>C. E-Factor Revenue, Excl. GRT</b>													
15 RS	(\$53,105)	(\$52,768)	(\$51,971)	(\$48,320)	(\$52,024)	(\$52,413)	\$42,876	\$45,185	\$45,528	\$45,554	\$45,524	\$45,806	(\$40,328)
16 RH	(\$3,398)	(\$3,817)	(\$3,186)	(\$3,250)	(\$3,292)	(\$3,292)	\$2,786	\$2,799	\$2,880	\$2,884	\$2,881	\$2,885	(\$2,320)
17 RA	(\$403)	(\$398)	(\$393)	(\$368)	(\$394)	(\$399)	\$333	\$350	\$357	\$358	\$358	\$360	(\$299)
18 GS	(\$2,490)	(\$2,475)	(\$2,445)	(\$2,249)	(\$2,457)	(\$2,486)	\$2,095	\$2,129	\$2,151	\$2,146	\$2,141	\$2,149	(\$1,730)
19 GMH<25	(\$2,299)	(\$2,284)	(\$2,285)	(\$2,082)	(\$2,220)	(\$2,258)	\$1,918	\$1,931	\$1,963	\$1,968	\$1,974	\$1,970	(\$1,635)
20 GMH>25	(\$1,248)	(\$1,244)	(\$1,241)	(\$1,148)	(\$1,241)	(\$1,243)	\$1,055	\$1,064	\$1,065	\$1,067	\$1,065	\$1,067	(\$981)
21 GMH<25	(\$259)	(\$257)	(\$254)	(\$241)	(\$254)	(\$257)	\$216	\$221	\$225	\$223	\$223	\$226	(\$188)
22 GMH>25	(\$115)	(\$118)	(\$118)	(\$108)	(\$118)	(\$119)	\$99	\$105	\$101	\$101	\$102	\$101	(\$97)
23 GL	(\$106)	(\$106)	(\$105)	(\$96)	(\$106)	(\$104)	\$88	\$91	\$90	\$91	\$91	\$91	(\$80)
24 GLH	(\$15)	(\$15)	(\$15)	(\$13)	(\$15)	(\$15)	\$12	\$13	\$13	\$13	\$13	\$13	(\$12)
25 L	(\$6)	(\$6)	(\$6)	(\$6)	(\$6)	(\$6)	\$5	\$5	\$5	\$5	\$5	\$5	(\$5)
26 HVPS	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	\$1	\$1	\$1	\$1	\$1	\$0	(\$1)
27 AL	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)
28 Total	(\$65,450)	(\$62,969)	(\$61,971)	(\$57,684)	(\$62,028)	(\$62,598)	\$51,485	\$53,899	\$54,380	\$54,412	\$54,380	\$54,475	(\$47,671)
<b>D. E-Factor Revenue, Incl. GRT</b>													
29 RS	(\$56,488)	(\$56,076)	(\$55,290)	(\$51,350)	(\$55,286)	(\$55,899)	\$45,564	\$48,018	\$48,383	\$48,411	\$48,379	\$48,465	(\$42,856)
30 RH	(\$3,611)	(\$3,525)	(\$3,386)	(\$3,241)	(\$3,392)	(\$3,498)	\$2,961	\$2,975	\$3,061	\$3,065	\$3,062	\$3,066	(\$2,465)
31 RA	(\$428)	(\$425)	(\$418)	(\$391)	(\$418)	(\$424)	\$353	\$372	\$380	\$381	\$381	\$382	(\$254)
32 GS	(\$2,646)	(\$2,630)	(\$2,599)	(\$2,390)	(\$2,611)	(\$2,642)	\$2,227	\$2,263	\$2,286	\$2,281	\$2,275	\$2,283	(\$1,903)
33 GMH<25	(\$2,443)	(\$2,406)	(\$2,376)	(\$2,213)	(\$2,360)	(\$2,399)	\$2,088	\$2,052	\$2,086	\$2,092	\$2,098	\$2,094	(\$1,787)
34 GMH>25	(\$1,322)	(\$1,322)	(\$1,319)	(\$1,220)	(\$1,318)	(\$1,321)	\$1,121	\$1,131	\$1,132	\$1,134	\$1,131	\$1,134	(\$1,042)
35 GMH<25	(\$275)	(\$279)	(\$270)	(\$256)	(\$279)	(\$279)	\$229	\$234	\$239	\$237	\$237	\$240	(\$200)
36 GMH>25	(\$126)	(\$125)	(\$125)	(\$115)	(\$126)	(\$126)	\$105	\$109	\$107	\$108	\$108	\$108	(\$98)
37 GL	(\$113)	(\$113)	(\$112)	(\$102)	(\$113)	(\$111)	\$94	\$97	\$96	\$97	\$97	\$97	(\$85)
38 GLH	(\$16)	(\$16)	(\$16)	(\$14)	(\$16)	(\$16)	\$13	\$14	\$14	\$14	\$14	\$14	(\$13)
39 L	(\$7)	(\$7)	(\$7)	(\$7)	(\$7)	(\$7)	\$6	\$6	\$6	\$6	\$6	\$6	(\$6)
40 HVPS	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	\$1	\$1	\$1	\$1	\$1	\$0	(\$1)
41 AL	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	(\$0)
42 Total	(\$67,428)	(\$66,917)	(\$65,857)	(\$61,301)	(\$65,918)	(\$66,528)	\$54,713	\$57,272	\$57,789	\$57,824	\$57,789	\$57,890	(\$50,680)

Exhibit 1

Duquesne Light Company  
Rider 20 - Smart Meter Charge  
Annual Reconciliation - July 1, 2013 through June 30, 2014

Calculation of Interest

	<u>Jul-13</u>	<u>Aug-13</u>	<u>Sep-13</u>	<u>Oct-13</u>	<u>Nov-13</u>	<u>Dec-13</u>	<u>Jan-14</u>	<u>Feb-14</u>	<u>Mar-14</u>	<u>Apr-14</u>	<u>May-14</u>	<u>Jun-14</u>	<u>Total</u>
1 Actual Surcharge Revenue, Excl. GRT	\$95,887	\$80,809	\$70,962	(\$7,713)	(\$87,134)	(\$62,291)	\$42,778	\$89,882	\$74,966	\$52,070	\$27,666	\$47,182	\$443,879
2 Lane E-Factor Revenue, Excl. GRT	(\$63,450)	(\$62,958)	(\$61,971)	(\$57,684)	(\$62,028)	(\$62,593)	\$31,485	\$38,893	\$54,380	\$54,412	\$54,380	\$54,475	(\$47,671)
3 Net Surcharge Related Revenue	\$32,437	\$17,851	\$8,991	(\$65,397)	(\$149,162)	(\$124,884)	\$74,263	\$128,775	\$20,586	(\$2,342)	(\$26,714)	(\$7,293)	\$396,208
4 Expense	(\$310,130)	(\$21,685)	\$56,363	\$47,147	\$299,363	(\$110,398)	\$155,570	\$67,081	\$740,265	\$4,28,898	\$213,635	\$196,594	\$1,167,604
5 Over/Under Collection	(\$689,477)	(\$166,257)	(\$75,961)	\$7,266	\$394,468	(\$120,700)	\$164,277	\$16,091	\$120,259	\$481,241	\$230,148	\$208,877	\$676,053
6 Interest Rate	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	
7 Interest Weight	24/12	24/12	27/12	21/12	20/12	19/12	18/12	17/12	16/12	15/12	14/12	13/12	
8 Interest	(\$54,337)	(\$19,005)	(\$8,358)	\$752	\$33,441	(\$11,456)	\$54,785	\$1,363	\$9,621	\$87,343	\$16,110	\$13,252	\$26,506
9 Total Over/Under Collection	(\$525,814)	(\$184,251)	(\$19,600)	\$14,518	\$327,929	(\$132,166)	\$179,062	\$17,459	\$129,880	\$468,584	\$246,258	\$222,129	\$702,559

(1) Interest calculated at the legal rate of interest at 6%. June 30, 2015 is the mid-point of the period January 1, 2015 to December 31, 2015 during which the under collection will be collected.

**CERTIFICATE OF SERVICE**

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. § 1.54 (relating to service by a participant).

**FIRST CLASS MAIL**

Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2nd Floor West  
PO Box 3265  
Harrisburg, PA 17105-3265

Office of Small Business Advocate  
300 North Second Street, Suite 1102  
Harrisburg, PA 17101

Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1923

Bureau of Audits  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 3rd Floor, F East  
Harrisburg, PA 17120

**RECEIVED**

AUG 04 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU



Tishekia Williams, Esquire  
Senior Counsel, Regulatory  
Duquesne Light Company  
411 Seventh Avenue, 16-1  
Pittsburgh, PA 15222  
412-393-1541  
[twilliams@duqlight.com](mailto:twilliams@duqlight.com)

Date: August 1, 2014

UPS CampusShip: View/Print Label

1. **Ensure there are no other shipping or tracking labels attached to your package.** Select the Print button on the print dialog box that appears. Note: If your browser does not support this function select Print from the File menu to print the label.
2. **Fold the printed sheet containing the label at the line so that the entire shipping label is visible.** Place the label on a single side of the package and cover it completely with clear plastic shipping tape. Do not cover any seams or closures on the package with the label. Place the label in a UPS Shipping Pouch. If you do not have a pouch, affix the folded label using clear plastic shipping tape over the entire label.

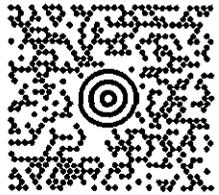
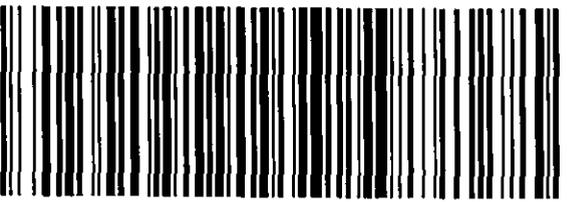
### 3. GETTING YOUR SHIPMENT TO UPS

- UPS locations include the UPS Store<sup>®</sup>, UPS drop boxes, UPS customer centers, authorized retail outlets and UPS drivers. Schedule a same day or future day Pickup to have a UPS driver pickup all your CampusShip packages. Hand the package to any UPS driver in your area. Take your package to any location of The UPS Store<sup>®</sup>, UPS Drop Box, UPS Customer Center, UPS Alliances (Office Depot<sup>®</sup> or Staples<sup>®</sup>) or Authorized Shipping Outlet near you. Items sent via UPS Return Services(SM) (including via Ground) are also accepted at Drop Boxes. To find the location nearest you, please visit the Resources area of CampusShip and select UPS Locations.

#### Customers with a Daily Pickup

Your driver will pickup your shipment(s) as usual.

FOLD HERE

TISHEKIA WILLIAMS 4123931541 DUQUESNE LIGHT 411 SEVENTH AVENUE, MAIL DROP PITTSBURGH PA 15219		0.0 LBS LTR	1 OF 1
<b>SHIP TO:</b> SECRETARY ROSEMARY CHIAVETTA PA PUBLIC UTILITY COMMISSION 400 NORTH STREET 2ND FLOOR COMMONWEALTH KEYSTONE BUILDING HARRISBURG PA 17120			
	PA 171 9-20 		
<b>UPS NEXT DAY AIR</b>		<b>1</b>	
TRACKING #: 1Z OX8 71V 01 9903 3432			
			
BILLING: P/P			
Cost Center: 006			
CS 16.S.32		WNTIE90 54.0A 07/2014	
			