

**Michael Zimmerman** Senior Counsel, Regulatory 411 Seventh Avenue Mail drop 15-7 Pittsburgh, PA 15219 Tel: 412-393-6268 mzimmerman@duqlight.com

December 3, 2020

### **Via Electronic Filing**

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

Re: Duquesne Light Company - Default Service Plan VIII - Petition for Modification Docket No. P-2016-2543140

Dear Secretary Chiavetta:

Enclosed for filing, please find an original copy of Duquesne Light Company's ("Duquesne Light" or the "Company") Petition for Approval to Modify its Supplier Master Agreement ("Petition") and supporting Exhibits. The Petition is filed pursuant to Section 5.41 of the Pennsylvania Public Utility Commission's ("Commission") Rules of Administrative Practice and Procedure, 52 Pa. Code § 5.41.

By this Petition, the Company requests Commission approval to implement a Capacity Proxy Price ("CPP") for certain default supply contracts to be procured in March 2021, to accommodate delays in PJM Interconnection, Inc.'s ("PJM") Base Residual Auction ("BRA") for capacity.

The Company respectfully requests that the Commission grant the modification requested herein by its February 4, 2021 public meeting. Should you have any questions, please do not hesitate to contact me.

Respectfully Submitted,

Michael Zimmerman Senior Counsel, Regulatory

Enclosures

Cc: Certificate of Service

### **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. Code § 1.54 (relating to service by a participant):

## **ELECTRONIC MAIL**

Bureau of Investigation & Enforcement Richard Kanaskie Commonwealth Keystone Building 400 North Street, 2<sup>nd</sup> Floor West PO Box 3265 Harrisburg, PA 17105-3265 rkanaskie@pa.gov Office of Small Business Advocate John Evans 555 Walnut Street, 1<sup>st</sup> Floor Harrisburg, PA 17101 jorevan@pa.gov

Office of Consumer Advocate Tanya McCloskey 555 Walnut Street Forum Place, 5<sup>th</sup> Floor Harrisburg, PA 17101-1923 TMcCloskey@paoca.org Nextera Energy Power Marketing Todd S. Stewart 100 North Tenth Street Harrisburg, PA 17101 tsstewart@hmslegal.com

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Email: mzimmerman@duqlight.com

Dated: December 3, 2020

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company :

for Approval to Modify its : Docket No. P-2016-2543140

Supplier Master Agreement

## PETITION OF DUQUESNE LIGHT COMPANY FOR APPROVAL TO MODIFY ITS SUPPLIER MASTER AGREEMENT

## I. <u>INTRODUCTION</u>

Duquesne Light Company ("Duquesne Light" or "Company") hereby submits this Petition for Approval to Modify its Supplier Master Agreement ("Petition") pursuant to Section 5.41 of the Pennsylvania Public Utility Commission's ("Commission") Rules of Administrative Practice and Procedure, 52 Pa. Code § 5.41. The Default Service Plan for the Period June 1, 2017, through May 31, 2021 ("DSP VIII") was approved by the Commission on December 22, 2016, *Petition of Duquesne Light Company for Approval of a Default Service Plan for the Period June 1, 2017, through May 31, 2021*, Docket No. P-2016-2543140 (Order Entered December 22, 2016). The Commission subsequently approved the Company's petition to modify its September 2020 procurement of default service contracts in recognition of an ongoing proceeding at the Federal Energy Regulatory Commission ("FERC") concerning PJM Interconnection, Inc.'s ("PJM") Base Residual Auction ("BRA") for capacity. Petition of Duquesne Light Company for Approval to Modify the Procurement Schedule for its Default Service Plan for the Period June 1, 2017, through

<sup>&</sup>lt;sup>1</sup> Complaint of Calpine Corporation, et. al., FERC Docket No. EL16-49 ("Calpine Proceeding").

May 31, 2021, Docket No. P-2016-2543140 (Order Entered July 16, 2020) ("April 2020 DSP VIII Petition").

The delays in PJM capacity markets that precipitated the Company's April 2020 DSP VIII Petition have persisted. It is now clear that the market price for capacity in the 2022/2023 delivery period will not be known by March 2021, when Duquesne Light must procure certain fixed-price full requirements ("FPFR") supply contracts<sup>2</sup> that extend into that period. Therefore, by this Petition, the Company requests Commission approval to modify its DSP VIII Supplier Master Agreement to implement a capacity proxy price ("CPP") for use in its upcoming March 2021 procurement of default supply contracts. The Company's proposal is substantively similar to that of the FirstEnergy Companies at Docket Nos. P-2020-3021424 *et. al*,<sup>3</sup> which the Commission approved by Order entered October 13, 2020.

Duquesne Light respectfully requests that the Commission approve this Petition without modification, and amend its prior Orders approving the Company's DSP VIII accordingly. In order to provide prospective wholesale suppliers sufficient time to incorporate the auction changes proposed herein, the Company respectfully requests that the Commission render a determination on this Petition no later than its February 4, 2021, public meeting date. In support of this Petition, Duquesne Light states as follows:

## II. <u>BACKGROUND</u>

1. Duquesne Light Company is a public utility and electric distribution company

<sup>&</sup>lt;sup>2</sup> "Full requirements" supply contracts include all products and services that constitute a given tranche of default supply, including energy, ancillary services, alternative energy credits, and – relevant to the instant petition – capacity. 
<sup>3</sup> Docket Nos. P-2020-3021424 et. al, Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval to Modify Their Supplier Master Agreement (filed August 19, 2020).

("EDC") as defined in Sections 102 and 2803 of the Public Utility Code, 66 Pa.C.S. §§ 102, 2803.

Duquesne Light provides electric supply service to approximately 600,000 customers in its

certified service territory, which includes portions of the City of Pittsburgh and Allegheny and

Beaver Counties of Pennsylvania.

2. The name and address of Duquesne Light's attorneys for purposes of this filing are

as follows:

Michael Zimmerman (Pa. I.D. 323715)

**Duquesne Light Company** 

411 Seventh Avenue

MD: 15-7

Pittsburgh, PA 15219

Phone: (412) 393-6268

Email: mzimmerman@duqlight.com

Counsel consent to electronic service of any documents associated with this Petition.

3. Enclosed as Exhibits to this Petition are:

Exhibit A, comprising the proposed supplement Appendix F to the

Company's Supplier Master Agreement ("SMA").

Exhibit B, depicting limited changes to the Bidding Rules for the

Company's default service solicitation. Commission approval of changes to

the Bidding Rules is not required so long as the Commission approves the

underlying changes to the SMA.<sup>4</sup> Exhibit B is therefore provided here as

illustration.

<sup>4</sup> See Bidding Rules p. 1 ("These Bidding Rules may be modified from time to time by the Independent Market Monitor in order to: (i) facilitate a more competitive auction process, (ii) make any necessary corrections and/or clarifications,

(iii) account for any change in auction products, (iv) conform to any change in state or federal law or rule, and (v) apply any change deemed necessary at the discretion of the Independent Market Monitor. Such modifications will be carried out in consultation with the Company but without prior consent from the Pennsylvania Public Utilities Commission

('PA PUC' or 'Commission') or any past, current, or potential bidder and will be posted to the Information Website.")

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- 4. Chapter 28, Section 2807(e) of the Public Utility Code (Code), 66 Pa. C.S. § 2807(e), provides the requirements of a default service plan. Chapter 28 requires the default service provider to follow a Commission-approved competitive procurement plan that includes auctions, requests for proposal, and/or bilateral agreements, as well as a prudent mix of spot market purchases, short-term contracts, and long-term purchase contracts designed to ensure adequate and reliable service at the least cost to customers over time. 66 Pa. C.S. § 2807(e). The Commission provides additional guidance regarding these requirements in its Order entered October 4, 2011, in *Default Service and Retail Electric Markets*, Docket No. L-2009-2095604 ("Second Default Service Rulemaking Order").
- 5. The Company's current default service plan, DSP VIII, extends through May 31, 2021. Under DSP VIII, the Company procures default supply for Residential and Small C&I<sup>5</sup> customers through a combination of laddered twelve (12) and twenty-four (24) month FPFR supply contracts. The Company conducts Requests for Proposals (RFPs) for these FPFR supply contracts in September and March of each year, for FPFR supply contracts to commence the following December 1 and June 1, respectively. Historically, the price of capacity for the full duration of the FPFR contract is known at the time of each RFP.
- 6. On March 21, 2016, a group of wholesale suppliers filed an action at the FERC complaining of alleged state subsidization of certain capacity resources, and the effects on wholesale market capacity prices. *See Complaint of Calpine Corporation, et. al.*, FERC Docket No. EL16-49 ("Calpine Proceeding").

<sup>&</sup>lt;sup>5</sup> Small C&I customers include non-residential customers with average monthly peak demands less than 25kW.

<sup>&</sup>lt;sup>6</sup> Under DSP VIII, default supply for Medium C&I – i.e., nonresidential customers with average monthly peak demands greater than or equal to 25kW and less than 200kW – is procured through three-month FPFR supply contracts. Default supply for Large C&I customers – i.e., nonresidential customers with average monthly peak demands of 200kW and above – is procured through Duquesne Light's Hourly Priced Service ("HPS").

- 7. On July 25, 2019, the FERC entered an Order in the Calpine Proceeding directing PJM to suspend the scheduled BRA for the 2022/2023 delivery period.
- 8. On December 19, 2019, the FERC issued an Order that, *inter alia*, expanded PJM's Minimum Offer Price Rule ("MOPR") to all state-subsidized resources ("MOPR-Ex Order"). FERC instructed PJM to make a compliance filing implementing the MOPR-Ex Order.
- 9. On March 18, 2020, PJM filed a proposed compliance filing to implement the MOPR-Ex Order ("PJM Compliance Filing"). *Inter alia*, the PJM Compliance Filing proposed a compressed timetable for PJM's upcoming BRAs.
- 10. On April 8, 2020, the Company filed the April 2020 DSP VIII Petition to modify its scheduled September, 2020, procurement of default service contracts ("DSP VIII Modification Petition"), in light of the high probability that capacity price for the 2022/2023 delivery period would not be established by that time. The Company specifically proposed to truncate, from 24 months to 12 months, the durations of those Residential and Small C&I FPFR supply contracts to be procured in September 2020 that would otherwise extend into the unpriced capacity period. The Company explained: "Unpriced capacity periods should be excluded from the Company's September RFPs because, if otherwise included, they may diminish those RFPs' likelihood of success and/or drive up bidders' risk premiums, yielding higher final default supply prices."
- 11. On July 16, 2020, the Commission approved the April 2020 DSP VIII Petition.<sup>9</sup> The Company subsequently held its September 2020 default service auction as modified, and the

<sup>&</sup>lt;sup>7</sup> Compliance Filing Concerning the Minimum Offer Price Rule, Request for Waiver of RPM Auction Deadlines and Request for an Extended Comment Period of At Least 35 Days, filed March 18, 2020, at Docket No. EL16-49.

<sup>&</sup>lt;sup>8</sup> April 2020 DSP VIII Petition ¶24.

<sup>&</sup>lt;sup>9</sup> Docket No. P-2016-2543140, Order entered July 16, 2020, p. 4 ("We agree with Duquesne Light that its proposal to modify its procurement schedule for September 2020 by shortening the contract supply period from 24 months to 12 months will mitigate the uncertainties relating to capacity pricing in the PJM capacity markets in such a way that it will ensure that default supply is procured at the least cost to consumers over time and will maintain a prudent mix of supply contracts as required by the Competition Act.")

Commission accepted the results of the auction by Secretarial Letter entered September 22, 2020 at this docket.

- 12. On October 15, 2020, FERC issued an Order<sup>10</sup> accepting the PJM Compliance Filing in part, and directing PJM to submit a further compliance filing within 30 days. Importantly, while FERC's October 15, 2020 Order authorized PJM to compress its pre-auction process to 6.5 months, it did not authorize PJM to commence such process, pending resolution of related PJM compliance filings concerning price formation at Docket No. EL19-58. October 15, 2020 Order ¶105 fn.192; ¶360.
- 13. On November 12, 2020, FERC issued an Order accepting PJM's compliance filings in Docket No. EL19-58, which effectively cleared the way for PJM to resume scheduling the BRAs and commence its 6.5-month pre-auction process.
- 14. On November 19, 2020, PJM presented an updated BRA schedule to the PJM Markets and Reliability Committee, which schedules the BRA for the 2022-2023 delivery period to be held in May 2021, with results to be released June 2, 2021.<sup>11</sup>
- 15. PJM's next BRA will therefore occur at least two months after the Company's procurement of Residential and Small C&I default supply contracts in March 2021.

#### III. PROPOSED CHANGE TO DSP VIII

16. As indicated above, the Company requests Commission approval to adopt Appendix F to the Company's Supplier Master Agreement, which would implement a Capacity Proxy Price for the portions of the Residential and Small C&I FPFR supply contracts to be procured in March 2021 that extend into the 2022/2023 unpriced capacity period. Appendix F is

<sup>&</sup>lt;sup>10</sup> Docket No. EL16-49, Order on Compliance, Granting Waiver Request, Addressing Argument Raise on Rehearing, and Setting Aside Prior Order, in Part (October 15, 2020).

<sup>&</sup>lt;sup>11</sup> *See* https://www.pjm.com/-/media/committees-groups/committees/mrc/2020/20201119/20201119-item-03-2022-2023-base-residual-auction-schedule-presentation.ashx.

attached as Exhibit A. The Company's proposed CPP, which is calculated as a straight average of the actual capacity prices from the two preceding delivery periods, is illustrated below:

2020/2021 Delivery Year. 3rd	2021/2022 Delivery Year. 2nd	<b>Proposed 2022/2023</b>
Incremental Auction. Final Zonal	Incremental Auction. Adjusted	Capacity Proxy
Net Load Price (\$/MW-day)	Zonal Net Load Price (\$/MW-day)	Price (\$/MW-day)
\$77.31	\$142.71	\$110.01

- 17. This proposed change would apply only to the Company's scheduled March 2021 RFP for Residential and Small C&I default supply. It would not apply to any subsequent RFPs or RFPs for default supply for other customer classes. Once PJM sets capacity prices for this period, which is currently anticipated to occur in early June 2021, any differences between the CPP and the actual capacity price would be reconciled, as described more fully herein.
- 18. The purpose of this proposal is to address the 2022/2023 unpriced capacity period from those FPFR supply contracts to be procured in March 2021. As the Company articulated in the April DSP VIII petition, an unknown capacity period injects an element of uncertainty into the Company's default service auctions, which could impair auction liquidity and drive up default supply prices. <sup>12</sup> Implementing a CPP is the appropriate method to mitigate these risks and advance the Company's "least cost over time" and "prudent mix" obligations with respect to the remaining DSP VIII term.
- 19. The Company's CPP proposal follows the same approach as the CPP proposal of the FirstEnergy Companies, which the Commission approved by Order entered October 13, 2020, at Docket Nos. P-2020-3021424 *et. al.* The Company's proposed Appendix F to its Supplier Master Agreement implementing this approach, attached hereto as Exhibit A, is substantially

<sup>&</sup>lt;sup>12</sup> See April 2020 DSP VIII Petition ¶24-26.

<sup>&</sup>lt;sup>13</sup> Docket Nos. P-2020-3021424 et. al, Joint Petition of Metropolitan Edison Company, Pennsylvania Electric Company, Pennsylvania Power Company and West Penn Power Company for Approval to Modify Their Supplier Master Agreement (filed August 19, 2020).

similar to the Appendix by which the FirstEnergy Companies implemented their CPP. Likewise, the Company's limited changes to the Bidding Rules, illustrated in Exhibit B, are substantially similar to the FirstEnergy Companies'.

- 20. Like the FirstEnergy Companies, the Company calculated the proposed CPP by averaging the capacity prices established through the two most recent BRAs (i.e., the 2020/2021 and 2021/2022 delivery periods).
- 21. The Company's implementation of the CPP will parallel that of the FirstEnergy Companies. Winning wholesale suppliers of the Company's 24-month FPFR contracts procured in March 2021 will be paid the auction closing price, subject to subsequent true-up for the portion of the contracts that extend into the 2022/2023 delivery period. Once the PJM capacity price is set, the suppliers will be debited or credited (as applicable) any differences between the CPP and the PJM capacity price. Effective in June 2022, the Company will make an adjustment to its Rider No. 8 Default Service Supply rates to compensate for any differences between the CPP and the final PJM 2022/2023 capacity price. The Company would then refund/recoup any remaining differences through its next section 1307(e) reconciliation of default supply rates. Thus, the impact of the CPP on customers over time will be neutral.
- 22. In addition to this Commission's approval of a CPP for the FirstEnergy Companies, state commissions in New Jersey, Maryland, and Ohio have approved a CPP approach.<sup>14</sup>

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Ohio approved the use of a CPP as one of the options utilities could adopt to address the unknown capacity price issue.

<sup>&</sup>lt;sup>14</sup> In the Matter of the Provision of Basic Generation Service (BGS) For the Period Beginning June 1, 2020, Docket No. ER19040428 (Order entered Nov. 13, 2019); In the Matter of the Commission's Investigation into Default Service for Type II Standard Offer Service Customers, et al., Case Nos. 9056 and 9064 (Order entered Apr. 15, 2020); In the Matter of the Procurement of Standard Service Offer Generation As Part of the Fourth Electric Security Plan for Customers of Ohio Edison Company, The Cleveland Electric Illuminating Company, and The Toledo Edison Company, et al., Case Nos. 16-776-EL-UNC, et al. (Order entered Jul. 15, 2020). The Public Utilities Commission of

- 23. The Company initially addressed the 2022/2023 unpriced capacity period by truncating the affected contracts procured in September 2020.<sup>15</sup> This approach was an interim solution only, and was not intended to be used beyond the September 2020 auction.
  - 24. As the Company explained in the April 2020 DSP VIII Petition,

The Company regards this proposal [to truncate certain default supply contracts] as an interim solution. To the extent the present uncertainty in the PJM capacity markets extends beyond September 2020, a more permanent approach may be required to address the potential impacts on the Company's subsequent default supply RFPs, the next of which will occur in March of 2021.

This proposed change is therefore designed to afford all stakeholders a period of time, during which the Company intends to develop and (if necessary) propose an approach for addressing unpriced capacity periods in subsequent default supply RFPs....<sup>16</sup>

- 25. Truncating upcoming default service contracts is not a durable solution because, with each successive RFP, a more aggressive truncation is necessary to avoid the 2022/2023 unpriced capacity period. Additional truncations would also move the Company further from the mix of 12- and 24-month contracts initially approved in DSP VIII (and proposed for DSP IX, *see* Docket No. P-2020-3019522). Moreover, given that the actual PJM capacity price is expected to be established shortly after the Company's March 2021 default supply solicitation, such additional truncations are not necessary at this time.
- 26. Therefore, the CPP is the appropriate approach moving forward because it is impact-neutral and is consistent with approaches taken by other Pennsylvania EDCs and neighboring states.

<sup>&</sup>lt;sup>15</sup> See generally April 2020 DSP VIII Petition.

<sup>&</sup>lt;sup>16</sup> *Id.* ¶¶21-22.

## IV. NOTICE AND IMPLEMENTATION

- 27. The Company is serving copies of this filing on the Pennsylvania Office of the Consumer Advocate, the Pennsylvania Office of the Small Business Advocate, the Commission's Bureau of Investigations and Enforcement, and all other parties of record in the Company's DSP VIII proceeding. The Company is also posting a copy of this filing to the Procurement page on its website.<sup>17</sup>
- 28. Subject to Commission approval of this Petition, the Company will also notify current and prospective wholesale suppliers of the modified procurement terms no later than February 2021, as part of its pre-RFP activities for the March 2021 procurement. As indicated above, the Company respectfully requests the Commission approve this Petition by February 4, 2021, to provide prospective wholesale suppliers adequate time to incorporate the CPP into their March 2021 bids.

<sup>&</sup>lt;sup>17</sup> https://www.duquesnelight.com/service-reliability/service-map/rates/tariff-resources/procurement.

## V. <u>CONCLUSION</u>

WHEREFORE, Duquesne Light Company respectfully requests that the Pennsylvania Public Utility Commission approve the requested modifications to its DSP VIII, to become effective no later than February 4, 2021, as set forth in this Petition.

Respectfully submitted,

Michael Zimmerman (Pa. I.D. 323715)

Senior Counsel, Regulatory Duquesne Light Company

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MD 15-7

Pittsburgh, PA 15219 Phone: (412) 393-6268

mzimmerman@duqlight.com

DATE: December 3, 2021

#### **EXHIBIT A**

#### APPENDIX F – SUPPLEMENT<sup>1</sup>

This Supplement to the Supplier Master Agreement ("SMA") entered into as of [date], by and between Duquesne Light Company (the "Company") and \_\_\_\_\_\_ (the "DS Supplier") (together, the "Parties") is effective as of the Effective Date of the SMA. Except as specifically modified in and by this Supplement, all terms and conditions of the SMA shall remain in full force and effect and shall apply to this Supplement.

For purposes of this Supplement: (i) the "PJM RPM Zonal Net Load Price" is the price charged by PJM to LSEs for capacity in the Company's PJM zone under the Reliability Pricing Model ("RPM") or its successor; and (ii) the "Capacity Proxy Price" ("CPP") for the Company is \$110.01/MW-day.

The Capacity Proxy Price for the 2022/2023 delivery year for the Company is set according to the values provided in the table below.

## Capacity Proxy Price by Company for Energy Year 2022/2023

2020/2021 Delivery Year. 3rd	2021/2022 Delivery Year. 2nd	2022/2023 Capacity
Incremental Auction. Final Zonal	Incremental Auction. Adjusted	Proxy Price (\$/MW-
Net Load Price (\$/MW-day)	Zonal Net Load Price (\$/MW-day)	day)
\$77.31	\$142.71	\$110.01

Source: <a href="https://www.pjm.com/markets-and-operations/rpm.aspx">https://www.pjm.com/markets-and-operations/rpm.aspx</a> and calculations.

The CPP for the Company is the average of the capacity prices for 2020/2021 (Final Zonal Net Load Price) and 2021/2022 (Adjusted Zonal Net Load Price), i.e., the two years preceding the 2022/2023 delivery year. The most recent data available from PJM are used for the 2020/2021 and 2021/2022 delivery years.

This CPP is applicable to the Company's March 2021 solicitation, which includes fixed-price products that extend into the 2022/2023 delivery year. However, this Appendix will not be applicable to any solicitations after the capacity prices are determined at PJM for the 2022/2023 delivery year.

For and in consideration of the promises and mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 9.1 (a) of the SMA is replaced with the following:

<sup>&</sup>lt;sup>1</sup> This Appendix will no longer be applicable once the capacity prices are determined at PJM for the 2022/2023 delivery year.

Each Billing Month, the Company will prepare a Statement of amounts due to the DS Supplier.

- For Fixed Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month. For each Billing Month of Energy Year 2022/2023, an additional line item will show the difference between the PJM RPM Zonal Net Load Price actually charged for load served on the day for the Company's PJM zone and the Capacity Proxy Price multiplied by the Supplier Responsibility Share of the Company Capacity obligation (expressed in MW) for each day of the Billing Month in question.
- For Hourly Price Transactions, this Statement will show the aggregate amounts due based on the DS Fixed Price Adder For Hourly Price Service multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month, plus the DS Variable Payments used to determine the PMEA for each hour of the Billing Month.

Duquesne Light Company	[INSERT]
By:	Ву:
Name:	Name:
Title:	Title:

#### 3. PRICES PAID TO DS SUPPLIERS

The payment to DS Suppliers for tranches won will be a function of the auction prices.

As described in the SMA, the Company will prepare a statement of amounts due to the DS Supplier that includes the following.

- For Fixed Price Transactions, this statement will show the aggregate amounts due based on the DS Fixed Price multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C of the SMA for each hour of the Billing Month. An additional line item (payment or credit) is added for the 2022/2023 Energy Year; See Appendix F, "Supplement," of the SMA.
- For Hourly Price Transactions, this statement will show the aggregate amounts due based on the DS Fixed Price Adder For Hourly Price Service multiplied by the hourly Energy requirements of DS Supply used to determine the PMEA multiplied by the DS Fixed Percentage as shown in Appendix C for each hour of the Billing Month, plus the DS Variable Payments used to determine the PMEA for each hour of the Billing Month.

#### 4. PRIOR TO THE START OF BIDDING

#### 4.1 Information Provided to Bidders

The Company will make available certain information to suppliers in advance of qualification. This information will be posted on the Information Website.

#### 4.1.1 Data

The Company will provide:

- Historical load data for the most recent three-year period available.
- Historical hourly load data for total retail load and DS Load.
- Historical switching statistics and historical load profiles.

#### 4.1.2 Minimum and Maximum Starting Prices

The Independent Market Monitor will announce a minimum starting price and a maximum starting price for each product in the auction. The minimum and maximum starting prices establish the range for the possible round 1 prices for the auction.

# BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Petition of Duquesne Light Company for Approval:

To Modify The Procurement Schedule for its : Docket No. P-2016-2543140

Default Service Plan for the Period :

June 1, 2017, through May 31, 2021 :

## **VERIFICATION**

I, C. James Davis, hereby state that the facts set forth above are true and correct to the best of my knowledge, information and belief, and I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).



Dated: December 2, 2020