APPENDIX F – SUPPLEMENT

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 $31.59/MW-day.

The Capacity Proxy Price for the 2025/2026 delivery year for the Company is set according to the values provided in the table below.

|  |
| --- |
| **Figure Capacity Proxy Price for the Company for Energy Year 2025/2026** |
| |  |  |  |  | | --- | --- | --- | --- | |  | 2023/2024 Delivery Year. 3rd Incremental Auction. Adjusted Zonal Net Load Price ($/MW-day) | 2024/2025 Delivery Year. Base Residual Auction. Adjusted Preliminary Zonal Capacity Price ($/MW-day) | **2025/2026 Capacity Proxy Price ($/MW-day)** | | **DLCO** | $34.18 | $28.99 | **$31.59** |   Source: <https://www.pjm.com/markets-and-operations/rpm.aspx> and [calculations](http://www.fepaauction.com/) |

The CPP for the Company is the average of the capacity prices for 2023/2024 (Adjusted Zonal Net Load Price) and 2024/2025 (Adjusted Preliminary Zonal Net Load Price), i.e., the two years preceding the 2025/2026 delivery year. The most recent data available from PJM are used for the 2023/2024 and 2024/2025 delivery years.

This CPP is applicable to the Company’s March 2024 solicitation, which includes fixed price products that extend into the 2025/2026 delivery year. However, this Appendix will not be applicable to any solicitations after the capacity prices are determined at PJM for the 2025/2026 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:

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 charges associated with each Billing Month of Energy Year 2025/2026, 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.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Company |  |  | DS SUPPLIER |  |
| By: |  |  | By: |  |
| Name: |  |  | Name: |  |
| Title: |  |  | Title: |  |