

SUPPLEMENT NO. 7  
TO ELECTRIC – PA. P.U.C. NO. 3S

# **DUQUESNE LIGHT COMPANY**

## **ELECTRIC GENERATION SUPPLIER COORDINATION TARIFF**

Issued By

**DUQUESNE LIGHT COMPANY**

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# **NOTICE**

**THIS TARIFF ADDS A NEW RULE AND MODIFIES AN EXISTING RIDER**

LIST OF MODIFICATIONS MADE BY THIS TARIFF

CHANGES

**Definitions of Terms and Explanations of Abbreviations**

**Second Revised Page No. 6A  
Cancelling First Revised Page No. 6A**

Transmission Losses have been updated to reflect the Company's line loss study performed in September 2005 supporting the distribution rates approved by the Commission's final order at R-00061346 dated December 1, 2006.

**Rule No. 12 – Payment and Billing**

**First Revised Page No. 30  
Cancelling Original Page No. 30**

**Original Pages No. 30A – 30C**

**Rule No. 12.1.5 – Company Reimbursement to EGS for Customer Payments  
Rule No. 12.1.7 – Purchase of EGS Receivables**

Rule No. 12.1.5 has been modified and Rule No. 12.1.7 has been added to Rule No. 12 to incorporate the Purchase of Receivables Program relative to the receivables associated with small customers served by EGSs utilizing the Company's billing services.

**Real Power Distribution Losses Table**

**First Revised Page No. 49  
Cancelling Original Page No. 49**

Distribution Line Losses have been updated to reflect the Company's line loss study performed in September 2005 supporting the distribution rates approved by the Commission's final order at R-00061346 dated December 1, 2006.

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**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS**

**Active Load Management** – the process for arranging to have firm load become interruptible in accordance with criteria established by the PJM OI.

**Ancillary Services** - Those services that are necessary to support the Competitive Energy Supply from resources to loads while maintaining reliable operation of the Control Area in accordance with the PJM Tariff.

**Bad Credit** - An EGS has bad credit if it has a history of delinquent obligations or is insolvent (as evidenced by a credit report prepared by a reputable credit bureau or credit reporting agency or public financial data, liabilities exceeding assets or generally failing to pay debts as they become due) or has failed to pay Company invoices when they became due on two or more occasions within the last twelve billing cycles.

**Bilateral Transaction** - An agreement between two entities (one or both being PJM Members) for the sale and delivery of a service.

**Charge** - Any fee or charge that is billable by the Company to an EGS under this tariff, including any Coordination Services Charge.

**Company** - Duquesne Light Company.

**Competition Act** - The Electricity Generation Customer Choice and Competition Act, 66 Pa.C.S. §2801, et seq.

**Competitive Energy Supply** - Unbundled energy provided by an Electric Generation Supplier.

**Control Area** – An electric power system or combination of electric power systems to which a common automatic generation control scheme is applied in order to:

- (1) match, at all times, the power output of the generators within the electric power system(s) and capacity and energy purchased from entities outside the electric power system(s), with the load within the electric power system(s);
- (2) maintain scheduled interchange with other control areas within reasonable limits of good utility practice;
- (3) maintain the frequency of the electric power system(s) within reasonable limits in accordance with Good Utility Practice; and
- (4) provide sufficient generating capacity to maintain operating reserves in accordance with Good Utility Practice.

**Coordination Activities** - All activities related to the provision of Coordination Services.

**Coordination Obligations** - All obligations identified in this tariff, relating to the provision of Coordination Services.

**Coordination Services** - Those services that permit the type of interface and coordination between an EGS and the Company in connection with the delivery of Competitive Energy Supply to serve customers located within the Company's service territory including: load forecasting, certain scheduling-related functions and reconciliation.

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**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Coordination Services Charges** - All charges stated in the charges section of this tariff, that are billed by the Company for Coordination Services performed hereunder.

**Coordinated Supplier** - An Electric Generation Supplier that has appointed a Scheduling Coordinator as its designated agent for the purpose of submitting energy schedules to the PJM OI.

**Creditworthy** - A creditworthy EGS pays the Company's charges as and when due and otherwise complies with the Rules and Regulations of this tariff or the Pennsylvania Public Utility Commission. To determine whether an EGS is creditworthy, the Company will evaluate the EGS's record of paying Company charges, and may also take into consideration the EGS's credit history.

**Customer(s)** - Any person, municipality, partnership, association, or corporation receiving Competitive Energy Supply from an Electric Generation Supplier in accordance with the Competition Act.

**Customer Choice Internet Site** - A Company Internet site with a Uniform Resource Locator (URL) of <http://www.customer-choice.com>.

**Deliver** - To "deliver" a document or other item under this tariff shall mean to tender by certified mail, hand delivery, or overnight express package delivery service.

**Delivery** - The actual delivery of energy with respect to an energy schedule.

**Direct Access** - "Direct Access" shall have the meaning set forth in the Competition Act.

**DLCO Zone** - The PJM defined area encompassing the franchised service territories of the Duquesne Light Company.

**EDC Tariff** - The Company's currently Pennsylvania Public Utility Commission approved Electric Service Tariff.

**EGS Representative** - any officer, director, employee, consultant, contractor, or other agent or representative of an EGS in connection with the EGS's activity solely as an EGS. To the extent an EGS is a division or group of a company, the term EGS Representative does not include any person in that company who is not part of the EGS division.

**Electric Distribution Company (EDC)** - A public utility that owns electric distribution facilities. At times, this term is used to refer to the role of the Company as a deliverer of Competitive Energy Supply in a direct access environment as contemplated in the Competition Act.

**Electric Generation Supplier (EGS)** - A supplier of electric generation that has been certified or licensed by the Pennsylvania Public Utility Commission to sell electricity to retail customers within the Commonwealth of Pennsylvania in accordance with the Competition Act.

**Electronic Data Exchange Working Group (EDEWG)** - The Pennsylvania Public Utility Commission authorized working group established under the Proposed Standards for Electronic Data Transfer and Exchange Between EDCs and EGSs, Docket No. M-00960890F.0015.

**Electronic Data Interchange (EDI)** - The computer application to computer application exchange of business information in a standard format, as more fully described in Pennsylvania Public Utility Commission Docket No. M-00960890F.0015.

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**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Electronic Exchange** - Approved methods of data exchange (either through a VAN mailbox or a method to be defined by the EDEWG and approved by the Pennsylvania Public Utility Commission).

**eMtr System** - software program administered by the PJM OI that retrieves revenue meter data for PJM transmission and generation interconnection points and calculates Electric Distribution Companies' and Generation Owners' metered interchange energy amounts used for real-time energy market settlements

**eSchedules** - software program administered by the PJM OI through which energy schedules may be submitted.

**FERC** - The Federal Energy Regulatory Commission.

**Final Forecast** - The day ahead hourly forecast for energy to be supplied the next day.

**Interest Index** - An annual interest rate determined by the average of 1-Year Treasury Bills for September, October and November of the previous year.

**Internal Bilateral Transaction (IBT)** - eSchedules Service type IBT is used to designate all internal bilateral energy transactions, including supply transactions for parties serving retail load. This service type is used by PJM Market Settlements only to adjust a participant's interchange.

**Interval Metering Data** - Data from electrical metering equipment that supplies hourly or sub-hourly readings of customer consumption.

**Kilowatt or kW** - unit of measurement of useful power equivalent to 1000 watts.

**Meter Read Date** - The date on which the Company reads a meter for purposes of producing a customer bill in accordance with the regularly scheduled billing cycles of the Company.

**Month** - A month, as defined under 52 PA Code § 56.2.

**Load Bus** - as used in this tariff, shall have the same meaning ascribed to the term in the PJM Tariff.

**Load Serving Entity (LSE)** - an entity that has been granted the authority or has an obligation pursuant to State or local law, regulation or franchise to sell electric energy to end-users located within the PJM Control Area as that term is defined by the PJM Tariff.

**Locational Marginal Price (LMP)** - the hourly-integrated marginal price to serve load at individual locations throughout PJM, calculated by the PJM OI as specified in the PJM Tariff.

**Megawatt or MW** - one thousand kilowatts.

**NERC TIS** - The NERC Transaction Information System (TIS), which is defined and is available at the Internet site, <http://www.nerc.com/oc/tisform.html>. The TIS includes the tag and e-mail protocols.

**Network Integration Transmission Service Reservation** - a reservation under the PJM Tariff of Network Integration Transmission Service, which allows a transmission customer to integrate and economically dispatch generation resources located at one or more points in the PJM Control Area to serve its Network load as that term is defined by the PJM Tariff.

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**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Peak Load Contributions (PLCs)** - A customer's contribution to the DLC Zone's normalized summer peak load, as calculated by the zone's Electric Distribution Company and used in determining a Load Serving Entity's Peak Load obligation.

**Pennsylvania Public Utility Commission or Commission** - The Pennsylvania Public Utility Commission.

**Pilot Customer(s)** - A customer participating in the Company's Customer Choice pilot program.

**PJM** - PJM Interconnection, L.L.C.

**PJM Control Area** - the area encompassing electric systems recognized by the North American Electric Reliability Council as the "PJM Control Area".

**PJM Miscellaneous Charges** - PJM miscellaneous energy related allocations or charges or credits to the LDC, and not to the LSE, including but not limited to those related to PJM allocated "ECAR Automatic Reserve Sharing". PJM Grid Management, Transitional Market and Transitional costs collected through Rider 1 of the Retail Tariff are excluded from Miscellaneous Charges.

**PJM OI** - the PJM Office of Interconnection, the system operator for the PJM Control Area.

**PJM Tariff** - the PJM Open Access Transmission Tariff on file with the FERC and which sets forth the rates, terms and conditions of transmission service over transmission facilities located in the PJM Control Area.

**Preliminary Forecast** - The week ahead hourly forecast for energy to be supplied the following week.

**Residual Losses** - Residual Losses/Unaccounted for Energy = PJM Zonal Energy Requirement - ((summation of EGS consumption adjusted for Transmission and Distribution Losses)+ (POLR consumption adjusted for Transmission and Distribution Losses)).

**Retail Load Responsibility (RLR)** - For non-metered and monthly metered load, the sum total of the estimated hourly load plus transmission losses, distribution losses, and the EGS's pro rata share of UFE within the service territory of the EDC, for which the EGS must provide energy to its customers. For hourly metered customers, the sum total of the hourly consumed load of all of an EGS's customers, adjusted for transmission losses, distribution losses and the EGS's pro rata share of UFE within the service territory of the EDC, for which the EGS must provide energy to its customers.

**Scheduling Coordinator** - Entity that performs one or more of an EGS's Coordination Obligations, including the submission of energy schedules to the PJM OI, and that either is (1) a member of the PJM Interconnection, L.L.C. or (2) is the agent, for scheduling purposes, of one or more Electric Generation Suppliers that are members of the PJM Interconnection, L.L.C.

**Tariff** - This Electric Generation Supplier Coordination Tariff.

**Transmission Losses** - Real Power Transmission Losses are associated with all transmission service. The Transmission Provider is not obligated to provide Real Power Losses. The Transmission Customer is responsible for replacing losses associated with all transmission service as calculated by the Transmission Provider. The applicable Real Power Transmission Loss factor is 0.8%.

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**DEFINITION OF TERMS AND EXPLANATION OF ABBREVIATIONS - (Continued)**

**Unaccounted for Energy (UFE)** - is the difference between the actual DLC Zone's total hourly system load and the total hourly consumed power grossed up for transmission and distribution losses plus any PJM miscellaneous energy or energy related allocations to the EDC.

**Value Added Network (VAN)** - A method of data transfer that allows information to be sent and received electronically using an electronic mailbox. This method meets minimum criteria in the following areas:

- Security and/or encryption of transactions and customer information;
- Proof of transmission and receipt;
- Positive identity of sender and recipient (non-repudiation);
- Reliability;
- Data and file integrity;
- Network performance and availability; and
- Recoverability and archiving of data.

**Wholesale Load Responsibility (WLR)** – For non-metered and monthly metered load, the sum total of the estimated hourly load for all of the Company's POLR customers plus transmission losses, distribution losses, and the wholesale supplier's pro rata share of UFE, within the service territory of the EDC, for which the Company's wholesale suppliers must provide energy to its Provider-of-Last-Resort (POLR) Service under the EDC Retail Tariff. For hourly metered customers, the sum total of the hourly consumed load of all the Company's POLR customers plus transmission losses, distribution losses and the wholesale supplier's pro rata share of UFE within the service territory of the EDC, for which the Company's wholesale suppliers must provide energy to its POLR Service under the EDC Retail Tariff.

**Wholesale Supplier** – The Company's supplier of all generation resources necessary to meet the Company's POLR obligations.

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## RULES AND REGULATIONS

### 1. THE TARIFF

**1.1 FILING AND POSTING** A copy of this tariff, which comprises the Charges, Rules and Regulations and Riders under which the Company will provide Coordination Services to Electric Generation Suppliers, is on file with the Commission and is posted and open to inspection at the offices of the Company.

**1.2 REVISIONS** This tariff may be revised, amended, supplemented or otherwise changed from time to time in accordance with the Pennsylvania Public Utility Code, and such changes, when effective, shall have the same force as the present tariff.

**1.3 APPLICATION** The tariff provisions apply to all EGSs providing Competitive Energy Supply to customers located in the Company's service territory, including an affiliate or division of the Company that provides Competitive Energy Supply, and with whom the Company has executed an Individual Coordination Agreement as required herein. In addition, the charges herein shall apply to anyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

**1.4 RULES AND REGULATIONS** The Rules and Regulations, filed as part of this tariff, are a part of every Individual Coordination Agreement entered into by the Company pursuant to this tariff and govern all Coordination Activities, unless specifically modified by a charge or rider provision. The obligations imposed on EGSs in the Rules and Regulations apply as well to everyone receiving service unlawfully or to any unauthorized or fraudulent receipt of Coordination Services.

**1.5 USE OF RIDERS** The terms governing the supply of Coordination Services under this tariff or a charge therein may be modified or amended only by the application of those standard Riders, filed as part of this tariff.

**1.6 STATEMENT BY AGENTS** No Company representative has authority to modify a tariff rule or provision, or to bind the Company by any promise or representation contrary thereto.

**RULES AND REGULATIONS - (Continued)**

**2. SCOPE AND PURPOSE OF TARIFF**

**2.1 SCOPE AND PURPOSE OF TARIFF** This tariff sets forth the basic requirements for interactions and coordination between the Company as the Electric Distribution Company and EGSs necessary for ensuring the delivery of Competitive Energy Supply from EGSs to their customers commencing on January 1, 1999.

**2.2 APPLICABILITY OF TERMS TO SCHEDULING COORDINATORS** As used in this tariff, the term "EGS" shall apply equally to a Scheduling Coordinator for an EGS's responsibilities and rights properly assigned to that Scheduling Coordinator by the EGS.

**2.3 FERC JURISDICTIONAL MATTERS** The inclusion of FERC-jurisdictional matters within the scope of this tariff is intended solely for informational purposes and is not intended to accord any jurisdictional authority over such matters to the Pennsylvania Public Utility Commission. Further, to the extent that anything stated herein is found by the FERC to conflict with or to be inconsistent with any provision of the Federal Power Act (FPA), or any rule, regulation, order or determination of the FERC under the (FPA), then such FERC rule, regulation, order or determination of the FPA shall control. To the extent required under any provision of the FPA, or any rule, regulation, order or determination of the FERC under the FPA, the Company shall secure, from time to time, all necessary orders, approvals, and determinations from the FERC necessary to implement this tariff.

**2.3.1 CREDIT REQUIREMENTS** The Company does not intend to impose duplicate credit requirements as arising under this tariff and the PJM OATT. (C)

**2.4 PA PUC JURISDICTIONAL MATTERS** This tariff operates and is subject to Pennsylvania Public Utility Commission Orders, rules and regulations.

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