

Bill No. 1689-04

No. 21-04-RE

RESOLUTION

Resolution of the County of Allegheny, Commonwealth of Pennsylvania, urging the Pennsylvania Utility Commission (PUC) to reconsider its August 23, 2004 decision on Duquesne Light Company's supply plan by amending its Order to approve the Duquesne Light supply plan to insure that Western Pennsylvania continues to receive reliable energy at reasonable and predictable rates.

WHEREAS, in 1997, the State Legislature authorized deregulation of the electric industry as a means to insure that residents and businesses of the Commonwealth received reliable energy services at rates that were competitive through a market system; and

WHEREAS, as part of the 1997 legislation, electric companies were allowed to recover stranded costs prior to full deregulation through the approval of transition plans by the PUC that specifically outlined how costs were to be recovered, the effect on rates to customers, and a date by which such transition would be complete;

WHEREAS, through proactive actions on the part of Duquesne Light Company, stranded costs have been recovered well in advance of the 2010 timeline that other power companies in the Commonwealth are working toward, resulting in a 20% reduction in monthly electricity costs for residential customers; however, guidelines for the post-transition period have not yet been promulgated by the PUC; and

WHEREAS, Duquesne Light Company submitted its plan for providing service to its customers from 2005 through 2010; a plan that included a fixed rate for residential and small business customers through 2010 and two options for commercial and industrial customers – a fixed rate based on a request for proposal and an hourly price service; and

WHEREAS, the PUC's decision was to reject the plan and allow three years of fixed rates for residential and small business customers and only 17 months of a fixed price for commercial and industrial customers, effectively pushing those customer out into a market that only Western Pennsylvania will be participating in; and

WHEREAS, such a decision can have far-reaching effects in this community in that commercial and industrial customers may move production to other regions or states, residential customers will be faced with higher prices because of the volatility of the market, and efforts to grow the economy can be hindered by such unstableness; and

WHEREAS, decisions on deregulation of the electric industry were made with the belief that participation in an open market would be of benefit to all consumers; however, a decision to force a limited number of consumers in southwestern Pennsylvania into that market without full state-wide deregulation is beneficial only to electric suppliers and not the residents of this Commonwealth.

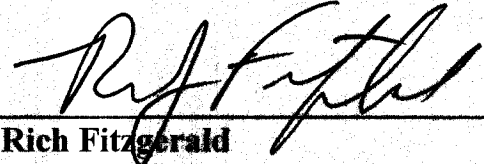
The Council of the County of Allegheny hereby resolves as follows:

We urge the Pennsylvania Utility Commission (PUC) to reconsider its August 23, 2004 decision on Duquesne Light Company's supply plan by amending its Order to approve the Duquesne Light supply plan to insure that Western Pennsylvania continues to receive reliable energy at reasonable and predictable rates.

SPONSORED BY COUNCIL MEMBERS CLEARY, FRAZIER, FITZGERALD, REA, FONTANA, JABBOUR, WATT, DEFAZIO, ROBINSON & MARTONI & CHIEF EXECUTIVE DAN ONORATO

Enacted in Council, this 7th day of September, 2004

Council Agenda No. 1689-04



Rich Fitzgerald
President of Council

Attest: John Mascio

John Mascio
Chief Clerk of Council

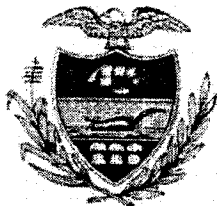
Chief Executive Office September 8, 2004

Approved: Dan Onorato

Dan Onorato
Chief Executive

Attest: Donna Beltz

Donna Beltz
Executive's Secretary



RICH FITZGERALD, PRESIDENT
County of Allegheny

ROOM 119 • 436 GRANT STREET • PITTSBURGH, PENNSYLVANIA 15219
412.350.6575 • 412.350.6499 (FAX)
RFITZGERALD@COUNTY.ALLEGHENY.PA.US

September 8, 2004

COPY

Mr. Morgan O'Brien
President & CEO
Duquesne Light
411 Seventh Avenue
Pittsburgh, PA 15219

Mr. O'Brien:

Enclosed, please find a certified copy of Resolution No. 21-04-RE, passed by County Council yesterday and enacted by the Chief Executive today.

At the Regular Meeting of Allegheny County Council held on September 7, 2004, Council passed by an affirmative vote of a majority of the members Resolution 21-04-RE (Bill No. 1689-04) urging the Pennsylvania Public Utility Commission (PUC) to reconsider its August 23, 2004 decision on Duquesne Light Company's supply plan. The Chief Executive, also a co-sponsor of the legislation, signed the bill into law earlier today.

I hope that this resolution is helpful to you in your efforts. As evidenced by the resolution, I and many of my colleagues join you in urging the PUC to reconsider its order.

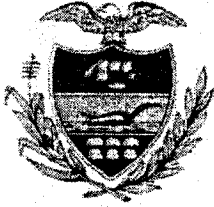
Sincerely,

Rich Fitzgerald, President
District 11 Representative

Enclosure

RF/amd

OFFICE OF THE COUNTY COUNCIL



RICH FITZGERALD, PRESIDENT
County of Allegheny

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September 8, 2004

Terrance J. Fitzpatrick, Chairman
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
3rd Floor, Room N-304
Harrisburg, PA 17120

COPY

Chairman Fitzpatrick:

Enclosed, please find a certified copy of Resolution No. 21-04-RE, passed by County Council yesterday and enacted by the Chief Executive today.

At the Regular Meeting of Allegheny County Council held on September 7, 2004, Council passed by an affirmative vote of a majority of the members Resolution 21-04-RE (Bill No. 1689-04) urging the Pennsylvania Public Utility Commission (PUC) to reconsider its August 23, 2004 decision on Duquesne Light Company's supply plan. The Chief Executive, also a co-sponsor of the legislation, signed the bill into law earlier today.

I hope that this resolution is helpful in your determination whether to reconsider the order regarding the supply plan. As evidenced by the resolution, I and many of my colleagues join Duquesne Light and others in urging you reconsider your order.

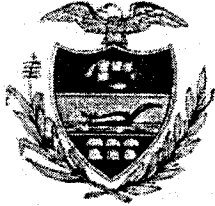
Sincerely,

Rich Fitzgerald, President
District 11 Representative

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OFFICE OF THE COUNTY COUNCIL



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County of Allegheny

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September 8, 2004

COPY

Robert K. Bloom, Vice-Chairman
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
3rd Floor, Room N-305
Harrisburg, PA 17120

Vice Chairman Bloom:

Enclosed, please find a certified copy of Resolution No. 21-04-RE, passed by County Council yesterday and enacted by the Chief Executive today.

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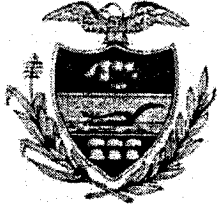
Sincerely,

Rich Fitzgerald, President
District 11 Representative

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OFFICE OF THE COUNTY COUNCIL



RICH FITZGERALD, PRESIDENT
County of Allegheny

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September 8, 2004

Glen R. Thomas, Commissioner
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
3rd Floor, Room N-308
Harrisburg, PA 17120

COPY

Commissioner Thomas:

Enclosed, please find a certified copy of Resolution No. 21-04-RE, passed by County Council yesterday and enacted by the Chief Executive today.

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Sincerely,

Rich Fitzgerald, President
District 11 Representative

Enclosure

RF/amd

OFFICE OF THE COUNTY COUNCIL



RICH FITZGERALD, PRESIDENT
County of Allegheny

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412.350.6575 • 412.350.6499 (FAX)
RFITZGERALD@COUNTY.ALLEGHENY.PA.US

September 8, 2004

COPY

Kim Pizzingrilli, Commissioner
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
3rd Floor, Room N-306
Harrisburg, PA 17120

Commissioner Pizzingrilli:

Enclosed, please find a certified copy of Resolution No. 21-04-RE, passed by County Council yesterday and enacted by the Chief Executive today.

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Sincerely,

Rich Fitzgerald, President
District 11 Representative

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OFFICE OF THE COUNTY COUNCIL



RICH FITZGERALD, PRESIDENT
County of Allegheny

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412.350.6575 • 412.350.6499 (FAX)
RFITZGERALD@COUNTY.ALLEGHENY.PA.US

September 8, 2004

COPY

Wendell F. Holland, Commissioner
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
3rd Floor, Room N-307
Harrisburg, PA 17120

Commissioner Holland:

Enclosed, please find a certified copy of Resolution No. 21-04-RE, passed by County Council yesterday and enacted by the Chief Executive today.

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Sincerely,

Rich Fitzgerald, President
District 11 Representative

Enclosure

RF/amid

OFFICE OF THE COUNTY COUNCIL

From: Mascio, John

Sent: Wednesday, September 08, 2004 4:35 PM

To: Anthony DeLuca; Dan Frankel; David Levdansky; Don Walko; Frank Dermody; Frank Pistella; Harry Readshaw; Jake Wheatley; Jeffrey Habay; John Maher; John Perzel; Joseph F. Markosek; Joseph Preston, Jr.; Kenneth Ruffing; Marc Gergely; Mark Mustio; Michael Diven; Mike Turzai; Nick Kotik; Paul Costa; Susan Laughlin; Thomas C. Petrone; Tom Stevenson; Victor John Lescovitz; Gerald J. Lavallo; J. Barry Stout; Jack Wagner; Jane Orié; Jay Costa; Jim Ferlo; John Pippy; Robert J. Mellow; Robert Jubelirer; Sean Logan

Subject: Allegheny County Council Resolution No. 21-04-RE

Dear Senators and State Representatives,

At the Regular Meeting of Allegheny County Council held on September 7, 2004, Council passed the attached Resolution No. 21-04-RE urging the Pennsylvania Utility Commission (PUC) to reconsider its August 23, 2004 decision on Duquesne Light Company's supply plan by amending its Order to approve the Duquesne Light supply plan to insure that Western Pennsylvania continues to receive reliable energy at reasonable and predictable rates.

The Resolution was signed by the Chief Executive on September 8, 2004.

Your attention to this Resolution is requested.

John Mascio
Chief Clerk
Allegheny County Council

From: Mascio, John
Sent: Thursday, September 09, 2004 9:21 AM
To: 'John Laudenslager'
Subject: FW: Allegheny County Council Resolution No. 21-04-RE
Dear Mr. Laudenslager,

Below is the e-mail that I sent to the Public Utility Commission regarding the Resolution that was passed in Council on September 7, 2004.

John Mascio
Chief Clerk
Allegheny County Council

-----Original Message-----

From: Mascio, John
Sent: Wednesday, September 08, 2004 4:22 PM
To: Wendell F. Holland; Glen Thomas; Kim Pizzingrilli; Robert K. Bloom; Terrance J. Fitzpatrick
Subject: Allegheny County Council Resolution No. 21-04-RE

Dear Commission Members,

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Allegheny County Council

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Your attention to this Resolution is requested.

John Mascio
Chief Clerk
Allegheny County Council



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

October 6, 2004

Mr. John Mascio
Chief Clerk
Allegheny County Council
436 Grant Street
Pittsburgh, PA 15219

Dear Mr. Mascio:

Thank you for your letters to the Chairman and Commissioners regarding the Reconsideration of the Commission's Duquesne Light Company Opinion and Order of August 23, 2004 at Docket No. P-00032071. I am responding on their behalf.

On September 30, 2004, the Commission voted on Duquesne's Reconsideration Petition. The Commission reaffirmed its previous decision, but agreed to provide large customers an additional year of fixed price service. I have enclosed a copy of the Commission's order and Chairman Fitzpatrick's statement.

In addition, I have taken the liberty of forwarding your letter to the Secretary's Bureau for inclusion in the public comment folder.

If you have any questions or require additional information, please do not hesitate to contact me at 787-3256.

Sincerely,

June M. Perry
Director
Office of Legislative Affairs

cc: Chairman and Commissioners
Secretary McNulty