

Strategic Rate Design: Trends and Distributed Generation Impacts

Recommended CEUs 1/PDHs 10.25/CPEs 12.2
Field of Study: Specialized Knowledge

Thursday

8:30 a.m. Section One

- Course Introduction and Overview
- Discussion of Learning Objectives
- Industry Challenges
- Basics of Cost of Service – Understanding Load Factor
- Rate Design Objectives

10:00 a.m. Break

10:15 a.m. Section Two

- Types of Rate Structures
 - Customer Charges Positives & Negatives
 - What costs are included in the customer charge
 - Positives and negatives of various rate structures

Noon Lunch (on your own)

1:30 p.m. Section Three

- Marginal Cost-Based Rate Structures
 - Time-Differentiated Pricing Theories
 - Time of Use
 - Real Time Pricing
- Economic Development Rates
- Power Cost Adjustments
 - Types of power cost adjustment mechanisms
 - Strengths and weaknesses of PCAs

3:00 p.m. Break

- 3:15 p.m. Section Four**
- Interruptible Rates
 - Metering and Billing Requirements for Renewable Generation
 - Net Metering
 - Why potential cost shifting can occur with Net Metering
 - Net Billing
 - Why net billing may only partially correct cost shifting
 - Need to correct customers rate structures
 - Buy All Sell All
 - Fulling recovering costs without modifying rate structures

4:30 p.m. Adjourn

Friday

- 8:30 a.m. Section Five**
- Valuing Renewable Generation
 - Short Run Marginal Cost Valuation
 - Long Run Marginal Cost Valuation

10:00 a.m. Break

- 10:15 a.m. Section Six**
- Development of Rate Design Strategies
 - Demand Charges
 - Strategies with and without AMI

Noon Course Adjourns

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Upon completion of this course, participants will be able to successfully:

1. Identify alternative methods and factors to consider when modifying current line extension methodology.
2. Describe the types of rates and methodology used to promote energy conservation, reflect utility costs or create revenue stability for the utility.
3. Discuss the positives and negatives of the various rate structures and applications to your utility.
4. Explain the benefits and application of economic development rates.
5. Define the types of power cost adjustment methods used in the electric industry.
6. How to develop a long-term rate strategy.