Agenda

# 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
  - o 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
  - o Net Billing
    - Why net billing may only partially correct cost shifting
    - Need to correct customers rate structures
  - o 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.