

Basic Cost of Service & Rate Design Courses

Course Length: 2 Days

This course covers traditional industry approaches to electric cost of service and retail rate design using fully distributed, allocated cost methods. Participants review determination of revenue requirements with cash and utility basis accounting and work through exercises to classify generation, transmission and distribution service expenses. Participants will also work with standard rate forms used to send proper price signals and recover costs in a fair, equitable manner.

Course Highlights

- Identification of relevant costs and data sources
- Collection and organization of costs
- Purpose of cost classification or functionalization
- Cost allocation overview
- Retail rate design options
- Rate forms and their applications
- Factors affecting the development and approval of rate proposals

Who Should Attend

This is an introductory course designed for utility staff and policymakers involved in the costing and pricing of electric utility services. It covers basic concepts and methodologies surrounding traditional cost of service allocation and retail rate design.