

2019 CANADIAN RATE DESIGN SYMPOSIUM

June 24-25, 2019
Sandman Hotel Calgary City Centre
Calgary, AB

“

“Excellent discussions and points of view that definitely open your eyes to the different demand rate structures and philosophies.”

Senior Market Analyst, ATCO

PRE-SYMPOSIUM WORKSHOP

Retail Pricing: Costing and Pricing Tools for Contemporary Challenges

MONDAY, JUNE 24, 2019



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EUCI is authorized by IACET to offer 0.9 CEUs for the conference and 0.3 CEUs for the workshop

HOST UTILITY



OVERVIEW

Canadian utilities share some current retail rate design issues with their neighbors to the south but also have some homegrown concerns. Low-cost Canadian utilities are struggling with the challenge of serving potentially large new customers at competitive prices while still recovering significant new fixed costs. More generally, promotion of renewables, energy storage, customer site generation and energy efficiency point to future cost increases. How should utilities blend cost recovery with price efficiency?

This symposium will review these issues and explore techniques employed by modern rate designers for improving both fixed cost recovery and price efficiency. Experts will discuss how pricing that makes use of modern metering, including residential demand charges and various forms of time-varying pricing can be used to meet these challenges. Meet your peers in Calgary and participate in stimulating discussions targeting the most pressing rate design challenges of Canada's utilities, regulators, and industry stakeholders.

LEARNING OUTCOMES

- Discuss the rate design challenges of accommodating distributed energy
- Evaluate how to balance the cost of transmission additions
- Explain progressive service and product offerings for the retail electricity market
- Explain why there needs to be a suite of ratemaking options for large customers
- Hear regulatory perspectives on various rate design issues and structures
- Discuss the potential unintended consequences of certain rate designs
- Discuss the pricing challenges that can arise in serving innovative customers

WHO SHOULD ATTEND

This conference was developed for:

- Utility executives
- Corporate communication professionals
- Contact center management professionals
- Commissioners
- Commission staff
- Attorneys
- Regulatory affairs managers
- Pricing and load research managers
- Customer representatives and organizations
- Cost of service analysts
- Financial analysts
- Rate design, product development and customer strategy professionals



"It's critical for utility pricing professionals to be aware of industry rate making trends. The EUCI Rate Design Conference provides an excellent opportunity for peer utilities to discuss these trends."

Sr. Director Strategic Pricing, CPS Energy

REGISTER TODAY! CALL 303-770-8800 OR VISIT WWW.EUCI.COM

AGENDA

MONDAY, JUNE 24, 2019

12:30 – 1:00 pm

Registration

1:00 – 1:15 pm

Welcome Announcements

1:15 – 1:35 pm

Welcome Address

On behalf of ENMAX, Andrew Barrett will welcome conference attendees to the great city of Calgary and provide an overview of the company including how ENMAX addresses rate design in these constantly changing times.

Andrew Barrett, Vice President, Regulatory Applications, ENMAX

1:35 – 5:00 pm

Session I: Large Customer Rates

3:00 – 3:30 pm

Networking Break

Session I Overview:

Some Canadian utilities are facing issues associated with the arrival of large, new customers. Data centres, marijuana grow-houses, etc. can be sizeable and mobile, posing challenges of generation pricing and cost recovery as well as conventional challenges of connection. More generally, customers may have competitive alternatives that compel a utility to explore ways to offer pricing that meets marginal cost standards but that departs from embedded cost pricing. How should utilities design rates and contracts to secure required revenues but offer efficient, competitive prices for generation services? How should they structure contracts to recover possibly significant new transmission costs? This session will review these issues and explore current and possible approaches to large-customer pricing.

Balancing the Cost of Transmission Additions between Existing and New Customers

Kevin Fagan, Director, Regulatory Affairs, Newfoundland and Labrador Hydro

Applying Bonbright Principles to Various Rate Design Structures and Emerging Issues

Jackie Ashley, Senior Regulatory Analyst, British Columbia Utilities Commission (BCUC)

Market Reference-Priced Rate Designs at BC Hydro

David Keir, Manager Transmission Rates, BC Hydro

Panel Discussion: Large Customer Rates Recap

This panel discussion will allow symposium attendees to ask specific questions of the presenters for discussion related to the large customer rate design session.

Kevin Fagan, Director, Regulatory Affairs, Newfoundland and Labrador Hydro

Jackie Ashley, Senior Regulatory Analyst, British Columbia Utilities Commission (BCUC)

David Keir, Manager Transmission Rates, BC Hydro

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AGENDA

TUESDAY, JUNE 25, 2019

8:00 – 8:30 am **Continental Breakfast**

8:30 am – 12:00 pm **Session II: Mass Market Rates**

10:00 – 10:30 am **Networking Break**

Session II Overview:

Rate design for residential and small business customer classes has been limited by metering and billing constraints. With increases in advanced metering capability and customer sophistication – distributed energy resources (DERs), electric vehicle ownership, preferences for green power, and automated energy management – it is important for providers to update their rates. But what initiatives fit best? Is net metering appropriate or are there alternatives? To what extent should time variation in pricing be introduced? How should electric vehicle charging be priced? This session will review how utilities are meeting these challenges and the alternatives that are being explored.

Progressive Service and Product Offerings for the Retail Electricity Market
Ned Ross, Governmental Affairs, Direct Energy

Pricing to Reduce Emerging Revenue Risk of Small-Customer Classes
Wesley Manfro, Regulatory Analyst, ENMAX

Residential Usage Changes in Response to Time-Varying Rates
Dan Hansen, Vice President, Christensen Associates Energy Consultants, Inc.

Panel Discussion: Mass Market Rates Recap

This panel discussion will allow symposium attendees to ask specific questions of the presenters for discussion related to the mass market rate design session

Ned Ross, Governmental Affairs, Direct Energy

Joyce Cui, Manager, Regulatory Applications, ENMAX

Dan Hansen, Vice President, Christensen Associates Energy Consultants, Inc.

12:00 – 1:00 pm **Group Luncheon**



“Excellent conference with good mix of topics and speakers!”

Director-Rates, Minnesota Power

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AGENDA

1:00 – 4:30 pm **Session III: “Hot Topics” in Rate Design**

2:30 – 3:00 pm **Networking Break**

Session III Overview:

This session will focus on emerging challenges in ratemaking that are not in the mainstream. We will review an innovative electric vehicle charging design, a new comprehensive renewable energy plan designed to replace the piecemeal efforts of past years, and the neglected topic of standby pricing. This session will also be devoted to pricing challenges that can arise in accommodating innovative customers. A panel discussion reviewing innovative strategies will close this session and the conference.

Innovative Pricing with Xcel Energy’s Enhanced Renewables Connect Program
Nick Paluck, Rate Consultant, Xcel Energy

Hydro-Québec’s Experiment in Pricing Electricity for EV Charging Stations
Emmanuelle Fortin, Rates Counselor, Hydro-Québec

Whither Standby Rate Design? Canadian and U.S. Examples
Bruce Chapman, Vice President, Christensen Associates Energy Consultants, Inc.

Panel Discussion: Hot Topics Recap

This panel discussion will allow symposium attendees to ask specific questions of the presenters for discussion related to the hot topics in rate design session.

Nick Paluck, Rate Consultant, Xcel Energy
Emmanuelle Fortin, Rates Counselor, Hydro-Québec
Bruce Chapman, Vice President, Christensen Associates Energy Consultants, Inc.

4:30 pm **Conference Concludes**



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PRE-SYMPOSIUM WORKSHOP

Retail Pricing: Costing and Pricing Tools for Contemporary Challenges

MONDAY, JUNE 24, 2019

8:00 – 8:30 am **Registration & Continental Breakfast**

8:30 – 11:45 am **Workshop Timing**

OVERVIEW

This workshop is designed to help prepare conference attendees for informed understanding of the presentations. This session will review costing and pricing principles and practices that underpin current ratemaking challenges. It will compare embedded and marginal costing, identifying their uses and limitations as the basis for rate design activities. In the workshop we will review how traditional rate designs build on costing methods and how their shortcomings can be revealed by contemporary rate design issues. The principles and practices of innovative rate designs will provide insights into how those ratemaking challenges can be met. For those new to rate design or who work in areas that would benefit from a better understanding of ratemaking, this workshop will provide participants with the basis for a productive symposium and more informed work upon returning home.

LEARNING OUTCOMES

- Acquire the basic tools of costing and pricing
- Review traditional embedded and current marginal costing principles that are the basis for ratemaking
- Discuss traditional ratemaking principles and practices, and then explore the innovative rate structures that serve most business customers today
- Discuss the basics of other pricing challenges likely to emerge in the conference that follows this workshop

WORKSHOP AGENDA

- I. Ratemaking: the mundane vs. the revolutionary
- II. Embedded costs: sharing the burden equitably
- III. Marginal costs: expanding the cost basis for pricing
- IV. Rate objectives and rate structures: balancing tradeoffs
- V. Using new designs to meet contemporary challenges

WORKSHOP INSTRUCTOR



Bruce R. Chapman

Vice President, Christensen Associates Energy Consulting

Mr. Chapman is a Vice President at Christensen Associates Energy Consulting. He assists clients in the electricity and natural gas industries to improve their costing and pricing capabilities. Mr. Chapman advises clients in such areas of expertise as: cost-of-service analysis and rate design based upon both established regulatory and market-based principles; innovative rate design including demand response products, renewables pricing, fixed billing, and other market-based retail pricing products; load forecasting and load research analysis. Additionally, he has supervised the development of software required for the implementation and support of innovative retail products.

INSTRUCTIONAL METHODS

Case Studies, Panel Discussions and PowerPoint presentations will be used in this program.

REQUIREMENTS FOR SUCCESSFUL COMPLETION

Participants must sign in/out each day and be in attendance for the entirety of the event to be eligible for continuing education credit.

IACET CREDITS



EUCI has been accredited as an Authorized Provider by the International Association for Continuing Education and Training (IACET). In obtaining this accreditation, EUCI has demonstrated that it complies with the ANSI/IACET Standard which is recognized internationally as a standard of good practice. As a result of their Authorized Provider status, EUCI is authorized to offer IACET CEUs for its programs that qualify under the ANSI/IACET Standard.

EUCI is authorized by IACET to offer 0.9 CEUs for the symposium, 0.3 CEUs for the workshop.

EVENT LOCATION

A room block has been reserved at the Sandman Hotel Calgary City Centre, 888 7 Ave SW, Calgary, AB T2P 3J3, Canada, for the nights of June 22-23, 2019. Room rates are \$159 CAD plus applicable tax. Call +1 403-237-8626 for reservations and mention the EUCI event to get the group rate. The cutoff date to receive the group rate is May 22, 2019 but as there are a limited number of rooms available at this rate, the room block may close sooner. **Please make your reservations early.**

REGISTER 3, SEND THE 4TH FREE

Any organization wishing to send multiple attendees to this symposium may send 1 FREE for every 3 delegates registered. Please note that all registrations must be made at the same time to qualify.

SPONSORSHIP OPPORTUNITIES

Do you want to drive new business through this event's powerful audience? Becoming a sponsor or exhibitor is an excellent opportunity to raise your profile before a manageably sized group of executives who make the key purchasing decisions for their businesses. There is a wide range of sponsorship opportunities available that can be customized to fit your budget and marketing objectives, including: Platinum, gold, or VIP sponsor, Reception host, Networking break host, Tabletop exhibit, Workshop sponsor, Lanyard sponsor, Luncheon host and Breakfast host.

Please contact Grant Neptune at gneptune@euci.com or 720-988-1248 for more information.

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REGISTRATION INFO

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EUCI
4601 DTC Blvd., Ste. 800
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PLEASE SELECT

SPECIAL BUNDLE PRICE 2019 CANADIAN RATE DESIGN SYMPOSIUM AND WORKSHOP

JUNE 24-25, 2019: CAD \$2195 +5% GST
Early bird on or before June 7, 2019: CAD \$1995 +5% GST

2019 CANADIAN RATE DESIGN SYMPOSIUM ONLY

JUNE 24-25, 2019: CAD \$1695 +5% GST
Early bird on or before June 7, 2019: CAD \$1495 +5% GST

PRE-SYMPOSIUM WORKSHOP ONLY: RETAIL PRICING: COSTING AND PRICING TOOLS FOR CONTEMPORARY CHALLENGES

MONDAY, JUNE 24, 2019: CAD \$695 +5% GST
Early bird on or before June 7, 2019: CAD \$595 +5% GST

I'M SORRY I CANNOT ATTEND, BUT PLEASE EMAIL ME A LINK TO THE CONFERENCE PROCEEDINGS FOR US CAD \$495 +5% GST

EVENT LOCATION

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ENERGIZE WEEKLY

Energize Weekly is EUCI's free weekly newsletter, delivered to your inbox every Wednesday. We provide you with the latest industry news as well as in-depth analysis from our own team of experts. Subscribers also receive free downloadable presentations from our past events

Sign me up for Energize Weekly

How did you hear about this event? (direct e-mail, colleague, speaker(s), etc.)

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Billing City

Billing State

Exp. Date

Security Code (last 3 digits on the back of Visa and MC)

Billing Zip Code/Postal Code

OR Enclosed is a check for \$ _____ to cover _____ registrations.

Substitutions & Cancellations

Your registration may be transferred to a member of your organization up to 24 hours in advance of the event. Cancellations must be received on or before May 24, 2019 in order to be refunded and will be subject to a \$295 CAD processing fee per registrant. No refunds will be made after this date. Cancellations received after this date will create a credit of the tuition (less processing fee) good toward any other EUCI event. This credit will be good for six months from the cancellation date. In the event of non-attendance, all registration fees will be forfeited. In case of conference cancellation, EUCI's liability is limited to refund of the event registration fee only. For more information regarding administrative policies, such as complaints and refunds, please contact our offices at 303-770-8800. EUCI reserves the right to alter this program without prior notice.

