



2023-2024 Topic Title & Description

EXPLORING RATE DESIGN & OTHER REGULATORY TOOLS

Maximizing Grid Value & the Customer Experience

To build constructively upon its 2023 report, *Navigating the Challenges & Opportunities of Today's Regulatory Landscape*, the Critical Consumer Issues Forum (CCIF) will delve more into one of the identified issues—**rate design**—amidst a regulatory landscape that appears full of challenges. Reference to the 2023 report's second consensus principle, as developed by participants from the three core groups (state commissions, consumer advocates, and electric companies and their respective teams and associations), is instructive:

To help mitigate upward pressure on customer bills and to maximize the value of grid assets, CCIF participants recommend that state commissions, consumer advocates, and electric companies focus comprehensively on cost-based rate design structures that incentivize customers to use energy more efficiently and affordably. Efficient rate design and customer pricing options should complement, and encourage customers to leverage, cost-effective demand response, distributed energy resources, and energy efficiency programs that maximize the benefit to the grid.

CCIF recognizes that the topic of rate design is complex and should not be addressed in a vacuum. CCIF expects that the subject matter predominantly calls for a more educational format considering regional, state, and even electric company differences with respect to ratemaking and grid investment. Foundational issues will be explored with the goal of achieving consensus recommendations that move electric company systems toward more efficient rate designs. Finally, CCIF will discuss billing options, customer assistance program design, and other regulatory tools that may be paired with rate design approaches to provide additional value for customers and the grid—to meet customers where they are now *and* offer them more options in the future.

Recognizing that state commission, consumer advocate, and electric company collaboration on these complex but important issues is due, CCIF leadership proposed exploration of the topic, *Exploring Rate Design & Other Regulatory Tools: Maximizing Grid Value & the Customer Experience*, using CCIF's proven collaborative model. Thus, the CCIF 2023 Kickoff Forum and following 2024 Summit Series will engage participants from these three core groups in a series of dialogues to become more informed and to facilitate collaboration, leadership, and a solid foundation for positive regulatory outcomes.