

Rate Cognizance

An annual projection of peer utility rates to support utility planning and budgeting



Utility executives rely on CRA when they need reliable data to support capital and operational planning. Each year, CRA develops Rate Cognizance: a ten-year forecast of electricity rates for all North American IOUs. CRA can offer utility companies a tailored, ten-year rate projection of their peer utilities benchmarked to their own projection. Our work is frequently used by utility executives to inform their most critical business and regulatory strategy decisions.

CRA Charles River
Associates

“CRA’s analysis is part of the conversation we have with regulators and with the investment community, and is fundamental to our business planning process.” Utility CFO

What is Rate Cognizance?

Rate Cognizance is an industry leading utility rate forecasting service that leverages CRA’s deep utility and markets expertise alongside our world class data analytics to deliver critical data to utility executives. Our retail rate projections reflect an in-depth analysis of state and federal rules and regulations and expectations for how each peer utility will operate. This may include expected energy efficiency cost and savings, transmission cost allocation across an ISO, and tax equity “savings” from expected renewables investments. Rate forecasts are broken down by customer class and by asset type.

How can you use Rate Cognizance?

Rate Cognizance equips utility executives with the information they need to address some of their toughest strategic and policy questions.

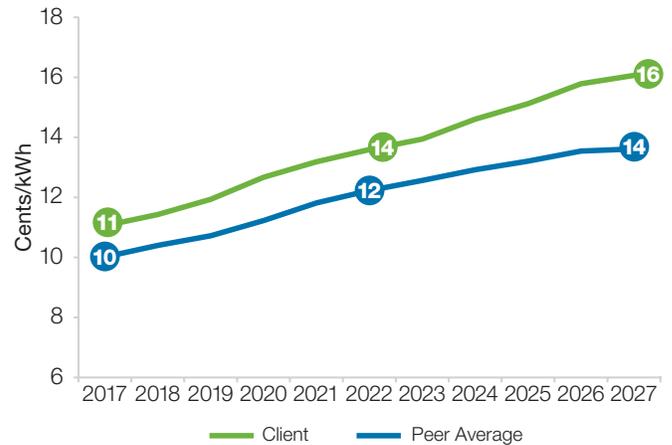
Strategic and capital allocation support

- Forecast retail rate growth for peer utilities
- Evaluate key drivers and uncertainty around retail rate projections
- Consider “competitiveness” of utility against other utilities, retailers, and distributed generation
- Develop alternative market scenarios to understand impact on utility and peers
- Evaluate alternative strategies to adjust relative retail rate growth and timing

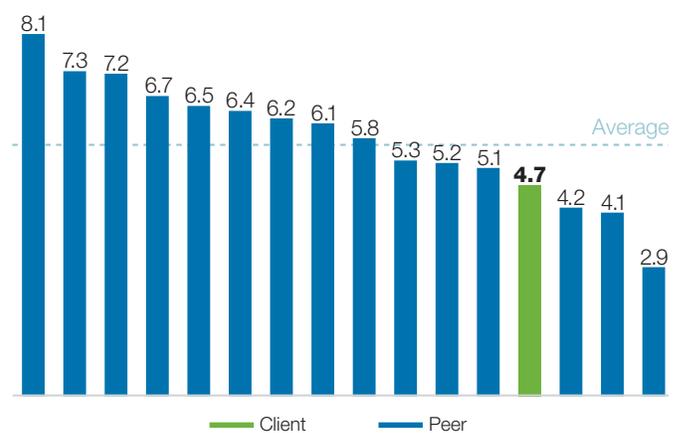
Policy support

- Demonstrate for regulators and policymakers the utility’s retail rate growth relative to peers
- Illustrate the impact of proposed capital investment programs on relative utility rates
- Describe a need for infrastructure investment to keep up with peer utilities, particularly with respect to grid modernization and resiliency spending

Peer utility rates



Distribution Rate CAGR (%) 2017–2026



About CRA

CRA’s energy consulting practice helps clients solve and manage the complex challenges facing the industry. Over our 50 year history, we have developed novel approaches and frameworks for evaluating critical client issues in commercial, regulatory, and litigation settings.

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