

Tariff Design, Pricing, and Cost Recovery in Power Markets

COURSE OVERVIEW

This course provides a comprehensive framework on the tariff design and cost recovery across the electricity value chain. The curriculum blends analytical strategies with interactive simulations to enable practical application of tariff principles to real-world challenges in power systems. Participants will gain a deep understanding of how well-structured tariffs can balance the objectives of revenue adequacy, investment attraction, consumer affordability, and economic efficiency. They will also examine the evolving role of regulators and utilities in transitioning toward sustainable, market-based pricing models that reflect real system costs and incentivize efficiency.

WHO SHOULD ATTEND?

This course is designed for energy professionals, regulators, utility managers, financial analysts, economists, and policymakers aiming to gain the technical insight and analytical tools to design cost-reflective and equitable electricity tariffs that support long-term power sector sustainability. It is equally valuable for consultants, power project developers, and investors seeking to understand how tariff design impacts project viability and financial recovery.

COURSE OUTCOMES

Delegates will gain the skills and knowledge to:

- Analyze cost structures across the electricity value chain to determine cost-reflective tariffs.
- Apply marginal cost and cost-of-service methodologies in tariff formulation.
- Assess the trade-offs between affordability, efficiency, and financial sustainability.
- Design tariff models that align with regulatory frameworks and policy goals.
- Evaluate different pricing mechanisms such as time-of-use, peak/off-peak, and demand-based tariffs.
- Incorporate renewable energy and distributed generation considerations into tariff structures.

KEY COURSE HIGHLIGHTS

At the end of the course, you will understand;

- How electricity tariffs are structured and how each component affects the utility's financial health.
- The methodologies for determining cost-reflective and efficient pricing models.
- The role of regulatory frameworks and performance-based mechanisms in tariff design.
- The impact of cross-subsidies, subsidies, and social tariffs on market balance and equity.
- Techniques for modeling marginal cost and allocating shared costs in multi-tier systems.
- The design of dynamic pricing schemes, including time-of-use and real-time pricing.
- The relationship between tariff structures, cost recovery, and power market investment decisions.

All our courses are dual-certificate courses. At the end of the training, the delegates will receive two certificates.

1. A GTC end-of-course certificate
2. Continuing Professional Development (CPD) Certificate of completion with earned credits awarded