RESOURCE HUB | THE ENERGY ACADEMY

Utility Rate Structure Review Checklist

60 items across 8 sections.

PROJECT

LOCATION

PREPARED BY

DATE

Tick each item when it is verified. Write N/A where an item does not apply to your project, and use the right-hand column for notes, owner and due date.

1 Confirm You Are Evaluating the Right Tariff

NOTES / OWNER / DUE

More rate analyses go wrong here than anywhere else. Customers are routinely on a schedule that no longer fits their load, many utilities offer several a given customer could qualify for, and interconnecting solar can change which are available or mandatory.

☐	1.1	Confirm the rate schedule code on the bill and pull the current published tariff for it	
☐	1.2	Confirm the tariff's effective date and that no superseding version exists	
☐	1.3	List every alternative schedule the customer is eligible for at their size, voltage and load factor	
☐	1.4	Check whether any alternative would produce a lower bill before solar	
☐	1.5	Confirm whether interconnecting generation requires or permits a schedule change	
☐	1.6	Check whether the customer is on a special contract or negotiated rate rather than a standard tariff	
☐	1.7	Confirm whether supply is bundled or from a competitive retailer, and get that contract's term and pricing	
☐	1.8	Verify which meters and service points the project will actually offset	

2 Judge Where the Value Actually Sits

NOTES / OWNER / DUE

A rate is favorable for solar when a large share of the bill is volumetric and those rates are high, and unfavorable when demand, fixed and non-reducible charges dominate. Work out the shape of the bill first, so you know which lever the project is actually pulling.

☐	2.1	Split the annual bill into energy, demand, fixed charges and taxes, each as a share of the total	
☐	2.2	Calculate the marginal volumetric rate the array will displace, including all reducible riders	
☐	2.3	Compare that marginal rate against the blended rate and note the gap	
☐	2.4	Determine the load factor and whether the account is energy-heavy or demand-heavy	
☐	2.5	Estimate what share of the bill is addressable by generation at all	
☐	2.6	Identify whether the savings case rests on energy offset, demand reduction or export credit	
☐	2.7	Flag accounts where demand and fixed charges dominate, since these rarely support a project on energy offset alone	

3 Test the Time-of-Use and Seasonal Fit

NOTES / OWNER / DUE

Where a schedule is time-differentiated, the value of a kilowatt-hour depends on when it is produced. A structure that prices midday highly is a gift; one whose peak has shifted into the evening reduces the realized rate even when the published on-peak rate looks attractive.

☐ 3.1	Record the exact hour definitions for each period, including weekend and holiday treatment	
☐ 3.2	Record the seasonal definitions and the months each season covers	
☐ 3.3	Overlay a modeled production profile on the period definitions and calculate output by period	
☐ 3.4	Calculate a production-weighted average rate rather than using the on-peak rate	
☐ 3.5	Check whether the utility has recently moved its peak later, and whether more movement is pending	
☐ 3.6	Test whether a different eligible schedule fits the array's production better	
☐ 3.7	Confirm how the tariff treats periods where net consumption is zero or negative	

4 Evaluate How Much Demand Charge Is Actually Reducible

NOTES / OWNER / DUE

Demand charge reduction is the most frequently overstated line in commercial solar proposals. The answer comes from interval data, not a rule of thumb, and several tariff provisions can make the achievable reduction far smaller than the arithmetic suggests.

☐ 4.1	Identify the demand measurement interval and whether it is coincident, non-coincident or time-of-use	
☐ 4.2	Locate any ratchet provision, record its look-back window and percentage, and determine whether it is currently setting billed demand	
☐ 4.3	Confirm whether demand is billed differently by voltage level or service class	
☐ 4.4	From interval data, identify each period's peak hour and check whether the array would be producing then	
☐ 4.5	Test demand reduction against a low-irradiance day rather than a clear day	
☐ 4.6	Check for a minimum demand or minimum bill provision that floors the charge	
☐ 4.7	If storage is contemplated, confirm the tariff does not restrict or penalize discharge behavior	
☐ 4.8	Decide whether to include demand savings in the proposal, and if so on what conservative basis	

5 Evaluate the Export and Netting Terms

NOTES / OWNER / DUE

Export treatment determines what happens to every kilowatt-hour the host does not consume, and it is the provision most likely to have changed since your last project in that territory. Confirm it directly rather than relying on what was true for an earlier customer.

☐ 5.1	Identify which compensation mechanism applies to this customer class and system size	
☐ 5.2	Record the netting interval, confirmed in the tariff rather than from a summary	
☐ 5.3	Determine the export credit rate, how it is calculated and whether it is fixed or floating	

5 Evaluate the Export and Netting Terms

			NOTES / OWNER / DUE
☐	5.4	Confirm whether credits offset energy charges only, or also delivery, demand or fixed charges	
☐	5.5	Establish the true-up date and what happens to unused credits	
☐	5.6	Confirm any system size cap, as a share of historic consumption, a nameplate limit or both	
☐	5.7	Check whether the program has an aggregate capacity cap and how much headroom remains	
☐	5.8	Confirm whether accounts can be aggregated or credits allocated to other meters, and what that requires	
☐	5.9	Determine the required metering configuration and who pays for any meter change	

6 Identify the Charges Solar Cannot Touch

Every tariff contains charges that continue regardless of on-site generation. Listing them prevents the common failure where a proposal shows a bill going to nearly zero and the first post-installation bill does not.

			NOTES / OWNER / DUE
☐	6.1	List all fixed customer, service and facilities charges	
☐	6.2	Identify every non-bypassable charge and whether it applies to gross or net consumption	
☐	6.3	Confirm whether a standby, supplemental or backup service charge applies to customers with on-site generation	
☐	6.4	Check for interconnection-specific recurring charges or metering fees	
☐	6.5	Confirm whether any tax exemptions the customer holds change the savings calculation	
☐	6.6	Calculate the floor bill: what the customer pays in a period with zero net consumption	

7 Assess Rate Change and Tariff Risk

A twenty-year savings model rests on assumptions about a tariff the utility can petition to change. You cannot eliminate that risk, but you can size it and disclose it, which beats escalating today's rate at a comfortable percentage and calling it done.

			NOTES / OWNER / DUE
☐	7.1	Pull historical rate changes for this schedule and note the pattern, including restructuring rather than simple increases	
☐	7.2	Check whether a rate case or tariff revision is currently pending before the regulator	
☐	7.3	Identify any announced or proposed changes to the export compensation mechanism	
☐	7.4	Determine whether existing systems are grandfathered, for how long, and what forfeits it	
☐	7.5	Confirm what milestone establishes grandfathering eligibility, often the interconnection application rather than energization	
☐	7.6	Test the savings model against reduced export credits and a shift of volumetric rates toward fixed charges	

7	Assess Rate Change and Tariff Risk	NOTES / OWNER / DUE
☐ 7.7	Document the escalation assumption and its basis, and avoid presenting it as a forecast	

8	Confirm With the Utility Before You Rely On It	NOTES / OWNER / DUE

This last group is about getting answers in a form you can point to later. Verbal guidance from a call center is not a basis for a twenty-year financial commitment, and the people who can answer authoritatively are often not the first people you reach.

☐ 8.1	Submit written questions to the utility's interconnection or key account group, not general customer service	
☐ 8.2	Request confirmation of the applicable schedule and any change triggered by interconnection	
☐ 8.3	Request written confirmation of the export mechanism and credit treatment for this customer	
☐ 8.4	Request current program cap status and remaining headroom if a cap exists	
☐ 8.5	Request the interval data authorization form and submit it early	
☐ 8.6	Confirm the cost and lead time for any required meter change	
☐ 8.7	Ask whether standby or supplemental service provisions apply at the proposed system size	
☐ 8.8	Keep the written responses in the project file and cite them in the proposal assumptions	

+	Additional Rate Notes	NOTES / OWNER / DUE
	Items found that are not covered above.	
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SIGN-OFF

PREPARED BY

SIGNATURE AND DATE

REVIEWED BY

SIGNATURE AND DATE

This checklist is a structure for making sure nothing obvious is missed. It does not replace the judgment of qualified professionals, the governing documents or the advice of counsel, engineers and other advisors.