

**Tailor-made training support  
to the Oman Power and Water Procurement Company**

---

**Principles of Tariff Regulation**  
**December 2-4, 2018 • Muscat, Oman**

---

**AGENDA**

*Venue:*  
Kempinski Hotel Muscat  
335 Street 6, Muscat 138, Oman

**Day 1: December 2, 2018**

Conference room: "Muscat Ballroom 3"

**08:00-08:15**

**Introduction of Participants**

**08:15 – 09:15**

**Theory, Principles and Institutions in Energy Regulation  
*presented by Mr. Ardian Berisha, Regulatory Specialist, ERRA***

*This is meant to be a stage-setting presentation, providing an overall picture of the legal and legislative frameworks governing regulation, the main principles of regulatory practice and the theory behind these principles.*

**09:15 – 09:30**

 **Group Photo**

**09:30 – 11:00**

**Fundamentals of Price Regulation in the Energy Sector 1  
*presented by Mr. Ardian Berisha, Regulatory Specialist, ERRA***

*The Fundamentals presentations will cover the fundamental economic principles behind price regulation, followed by an overview of regulatory frameworks translating these principles into practice. The presentation will provide a detailed breakdown of the main building blocks contributing to the build-up of utility allowed revenues.*

**11:00 – 11:30**

*Coffee break*

**11:30 – 13:00**

**Fundamentals of Price Regulation in the Energy Sector 2**

***presented by Mr. Ardian Berisha, Regulatory Specialist, ERRA***

*The Fundamentals presentations will cover the fundamental economic principles behind price regulation, followed by an overview of regulatory frameworks translating these principles into practice. The presentation will provide a detailed breakdown of the main building blocks contributing to the build-up of utility allowed revenues.*

**13:00 – 14:00**

*Lunch break*

**14:00 – 15:30**

**Fundamentals of Wholesale Electricity Prices**

***presented by Mr. David Williams, Managing Consultant, Economic Consulting Associates (ECA), United Kingdom***

*This section of the training will provide an overview of the fundamental principles driving wholesale electricity prices and their structure.*

**15:30 – 15:45**

*Wrap up of Day 1*

## **Day 2: December 3, 2018**

Conference room: "Muscat Ballroom 3"

**08:00 – 09:15**

### **Tariff Case Studies: Experiences in South-East European Countries**

***presented by Ms. Andrijana Nelkova-Chuchuk, Deputy Head of Economic Department, Energy Regulatory Commission (ERC), Macedonia***

*Examples and case studies in MAR and retail tariff calculation from select south-east European Countries.*

**09:30 – 11:00**

### **Principles of Cost Recovery: Electricity and Water Retail Tariff Design 1**

***presented by Mr. David Williams, Managing Consultant, Economic Consulting Associates (ECA), United Kingdom***

*These two presentation will cover, among others, the principles of allocating allowed revenues to cost categories, customer categories and the factors determining tariff design. The presentation will also cover the principles driving retail tariff design and how the wholesale market affects this design.*

**11:00 – 11:30**

*Coffee break*

**11:30 – 13:00**

### **Principles of Cost Recovery: Electricity and Water Retail Tariff Design 2**

***presented by Mr. David Williams, Managing Consultant, Economic Consulting Associates (ECA), United Kingdom***

*These two presentation will cover, among others, the principles of allocating allowed revenues to cost categories, customer categories and the factors determining tariff design. The presentation will also cover the principles driving retail tariff design and how the wholesale market affects this design.*

**13:00 – 14:00**

*Lunch break*

**14:00 – 15:30**

### **RES Support Schemes – Impacts on Wholesale Markets**

***presented by Mr. David Williams, Managing Consultant, Economic Consulting Associates (ECA), United Kingdom***

*This presentation will provide an overview of how RES support schemes fit within the principles of Regulatory Economics and provide an overview of how these schemes evolved in order to reflect changes in the competitiveness of RES technologies.*

**15:30-15:45**

*Wrap up of Day 2*

### **Day 3: December 4, 2018**

Conference room: "Muscat Ballroom 3"

**08:00 – 09:30**

#### **Case study: Designing and Implementing RES Support Schemes**

***presented by Ms. Andrijana Nelkova-Chuchuk, Deputy Head of Economic Department, Energy Regulatory Commission (ERC), Macedonia***

*The case study of the impacts of various RES support scheme designs on the development of RES projects and discussion about potential impacts on wholesale markets.*

**09:30 – 09:45**

*Coffee break*

**09:45 – 11:00**

#### **Maximum Allowed Revenue (MAR) and Retail Tariff Calculation Example Exercise**

***presented by Ms. Andrijana Nelkova-Chuchuk, Deputy Head of Economic Department, Energy Regulatory Commission (ERC), Macedonia***

*Prior to the commencement of the course, training participants will be provided with a tariff-calculation exercise on which they will be expected to work in their own time in groups. The participants will be given a sample utility application for allowed revenues and tariffs. They will then be asked to produce alternative Maximum Allowed Revenue (MAR) calculations and corresponding retail tariffs. The participants will present their cases and provide justifications. The purpose of this exercise is to help get a regulatory perspective on tariff filings.*

**11:30 – 13:00**

*Wrap up of Day 3 and Program Evaluation*