



COST OF SERVICE AND RATE DESIGN



**JACKSON
THORNTON**

Certified Public Accountants
& Consultants

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Set the bar higher.

Making the best decision for your utility requires being proactive instead of reactive.

The team at Jackson Thornton Utilities Consultants can help you establish the foundation for decision making — today. With our proven cost of service and rate design model, you can put a solid plan of action in place now that helps prevent “rate shock” in the future.

Our cost of service and rate design model takes a snapshot of your utility’s financial situation for the past 12 months and indicates where you are today. These indicators are critical — to project where you need to go, you need to know where you are as a utility now. We’ll help you develop rates that are sufficient and stable, fair and equitable, and legally defensible.

Service Oriented with Focused Expertise

Our Process

- Examine and detail your system’s revenue requirements
- Break down revenue requirements by rate class
- Compare current revenues to revenue requirements
- Develop appropriate cost of service rates
- Provide a model of current and proposed rate structures

We Determine

- Defensible rate design for each class
- Where your utility needs to be to meet goals and obligations
- A funding plan for future capital projects in order to maintain safe and reliable service

“The Cost of Service Studies provided by Jackson Thornton have been an invaluable resource in assisting us with our rate structure as well as our budget process. Having a third party to review our company’s financial statements and capital improvement plans going forward lends credibility to the establishment of the set rates.”
—General Manager at a water utility

Please visit www.jacksonthornton.com/utilities-consultants for more information.
344.834.7660 / utilities@jacksonthornton.com