From: Prosper, Terrie D.

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Subject: CPUC Augments Solar Program Budget: CPUC Press Release

FOR IMMEDIATE RELEASE RELEASE

PRESS

Media Contact: Terrie Prosper, 415.703.1366, news@cpuc.ca.gov

Docket #: R.10-05-004

CPUC AUGMENTS SOLAR PROGRAM BUDGET

SAN FRANCISCO, December 1, 2011 - The California Public Utilities Commission (CPUC) today increased the budget for the California Solar Initiative (CSI) Program by \$200 million in order to cover a budget shortfall.

Today's actions implement Senate Bill (SB) 585 signed by Governor Brown on September 22, 2011. The amount Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E) are allowed to collect to fund the CSI program is modified as follows:

PG&E: \$114 millionSCE: \$64 millionSDG&E \$22 million

Due to several factors, the CSI budgets for the non-residential sector were running out of funds before the program's megawatt capacity goals would be reached. PG&E and the California Center for Sustainable Energy, which administers the CSI program in SDG&E's territory, both exhausted their available funds for non-residential installations in 2010 and have placed all subsequent non-residential applications onto a waitlist. Today's decision will re-invigorate solar activity in the non-residential sector in the PG&E and SDG&E territories, and with this funding, the utilities should be able attain the solar megawatt goals that the CPUC set for them at the start of the CSI program.

CPUC President Michael R. Peevey commented, "I'd like to thank Senator Christine Kehoe for authoring SB 585, which gave us the authority to add \$200 million to the CSI incentive budget. California's endeavor to expand the use of solar as an alternative source of energy has been so successful that, over the course of the California Solar Initiative's five year existence, the CPUC has had to make budgetary adjustments on numerous occasions. Today's adjustment is just another testament to the continually growing interest in solar across the state."

The CSI Program began in 2006 with a goal of 1,940 megawatts (MW) of installed solar capacity by the close of its scheduled program run at the end of 2016 and to create a self-sustaining solar market that could operate without subsidies. To date, the program has installed 661 MW of new solar with another 320 MW pending installation. When the program began the CSI rebate accounted for approximately 30 percent of the installed costs of a solar panel. Due to the fact that the rebates decline overtime, today they account for less than 5 percent of the installed cost.

The proposal voted on is available at http://docs.cpuc.ca.gov/WORD PDF/AGENDA DECISION/154282.pdf.

For more information on the CPUC, please visit www.cpuc.ca.gov.

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