

California Public Utilities Commission
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PRESS RELEASE

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**CPUC EXPEDITES REVIEW PROCESS FOR SMART GRID
FUNDING UNDER RECOVERY ACT**

SAN FRANCISCO, September 10, 2009 - The California Public Utilities Commission (CPUC) today established processes and criteria for review of Smart Grid projects and investments by investor-owned utilities seeking funding from the U.S. Department of Energy under the American Recovery and Reinvestment Act of 2009, which appropriated \$4.5 billion nationally to modernize the electric grid.

The CPUC expressed strong support for national policies targeted at modernizing the nation's electric grid. "Smart Grid" refers to efforts to modernize the grid, for example, by adding communications, sensors, and controls. The electric utilities' ongoing advanced metering projects are one aspect of Smart Grid that will provide consumers more information about how they can save energy and money. A Smart Grid also can help to bring more renewable energy on-line at a lower cost to consumers. Greater monitoring and automated controls can also reduce the frequency and duration of power outages. Many of the advantages of a Smart Grid will contribute to reducing greenhouse gas emissions.

"The Smart Grid funding provided by the Recovery Act creates a unique opportunity for California to expand and accelerate its activities to modernize the state's electric infrastructure at a significantly lower cost to ratepayers," said CPUC President Michael R. Peevey.

The processes and policies established by today's decision are intended to align the timeline of the CPUC's review of investor-owned utility Smart Grid projects with the Department of Energy's rapid timeline for reviewing and granting awards for projects.

“California has worked hard to present to the Department of Energy some very collaborative and innovative Smart Grid projects,” commented Commissioner Rachelle Chong. “If our applicants are successful, California’s consumers and our green energy economy will be the real winners.”

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

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