

California Public Utilities Commission
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PRESS RELEASE

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R.09-11-014

**CPUC APPROVES CONTINUED FUNDING OF ENERGY EFFICIENCY,
RD&D, AND RENEWABLE ENERGY PROGRAMS**

SAN FRANCISCO, December 15, 2011 - The California Public Utilities Commission (CPUC) today approved two decisions that will continue funding for energy efficiency, Research, Development, and Demonstration (RD&D), and renewable energy programs through 2012.

The CPUC authorized the Electric Program Investment Charge to fund renewables and RD&D programs. The rates and allocations for this program are at the same levels as for the soon-to-expire Public Goods Charge (PGC), after subtracting an energy efficiency component. The Electric Program Investment Charge is instituted on an interim basis, subject to refund, until program and allocation issues are decided in a future CPUC proceeding.

Separately, the CPUC made funding available to backfill at the currently authorized level expiring funding for efficiency programs in 2012. The CPUC did not determine whether or which energy efficiency programs will require the current level of funding after 2012. The funding used to replace the PGC will be recovered just as the PGC would have been – on the basis of usage and not as a general rate, which ensures that utility energy efficiency programs will continue to have adequate funding to fulfill policy mandates.

Said Commissioner Mark J. Ferron, “Our decision ensures that the energy efficiency programs we already approved for 2012 have adequate funding. The CPUC will take a fresh look at funding for 2013 and beyond in a separate decision in late 2012.”

The PGC was established in the wake of the 2000-2001 California energy crisis. The statute authorized the collection of funds for energy efficiency, renewables, and RD&D programs from January 1, 2002 to January 1, 2012. Because the current energy efficiency program cycle operates from 2010-2012, the 2012 programs are underfunded due to the Legislature not extending the January 1, 2012, deadline before the close of the 2011 legislative session. Today's action by the CPUC provides the necessary funding to complete the 2012 cycle year for energy efficiency programs along with the continued support for the renewables and RD& D programs.

On September 23, 2011, Governor Jerry Brown, in a letter to CPUC President Michael R. Peevey, requested that the CPUC, "take action under the Commission's authority to ensure that programs like those supported by the Public Goods Charge are instituted...We cannot afford to let any of these job-creating programs lapse."

Today President Peevey commented, "Programs funded by the Public Goods Charge have been critical to the development and advancement of renewable energy along with the increased awareness and implementation of energy efficiency practices. Fortunately, the CPUC has been able to find a way to provide the necessary funding to carry on this important work for the next year. We will continue to work with the Legislature in seeking new avenues to support and carry on these programs in the future."

The proposals voted on are available at

http://docs.cpuc.ca.gov/WORD_PDF/AGENDA_DECISION/155549.pdf and

http://docs.cpuc.ca.gov/WORD_PDF/AGENDA_DECISION/155520.pdf.

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