

California Public Utilities Commission
505 Van Ness Ave., San Francisco

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PRESS RELEASE

Docket #: A.11-03-001

**CPUC PROMOTES DEMAND RESPONSE WITH APPROVAL OF
ACTIVITIES AND BUDGETS FOR STATE'S UTILITIES**

SAN FRANCISCO, April 19, 2012 - The California Public Utilities Commission (CPUC) today adopted demand response activities and budgets for Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), San Diego Gas & Electric (SDG&E) and for the years 2012 through 2014.

Demand response is the reduction or shift in electricity consumption by customers in response to either economic or reliability signals. Economic signals come in the form of electricity prices or financial incentives and reliability signals present themselves as alerts during times when the electricity system is vulnerable to extremely high prices or reliability is compromised. The intent of demand response programs is to take advantage of these signals to maximize ratepayer benefit.

The activities and budgets approved today will enable the utilities to continue to offer demand response programs in their service areas. For example, PG&E's demand response programs include SmartAC and PeakChoice; SCE's include Summer Discount Plan and Peak Time Rebate; and SDG&E's programs include Peak Time Rebate and Small Customer Technology Deployment. Today's decision also directs the utilities to file one application to coordinate all of their statewide demand side management marketing activities for 2013-2014.

Said Commissioner Mark J. Ferron, the author of the proposal approved today, "Demand response, which is largely behavior based, requires a regular, steady, and purposeful investment in order to be a reliable asset. Our action today affirms our goal of meeting 5 percent of peak demand with price

responsive demand response programs, which has large environmental and system benefits and yields large ratepayer savings.”

Said CPUC President Michael R. Peevey, “The state’s Energy Action Plan II identifies energy efficiency and demand response as the preferred ways to meet the state’s energy needs. Demand response programs offer many benefits to consumers and the state, including enhancing electric system reliability, reducing power purchases and individual consumer costs, and protecting the environment.”

Added Commissioner Catherine J.K. Sandoval, “Californians can make a difference by using energy wisely and conserving during times of peak demand such as a hot summer day. This item will inform Californians about how they can conserve, such as by charging their cell phones and electronics in the morning or after 7 p.m., using appliances during non-peak times, moderating air conditioning use, and changing or turning off lights. I am pleased that this decision includes marketing, outreach, and incentive programs that will communicate to the diverse range of Californians that make up our Golden State.”

The CPUC authorized a budget of approximately \$192 million for PG&E, \$196 million for SCE, and \$66 million for SDG&E.

The proposal voted on is available at
<http://docs.cpuc.ca.gov/PUBLISHED/GRAPHICS/164211.PDF>.

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

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