



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

**FOR IMMEDIATE RELEASE**

**PRESS RELEASE**  
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### **CPUC RAISES CAP ON CASH INCENTIVES FOR CUSTOMER INSTALLED CLEAN ENERGY**

SAN FRANCISCO, April 24, 2008 - The California Public Utilities Commission (CPUC) today raised the cap on cash incentives for individual clean energy projects available through its Self-Generation Incentive Program (SGIP) from 1 megawatt to 3 megawatts.

During 2008 and 2009 only, the CPUC authorized program administrators of SGIP to use any carryover funds from prior budget years to pay incentives up to 3 megawatts for qualifying fuel cell or wind distributed generation projects. For 2008, the SGIP budget is \$83 million. By today's decision, \$96 million of unspent SGIP funds from prior years will be made available to fund projects larger than 1 megawatt. Previously, although projects could, and still can be sized up to 5 megawatts under this program, incentive funding was available only for the first megawatt of capacity.

Under the SGIP, certain entities qualify for financial incentives to install distributed generation to serve some portion of a customer's onsite demand. The CPUC initially limited both the size of eligible projects and incentives to 1 megawatt, reasoning that the size limit represents a fairly large installation for a single customer site and, at the same time, will not use up an unreasonable amount of program funding. In a subsequent order, the CPUC increased the project size eligible to participate up to 5 megawatts to allow



developers, customers, utilities, and consumers to receive cost savings achieved by larger projects. Despite raising this maximum project size, the CPUC retained the cap on incentives at 1 megawatt due to concerns about depleting limited SGIP budgets.

“By using unspent SGIP monies from prior years to support larger projects we are ensuring that this program fulfills its mission of facilitating the evolution of the next generation of distributed energy technologies,” said CPUC President Michael R. Peevey. “I am optimistic that this step will advance the installation of more clean energy generation, like fuel cells, and enable California to better take advantage of clean, reliable technologies as we transition to the realities of a carbon-constrained world.”

The proposal voted on by the CPUC is available at:

[http://docs.cpuc.ca.gov/PUBLISHED/AGENDA\\_DECISION/81713.htm](http://docs.cpuc.ca.gov/PUBLISHED/AGENDA_DECISION/81713.htm).

For more information on the CPUC, please visit [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

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