



California Public Utilities Commission
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PRESS RELEASE

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CPUC FURTHER EXPANDS ENERGY PROGRAMS IN ADVANCE OF NEXT WILDFIRE SEASON

SAN FRANCISCO, January 16, 2020 - The California Public Utilities Commission (CPUC), in its ongoing efforts to strengthen community wildfire resiliency throughout the state, today established new budgets and modified incentives of more than \$1 billion to fund the Self-Generation Incentive Program (SGIP) for the next critical fire season and subsequent years.

Today's decision approves an SGIP annual budget of \$166 million for 2020-2024, for a total of \$830 million in new funding. When added to existing unspent funds from prior years, the decision allocates a total of \$1.2 billion in incentives and prioritizes funding of projects for communities most impacted by Public Safety Power Shut-off (PSPS) events.

The decision focuses the program on energy storage projects that serve customers with medical needs and impacted communities during PSPS events. The program targets Tier 2 and Tier 3 high fire threat districts, where there is "extreme" and "elevated" risk of fire and disadvantaged and low income customers, medically vulnerable households, critical services facilities, and low income solar program customers. The decision also extends eligibility to customers affected by at least two prior PSPS events. The program sets aside 63 percent to fund equity/resiliency projects; 12 percent for renewable generation projects; 10 percent for large scale storage projects; 7 percent for residential projects; 5 percent for heat pump water heaters; and 3 percent for residential equity projects.

Additionally, the decision expands the list of customers who are eligible for the equity/resiliency incentives to include customers relying on wells with electric pumps, small grocery stores and markets, food banks, and independent living centers.



Furthermore, to help identify eligible customers, electric investor-owned utilities will provide a method for all customers to identify the electric circuit they are on, and to verify if they were subject to two or more PSPS events. The utilities will also publish up-to-date lists of all circuits that had two or more PSPS events.

Wildfires in California are becoming increasingly destructive. Local distributed energy resources, such as battery storage and rooftop solar, can help provide more reliable energy solutions when electricity is shut off to reduce the risk of catastrophic fire. SGIP equity incentives allow low income and medically vulnerable customers and disadvantaged communities the opportunity to access benefits that would otherwise be unavailable to them due to the relatively high cost of the technology.

The new heat pump water heater incentives will greatly assist in reducing GHG emissions and play an important role in electrification efforts by replacing higher GHG emission natural gas water heaters with water heaters using electricity that is increasingly renewable. A very large number of water heaters are replaced every year, so it is important to start transforming that market as soon as possible.

Commissioner Clifford Rechtschaffen notes, “These programs will provide resiliency for customers and critical facilities that are most likely to experience wildfires and PSPS events, and most in need of financial assistance.”

Added Commissioner Genevieve Shiroma, “Today’s decision reflects the CPUC’s continuing commitment to assist vulnerable customers through Public Safety Power Shut-offs.”

The SGIP was established in 2001 to increase deployment of distributed generation and energy storage systems to facilitate the integration of those resources into the electrical grid, improve efficiency and reliability of the distribution and transmission system, and reduce emissions of greenhouse gases, peak demand, and ratepayer costs.

For more information on the Self-Generation Incentive Program, please visit www.cpuc.ca.gov/sgip.



The proposal voted on is available at

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M324/K879/324879972.PDF>.

Documents related to this proceeding are available at:

https://apps.cpuc.ca.gov/apex/f?p=401:56:0::NO:RP,57,RIR:P5_PROCEEDING_SELECT:R1211005.

The CPUC regulates services and utilities, safeguards the environment, and assures Californians' access to safe and reliable utility infrastructure and services. For more information on the CPUC, please visit www.cpuc.ca.gov.

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