



California Public Utilities Commission
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PRESS RELEASE

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CPUC Boosts Energy Bill Relief by Shifting Climate Credits to High-Cost Months, Maximizing Savings When It Matters Most

SAN FRANCISCO, April 30, 2026 – The California Public Utilities Commission (CPUC) today provided greater energy bill relief to Californians by strategically shifting the California Climate Credit to months when Californians feel energy costs the most.

Beginning in 2026, residential customers will receive their California Climate Credit during peak months when energy use and bills tend to be highest. For residential electric customers of Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E), the Climate Credit will be provided in August and September, which are peak summer months for California’s three largest utilities. Beginning in 2027, residential natural gas customers will receive their credits in February, aligning with winter heating demand. The change is designed to provide more meaningful, timely financial relief without requiring any action from customers.

“This is about timing relief to match reality. By aligning Climate Credits with the months when bills are highest, Californians will receive relief when they need it most,” said CPUC President John Reynolds.

“This is a practical step to improve affordability while continuing to advance the state’s climate goals.”

In 2026, the Climate Credit for residential electric customers totals \$894 million, and \$520 million for natural gas customers. Bill credit amounts per utility are on the [CPUC’s website](#).

What Is the Climate Credit?

The Climate Credit is an automatic bill reduction funded through California’s Cap-and-Invest Program. It returns a portion of proceeds collected from large greenhouse gas emitters directly to residential utility customers, helping offset energy costs while supporting the transition to a low-carbon economy. The

credit is provided to customers of investor-owned utilities and Community Choice Aggregators statewide.

What's Changing in 2026

Previously issued in April and October, Climate Credits will now be delivered during high-usage periods:

- Electric customers served by PG&E, SCE, and SDG&E: August and September
- Customers of Liberty Utilities, Pacific Power, and Bear Valley Electric: October and November (for 2026 the Credit months will be April and November)
- Natural gas customers of PG&E, SDG&E, Southern California Gas Company, and Southwest Gas: February (beginning in 2027)

Delivering Immediate Affordability

The revised schedule is expected to:

- Reduce bill spikes during extreme summer and winter weather
- Improve household financial stability by targeting peak-cost periods
- Provide automatic savings without enrollment or application

Utilities are also required to enhance customer communication by updating outreach materials, clearly identifying Climate Credits on bills, and improving transparency around program benefits.

Investing in California's Energy Future

The decision also directs 5 percent of electric utility Cap-and-Invest proceeds to the California Transmission Accelerator Revolving Fund. This investment will help finance new transmission infrastructure, reduce long-term costs for ratepayers, and support grid reliability and clean energy integration.

Supporting Climate and Consumer Goals

California's Cap-and-Invest Program, administered by the California Air Resources Board, sets limits on greenhouse gas emissions and requires major polluters to purchase allowances. Revenue from these allowances is reinvested in climate initiatives and returned to customers through programs like the Climate Credit.

Today’s decision implements key provisions of Assembly Bill 1207 (2025), which extends the Cap-and-Invest Program through 2045 and mandates that Climate Credits be distributed during high-bill months.

Next Steps

This Phase 1A decision delivers immediate improvements for 2026. A forthcoming Phase 1B proceeding will consider additional reforms to further strengthen the Climate Credit program and expand affordability benefits for Californians.

More Information

- [Proposal Approved](#)
- [Fact Sheet](#)
- [Docket Card](#)
- [Climate Credit Webpage](#)
- [Cap-and-Invest Program](#)

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About the California Public Utilities Commission

The CPUC regulates services and utilities, protects consumers, safeguards the environment, and assures Californians access to safe and reliable utility infrastructure and services. Visit www.cpuc.ca.gov for more information.