California Public Utilities Commission

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CPUC MAKES LARGEST COMMITMENT EVER MADE BY A STATE TO ENERGY EFFICIENCY

SAN FRANCISCO, September 24, 2009 – The California Public Utilities Commission (CPUC), in its ongoing commitment to making energy efficiency a way of life in California, today established energy efficiency programs for 2010 - 2012, approving a three-year budget of \$3.1 billion for Southern California Edison, Pacific Gas and Electric Company, San Diego Gas and Electric Company, and Southern California Gas Company. This is the largest commitment ever made by a state to energy efficiency and further confirms California's leadership.

These programs will create energy savings of almost 7,000 gigawatt hours, 1,500 megawatts, and 150 million metric therms of natural gas; this is the equivalent of three 500-megawatt power plants and will avoid 3 million tons of greenhouse gas emissions. The funding from this decision can create between 15,000 and 18,000 skilled green jobs.

"Capturing the full energy efficiency potential in the state requires more than simply providing rebates to support the installation of the latest and greatest widget," said CPUC President Michael R. Peevey. "Broader programs that support holistic approaches to energy efficiency are absolutely essential if we are to achieve the longer term vision and faithfully pursue energy efficiency as the resource of first choice, as articulated by the loading order in the state's Energy Action Plan." Commissioner Dian M. Grueneich, the Assigned Commissioner for the CPUC's energy efficiency programs, stated, "This decision implements the goals of the California Long-Term Energy Efficiency Strategic Plan to make energy efficiency a way of life in California and demonstrates California's continued leadership role in the field of energy efficiency."

The decision approved today includes the new California statewide program for residential energy efficiency—CalSPREE—under which the CPUC launches the largest and most comprehensive residential retrofit program in the U.S., aiming to reduce energy consumption by 20 percent for up to 130,000 California homes by 2012. The decision funds \$175 million for innovative programs to deliver zero net energy homes and commercial buildings, including design assistance, incentives for "above code" construction, and research and demonstration of new technologies and materials.

The decision also provides over \$260 million in funding for 64 cities, counties, and regional agencies for local efforts targeting public sector building retrofits and leading edge energy efficiency opportunities. Over \$100 million will go to education and training programs at all levels of our educational system to ensure a steady pipeline of skilled blue and white collar energy efficiency professionals.

In commenting upon the decision, President Peevey highlighted the unique role and contributions of California Energy Commission Commissioner and retired University of California, Berkeley professor Arthur H. Rosenfeld, saying, "In terms of his influence on energy policy, and, in particular, on raising the profile of energy efficiency as a key resource, he is truly a titan on whose shoulders we stand. Without his unflagging commitment and transformational vision, I do not believe today's decision would have been possible."

The proposal voted on by the CPUC is available at: http://docs.cpuc.ca.gov/PUBLISHED/AGENDA_DECISION/107378.htm.

For more information on the CPUC, please visit <u>www.cpuc.ca.gov</u>.