



California Solar Initiative

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As part of Governor Arnold Schwarzenegger's Million Solar Roofs Program, California has set a goal to create 3,000 megawatts of new, solar-produced electricity by 2017 - moving the state toward a cleaner energy future and helping lower the cost of solar systems for consumers.

On January 1, 2007, the California Public Utilities Commission introduced the California Solar Initiative (CSI), the overall goal of which is to help build a self-sustaining solar market. CSI incentives are available for both residential and commercial projects.

The CSI program offers:

- Photovoltaic incentives starting at \$2.50 per watt for commercial projects up to one megawatt (\$3.25 per watt for entities that are not eligible for tax credits).
- \$2.1 billion in incentives over the next decade for existing residential customers and existing and new non-residential customers.
- Funds for solar installations for low-income and affordable housing, both existing and new.

CSI incentives differ by customer type and system size, and are designed to encourage high performance systems. CSI incentives will be disbursed based on a sliding scale based on the capacity of solar energy systems installed, with earlier installations receiving a greater incentive than later installations. PG&E has a total program capacity of 512 MW available for non-residential installations.

The incentives will be determined according to the system size, as follows:

- Expected Performance Based Buydown (EPBB) Incentives: For systems less than 100 kW, the incentive amount will be paid on a one-time basis. Incentives for commercial customers decline from an initial \$2.50 per watt to a final \$0.20 per watt as aggregate installations reach the program's capacity.
- Performance Based Incentives (PBI): System larger than 100 kW will be paid on actual energy produced on a monthly basis for 5 years. The maximum incentive is capped at 1 MW (although the total installation may be up to 5 MW). Customers with any system size may also opt into PBI. Incentives for commercial customers range from an initial \$0.39 per kWh dropping to \$0.03 per kWh as aggregate installations reach the program's capacity.

Incentive amounts will decline according to schedules set by each program, declining to zero by 2017.

For more information, visit pge.com/about_us/environment/solar/csi.html