



California Public Utilities Commission

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Press Release

FOR IMMEDIATE RELEASE

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PUC PRESIDENT APPLAUDS GOVERNOR'S SIGNING OF SOLAR WATER HEATING AND EFFICIENCY ACT OF 2007

SAN FRANCISCO, October 12, 2007 - Today Governor Arnold Schwarzenegger signed the Solar Water Heating and Efficiency Act of 2007 (AB 1470), which requires the California Public Utilities Commission (PUC) to evaluate data from its current pilot program for solar water heating in the San Diego area for possible design and implementation of a broader statewide program. The pilot program is run by the California Center for Sustainable Energy in San Diego, and runs through 2008. The pilot focuses on understanding what the market most needs to take off in California, such as quality equipment, trained and certified installers, performance warranties, or targeted advertising. If the pilot is favorable, the PUC expects to design and implement a program of incentives for the installation of at least 200,000 solar water heating systems in homes and businesses throughout the state by 2017. The program would target natural gas savings, the primary energy source used for water heating in California. The program would be funded by a surcharge on natural gas utility bills. The PUC will oversee this for investor-owned utilities, and the law also directs local publicly owned utilities to offer similar programs.

PUC President Michael R. Peevey commented:

“This program can restore an active market in California for solar water heating, which is greatly diminished from its heyday in the 1980s when federal tax credits were substantial. We look forward over the time period set by the legislature to rekindle this market, which we expect will offer the newest technologies and quality installations. The PUC already has approved a pilot program in San Diego. We expect this pilot will help define the most important features of a statewide program. More importantly, we can save substantial amounts of natural gas and bring much lower gas utility bills to consumers. This will expand the repertoire of renewable energy solutions for California, and further our progress in reducing greenhouse gas emissions.”

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