



Notice Regarding the Small Business Climate Credit

A Message from the California Public Utilities Commission

The California Public Utilities Commission (CPUC) has made the following modifications to the Small Business Climate Credit:

Effective January 1, 2022:

1. The credit will be distributed semiannually, in August and September for SDG&E® customers.
2. The credit will be distributed as a flat dollar amount. For more information about the Small Business Climate Credit, visit www.cpuc.ca.gov/smallbusinessclimatecredit.

FAQs:

What is the Small Business Climate Credit?

The Small Business Climate Credit is funded by a State government program that requires power plants, natural gas providers, and other large industries that emit greenhouse gases to buy carbon pollution permits from auctions managed by the Air Resources Board. The Small Business Climate Credit is your share of the payments from the State's program.

Who Receives the Small Business Climate Credit?

A small business is defined by the CPUC as any nonresidential customer on a general service or agricultural rate, whose usage does not exceed 20 kilowatts in more than three months out of the previous 12-month period. In other words, the CPUC interprets small business as “non-residential customers with usage that is relatively low.” If you meet these criteria, you will automatically receive the Small Business Climate Credit.

Electricity customers of SDG&E, PG&E, SCE, Pacific Power (PacifiCorp), Bear Valley Electric Service, and Liberty Utilities (CalPeco Electric) can receive the Small Business Climate Credit if they meet these qualifying criteria.

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Small businesses who are eligible to claim the CA Industry Assistance Credit may only receive one of the two credits. If you choose to attest for the CA Industry Assistance Credit and are deemed eligible, you will stop receiving the Small Business Climate Credit for all electric service agreements associated with that facility.

When will I receive the Small Business Climate Credit?

The credit will be distributed twice per year and will be included in SDG&E customers' August and September utility bills.

How much is the Small Business Climate Credit and how is it calculated?

The credit amount will vary from year to year. Each utility's amount is based on their generation forecasts and requires CPUC review and approval. In 2022, the Small Business Climate Credit amount is \$64.17.

How is the California Climate Credit funded?

Each year the State auctions a limited number of emissions permits so that California can meet its goal of reducing its overall emissions down to 40% below 1990 levels by the year 2030. Some of the auction proceeds are used by the State to fight climate change, and some are returned to many Californians as a Climate Credit on their utility bills. This program is one of many developed as a result of the Global Warming Solutions Act of 2006, which put California at the forefront of efforts to battle climate change.

The CPUC developed and oversees the Climate Credit program implementation. The credit on your utility bill comes from revenues from the State program, not from the utility; however, the utilities deliver the credit on the State's behalf.

Is there a Small Business Natural Gas Climate Credit?

No, the Small Business Climate Credit is only available for electric customers.

The CPUC regulates privately owned electric and natural gas companies and serves the public interest by protecting consumers and ensuring the provision of safe, reliable utility service and infrastructure at reasonable rates, with a commitment to environmental enhancement and a healthy California economy. For more information about our work, visit www.cpuc.ca.gov. If you have a question or complaint concerning a privately-owned utility, call 1-800-649-7570 or visit <https://www.cpuc.ca.gov/utilitycomplaint>.