

The Self-Generation Incentive Program (SGIP) provides financial incentives for the installation of new, qualifying self-generation equipment.

PROGRAM OVERVIEW

Self-generation refers to distributed generation technologies installed on the customer's side of the utility meter. The electricity generated by the system provides a portion or all of the customer's electric load.

The California Public Utilities Commission (CPUC) established the SGIP in 2001, and the program is scheduled to sunset December 31, 2011. Through the SGIP, the program administrators provide financial incentives to business and residential customers who install up to 5 megawatts (MW) of distributed generation equipment.

PROGRAM ELIGIBILITY

Retail electric and/or gas customers of San Diego Gas & Electric (SDG&E), Pacific Gas & Electric, Southern California Edison and Southern California Gas are eligible to participate in the SGIP. California Center for Sustainable Energy (CCSE) administers the program within the SDG&E service territory.

While residential customers are not excluded from the program, the minimum kilowatt (kW) system size generally limits most applications to non-residential energy consumers. To learn about rebates for wind or fuel cell systems that generate less than 30 kW of energy, visit the California Energy Commission's Emerging Renewables Program at www.consumerenergycenter.org/erebate.

INCENTIVES AVAILABLE FOR THE INSTALLATION OF QUALIFYING EQUIPMENT

Incentive Levels ¹	Eligible Technology	Incentive (\$/watt)	Minimum System Size ²
Level 2 Renewable	Wind Turbines	\$1.50	30 kW
	Fuel Cells (Renewable fuel)	\$4.50	30 kW
Level 3 Non-Renewable	Fuel Cells (Non-renewable fuel) ³	\$2.50	None

¹ Level 1 previously included solar generation, now administered through the California Solar Initiative. To learn more, please visit www.gosolarcalifornia.ca.gov.

² Maximum incentive payout capped at 3 MW for 2008 and 2009 and maximum system size is 5 MW

³ Systems must utilize waste heat recovery meeting Public Utilities Code 216.6

SYSTEMS > 1 MW

The CPUC has authorized eligible wind turbine and fuel cell systems to receive incentives for up to 3 MW of capacity from prior years' carryover funding for 2008 and 2009. As part of the CPUC decision, incentives for systems larger than 1 MW up to 3 MW will be paid a tiered incentive.

TIERED INCENTIVE RATE FOR PROJECTS UP TO 3 MW

Capacity	Incentive Rate
0 - 1 MW	100%
>1 MW - 2 MW	50%
>2 MW - 3 MW	25%

FEDERAL TAX CREDITS

A number of federal tax credits are available for those who install and own wind and/or fuel cell self-generation systems for businesses. Visit www.dsireusa.org to learn more about incentives and federal tax credits.

QUALIFYING EQUIPMENT

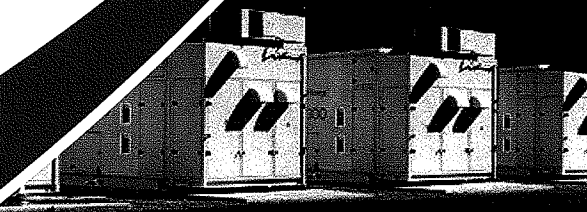
Qualifying self-generation equipment must be certified to operate in parallel with the electrical grid and meet other criteria established by the CPUC.

Wind Turbines

Large (≥ 500 kW) wind turbines are typically used in wind farms to produce utility-scale, renewable electricity. Small- (≤ 100 kW) and medium- (101 kW-500 kW) sized wind turbines are more appropriate for homeowners and businesses, respectively, with sufficient wind resources to help meet their energy needs. To view California wind resource maps, visit www.energy.ca.gov/wind.

Fuel Cells

A fuel cell consists of two electrodes separated by an electrolyte. It produces power by passing ions (with the aid of a catalyst) through the electrolyte. Fuel cells are usually powered by natural gas, methane or hydrogen. Because of their high operating temperatures, they are frequently used in Combined Heat & Power applications and are appropriate to meet the energy needs of any home or business.



Self-Generation Incentive Program

GETTING STARTED TODAY

Customers seeking incentives should call the Program Administrator responsible for managing the SGIP in their utility service territory. Program Administrators are available to answer any questions regarding distributed generation and the SGIP. For more information, visit the Program Administrators' websites.

PROGRAM ADMINISTRATORS

California Center for Sustainable Energy

8690 Balboa Ave, Suite 100

San Diego, CA 92123

Phone: (866) SDENERGY (733-6374)

www.sgip.energycenter.org

Pacific Gas & Electric Company

245 Market St., N4G

San Francisco, CA 94105

Phone: (415) 973-6436

www.pge.com/selfgen

Southern California Edison

6042A Irwindale Avenue

Irwindale, CA 91702

Phone: (866) 584-7436

www.sce.com/sgip

Southern California Gas Company

555 West Fifth Street

GT22H4

Los Angeles, CA 90013

Phone: (866) DG-REBATE

www.socalgas.com/business/selfgen

OTHER RESOURCES

For more information about self-generation systems and renewable energy, visit the following websites:

American Wind Energy Association

www.awea.org

California Public Utilities Commission

www.cpuc.ca.gov

Database of State Incentives for Renewables & Efficiency

www.dsireusa.org

The U.S. Department of Energy

www.doe.gov



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