



California Public Utilities Commission 505 Van Ness Ave., San Francisco

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PRESS RELEASE

Docket #: R.10-12-007

CPUC SETS ENERGY STORAGE GOALS FOR UTILITIES

Oct. 17, 2013 -- The California Public Utilities Commission (CPUC) today established an energy storage target of 1,325 megawatts for Pacific Gas and Electric Company, Southern California Edison, and San Diego Gas & Electric by 2020, with installations required no later than the end of 2024.

The guiding principles of today's decision are 1) the optimization of the grid, including peak reduction, contribution to reliability needs, or deferral of transmission and distribution upgrade investments; 2) the integration of renewable energy; and, 3) the reduction of greenhouse gas emissions to 80 percent below 1990 levels by 2050, per California's goals.

Today's decision, pursuant to Assembly Bill 2514, directs the utilities to file separate procurement applications containing a proposal for their first energy storage procurement period by March 1, 2014. The decision further establishes a target for Community Choice Aggregators and electric service providers to procure energy storage equal to 1 percent of their annual 2020 peak load by 2020 with installation no later than 2024, consistent with the requirements for the utilities.

"This decision represents an important first step in encouraging the storage market and supporting grid reliability," said Commissioner Carla J. Peterman, the lead Commissioner for this proceeding.



Added Commissioner Mike Florio, “This decision implements Assemblymember Skinner’s vision that the deployment of energy storage in California can both help achieve our energy policies and operate the grid. As California looks ahead to meeting needs due to the closure of the San Onofre Nuclear Generating Station and retirement of conventional generation, I look forward to the role that energy storage can begin to play in our mix of resources.”

“I want to thank Commissioner Peterman for her work in developing this new framework to incentivize procurement of energy storage by California’s utilities,” said Commissioner Catherine J.K. Sandoval. “Storage is a game-changer that can help people manage their energy use and expand the capacity of renewable resources to provide power to homes and businesses. This decision will spur investment and innovation in energy storage and help Californians unleash their creative and economic power.”

“Energy storage has the potential to be a game changer for our electric grid, and I fully support the goals of grid optimization, integration of renewable energy, and reduction of greenhouse gas emissions,” said Commissioner Mark J. Ferron. “As the utilities procure storage, we should evaluate the projects on whether or not they fulfill a system need at a reasonable cost.”

The Proposed Decision voted on is available at

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M078/K912/78912194.PDF>.

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