



Notice Regarding the Small Business Climate Credit for Electricity Customers

A Message from the California Public Utilities Commission

The Small Business Climate Credit is a direct result of the State's Cap-and-Trade Program that requires polluters to pay for climate pollution. Credits are distributed twice annually, in April and October each year. Credits appear automatically on your bill and are designed to help utility customers during the transition to a more sustainable future.

The credit will be distributed as a flat dollar amount. The credit amount will vary from year to year. Each utility's amount is based on their allowance auction forecasts and requires the California Public Utilities Commission (CPUC)'s review and approval. In 2025, the Small Business Climate Credit amount is \$81.38. Eligible Small Businesses received the first California Climate Credit on April billing statements and will receive the second installment of \$81.38 on October billing statements.

For more information about the Small Business Climate Credit, visit www.cpuc.ca.gov/smallbusinessclimatecredit.

For more information about additional programs that are funded by the Cap-and-Trade Program to reduce carbon pollution, improve public health and the environment, and provide meaningful benefits to the most disadvantaged communities, visit www.caclimateinvestments.ca.gov.

FAQs:

Who Receives the Small Business Climate Credit?

An eligible small business is defined by the CPUC as any non-residential 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."

Additionally, the CPUC recently modified the Small Business California Climate Credit eligibility criteria. Beginning April 2025, customers with 100 or more individually eligible small business accounts are no longer eligible to receive the Small Business California Climate Credit. You can learn more about the eligibility changes resulting from Resolution E-5339 at sdge.com/ClimateCredit.

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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 the qualifying criteria.

Small businesses eligible to claim the California Industry Assistance Credit (EITE) may only receive one of the two credits. If you choose to attest for the California 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?

In 2025, the credit will be distributed semiannually, in April and October.

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 California 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>.