# Self-Generation Incentive Program

# The Self-Generation Incentive Program (SGIP) provides financial incentives for installing clean, efficient, on-site distributed generation.

#### **PROGRAM OVERVIEW**

Self-generation refers to distributed generation technologies installed on the customer side of the utility meter. The electricity produced by the system provides on-site power to help offset a customer's electric load.

Retail electric and/or gas customers of the following utilities are eligible to participate:

- Pacific Gas and Electric Company (PG&E)
- Southern California Edison (SCE)
- Southern California Gas Company (SoCalGas®)
- San Diego Gas & Electric Company (SDG&E)
   Center for Sustainable Energy (CSE) is the
   program administrator for SDG&E



The SGIP is one of longest running distributed generation incentive programs in the country. The California Public Utilities Commission (CPUC) established SGIP in 2001 as a peak load reduction program. The program changed significantly in 2011 as a result of Senate Bill 412, which modified the focus of the program to greenhouse gas emission reductions. As a result, the SGIP updated the list of eligible technologies and incentive levels to encourage statewide adoption.

QUALIFYING EQUIPMENT & INCENTIVES		
Qualifying Technologies	Incentive (\$/watt)*	
Renewable and Waste Energy Recovery		
Wind Turbine	\$1.13	
Waste Heat to Power	\$1.13	
Pressure Reduction Turbine	\$1.13	
Nonrenewable Conventional Combined Heat & Power		
Internal Combustion Engine	\$ 0.46	
Microturbine	\$ 0.46	
Gas Turbine	\$ 0.46	
Emerging Technologies		
Advanced Energy Storage	\$1.62	
Biogas Adder	\$1.62	
Fuel Cell – CHP or Electric-Only	\$1.83	

<sup>\*2014</sup> Rates – Incentives decline annually.

An additional incentive of 20 percent is available for installation of eligible distributed generation technologies from an approved California supplier.



Wind Turbine



Gas Turbine



Fuel Cell

Incentives for systems larger than 1 MW will be calculated at a tiered incentive rate (3 MW per site maximum).

TIERED INCENTIVE RATE FOR PROJECTS UP TO 3 MW	
Capacity	Incentive Rate
0 - 1 MW	100%
>1 - 2 MW	50%
>2 - 3 MW	25%

All self-generation equipment must be certified to operate in parallel with the electric grid and meet the eligibility criteria of the program.

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#### **GETTING STARTED**

Want to learn how to save money generating clean power? Contact the program administrator responsible for managing the SGIP in your utility service territory.\* Program administrators are available to answer any questions regarding distributed generation and SGIP.

For more information, visit the websites listed below to find the current SGIP handbook outlining program guidelines and the application process.

### **PROGRAM ADMINISTRATORS**

#### **Pacific Gas and Electric Company**

245 Market Street, N3F San Francisco, CA 94105 Phone: (415) 973-6436 www.pge.com/sgip

## **Southern California Edison**

P.O. Box 800 Rosemead, CA 91770 Phone: (866) 584-7436 www.sce.com/sgip

#### **Southern California Gas Company**

555 West Fifth Street
GT20B8
Los Angeles, CA 90013
selfgeneration@socalgas.com
www.socalgas.com/innovation/self-generation

## **Center for Sustainable Energy**

9325 Sky Park Court, Suite 100 San Diego, CA 92123 Phone: (858) 244-1177 www.energycenter.org/sqip

#### **OTHER RESOURCES**

California Public Utilities Commission www.cpuc.ca.gov/PUC/energy/DistGen/sgip

\*Projects located in the service territory of both SCE and SoCalGas® can apply for incentive funding to either program administrator, but not to both.

The SGIP Program is funded by California investor owned utility customers and is administered by regional program administrators under the auspices of the California Public Utilities Commission.

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Internal Combustion Engine