



Notice Regarding the Small Business Climate Credit

A Message from the California Public Utilities Commission

FAQs:

What is the Small Business Climate Credit?

The Small Business California Climate Credit is a direct result of the State's nation-leading Cap-and-Trade Program that requires polluters to pay for climate pollution. Credits are typically distributed in April and October each year. Credits appear automatically and are 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 non-residential customer on a general service or agricultural rate, whose usage doesn't exceed 20 kilowatts in more than three months out of the previous 12-month period, and who does not have 100 or more eligible accounts.

In other words, CPUC interprets small business as "non-residential customers with usage that is relatively low." If you meet these criteria, you'll automatically receive the Small Business Climate Credit.

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 in the spring and fall. For most customers, it will be included in their March and October utility bills and is paid as a flat rate amount.

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. For April 2025, Pacific Power customers will receive a credit in the amount of \$259.36.

How is the California Climate Credit funded?

Each year the state auctions a limited number of emission permits so that California can meet its goal of reducing its overall emissions 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.

CPUC created and oversees the credit program implementation. The money is from the State, not from the utility, even though the utilities deliver the credit on the State's behalf.

See our page on the Cap-and-Trade Program for more information.

Is there a Small Business Natural Gas Climate Credit? No, the Small Business Climate Credit is only available for electric customers.

Is the credit amount related to my energy use?

No, the Small Business Climate Credit will be a flat dollar amount.