



Thinking About a Home Battery in SDG&E Territory?

What San Diego homeowners need to know before installing one. Understanding your options can save thousands and protect your investment.



SDG&E BATTERY SPECIALISTS

Why SDG&E Homeowners Are Adding Batteries

SDG&E has some of the highest electricity rates in the country, with costs continuing to climb year after year. Homeowners across San Diego County are adding battery storage systems to take control of their energy expenses and protect against utility rate increases.



Avoid Expensive Evening Rates

Store midday solar and use it during peak pricing hours when grid power is most expensive



Reduce Grid Dependence

Power your home with stored solar instead of relying on utility-supplied electricity



Protect Against Outages

Keep essential appliances running during power interruptions and PSPS events



Control Rising Utility Costs

Lock in your energy independence and reduce exposure to future rate hikes

If You Have Solar in SDG&E Territory, This Is Critical

Many SDG&E solar homeowners are surprised to discover that their energy bills continue to increase despite having a solar system installed. The reason? SDG&E's time-of-use rates heavily penalize evening consumption—exactly when most families need power most.

Bills Still Increasing

Your solar produces energy midday, but SDG&E charges premium rates when you actually need power in the evening

Heavy Evening Hour Charges

Peak pricing from 4 PM to 9 PM means you're buying back expensive grid power when your solar isn't producing

Limited Control Over Energy Value

Without storage, you can't control when your solar energy is used or maximize its value under SDG&E's rate structure

A battery changes when and how your solar is used—giving you control over your energy consumption patterns and utility costs.

NEM 2 vs. NEM 3 (SDG&E Explained Simply)

Understanding which net metering program you're under is crucial for making smart battery decisions. The rules changed significantly in April 2023, and your installation date determines your long-term solar economics.

NEM 2 (Grandfathered)

Solar installed before April 15, 2023

- Higher export credits for surplus solar
- More favorable utility compensation
- Long-term economic advantage
- Protected for 20 years from installation

NEM 3 (Current Program)

Newer solar installations

- Significantly lower export value
- Reduced utility compensation rates
- Battery storage strongly recommended
- Economics favor self-consumption

1

2

3

April 15, 2023 Cutoff

The day SDG&E's net metering rules fundamentally changed

Why Batteries Matter So Much Under SDG&E Rates

SDG&E's time-of-use rate structure creates a significant financial challenge for solar homeowners. The utility's most expensive hours occur in the evening—precisely when solar panels aren't producing electricity. This timing mismatch is where batteries become essential.

Without a Battery

- Solar exports to the grid during midday at low compensation rates
- You buy power back from SDG&E during evening peak hours at premium prices
- Limited control over energy timing and costs
- Maximum exposure to rate increases

With a Battery

- Solar energy is stored for later use instead of exported
- Stored power runs your home during peak pricing hours
- Dramatically reduced grid purchases during expensive periods
- Protection from future rate hikes

The financial impact of this difference can be substantial—often thousands of dollars over the life of your solar system.



"If I add a battery, will I lose my NEM 2 status with SDG&E?"

This is the #1 question SDG&E battery buyers ask—and it's a completely valid concern. Your NEM 2 grandfathered status is valuable, providing significantly better economics than the current NEM 3 program. Many homeowners worry that adding a battery might jeopardize this protected status.

The answer depends entirely on how the battery is added to your system. Done incorrectly, you could lose your NEM 2 benefits. Done correctly, your grandfathered status remains intact.

The Short Answer: No

When Done Correctly, Your NEM 2 Status Stays Protected

Here's the good news: SDG&E allows properly configured battery additions without affecting your net metering agreement. The key is understanding what qualifies as a permissible modification versus what triggers a program change.

Storage-Only Battery Additions

Adding battery storage alone doesn't trigger NEM reclassification under SDG&E rules

Properly Configured Systems

Batteries must be installed and configured according to SDG&E interconnection requirements

No Disqualifying Solar Expansion

Adding new solar panels can trigger reclassification—batteries alone typically do not

- ❏ **Critical Protection:** Your NEM 2 agreement stays intact when battery storage is installed correctly following SDG&E guidelines. This preserves your grandfathered benefits for the full 20-year term.

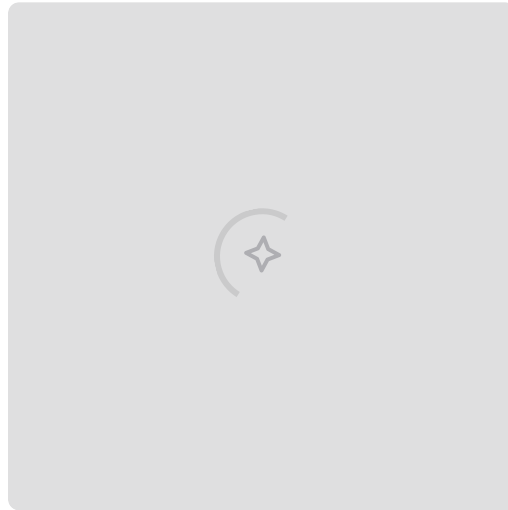
How a Battery Protects SDG&E Solar Homes

A properly designed battery system does much more than provide backup power during outages. For SDG&E customers, batteries serve as financial protection against the utility's aggressive time-of-use rate structure.



Avoid SDG&E's Highest TOU Rates

Store solar energy and discharge during peak pricing hours from 4-9 PM when grid power costs the most



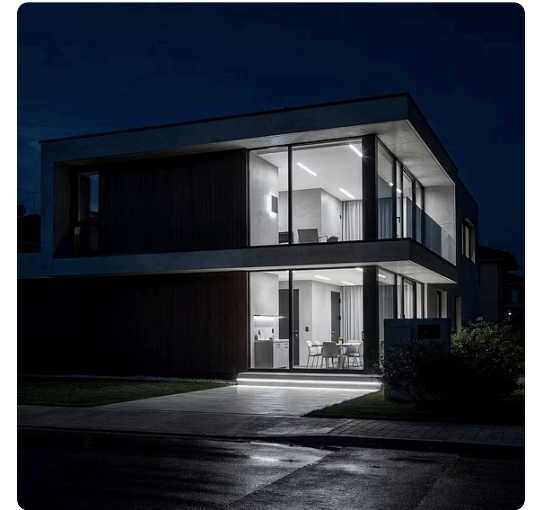
Use Solar Energy at Night

Power your home with stored daytime solar instead of buying expensive evening electricity from the grid



Reduce Grid Reliance

Minimize utility purchases and gain independence from SDG&E's escalating rate increases



Add Outage Protection

Keep essential systems running during power interruptions and PSPS safety shutoffs

Battery Value Is About Timing, Not Just Backup

Many homeowners assume batteries are primarily for emergency backup power. While outage protection is valuable, it's not where most SDG&E customers realize their return on investment.

In SDG&E Territory, The Biggest Savings Come From:

01

Avoiding Evening Peak Pricing

SDG&E's 4-9 PM peak rates are where costs accumulate fastest. Batteries allow you to avoid these charges entirely by using stored solar.

02

Shifting Usage to Stored Solar

Instead of exporting midday solar at low compensation rates, store it and use it when grid power is expensive.

03

Reducing Utility Exposure

Every kilowatt-hour from your battery is one less you purchase from SDG&E at their continuously increasing rates.

The bottom line: Backup power is a valuable bonus, but for SDG&E customers, the real financial benefit comes from strategic time-of-use management. A properly configured battery can save thousands of dollars by shifting when you consume energy.

Next Step: Verify Before You Choose a Battery

Not all battery installations deliver the same value. Before moving forward, it's critical to verify your specific situation and ensure your battery system is optimized for SDG&E's unique rate structure.

1

Your SDG&E Net Metering Status
Confirm whether you're under NEM 2 or NEM 3, and understand how battery additions affect your grandfathered status

2

Your Time-of-Use Exposure
Analyze your evening consumption patterns and calculate potential savings from peak rate avoidance

3

The Best Battery Configuration
Determine optimal battery size, control settings, and integration approach for your specific home and usage patterns

About Save On Solar Now

Save On Solar Now specializes in helping SDG&E homeowners add battery storage correctly—protecting NEM 2 agreements while maximizing savings through proper rate structure navigation. We serve San Diego County with expertise in SDG&E's complex interconnection requirements and time-of-use optimization strategies.

Get Your SDG&E Battery Analysis

Learn More About NEM Protection