

Questions Net Metering Customers may have about SDG&E's Rates

Q: What are bundled electric rates?

A: Bundled electric rates are where the rates shown on a customer's bill include the cost of commodity, distribution services, and transmission services all in the same unit price.

Q. What are unbundled rates?

A. In California, it means electric commodity costs and costs associated with the delivery of the commodity are separately identified in the price charged to the customer. SDG&E's electric rates became unbundled in July 1999, with the sale of its power plants and in accordance with the provisions of AB 1890

Q. What is the difference between SDG&E and other utilities' Time-Of-Use (TOU) rates for residential customers?

A. SDG&E tries to reflect the cost differentials that it sees in the rates that it charges its customers. SDG&E currently does not see much differential occurring through out the day in costs due in large part to DWR's recent roll in procuring energy for SDG&E. When cost differences begin to emerge in the future SDG&E anticipates that those differences will end up reflected in its rates. Price differences that are not supported by cost differences may result in subsidies from one group of customers to another.

Q. What is the reason why SDG&E does not give residential customers more credits for energy generated at peak times of the year?

A: To provide more credits would require SDG&E to collect more money from other customers that are not generating in order to provide such a subsidy.

Q. What is the "best" rate for a PV residential customer?

A. SDG&E's tariffs provide residential customers with a couple of rate options. The standard rate applicable to single family residences is Schedule DR. Although the rates under this schedule do vary seasonally between summer and winter, they do not vary by time of day. Therefore, customers are charged on price during the summer months and a lower price during the winter months. Customers do have the option of electing service under Schedule DR-TOU. Under this rate schedule the prices not only vary on a seasonal basis, they also vary by time of day. Customers receive a lower rate during "off" peak hours and are charged a higher rate during "On" peak hours. There are several factors customers should consider in order to determine the rate that best fits their needs and energy usage patterns. SDG&E's representatives are available to discuss electric rates and assist individual customers in choosing the "best" rate option for them.

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In general small commercial customers, under 20 kW, take service under Schedule A. The rates under this schedule vary seasonally between summer and winter, but do not vary by time-of-day. Customers with energy demands equal to or in excess of 20 kW, generally take service on Schedule AL-TOU. Under this schedule, rates not only vary seasonally, they vary based upon "On", "Semi", and "Off" peak time periods as well. Customers on AL-TOU are also billed a demand charge based on their highest demand for energy during the month and a separate demand charge based on the highest demand during the "On" peak period. Since commercial customers tend to have a wider variety of needs and usage patterns than residential customers, we recommend that you discuss your rate options with an SDG&E representative.

Q. If I am a commercial customer billing a Schedule AL-TOU and I use a PV system to offset some or all of my energy needs, am I still billed a demand charge?

A. It depends upon when you use energy and when your PV system operates. In general, when you use electricity supplied by SDG&E, demand charges are applicable. If, at any time during a billing period, you use energy in excess of what your system is producing or because your PV system is not operating, you will incur demand charges. Likewise, demand charges are not applicable should your PV system offset 100% of your electric load, 100% of the time.