

# SoCal Businesses Face Soaring Utility Costs, Looming Deadlines

*Johnson Electric Solar Urges Companies to Act Before Key Incentives Expire*

SAN DIEGO, CA, UNITED STATES, December 8, 2025 /EINPresswire.com/ -- Commercial businesses across Southern California are entering the most critical window in more than a decade to reduce energy costs and protect their operations from rising utility rates and grid instability. [Johnson Electric Solar](#) says the next 18 months will determine whether many facilities secure major federal and state incentives or lose them permanently.



Greg Field, Johnson Electric Solar

“SCE and SDG&E customers are facing some of the highest commercial electricity rates in the country,” said Greg Field, Director of Business Development for Johnson Electric Solar. “The volatility is only increasing. Energy is no longer a predictable line item, and business owners who wait will pay the price.”

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*Greg Field, Johnson Electric Solar*

## A Perfect Storm of Deadlines in 2025-2026

Several major incentives are approaching expiration, making early action essential:

- California's Property Tax Exclusion for new commercial solar systems expires Jan. 1, 2027, ending the ability to avoid property tax increases tied to upgrades.
- 100 percent Bonus Depreciation is available now, allowing companies to deduct the full system cost in Year One.
- The federal 30 percent Investment Tax Credit remains in place, but businesses must begin construction by July 4, 2026 to secure Safe Harbor protection.
- SGIP battery rebates continue to shrink as program funds are allocated.

“These deadlines won’t be extended, and businesses that miss them will lose hundreds of thousands of dollars in available incentives,” Field said.

#### Rate Pressure in SCE and SDG&E Territory

Commercial customers in both utility regions are being hit with historic rate hikes:

- SDG&E commercial rates have doubled since 2020.
- SCE has proposed significant increases tied to infrastructure, wildfire mitigation, and transmission upgrades.
- Demand charges now make up a large share of a company’s bill, often triggered by a single 15-minute usage spike.

“Demand charges are the silent killer,” Field said. “A facility can do everything right and still get hit with thousands in penalties because one machine turned on at the wrong time. Solar and batteries immediately cut that exposure.”

#### FastTrack Financing Addresses Cash-Flow Barriers

To help businesses act before incentives expire, Johnson Electric Solar is using the FastTrack commercial loan program through Climate First Bank, which covers up to \$20 million in solar, battery, HVAC, and re-roof projects.

FastTrack includes:

- \$0 down
- Fixed monthly payments
- Instant cash-flow improvement when utility savings exceed loan payments
- Unlimited re-amortization with no balloon payments or dealer fees

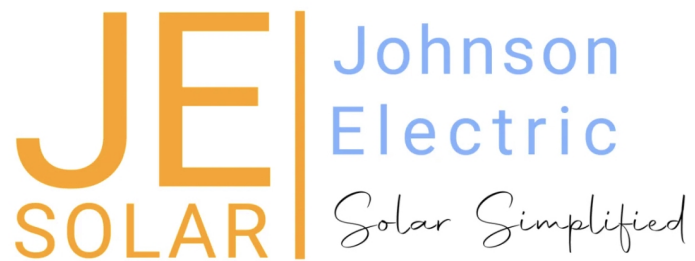
“Most commercial loans punish you for trying to pay them off or adjust terms,” Field said.

“FastTrack removes those traps. As soon as the customer applies their tax credits or depreciation, the monthly payment drops again.”

#### Industries Hit Hardest

High-load, daytime-dependent sectors are feeling the pain most:

- Manufacturing and fabrication
- Cold storage and logistics facilities
- Medical and dental practices
- Warehouses, big-box retail, and owner-occupied industrial buildings



“These are businesses that simply cannot operate without power, cooling, or equipment uptime,” Field said.

### Grid Instability Is Rising

Southern California is entering another period of grid strain:

- CAISO forecasts a 15 percent rise in peak demand by 2030.
- Rolling blackouts and Public Safety Power Shutoffs continue during heatwaves and high fire-risk events.
- Batteries offer both backup power and demand-charge management, making them a critical part of business continuity.

“Outages are no longer an anomaly,” Field said. “They’re a planning assumption.”

### Proven Results in Southern California

Recent FastTrack-supported projects include:

- Medical facility, 37 kW system

98 percent electricity cost offset and more than \$43,000 in Year One tax benefits.

- Service business, 22 kW system

Five-year ROI and \$7,225 in annual bill savings.

- Commercial warehouse, 520 kW system

(Outside FastTrack size but reflects regional value)

2.9-year ROI and nearly \$173,000 in yearly savings.

“Most small commercial projects in California see a two to five-year payback. There are few investments with that kind of return and stability,” Field said.

### A Warning to Business Owners

“I wish every business owner understood that waiting is the most expensive option,” Field said.

“Rates will keep rising. Incentives will not. This is the last, best opportunity to lock in predictable energy costs for the next 25 years.”

### About Johnson Electric Solar

Johnson Electric Solar specializes in commercial solar, battery storage, and energy-efficiency upgrades across Southern California. The company partners with businesses to reduce operating costs, strengthen resilience, and navigate the region’s complex regulatory environment. For more information, visit [smallcommercialsolar.com/je\\_solar](https://smallcommercialsolar.com/je_solar).

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