CONCURRENCE IN SENATE AMENDMENTS
AB 2505 (Carrillo)
As Amended June 30, 2026
Majority vote

SUMMARY

This bill directs each electrical corporation (IOU) to file an advice letter by April 1, 2027, and requires the California Public Utilities Commission (CPUC) to approve by September 1, 2027, a new or modified tariff authorizing an IOU to design, construct, own, operate, and maintain all electrical distribution and facilities on the IOU side of the meter necessary to provide separately metered electrical service to hydrogen refueling stations serving vehicles 14,001 pounds or greater, including stations collocated at existing facilities that already receive electrical service. These provisions sunset on January 1, 2033.

Senate Amendments

1) Allow the CPUC to implement this bill through not only new, but modified, tariffs or rules.

2) Replaced provisions referencing standards for electric vehicle infrastructure rules with provisions mirroring standards and ratepayer protections from Electric Rule 15 and 16.

3) Added requirements for the tariff to protects nonparticipating ratepayers from unreasonable cost shifts.

COMMENTS

The core problem the bill aims to solve is that hydrogen refueling stations currently cannot get a dedicated meter or direct utility service line, forcing developers to use costlier behind-the-meter options. The bill fixes this by letting IOUs extend a service line from the nearest grid point and install a dedicated meter, reducing upfront construction costs.

This bill directs the CPUC to establish a new tariff for hydrogen refueling station service connections that is modeled on the cost allocation framework established in Electric Tariff Rules 15/16. Rule 15 is the tariff that governs IOU distribution line extensions (the facilities that extend the existing distribution system to the point where service facilities connect to a new customer). Rule 16 is the tariff that governs service extensions (the facilities running from the distribution line to the customer′s revenue meter).

Regulatory Context:

1) Rule 15/16/Exceptional Case Filing: IOUs already handle atypical large customers (e.g., Valley Transit Authority, Genetech, Microsoft) through case-by-case exceptions to standard Rule 15/16. This existing process could potentially address hydrogen station needs.

2) Rule 30: This emerging rule governs new transmission-level customers whose costs exceed what Rule 15/16 was designed for. Its ratepayer protections – upfront cost payments, actual-cost billing, and revenue-tied refunds – are relevant here because they guard against stranded assets if hydrogen demand falls short of projections. It′s currently unclear whether hydrogen stations would generate enough load to reach Rule 30 thresholds.

3) Load size gap: The bill sets no cap on electrical demand. Its only qualifying criterion is vehicle weight, not load size, leaving the demand profile open-ended.

The bill′s deadlines are aggressive. The CPUC′s standard timeline for this type of proceeding is 18 months; the bill compresses that significantly.

According to the Author
According to the author, ″Assembly Bill 2505 is about removing barriers that make it unnecessarily expensive to build hydrogen fueling stations where we need them most. Right now, outdated rules drive up costs at places like existing truck stops, even when the infrastructure is already in place. By allowing these sites to access a standard utility connection and meter, we can cut unnecessary costs and speed up deployment. This bill creates a practical, fair pathway that lowers costs while still protecting ratepayers and strengthening our electric grid.″

Arguments in Support
One of the supporters of the bill, Air Products and Chemicals, Inc., states that: ″One of the barriers to deploying hydrogen refueling infrastructure at scale is the inability of stations collocated at existing facilities to obtain dedicated utility meters and service connections. Without a dedicated tariff, hydrogen refueling stations must install costly behind-the-meter electrical infrastructure rather than connecting directly to the utility′s distribution system. This adds substantial cost, delays deployment, and prevents stations from participating in demand response, distributed energy resource, and rate design programs that depend on separately metered loads. AB 2505 directly addresses this barrier.″

Arguments in Opposition
None on file

FISCAL COMMENTS

According to the Senate Committee on Appropriations, the CPUC estimates ongoing costs of $218,000 annually to implement the bills requirements.

VOTES:

ASM UTILITIES AND ENERGY: 17-0-1
YES: Petrie-Norris, Patterson, Boerner, Calderon, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur
ABS, ABST OR NV: Chen

ASM APPROPRIATIONS: 15-0-0
YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 78-0-2
YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Nguyen, Ortega,

Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
ABS, ABST OR NV: Muratsuchi, Celeste Rodriguez

UPDATED

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