

ASSEMBLY THIRD READING
AB 2518 (Sharp-Collins)
As Amended April 27, 2026
Majority vote

SUMMARY

Requires as part of a pilot program expiring January 1, 2032, San Diego Gas and Electric Company (SDG&E) to energize construction-ready projects within specified timeframes, as provided.

Major Provisions

- 1) Categorizes projects and establishes timelines by which SDG&E must energize construction-ready projects, as follows:
 - a) Category One — Projects intended to protect, support, or advance public health, safety, or community welfare, limited to affordable housing developments, essential services buildings, and health facilities. These projects must be energized within 40 business days after being deemed construction ready.
 - b) Category Two — Municipal facilities and electric vehicle chargers or charging stations. These projects must be energized within 55 business days after being deemed construction ready.
 - c) Category Three — All other facility and project types. These projects must be energized within 70 business days after being deemed construction ready.
- 2) Requires SDG&E to report on the energization of those construction-ready projects as part of the utility's biannual energization reports submitted to the California Public Utilities Commission (CPUC).

COMMENTS

Energization Lifecycle. The time needed to energize a new customer connection depends on the type of project, the condition and available capacity of the distribution system, and whether additional infrastructure upgrades are needed. Projects can range from relatively simple service requests, such as residential panel upgrades or new home connections, to more complex developments that require additional engineering review or system upgrades for large commercial buildings, public facilities, or electric vehicle charging projects. The process generally includes application review, engineering, cost estimates, construction planning, inspections, and final service connection, often requiring coordination with local permitting agencies. Timelines may also be affected by factors outside a utility's control, including supply chain constraints, permitting timelines, and delays in customer-submitted materials or approvals.

Legislative Response to Energization Delays. In response to concerns over delays in electric service connections and upgrades, the Legislature enacted SB 410 (Becker, Chapter 394, Statutes of 2023) and AB 50 (Wood, Chapter 317, Statutes of 2023). These measures directed the CPUC to establish target energization timelines, improve utility reporting, and increase transparency for customers. The statutes also require utilities to provide customers with information on the status of service requests and expected timelines and establish a process for customers to report delays

to the CPUC. Together, the measures established statewide expectations for energization timelines and improved oversight of utility performance, while recognizing that timelines can vary depending on project complexity, system conditions, permitting, and the need for infrastructure upgrades. Rather than imposing fixed deadlines for individual projects, these measures use target setting, reporting, and CPUC oversight through regulatory proceedings to monitor utility performance and improve accountability.

CPUC Decision Implementing SB 410 and AB 50. On September 12, 2024, the CPUC issued Decision 24-09-020 implementing SB 410 and AB 50. The decision established average and maximum energization timelines for different service categories and requires utilities to report on their performance through biannual filings. The decision also created an eight-step energization process, requires utilities to assign a project manager for approved applications, and directs utilities to provide customers with regular status updates when delays occur. In addition, the CPUC established a customer delay reporting process through its Energy Division.

Utilities that fail to meet adopted targets must explain the reasons for delays and identify steps to improve performance, and the CPUC may require remedial actions in response to noncompliance. In 2026, the CPUC continued the proceeding to address flexible service connections and enforcement issues, while SB 254 (Becker, Chapter 119, Statutes of 2025) directed the CPUC to establish an enforcement policy with penalties for noncompliance by January 1, 2027.

According to the Author

According to the author, "Last year, the Legislature passed sweeping CEQA exemptions to expedite building affordable housing throughout the state. However, developers in San Diego are completing construction on homes that vulnerable San Diegans are waiting to occupy, only to face months of unexplained utility connection delays. These delays drive up costs, and most importantly, leave families on the streets while new homes sit empty. AB 2518 establishes a straightforward priority: eliminate delays and provide for the community."

Arguments in Support

This bill is supported by SDG&E and the San Diego Housing Federation. Supporters contend that this bill would provide more predictable energization timelines for high public benefit projects, including affordable housing developments. SDG&E further argues that the bill would improve coordination, project tracking, and transparency in the energization process, while preserving utility discretion over safety, reliability, and regulatory compliance.

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations, this bill is expected to result in minor, if any, costs to the CPUC.

VOTES

ASM UTILITIES AND ENERGY: 17-0-1

YES: Petrie-Norris, Patterson, Boerner, Calderon, Chen, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Wallis, Zbur

ABS, ABST OR NV: Ta

ASM APPROPRIATIONS: 14-0-1

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

ABS, ABST OR NV: Arambula

UPDATED

VERSION: April 27, 2026

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