
**SENATE COMMITTEE ON ENERGY, UTILITIES AND
COMMUNICATIONS**

**Senator Benjamin Allen, Chair
2025 - 2026 Regular**

Bill No:	SB 1097	Hearing Date:	4/21/2026
Author:	Wiener		
Version:	3/25/2026 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Nidia Bautista		

SUBJECT: California Environmental Quality Act: electrical distribution: clean energy: exemptions: standard of review

DIGEST: This bill creates a California Environmental Quality Act (CEQA) exemption for advanced reconductoring and replacing transmission lines and makes numerous changes to the CEQA process regarding how lead agencies and courts will determine what level of environmental review is appropriate for clean energy projects, overturning the ‘fair argument standard’ in existing law.

ANALYSIS:

Existing law:

- 1) Establishes that U.S. Federal Energy Regulatory Commission (FERC) has exclusive jurisdiction over the transmission of electric energy in interstate commerce. Also establishes the process and procedures for establishing transmission of electric energy in interstate commerce by public utilities, i.e., the rates, terms & conditions of interstate electric transmission by public utilities. (Federal Power Act §§201, 205, 206 (16 USC 824, 824d, 824e))
- 2) Establishes and vests the California Public Utilities Commission (CPUC) with regulatory authority over public utilities, including electrical corporations. (Article XII of the California Constitution)
- 3) Defines “reconductored with advanced conductors” to mean replacing the existing electric conductor with a conductor that has a direct current electrical resistance at least 10% lower than existing conductors of a similar diameter on the system and may include rebuilding support structures or other associated facilities. (Public Utilities Code §454.58)
- 4) Requires the CPUC, by January 1, 2024, to update General Order (GO)131-D to authorize each public utility electrical corporation to use the permit-to-construct process or claim an exemption under Section III(B) of that general order to seek

approval to construct an extension, expansion, upgrade, or other modification to its existing electrical transmission facilities, including electric transmission lines and substations within existing transmission easements, rights of way, or franchise agreements, irrespective of whether the electrical transmission facility is above a 200-kilovolt voltage (kV) level. (Public Utilities Code §564)

- 5) Provides that the CPUC may supervise and regulate every public utility in the state and may do all things, whether specifically designated or in addition, which are convenient and necessary and in the exercise of such power and jurisdiction. (Public Utilities Code §701)
- 6) Prohibits, via the Public Utilities Act, any electrical corporation from beginning the construction of, among other things, a line, plant, or system, or of any extension thereof, without having first obtained from the CPUC a certificate of public convenience and necessity (CPCN) that the present or future public convenience and necessity require or will require its construction, except that the extension, expansion, upgrade, or other modification of an existing electrical transmission facility, including transmission lines and substations, does not require a CPCN. (Public Utilities Code §1001)
- 7) Requires the CPUC, in a proceeding evaluating the issuance of a CPCN for a proposed transmission project, to establish a rebuttable presumption with regard to need for the proposed transmission project in favor of a California Independent System Operator (CAISO) governing board-approved need evaluation if the project meets specified criteria. Specifically:
 - a) The CAISO governing board has made explicit findings regarding the need for the proposed transmission project and has determined that the proposed project is the most cost-effective transmission solution.
 - b) The CAISO is a party to the proceeding.
 - c) The CAISO governing board-approved need evaluation is submitted to the CPUC within sufficient time to be included within the scope of the proceeding.
 - d) There has been no substantial change to the scope, estimated cost, or timeline of the proposed transmission project as approved by the CAISO governing board.
(Public Utilities Code §1001.1)
- 8) Requires the CPUC, in considering an application for a CPCN for an electric transmission facility, to consider cost-effective alternatives to transmission facilities that meet the need for an efficient, reliable, and affordable supply of

electricity, including demand-side alternatives such as targeted energy efficiency, ultraclean distributed generation, as defined, and other demand reduction resources. (Public Utilities Code §1002.3)

- 9) Requires, pursuant to CEQA, lead agencies with the principal responsibility for carrying out or approving a project to prepare a negative declaration (ND), mitigated negative declaration (MND), or environmental impact report (EIR) for the project, unless the project is exempt from CEQA. (Public Resources Code §21000 *et seq.*). If a project may have a significant effect on the environment, the lead agency must prepare a draft EIR. (CEQA Guidelines §15064(a)(1), (f)(1))
- 10) Establishes, pursuant to AB 205 (Committee on Budget, Chapter 61, Statutes of 2022) an “Opt-in” permitting process, by which authorized persons proposing eligible facilities, including electrical transmission lines carrying electricity from certain generation facilities that are located in the state to a point of junction with any interconnected electrical transmission system, to file applications for certification, on or before June 30, 2029, with the California Energy Commission (CEC) to certify sites and related facilities. Provided that the CEC’s certification of sites and related facilities is in lieu of any permit, certificate, or similar document required by any state, local, or regional agency, except as specified, including the CPUC permit requirements. (Public Resources Code §25545 *et seq.*)
 - a) Deems the sites and related facilities certified by the CEC as Environmental Leadership Development Projects (ELDPs) and makes them eligible for the judicial streamlining of such projects. (Public Resources Code §25545.13)
- 11) Establishes the Jobs and Economic Improvement Through Environmental Leadership Act of 2021 which authorizes the Governor, until January 1, 2032, to certify ELDPs that meet specified requirements for certain streamlining benefits related to the CEQA. Repeals the Act on January 1, 2032. (Public Resources Code §21178 *et seq.*)
- 12) Requires the CEQA Guidelines to include a list of classes of projects that have been determined by the Secretary of the Natural Resources Agency to not have a significant effect on the environment and that shall be exempt from CEQA. (Public Resources Code §21084). The list of “categorical exemptions” includes:

- a) Repair and maintenance of existing public or private facilities, involving negligible or no expansion of use, including existing facilities of both investor and publicly owned utilities used to provide electric power, natural gas, sewerage, or other public utility services. (Guidelines §15301)
- b) New construction or conversion of small structures, including electrical, gas, and other utility extensions of reasonable length to serve such construction. (Guidelines §15303)

This bill:

- 1) Establishes a CEQA exemption for maintaining, reconditioning or replacing and removing transmission lines that are:
 - a) Undertaken within an existing right of way (ROW), with permission from the property owner if it is a private ROW, on the condition that the applicant restore the ROW to its original condition.
- 2) Requires that the lead agency file a notice of exemption with the Office of Land Use and Climate Innovation and with the county clerk in each county in which the project is located.
- 3) Makes a series of changes to the legal standards by which lead agencies determine which level of environmental review is required for a certain clean energy projects, as defined. In summation, these changes result in overturning the ‘fair argument’ standard in current law, which finds that if there is a fair argument to be made that a project has a significant effect on the environment, the project should be evaluated in an EIR. Instead, a lead agency would determine that a project should do an ND/MND if there is any substantial evidence, as defined, that the project does not have a significant effect on the environment.
- 4) Specifies that the existence of public controversy over the environmental effects of a project shall not require preparation of an EIR if an EIR would not otherwise be required by CEQA.
- 5) Specifies that solar, wind, electric, electrical generating thermal powerplants (other than those relying on fossil or nuclear fuels) and energy storage systems that will be reviewed under the new standards in CEQA described above, shall not be located on:
 - a) A state park, a wilderness area, a marine protected area;

- b) A national park, recreation area, monument, or national wild and scenic rivers system;
 - c) Any ecological reserve or wildlife management area acquired and managed by the Department of Fish and Wildlife;
 - d) A hazardous waste site unless the site is an underground storage tank site that received a uniform closure letter or The State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency has otherwise determined that the site is suitable for the use proposed by the project;
 - e) Within a regulatory floodway;
 - f) Lands under conservation easement;
 - g) On, or within a 300-foot radius of, a wetland;
 - h) An environmentally sensitive area within the coastal zone;
 - i) Lands identified for protection from development in an adopted natural community conservation plan, habitat conservation, or other natural resource protection plan;
 - j) Within a very high fire hazard severity zone, unless the sites have adopted fire hazard mitigation measures pursuant to existing building standards or state fire mitigation measures applicable to the development; or
 - k) Either prime farmland or farmland of statewide importance.
- 6) Specifies that transmission lines that will be reviewed under the new standards in CEQA described above, shall not be located on:
- a) High fire threat district designated a tier 2 or tier 3 fire threat area;
 - b) A hazardous waste site unless the site is an underground storage tank site that received a uniform closure letter or The State Department of Public Health, State Water Resources Control Board, Department of Toxic Substances Control, or a local agency has otherwise determined that the site is suitable for the use proposed by the project;
 - c) Within a regulatory floodway;
 - d) On, or within a 300-foot radius of, a wetland; or
 - e) Lands under conservation easement for preservation as wildlife habitat or for open-space purposes.
- 7) Requires that a lawsuit brought against the adoption of a ND or MND as described above, including appeals, shall be resolved, to the extent feasible, within 270 days of the filing of the certified record of proceedings with the court.

Background

From the Senate Environmental Quality Committee:

The A, B, C's of CEQA. CEQA is designed to (a) make government agencies and the public aware of the environmental impacts of a proposed project, (b) ensure the public can take part in the review process, and (c) identify and implement measures to mitigate or eliminate any negative impact the project may have on the environment. CEQA is enforced by civil lawsuits that can challenge any project's environmental review. Nonprofits, private individuals, public agencies, advocacy groups, and other organizations can all file lawsuits under CEQA.

ND/MND vs. EIR environmental review. Under CEQA, projects (unless they have a specific exemption) must undergo environmental analysis. This process starts with an initial study which determines what level of further environmental review is needed for a given project. If a project has no significant effects on the environment, or if those effects can be fully mitigated, the project can move forward with a ND or MND. If the initial study finds that the project has potential significant effects on the environment, then a full EIR is required. An EIR provides a more thorough environmental review of a proposed project, analyzing the significant direct and indirect environmental impacts of a proposed project on water quality, transportation, air quality and greenhouse gas emissions, terrestrial and aquatic biological resources, surface and subsurface hydrology, land use and agricultural resources, aesthetics, geology and soils, recreation, public services and utilities such as water supply and wastewater disposal, and cultural resources, among other factors. The EIR also includes proposed mitigation measures for any significant effects that it identifies. It also requires consideration of alternatives to the proposed project, and a consideration of cumulative and growth-inducing impacts.

Transmission projects and permitting. Electric transmission lines are generally high voltage lines that move electricity from electric generating facilities to substations, which in turn connect to distribution lines in neighborhoods. Companies, usually electric IOUs or third-party owners, proposing the construction of new transmission, are required to obtain a permit from the CPUC for construction of transmission projects. The CPUC reviews permit applications under two concurrent processes: (1) an environmental review pursuant to CEQA, and (2) the review of project need and costs pursuant to Public Utilities Code §1001 and GO 131-D (CPCN).

As the CPUC conducts the CEQA review, it also reviews the electric IOU's application for either a CPCN or a Permit to the Construct (PTC). Which application the CPUC pursues depends on the size of the project, specifically:

- a) Projects below 50 kV are considered distribution projects, rather than transmission projects, and in general do not require CPUC approval.
- b) Projects between 50 kV and 200 kV require a PTC from the CPUC, which consists primarily of an environmental review pursuant to CEQA. The CPUC process generally does not require a detailed analysis of the need for or economics of these projects.
- c) Projects over 200 kV require a CPCN from the CPUC. The CPCN process analyzes the need for the project and the economics of the project, as well as the environmental impacts of the project.

The CPUC's decision on the CPCN or PTC cannot be issued until the environmental review is complete. Most projects are reviewed through the CPUC's advice letter approval process, which tends to be more simplified and expedient than a full application for a CPCN. According to CPUC data, from 2012 to 2023, 608 projects have been exempted from CEQA, 29 projects have been approved via negative declaration, and 27 have required an EIR.

GO 131-E streamlining for electric transmission lines and existing CEQA exemptions. SB 529 (Hertzberg, Chapter 357, Statutes of 2022), directed the CPUC to revise GO 131-D to authorize a utility to use the PTC process or claim an exemption to seek approval to construct an extension, expansion, upgrade, or other modification to its existing transmission facilities regardless of the voltage level. On January 30, 2025, the CPUC adopted GO 131-E, replacing the previous GO 131-D. The new order establishes updated rules for the permitting, approval, and construction of electric transmission lines, substations, and generation facilities. It also clarifies and streamlines the regulatory process. Some of these reforms include:

- i) Allow applicant-prepared draft CEQA documents: Applicants may submit draft CEQA documents alongside their applications, providing an alternative pathway that can accelerate environmental review. This approach reduces duplication and allows applicants to complete much of the required analysis in advance, streamlining the overall permitting process;
- ii) Require pre-filing consultation: Applicants are now required to meet with CPUC staff at least six months before submitting their applications. This early engagement is intended to clarify requirements, address potential issues in advance, and support a more efficient and coordinated review process;

- iii) Authorize a pilot program to explore faster CEQA review: A pilot program will be created to track CPUC CEQA review timelines and explore the potential for a faster CEQA review process for certain electric transmission projects;
- iv) Implement presumption of need for projects: A “rebuttable presumption” will be implemented when the California Independent System Operator (CAISO) transmission planning process has already determined that a project is needed. This would streamline the CEQA review by removing CEQA’s alternative analyses for projects already determined to be needed by the CAISO; and
- v) Limits the range of reasonable alternatives to the proposed project in an initial draft EIR circulated for public comment to alternative routes or locations for construction of the relevant CAISO transmission plan approved electric project and the “no action” alternative.

Reconductoring of powerlines. Conductors are the wires that carry electricity. Most of the existing electric grid uses conductors with a steel core for strength surrounded by aluminum for the electrical current. Advanced reconductoring which is the replacement of a transmission line’s existing conductors with advanced conductors, essentially swapping out the Aluminum Conductor Steel Reinforced (ACSR) for a smaller composite core conductors that enable higher operating temperatures. According to a November 2023 Energy Institute at Haas paper, “*Accelerating Transmission Expansion by Using Advanced Conductors in Existing Right-of-Way*” by Emilia Chojkiewicz, et al. (Energy Institute WP 343), reconductoring holds significant potential for rapid transmission expansion. The advanced conductors can carry approximately twice as much power as conventional conductors. Advanced conductors use existing transmission towers and rights of way, thereby circumventing the land acquisition and permitting processes that can impede construction of new transmission lines. However, replacing conventional conductors with advanced conductors requires taking circuits out of service during the replacement or conducting live-line work, which carries additional risks, especially safety risks for the workforce and surrounding areas. Either approach can be challenging, and in some cases infeasible, when transmission constraints exist.

Comments

Need for this bill. According to the author:

California must use every lever available to lower energy costs while tackling the climate crisis. The state needs to rapidly ramp up its deployment of clean energy and transmission infrastructure to meet our growing electricity needs,

but far too many projects are getting caught up in permitting delays and lawsuits. SB 1097 would expedite advanced reconductoring projects that increase capacity of our existing grid infrastructure and reduce wildfire risk. SB 1097 is critical to ensuring that California can make the clean energy progress we need to stabilize energy prices and meet our climate goals.

Need for expanded transmission capacity. In order for the state to meet its clean energy goals, including achieving 100 percent clean energy by 2045, electric transmission capacity will likely need to grow significantly. The CAISO conducts its transmission planning process (TPP) to identify potential transmission system limitations as well as opportunities for system reinforcements that improve reliability and efficiency. The annual transmission plan fulfills CAISO's core responsibility to identify and plan the development of solutions, transmission or otherwise, to meet the future needs of the electricity grid. The CAISO identifies projects that address grid reliability requirements, identify upgrades needed to successfully meet California's policy goals, and explore projects that can bring economic benefits to consumers. In 2021, the CAISO created a 20-Year Transmission Outlook for the electric grid, in collaboration with the CPUC and the CEC, with the goal of exploring the longer-term grid requirements and options for meeting the state's SB 100 clean energy objectives reliably and cost-effectively. The 20-Year Transmission Outlook estimates a significant amount, and expense, to construct and expand transmission facilities, including an estimated \$10.74 billion in upgrades to existing facilities.

Incoming! Amendments accepted in the Senate Environmental Quality Committee remove most provisions of this bill and recast the remaining proposed section of Public Resources Code §21080.39 which provides exemptions from CEQA for transmission projects that replace, repair, inspect, restore, reductor with advanced reductors, remove transmission wire or cable used to conduct electricity on non-sensitive and sensitive lands.

Is a CEQA exemption needed? As noted above, the vast majority of transmission projects are exempted from CEQA. According to the CPUC, only ~5% of transmission projects undergo CEQA review. Within that small subset, Environmental Impact Reports are rare and likely represent only a small fraction (well under 5%) of total projects. The overwhelming majority of projects—primarily reductoring and upgrades—proceed under CEQA exemptions or streamlined review. Under the recently modified GO-131-E, the CPUC authorized reductoring to qualify for streamlined permitting, but these projects are not eligible for exemption from environmental review where sensitive natural resources are present (CEQA Guidelines 15300.2).

Amendments. In addition to the amendments accepted in the Senate Environmental Quality Committee, *the author and committee may wish to prohibit CEQA exemptions for transmission projects in sensitive areas, including state parks, national parks, national reserves, and other sensitive areas.*

Dual referral. This bill passed out of the Senate Environmental Quality Committee on April 15, 2026 with a vote of 5-0.

Prior/Related Legislation

AB 2779 (Petrie-Norris, Chapter 741, Statutes of 2024) required the CAISO, upon approval of the annual transmission plan, to report on any new use of any grid enhancing technology and its associated cost and efficiency savings.

SB 1006 (Padilla, Chapter 597, Statutes of 2024) required electrical transmission utilities, by January 1, 2026, to develop studies on the feasibility of using grid-enhancing technologies and advanced reconductors, and specifies the content and cadence of those studies.

SB 607 (Wiener) of 2025, would have overturned the fair argument standard in CEQA for all projects, among many other substantial changes to CEQA. The bill was changed to a different subject area.

SB 529 (Hertzberg, Chapter 357, Statutes of 2022) exempt an extension, expansion, upgrade, or other modification of an existing transmission line or substations from the requirement of a CPCN and directed the CPUC to revise its GO, by January 1, 2024, to instead use its PTC process for these approvals.

AB 205 (Committee on Budget, Chapter 21, Statutes of 2022) allowed certain energy projects, including electric transmission lines between certain non-fossil fuel energy generation facilities to become certified leadership projects under the Jobs and Economic Improvement Through Environmental Leadership Act of 2021 through a certification process through the CEC. With this certification, actions or proceedings related to the certification of an EIR need to be resolved within 270 days to the extent feasible.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT:

Abundance Network (Co-Sponsor)
Prosperity Action (Co-Sponsor)

Rural County Representatives of California (Co-Sponsor)
Supervisor John Gioia, Contra Costa County District 1
Advanced Energy United
Deploy Action

OPPOSITION:

350 Bay Area Action
Anza-Borrego Foundation
Biofuelwatch
Borrego Village Association
California Coastal Protection Network
California Environmental Justice Alliance Action
California Farm Bureau
California Land Watch
California Native Plant Society
California Nurses for Environmental Health & Justice
California Overland Desert Excursions
California Preservation Foundation
California State Association of Electrical Workers
California State Pipe Trades Council
California Wildlife Foundation
Center for Biological Diversity
Center for Community Action and Environmental Justice
Center for Environmental Health
Center on Race, Poverty & the Environment
Citizens for the Preservation of Parks & Beaches
Clean Water Action
CleanEarth4kids.org
Coalition of California Utility Employees
Communities for a Better Environment
Defenders of Wildlife
Earthjustice
Endangered Habitats League
Environmental Center of San Diego
Escondido Creek Conservancy
Fresh Air Vallejo
Friends of Loma Alta Creek
Friends of the Lost Coast
Green Foothills
Leadership Council for Justice and Accountability
Los Angeles Audubon Society

Los Angeles Waterkeeper
Napa-Solano Audubon Society
National Parks Conservation Association
Planning and Conservation League
San Diego Bird Alliance
San Francisco Bay Area Chapter Physicians for Social Responsibility
Santa Clara Valley Bird Alliance
Save Our Heritage Organization
Save Palomar Mountain Task Force
Sierra Club California
Sierra Nevada Alliance
SoCal 350 Climate Action
Solano County Orderly Growth Committee
State Building & Construction Trades Council of California
The Urban Wildlands Group
Tubb Canyon Conservancy
We Advocate Thorough Environmental Review
Western States Council Sheet Metal, Air, Rail and Transportation
Wholly H2O
Youth United for Community Action

ARGUMENTS IN SUPPORT: The sponsors of this bill, The Abundance Network, Prosperity Action, and Rural County Representatives of California, state:

SB 1097 creates a CEQA exemption for advanced reconductoring projects that increase the capacity of existing transmission infrastructure, allowing more electricity to be carried over existing transmission routes by replacing older, inefficient powerlines with newer technologies. ...Advanced reconductoring will help California rapidly increase the capacity of its electrical grid to support existing and future energy demand, community development, and attainment of its ambitious clean energy goals. While existing CEQA exemptions apply to the repair or replacement of powerlines, those exemptions are limited to projects that involve negligible or no expansion of use. Advanced reconductoring projects increase the amount of electricity that can flow through existing facilities, thereby boosting capacity with minimal environmental impact. SB 1097's CEQA exemption for advanced reconductoring is limited to projects undertaken within existing rights-of-way and requires environmental restoration to the conditions that existed before commencement of the project. By increasing the efficiency of existing powerlines and routes, SB 1097 will help offset the need for and environmental impact associated with building new transmission and distribution facilities to meet anticipated demand growth. The exemption will also help projects avoid costly and lengthy CEQA challenges

that may be strongly motivated by non-environmental objectives. These benefits will translate into faster energization schedules and lower costs for ratepayers.

ARGUMENTS IN OPPOSITION: The California State Electrical Workers and the Coalition of California Utility Employees state:

[SB 1097 would]...categorically exempt from CEQA any project involving the inspection, maintenance, repair, restoration, reconditioning, reconductoring, replacement, or removal of transmission wires, cables, or directly attached equipment within an existing right-of-way. On its face this sounds narrow. It is not. The practical scope of this exemption is enormous. Transmission lines often cross hundreds or thousands of miles, have the potential to significantly disturb vegetation, wildlife habitat, sensitive soils, water crossings and communities along the corridor. Existing rights-of-way frequently pass through or immediately adjacent to sensitive biological resources, riparian zones and populated neighborhoods. CEQA review of such activities currently serves as an indispensable check on cumulative and site-specific impacts. SB 1097 would eliminate that check entirely.

-- END --