
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

SB 1196 (McNerney) - Accessory dwelling units and junior ADUs: electrical service connections

Version: April 20, 2026

Urgency: No

Hearing Date: May 4, 2026

Policy Vote: E., U. & C. 14 - 2

Mandate: Yes

Consultant: Ashley Ames

Bill Summary: This bill would require the California Public Utilities Commission (CPUC) to establish timelines for electrical corporations to respond to and process requests to energize ADUs (ADUs) and junior ADUs, as provided. It would also require the CPUC, in establishing the timelines for energization, to require electrical corporations to comply with certain requirements.

Fiscal Impact:

- The CPUC estimates ongoing costs of about \$500,000 annually (ratepayer funds) to establish (1) energization time periods for ADU and junior ADUs, (2) the process to report ADU and junior ADU energization delays, and (3) reasonable penalties for IOUs that fail to meet their adopted obligations, as well as to consider modifications and ensure utility compliance, as required by this bill.

Background: Rules governing the ability of new buildings and generation and storage resources to connect to the electric and gas distribution grid are generally determined by statute, CPUC rules, and tariffs, (i.e., document that specify rates, charges, rules, and conditions under which an electrical corporation will provide services to the public) for each of the electrical corporations. New service connections refers to extending an electricity or expanding distribution infrastructure to service new or expanded customer load, known as “energization.” Electric Tariff Rules 15 and 16 establish the guidelines for design, cost allocation, and responsibilities of a project applicant and a utility for electric distribution line extensions. The ability to connect to the larger electrical system can take months (if not, years, in some cases) as the process can entail the need for designs, assessments on cost allocations associated with improvements on the electric distribution system to allow for the connection, and other issues. In the case of new building developments, depending on the size of the development, the need for electric service extensions may be needed in phases over months, or years.

Proposed Law: This bill would:

1. Require the CPUC, by September 30, 2027, in a new or existing proceeding, to establish timelines for electrical corporations to respond to and process requests to energize ADUs and junior ADUs, as provided.
2. Require the CPUC, in establishing the timelines for energization, to do all of the following:

- a) Establish the times by which an application received by an electrical corporation shall be determined to be complete and by which the determination is to be provided in writing to the applicant.
 - b) Require an electrical corporation to provide a list of deficiencies for an application determined to be incomplete and an explanation of how the applicant may remedy the deficiencies.
 - c) Establish the time by which an electrical corporation is required to respond to a cured application.
 - d) Establish the time by which an electrical corporation is required to provide a load assessment for an ADU and inform the applicant as to whether a new electrical panel or electrical meter is required to provide the electrical service connection.
 - e) Establish the time by which an electrical corporation is required to verify that the installation of an electrical panel is complete.
 - f) Establish the time by which an electrical corporation is required to complete the service connection after the applicant provides notification to the electrical corporation that the construction of a new ADU is complete.
 - g) Establish a process for an applicant for an ADU or a junior ADU to file a complaint with the commission for a violation of these requirements.
 - h) Determine the penalties that shall be assessed on an electrical corporation for failing to comply with the timelines.
3. Allow the CPUC, in establishing the timelines, to consider a modification to shorten the timelines, as provided.
 4. Require the CPUC, in establishing the timelines for energization, to require electrical corporations to comply with all of the following:
 - a. Allow an application for energization to be submitted with the electrical corporation at the same time an applicant applies for a building permit with the local permitting agency.
 - b. Not cancel an application for energization for an accessory dwelling unit or a junior accessory dwelling unit without the applicant's consent.
 - c. Provide the applicant the opportunity to extend the timeline if the applicant requests a delay in completing the service connection.
 - d. Provide the applicant with an option to engage with electrical corporation staff for preapplication project review.
 - e. Provide the applicant with the electrical corporation's upfront estimates of costs for the applicant's planning purposes that include estimates of all related fees, charges, and potential upgrades to electrical corporation infrastructure, including for increases in the amount of electricity to the property, that may be needed for energization.
 5. Provide that no reimbursement would be required due to specified reasons.

Related Legislation:

SB 1210 (Skinner, Chapter 728, Statutes of 2024) required electrical, gas, sewer, and water service utilities, with exceptions, to post estimated fees and timeframes for new service connections needed to connect new housing construction projects.

AB 50 (Wood, Chapter 317, Statutes of 2023) required the CPUC, by July 1, 2025, to determine the criteria for customers to receive timely electricity service when requesting new service connections or upgraded service, known as “energization.”

SB 410 (Becker, Chapter 394, Statutes of 2023) required the CPUC to establish by September 30, 2024, reasonable average and maximum target energization time periods in order to connect new customers and upgrade the service of existing customers to the electrical grid.

AB 602 (Grayson, Chapter 347, Statutes of 2021) required, among its provisions, a city, county, or special district that has an internet website to post and update on their websites specified information, including a current schedule of housing development project costs, zoning ordinances and development standards, annual impact fee reports, and an archive of specified impact fee nexus studies.

AB 1026 (Wood, Chapter 446, Statutes of 2019) required an electrical or gas corporation to apply only those construction and design specifications, standards, terms, and conditions that are applicable to a new extension of service project for the 18 months following the date the application for a new extension of service project is approved.

AB 1600 (Cortese, Chapter 927, Statutes of 1987) required a local agency when increasing or imposing a fee as a condition of approval of a development project, on or after January 1, 1989, to take specified actions, including identifying the purpose of the fee.

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