Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 1196 (McNerney) – As Amended June 29, 2026

Policy Committee: Utilities and Energy Vote: 17 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill requires the California Public Utilities Commission (CPUC) to establish timelines by which an electrical corporation is to respond to and process requests to energize a project that does not require distribution or service line extensions or upgrades other than a new electric meter, which the bill terms a “small energization project.”

FISCAL EFFECT:

While the bill makes explicit requirements of the CPUC, the CPUC nonetheless asserts it can accommodate any work created by this bill in an existing proceeding in which the CPUC is establishing reasonable average and maximum target energization time periods and a procedure for customers to report energization delays.

COMMENTS:

Energization, in the context of electrical utilities, refers to the process by which a customer is connected to the larger electrical grid. The grid is an informal and very imprecise term that refers, very generally, to the entire interconnected electricity delivery system. Generally, the utilities and their regulators divide the grid between the transmission system, which carries relatively large voltages of electricity across long distances, and the distribution system or systems, which branch from the transmission system to deliver relatively small voltages of electricity to end-use customers.

The CPUC established rules, known as tariffs, that govern each IOU’s extension of electric service to a customer that requests such energization. Specifically, CPUC Electric Rule 15 governs extensions of an IOU’s existing distribution line from the nearest permanent and available distribution facility to a commercial area or neighborhood, generally to serve many customers. CPUC Electric Rule 16, in contrast, governs extension of a service line, which is a line that connects the IOU’s distribution lines to an electric meter or a specific IOU customer.

In recent years, the Legislature has taken interest in the time it takes the IOUs to respond to and complete customer requests for energization. This is because, in large part, energization is key to furthering the state’s clean energy goals. To this end, the Legislature approved two measures—SB 410 (Becker), Chapter 394, Statutes of 2023, and AB 50 (Wood), Chapter 317, Statutes of 2023. The former directed the CPUC to establish average and maximum target energization time periods by September 30, 2024, and requires electrical corporations to report their performance, whereas the latter requires the CPUC to determine the criteria for timely energization service.

Since passage of those bills, the CPUC has issued decisions to implement that include timeframes and reporting requirements.

Nonetheless, the author contends there needs to be, in law, additional requirements regarding requests to energize accessory dwelling units (ADUs). According to the author, "The problem is, there are no clear rules for when a utility must hook up an ADU – and no consequences for delays. SB 1196 would make sure that when a homeowner adds an ADU, they'll be able to get it hooked up without waiting months on end."

As amended in the prior committee, the bill applies not just to an energization request for an ADU but to any energization request that does not require distribution or service line extensions or upgrades, other than installation of an electric meter.

The bill continues to be supported by housing advocates and builders of ADUs. The bill had been opposed by the state's largest electric IOU's. Following the latest amendments, Pacific Gas and Electric removed its opposition, but Southern California Edison reasserted its opposition, writing the bill "undermines the critical work taking place in the Establishing Energization Timeline Order Instituting Rulemaking (Energization OIR) established by AB 50 (Wood) and SB 410 (Becker)" and that "Preemptive legislation risks undermining this balanced, evidence-based approach and duplicating or conflicting with reforms already underway."

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