
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair

2025 - 2026 Regular Session

SB 1359 (Stern) - Gas Transition Responsibility and Electrification Act

Version: April 13, 2026

Urgency: No

Hearing Date: May 14, 2026

Policy Vote: E., U. & C. 10 - 4

Mandate: Yes

Consultant: Ashley Ames

Bill Summary: This bill would implement policies to transition away from the natural gas utility system, including requiring the natural gas corporation's obligation to furnish service to be interpreted consistent with the state's greenhouse gas (GHG) emission reduction mandates and policies promoting building electrification, and requiring the California Public Utilities Commission (CPUC) before approving a capital investments of over \$10 million of natural gas corporation infrastructure to require to make specified findings.

***** **ANALYSIS ADDENDUM – SUSPENSE FILE** *****

The following information is revised to reflect amendments
adopted by the committee on May 14, 2026

Fiscal Impact:

- Ongoing costs, potentially in the hundreds of thousands of dollars annually (ratepayer funds), for the CPUC to develop and implement a statewide natural gas transition framework, evaluate and restrict distribution infrastructure investments in every general rate case cycle, oversee new reporting and decommissioning trusts, and modify ratemaking practices to limit recovery of certain gas-related costs.
- To the extent that this bill impacts energy rates, it could result in costs or savings to the state as an energy utility ratepayer. The State of California is a natural gas and electricity customer, purchasing roughly four percent of the state's natural gas and one percent of it's electricity. As such, the state incurs costs when rates increase, and realizes cost savings if rates go down (various funds).

Author Amendments: Author amendments would better align provisions of the bill with an existing CPUC Proceeding exploring similar issues related to the Decommissioning Trust to reduce costs.

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