Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 256 (Pérez) – As Amended July 17, 2025

Policy Committee: Utilities and Energy Vote: 13 - 4

Emergency Management 5 - 2

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

SUMMARY:

This bill makes several, distinct requirements of electrical utilities related to management of their infrastructure, and their efforts to prevent that infrastructure from igniting fires.

Specifically, this bill, among other things:

- 1) Requires the California Public Utilities Commission (CPUC), by January 1, 2027, to update its rules to require each electrical corporation (also known as an "investor-owned utility" or "IOU") to remove all permanently abandoned facilities (generally meaning equipment such as electrical wires) to prevent public nuisances or hazards to life or property and directs the CPUC to ensure all applicable safety requirements, including wildfire mitigation measures, apply to permanently abandoned facilities until they are removed.
- 2) Amends existing law that requires each IOU to annually prepare a wildfire mitigation plan (WMP) so that each IOU must include in its WMP (a) consideration of risks related to the wildland-urban interface (WUI), (b) descriptions of the IOU's procedures for communicating with customers affected by deenergization events and with public safety partners able to coordinate with the IOU to communicate more broadly with affected communities, (c) descriptions of the IOU's processes and procedures to coordinate communications with local governments, including fire officials and emergency response officials, (d) an accounting of all transmission facilities and, for permanently abandoned transmission facilities, a plan for how and when each facility will be removed and the wildfire mitigation measures that are being implemented to prevent hazards.
- 3) Similarly amends existing law that requires each publicly owned electric utility (POU) and each electrical cooperative to annually prepare a WMP to include in its WMP (a) consideration of risks related to the WUI and (b) descriptions of the POU's processes and procedures to coordinate communications with local governments, including fire officials and emergency response officials.
- 4) For areas affected by wildfires that require an IOU to rebuild electrical distribution infrastructure, directs the IOU to consider undergrounding of electrical distribution infrastructure if it is determined to be cost effective compared to other wildfire mitigation strategies.
- 5) Requires any IOU or POU that has a service area that overlaps with the boundaries of a state regional emergency operations center in cooperation with the Office of Energy Infrastructure

Safety (OEIS) and other emergency service agencies, to establish procedures for the coordination of efforts between IOUs and POUs and emergency response agencies, and further requires any such IOU or POU to assign a representative, trained as specified, to work within each state regional operations center that has boundaries that overlap with the IOU's or POU's service area when requested by the state regional operations center.

FISCAL EFFECT:

This bill requires OEIS to update WMP guidelines, and will entail one-time costs, likely in the low hundreds of thousands of dollars for each of a year or two (special fund).

OEIS concludes it will also need to review WMPs to ensure they are consistent with the requirements of this bill, and identifies ongoing costs of \$562,980 annually, starting in fiscal year 2026-27, for three regulatory analysts: two to review electrical IOU WMPs and one to review electrical POU WMPs. However, existing law already requires OEIS to review WMPs, so it is not clear it will need additional resources for WMP review.

Though this bill requires the CPUC to update its rules regarding abandoned IOU facilities the CPUC contends it can absorb the resulting workload with existing resources.

COMMENTS:

1) **Purpose.** The author describes this bill as addressing "gaps in our state's mitigation efforts" revealed by the recent wildfires in Southern California. According to the author, SB 256:

strengthens California's wildfire and emergency response policies by expanding mitigation planning to include low-risk areas, addressing past communication failures to improve future coordination, requires prioritization for undergrounding in fire affected areas and restricts costs from being passed to ratepayers.

2) **Background.** Following several years of particularly harmful wildfires, many of them sparked by equipment owned and operated by the state's electric IOUs, state law required each of the state's electrical utilities to regularly produce a WMP that describes how the utility will reduce the risk of wildfire associated with its equipment. In the case of the IOUs, the law requires each IOU to submit its WMP to OEIS, which determines whether the WMP will achieve the maximum feasible wildfire risk reduction. Subsequently, the CPUC reviews each IOU's WMP to determine whether its costs are just and reasonable. The law similarly requires each POU annually adopt a WMP, which the POU submits to the California Wildfire Safety Advisory Board.

In addition, state law requires the Department of Forestry and Fire Protection (Calfire) to map fire hazards within certain areas of the state based on fuel loading, slope, fire weather, and other relevant factors, including areas where Calfire has identified winds as a major cause of wildfire spread. These areas are known as fire hazard severity zones, which Calfire classifies as moderate, high or very high, based on the average hazard across the area included in the zone.

In January of this year, several devastating wildfires tore through sections of Southern California, taking dozens of lives and causing hundreds of billions of dollars in property

damage. Whipped by unusually forceful winds and fueled by exceptionally dry conditions, the fires burnt through broad sections of Southern California, including residential neighborhoods not classified by Calfire as at high risk for wildfire.

While investigations into the initial causes of the fires are ongoing, an abandoned electrical power line owned by electrical IOU Southern California Edison is the subject of suspicion and speculation.

The wildfires have led some, including the author, to conclude that the state's current wildfire mitigation efforts are wanting. For example, the Los Angeles County Board of Supervisors writes in support of the bill, calling it;

a critical step toward closing those gaps by enhancing coordination between utilities and government emergency centers, improving preparedness, and ensuring utilities consider cost-effective undergrounding and other mitigation strategies without passing unnecessary costs to ratepayers.

Not all parties agree. The bill is opposed by the state's large electric IOUs, who jointly assert the bill will "introduce significant financial and operational challenges stemming from regulatory redundancies, misaligned programs, and escalating infrastructure costs."

Analysis Prepared by: Jay Dickenson / APPR. / (916) 319-2081