

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 593 (Hurtado) – As Amended June 30, 2025

Policy Committee: Utilities and Energy

Vote: 18 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

**SUMMARY:**

This bill requires the California Public Utilities Commission (CPUC), by July 1, 2026, to conduct a study to evaluate voltage-related service incidents that resulted in significant damage, including damage to electrical systems, and associated consumer protections within the service territories of investor-owned utilities (IOUs).

The bill directs the CPUC to submit a report on the study to the Legislature by July 1, 2027.

The bill also includes the following in its statutorily mandated annual report to the Legislature: (a) all investigations into gas or electric service safety incidents reported to the CPUC that involve claims of property damage totaling \$5,000 or more and (b), for any staff safety investigations that remain open for any gas corporation or electrical corporation, an explanation of why the investigation remains open if the investigation remains open for 12 or more months after a claim was filed.

**FISCAL EFFECT:**

This bill places substantial new responsibilities on the CPUC. Accordingly, the CPUC would need substantial new resources to implement the bill. Because the work the bill creates is finite, costs to the CPUC should be limited to the time it takes to conduct the study and produce the report.

For its part, the CPUC contends this bill would put “a significant strain” on staff resources and estimates implementation costs of \$1 million (Public Utilities Commission Utilities Reimbursement Account). The CPUC notes that there may be thousands of voltage-related incidents statewide that result in damage of \$5,000 or more and that the CPUC has no knowledge of such incidents or their causes.

**COMMENTS:**

- 1) **Purpose.** The author views fluctuations in voltage as a too-common occurrence that unfairly, and sometimes dangerously, saddles utility customers with unexpected costs and inconvenience. The author describes this bill as providing “much-needed additional consumer protections” and providing “peace of mind to millions of Californians who rely on HVAC systems, refrigerators, and other lifesaving medical devices.”
- 2) **Background.** State law and CPUC regulations require each electric IOU to provide electric service within its service territory, and to do so safely, reliably, efficiently and cost-

effectively. And the state constitution and California law charge the CPUC with ensuring the IOUs do so. Nonetheless, electric IOUs regularly fail to provide electrical service to all of their customer, sometimes in order to maintain overall public safety and other times for reasons beyond the IOU's control. The law provides that an electric IOU that acts contrary to the law or CPUC order shall be liable for any resulting loss, damage or injury.

CPUC rules requires an IOU to report an incident to the CPUC, generally within two working hours of the incident, when the incident results in any of the following:

- a) Fatality or personal injury rising to the level of in-patient hospitalization.
- b) Significant public attention or media coverage.
- c) Damage to property of the IOU or others estimated to exceed \$200,000.

In addition, state law directs the CPUC to annually publish a report that includes all CPUC staff investigations into gas or electric service safety incidents and the status of those investigations.

The author's office asserts there have been many incidents of voltage fluctuations within the author's district that have resulted in damage to property but, because each incident caused less than \$200,000 in harm, such incidents are not captured by CPUC's reporting and rarely subject to CPUC investigation.

The CPUC indicates it is developing potential changes to the bill, to recommend to the author, that clarify the statute's limited, one-time purpose and direct IOUs to report relevant information to the CPUC, rather than directing the CPUC to initiate a new program.

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