
UNFINISHED BUSINESS

Bill No: SB 593
Author: Hurtado (D)
Amended: 9/2/25 in Assembly
Vote: 21

SENATE ENERGY, U. & C. COMMITTEE: 13-3, 4/7/25

AYES: Becker, Allen, Archuleta, Arreguín, Ashby, Caballero, Gonzalez, Hurtado, Limón, McNerney, Rubio, Stern, Wahab

NOES: Ochoa Bogh, Dahle, Grove

NO VOTE RECORDED: Strickland

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 38-0, 5/29/25

AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

NO VOTE RECORDED: Limón, Reyes

ASSEMBLY FLOOR: 78-0, 9/8/25 - See last page for vote

SUBJECT: Electrical corporations: significant voltage-related incidents: studies

SOURCE: Author

DIGEST: This bill requires the California Public Utilities Commission (CPUC), by July 1, 2027, to require large electric corporations to commence a study to evaluate significant voltage-related incidents that resulted in damage to customer-owned equipment, appliances, or property totaling \$5,000 or more.

Assembly Amendments replaced the language requiring the CPUC to require adjustments to consumer protections for voltage-related customer impacts with the requirement that the CPUC require large electrical corporations to commence a

study; deleted requirements on local electric publicly owned utilities to adopt policies for consumer protections from voltage-related impacts.

ANALYSIS:

Existing law:

- 1) Establishes the CPUC with regulatory authority over public utilities, including electrical corporations. (Article XII of the California Constitution)
- 2) Requires every public utility to furnish and maintain adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities, as are necessary to promote the safety, health, comfort, and convenience of its patrons, employees, and the public. (Public Utilities Code §451)
- 3) Establishes the policy of the state that each electrical corporation is required to continue to operate its electric distribution grid in its service territory and to do so in a safe, reliable, efficient, and cost-effective manner. (Public Utilities Code §399.2(a))
- 4) Authorizes the CPUC to supervise and regulate every public utility in the state and to do all things necessary and convenient in the exercise of such power and jurisdiction. (Public Utilities Code §701)
- 5) Requires the CPUC to annually publish a report that includes all investigations into gas or electric service safety incidents reported, pursuant to CPUC requirements, by any gas corporation or electrical corporation, including customer claims exceeding \$50,000 for damage caused by unbalanced voltage. (Public Utilities Code §911)
- 6) Provides that no court of this State, except the Supreme Court and the court of appeal, shall have jurisdiction to review, reverse, correct, or annul any order or decision of the CPUC or to suspend or delay the execution or operation thereof, or to enjoin, restrain, or interfere with the CPUC in the performance of its official duties, as provided by law and the rules of court. (Public Utilities Code §1759)
- 7) Provides that any public utility which does, causes to be done, or permits any act, matter, or thing prohibited or declared unlawful either by the Constitution, any law of this State, or any order or decision of the CPUC, shall be liable to the persons or corporations affected thereby for all loss, damages, or injury

caused thereby or resulting therefrom. Provides that if the court finds that the act or omission was willful, it may award exemplary damages, in addition to actual damages. (Public Utilities Code §2106)

This bill:

- 1) Finds and declares the intent of the Legislature that voltage changes can result in significant damage and states it is the CPUC's responsibility to publish information on the adequacy of electrical corporations' consumer protections related to significant voltage-related incidents.
- 2) Defines "significant voltage-related incident" to mean a deviation in electrical service voltage delivered by an electrical corporation to a customer that falls outside the standard electrical service voltage range of plus or minus 5 percent of nominal voltage and that results in damage to customer-owned equipment, appliances, or property.
- 3) Requires the CPUC, on or before July 1, 2027, to require large electrical corporations to commence a study to evaluate significant voltage-related incidents across its residential, commercial, and industrial customers that resulted in damage to customer-owned equipment, appliances, or property totaling \$5,000 or more.
- 4) Requires each study to include, but not be limited to, specified information, including requirements to: evaluate associated consumer protections, quantify the frequency and causes of significant voltage-related incidents that resulted in property damage; identify the causes of significant voltage-related incidents, evaluate the impacts and damage caused; quantify property damage; and examine response times and trends in customer complaints.
- 5) Requires the CPUC, on or before July 1, 2027, to publish hyperlinks on its internet website to the studies, and to report on the studies to the Legislature.

Background

Electrical power surges. A power surge is generally defined as a sudden, temporary (sometimes split second) increase in electrical voltage (usually exceeding the normal operating levels). Power surges can be caused by many factors, including power outages, faulty wiring, sudden damage to electrical infrastructure (such as from a car colliding into an electrical pole, a natural

disaster, or lightning strike), and other factors. Electric power surges can damage and destroy electronic devices connected to electrical outlets, including electric appliances. While it's unclear exactly how pervasive damaging power surges occur, there have been surge events reported by the media, including a power surge in Lincoln, California in 2021 that affected multiple customers when a utility crew was upgrading a transformer, and another in Long Beach in 2023. In both these media stories, customers relayed frustrations with the extent of the damages caused by power surges and the challenges with the respective utility's claims procedures in attempting to replace their damaged appliances and equipment. Additionally, a review of the most recent annual report of safety incidents by electric corporations notes various customer claims against electrical corporations (Public Utilities Code Section 911 report), of the 200 incidents reported in 2024 by electrical corporations (though not necessarily all occurring in 2024), at least 22 were for claims associated with damages that exceed \$50,000 related to unbalanced voltage or power surges – roughly just over one in every 10 incident reported.

Surge protections. Customers can install surge protectors to help reduce the risks with power surges from voltage changes damaging their appliances and devices. These are available for individual outlets (e.g. surge protector power strips) or for whole house/building surge protectors. During lightning events, residents are often encouraged to disconnect devices that may not be needed to prevent a lightning strike or power outage from damaging sensitive devices. When damages occur from power surges or voltage changes, customers can file claims with their utility, generally through a claims process overseen by the utility. The utilities may pay for fair market value for items that were damaged, and not full replacement cost. Additionally, utilities can deny the claims if the utility believes the surge event was caused by events beyond their control (including lightening or other causes). Depending on a customer's homeowner's or commercial insurance coverage, a customer may be able to file a claim through their insurance provider. Lastly, customers can also seek damage claims through a public right of action, provided under Public Utilities Code §2106. However, those efforts can be limited by the broad authority granted to the CPUC to regulate utilities, including the authority in Public Utilities Code §1759 that bars actions that would interfere with the CPUC in the performance of its official duties.

Current protections. Under existing CPUC-approved electric tariff rules, investor-owned utilities must supply electricity service at the point of delivery to the customer under the applicable distribution and transmission voltages. These requirements contain minimum and maximum deviations in secondary voltages of up to five percent that a customer can experience. This means a customer receiving

120-volt service through a normal two-wire service can experience no less than 114 volts and no more than 126 volts at the point of delivery. However, the rules note exemptions, including for causes beyond the control of the utility. The rules further stipulate that for customers who require stable voltage regulation, beyond these operating limits, the customer is responsible for installing their own equipment on the customer's side of the service delivery point.

Comments

Need for this bill. According to the author:

California ratepayers deserve transparency, accountability, and protection when it comes to power surges that can cause significant financial burdens. Too often, families and businesses are left unaware when a surge occurs, only discovering the damage when their appliances, electronics, and electrical systems stop working. These unexpected costs add financial stress to already high monthly expenses, leaving ratepayers with little recourse or support from utilities.

The author's office has stated there have been ongoing issues in parts of their district with power surge voltage incidents affecting customers in small rural areas and resulting in damages to customers' home appliances. The author's office notes that many of these customers are of limited income, and may have limited English fluency and understanding of the utility claims processes. The loss of appliances, including refrigerators and air conditioning units, can be particularly challenging for these customers as the replacement costs for these appliances can be cost prohibited for residents with limited incomes.

Flooding in Allensworth. Both Pacific Gas & Electric (PG&E) and Southern California Edison (SCE) have informed the Senate Energy, Utilities and Communications Committee they are aware of customer claims about power surges in Allensworth over the last two years in both utility areas. However, PG&E has found that various momentary outages in the community were linked to the abnormal configuration of the PG&E circuit due to the Tulare Lake Flood event of 2023. The area experienced significant flooding caused by winter storms. In order to serve the area, PG&E relocated significant electrical equipment and re-routed power to feed the community of Allensworth. According to PG&E, under the abnormal arrangement, the circuit experienced several momentary outages while under peak load when the circuit exceeded its available capacity with the additional temporary load. The impacted circuit was placed back in normal configuration as soon as possible in September 2024 and PG&E has not identified

any abnormalities since. PG&E contends they received only one claim from a customer for damages, which was resolved in less than 30 days.

Bill requires further study. This bill requires the CPUC, by January 1, 2027, to require large electrical corporations to commence a study to evaluate significant voltage-related incidents across its residential, commercial, and industrial customers that resulted in damage to customer-owned equipment, appliances, or property totaling \$5,000 or more. As such, Pacific Gas & Electric, San Diego Gas & Electric, and Southern California Edison will be required to begin a study by January 1, 2027 with specified requirements, including evaluating the existing policies, practices, impacts, and realities of these significant voltage events, including identifying the causes of any events reported from January 1, 2024 to December 31, 2026. The bill requires the CPUC to publish hyperlinks on its internet website to the studies conducted by the utilities by July 1, 2027 in order to better understand the level of impacts from these incidents, their causes, related customer claims, utilities' processes and practices related to outreach, and support for low-income, rural, and limited English proficiency customers seeking reimbursement for damage to customer-owned equipment. Given that the annual report on safety incidents by electrical corporations is limited to incidents with damages of \$50,000 or more, the intent of the required study by this bill is to better help the Legislature, CPUC, and public understand the current level of impacts from significant voltage events and whether electrical corporations' practices and procedures are sufficiently addressing these incidents.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Assembly Appropriations Committee:

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.

SUPPORT: (Verified 9/8/25)

Allensworth Progressive Association
The Utility Reform Network
An Individual

OPPOSITION: (Verified 9/8/25)

Pacific Gas and Electric
Southern California Edison

ARGUMENTS IN SUPPORT: According to The Utility Reform Network (TURN):

Unexpected fluctuations in voltage can happen without warning, damaging HVAC systems, refrigerators, medical devices, and other lifesaving electronics. This leaves many families with expensive repairs or replacements in the aftermath. These unforeseen expenses can cause extreme financial stress as they add to already high monthly costs for families. ...there is no statewide requirement for utilities to track or report fluctuations in voltage that can damage property, nor are they required to compensate customers for damages caused by their equipment failures. This lack of accountability leaves many households and businesses to bear the financial burden of unexpected damage even when it is the utility's infrastructure that is responsible.

TURN further contends: ensuring that the CPUC takes "...greater oversight and accountability will not only give residents protection and peace of mind, but also help reestablish the broken trust with utility companies and the communities they serve."

ARGUMENTS IN OPPOSITION: The electrical corporations opposed to this bill raise concerns about the feasibility of this bill's requirements as it was heard in the Senate policy committee and the increased costs to implement those requirements, including changes to the claims processes and installation of sensors across their distribution system. PG&E has shared they view this bill as unnecessary.

Assembly Floor, 78-0, 9/8/25

Ayes: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark

González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

No Vote Recorded: Nguyen, Ramos

Prepared by: Nidia Bautista / E., U. & C. / (916) 651-4107

9/8/25 19:51:45

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