
THIRD READING

Bill No: SB 742
Author: Pérez (D), et al.
Amended: 1/15/26
Vote: 21

SENATE ENERGY, U. & C. COMMITTEE: 12-0, 1/12/26

AYES: Becker, Ochoa Bogh, Allen, Archuleta, Arreguín, Caballero, Hurtado, McNerney, Rubio, Stern, Strickland, Wahab

NO VOTE RECORDED: Ashby, Dahle, Gonzalez, Grove, Limón

SENATE APPROPRIATIONS COMMITTEE: 5-0, 1/22/26

AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab

NO VOTE RECORDED: Seyarto, Dahle

SUBJECT: Electricity: electrical infrastructure: permanently abandoned transmission facilities: emergency response: liaisons

SOURCE: Author

DIGEST: This bill requires (1) specified actions of the California Public Utilities Commission (CPUC) to address safety, including wildfire risks, of electrical corporation's abandoned transmission facilities, transmission facilities that are permanently out-of-service; (2) requires wildfire mitigation of abandoned transmission facilities as part of an electrical corporation's wildfire mitigation plan (WMP); and (3) requires coordination by electric utilities with local emergency operations centers.

ANALYSIS:

Existing law:

- 1) Establishes the CPUC with regulatory authority over public utilities, including electrical corporations. (Article XII of the California Constitution)

- 2) Establishes the Office of Energy Infrastructure Safety (OEIS) within the Natural Resources Agency which, as of July 1, 2021, subsumed the Wildfire Safety Division (WSD) responsibilities at the CPUC, including to review the WMPs of electrical corporations and the power to compel information and conduct investigations. (Government Code §§15740 *et seq.*, Public Utilities Code §§326 and 8385)
- 3) Establishes the Office of Emergency Services (OES) within the office of the Governor and under the supervision of the Director of Emergency Services, with the responsibility for the state's emergency and disaster response services. (Government Code §8585)
- 4) Requires OES to establish a standardized emergency management system for use by all emergency response agencies and requires all state agencies to use the standardized emergency management system to coordinate multiple jurisdiction or multiple agency emergency and disaster operations. (Government Code §8607)
- 5) 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)
- 6) 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)
- 7) Requires the CPUC to establish standards for the electrical corporations' disaster and emergency preparedness plans and requires electrical corporations to develop, adopt, and update an emergency and disaster preparedness plan in compliance with the standards established by the CPUC. (Public Utilities Code §768.6)
- 8) Requires each electrical corporation to construct, maintain, and operate its electrical lines and equipment in a manner that will minimize the risk of catastrophic wildfire posed by those electrical lines and equipment, considering both the time required to implement the proposed mitigation, and the amount of risk reduced for the costs and risk remaining. (Public Utilities Code §8386 (a))

- 9) Requires each electrical corporation to submit a WMP to the OEIS for review at least once every four years. Requires the OEIS to establish a schedule for the submission of subsequent comprehensive WMPs for review and approval. Requires each electrical corporation, beginning January 1, 2027, to submit a preliminary WMP to the OEIS at least one year before the filing of its general rate case (GRC) application or concurrent with the filing of its Risk Assessment Mitigation Phase application with the CPUC. Requires the WMP to cover the same period as the GRC period. (Public Utilities Code §8386 (b)(c))
- 10) Requires a WMP of an electrical corporation to also include a description of the actions the electrical corporation will take to ensure its system will achieve the highest level of safety, reliability, and resiliency, taking into account the cost and time required to achieve those benefits, and to ensure that its system is prepared for a major event, including hardening and modernizing its infrastructure with improved engineering, system design, standards, equipment, and facilities. (Public Utilities Code §8386 (d)(14))

This bill:

- 1) Requires the CPUC, on or before January 1, 2028, to update General Order (GO) 95 to require each electrical corporation to remove all permanently abandoned transmission facilities.
- 2) Requires that an electrical corporation's WMP also include an accounting of all transmission facilities, including permanently abandoned transmission facilities.
- 3) Requires that certain electrical corporations and local publicly owned electric utilities, in cooperation with OES and other local emergency service agencies, to establish procedures for the coordination of efforts between electrical corporations and local publicly owned electric utilities and their representatives and those of emergency response agencies. Requires these electric utilities to assign liaison representatives to work with each local emergency operations center.

Background

California wildfire and electric utility infrastructure. In recent years, California has experienced several catastrophic wildfires, including many ignited by electrical utility infrastructure. Electrical infrastructure, including downed power lines,

arching, and conductor contact with trees and grass, can act as an ignition source. Risks for wildfires also increased with the extended drought and bark beetle infestation that has increased tree mortalities and, as a result, increased the fuel, and risk for wildfires.

Wildfire Mitigation Plan (WMP). As a result of SB 1028 (Hill, Chapter 598, Statutes of 2016), and further expanded by SB 901 (Dodd, Chapter 626, Statutes of 2018) and AB 1054 (Holden, Chapter 79, Statutes of 2019), electric investor-owned utilities (IOUs) are required to file WMPs with guidance by OEIS (as of 2021). OEIS reviews and determines whether to approve these plans and ensures compliance with guidance and statute. The electric IOUs' WMPs detail, describe and summarize electric IOU responsibilities, actions, and resources to mitigate wildfires. These actions include plans to harden their system to prevent wildfire ignitions caused by utility infrastructure, such as widespread electric line replacement with covered conductors designed to lower wildfire ignition, pole replacement, and other actions. The plans also include information regarding the electric IOUs' efforts to conduct extensive vegetation management to reduce the risk of tree branches, grasses, and other vegetation from contacting utility infrastructure. Pursuant to the recent changes made by SB 254 (Becker, Chapter 119, Statutes of 2025), electrical corporations must submit a WMP to the OEIS at least once every four years and requires the WMP to cover the same period as the electrical corporation's GRC. SB 254 also requires the electrical corporations to take into account the cost and time required to implement each measure proposed in the WMP to achieve the safety, reliability, and resiliency benefits.

January 2025 Eaton Fire. In January 2025, with expected severe Santa Ana winds, low-humidity, high vegetation growth from previous wet winters, and dry conditions due to delayed precipitation, Southern California was at high risk for wildfires. Additionally, aerial fire suppression was limited by the extreme winds, which included gusts approaching 100 mph in some areas. The region experienced multiple fires, including the Palisades Fire and the Eaton Fire, two of the most destructive and deadly fires in the state's history. In the case of the Eaton Fire, the fire seems to have originated in the Eaton Canyon, just north of the foothill communities of Altadena and Sierra Madre in Southern California. Due to the high winds the fire seems to have quickly spread and engulfed much of Altadena and portions of Sierra Madre. The fire resulted in 19 deaths and destroyed more than 9,000 buildings, becoming the fifth deadliest and the second most destructive wildfire in California history. While the fire investigation as to the cause of the fire is still in process, there is widespread speculation, including by the CEO of the parent company of Southern California Edison (SCE), that the cause of the ignition

source may have been a dormant electrical transmission facility, one that has been out-of-service for 50 years. The speculation is that the out-of-service transmission line and its towers may have experienced induction – where electromagnetic fields from live circuits could have reenergized the dormant line, causing sparks and a potential ignition source. In this case, the speculation is that the dormant line experienced induction from active high-voltage transmission lines that may have been about 60-100 feet away, perhaps with failures in the grounding measures for the dormant line.

General Order 95. The CPUC in its oversight of public utilities, including electrical corporations, adopts and updates general orders which cover regulatory requirements such as the reporting of incidents, the safety requirements of utility infrastructure, and others. General orders are often updated, though not on a specific schedule or cadence. The CPUC enforces the requirements of the general orders on the public utilities it regulates. GO 95 specifically addresses overhead electric line construction and includes numerous specific rules as to construction, operations, materials, clearance, and other standards and requirements for overhead electric line construction. Rule 31.6 of GO 95 specifically addresses abandoned lines – electric lines that are permanently out-of-service – and which are required to be removed by their owner to not become a public nuisance or a hazard to life or property. Rule 31.6 was last updated in 2005 (CPUC Decision 05-01-030) and defined abandoned lines as those that are determined by their owner to have no foreseeable future use. As a result of this definition, SCE has been able to maintain the dormant transmission line speculated to be the ignition source of the Eaton Fire for over 50 years with the ability to claim the line would be used in the foreseeable future. As reported by the LA Times, the original proposed rule was changed in 2005 based on lobbying by the utilities. As a result, it is up to the utilities, the owners of the idle lines, to decide whether a facility is considered abandoned and should be removed, even when it has not been in service for over half a century.

Comments

Need for this bill. The author states:

To address this crisis [catastrophic wildfires], the Legislature has strengthened oversight of electrical utilities through Wild Fire Mitigation Plans, system hardening, and Public Safety Power Shutoffs (PSPS). However, there is still a gap we need to address in prevention and communication when these catastrophic events occur. It has been reported that an idle transmission line that had not carried electricity for over 50 years may have sparked the Eaton Fire. In

response to the wildfire risks posed by abandoned infrastructure, SB 742 requires the removal of permanently decommissioned power lines and requires utilities to collaborate with regional emergency centers to better navigate wildfire and emergency response situations.

Kinkade Fire in 2019 also involved idle transmission line. As noted above, the risk of induction to electrical infrastructure needs to be mitigated by electric utilities, including from the risks to out-of-service lines. The 2019 Kinkade Fire in Sonoma County within the service territory of Pacific Gas & Electric (PG&E) also involved induction of an out-of-service transmission facility. As a result of that fire, the CPUC negotiated an Administrative Consent Order (Resolution SED-6, December 2, 2021) which in addition assessing a \$40 million fine on the utility, also required PG&E to not seek recovery of capital expenditures of \$85 million for the permanent removal of abandoned transmission facilities within its service territory. PG&E submitted a plan to remove 72 permanently abandoned transmission facilities over a 10-year period, with 86% planned to be removed by 2024 and the remaining 14% by the end of 2031, with prioritization based on wildfire and public safety concerns.

Addressing wildfire risks from idle or abandoned transmission facilities. Currently, the decision as to whether a transmission line will be used in the foreseeable future is left to the discretion of the utility. This bill seeks to require the owners of the facility (electric utilities) to demonstrate to the CPUC whether a line will be used in the foreseeable future, thereby not leaving it completely up to the utility to make the determination. Additionally, this bill intends to require wildfire mitigation for idle, out-of-service transmission lines, both by requiring the CPUC to ensure electrical corporations are ensuring their safety and by requiring their explicit inclusion within the WMPs reviewed by OEIS for in-service, out-of-service, and abandoned transmission facilities. With the speculation on the ignition source of the Eaton Fire, some of these efforts have begun. In a late December 2025 proposed draft response of SCE's WMP, OEIS has identified the need for SCE to address these facilities further and an intention by OEIS to do so with other utilities. Based on data requests by OEIS of the state's electrical corporations, the utilities identify the following number of miles of idle transmission lines in their service territory within the high fire risk areas:

- Liberty Utilities – 0 miles
- PacificCorp – 0 miles
- Pacific Gas & Electric – 2.25 miles
- San Diego Gas & Electric – 14.69 miles

- Southern California Edison – 355 miles

However, OEIS is still undergoing a review of these facilities, approaches, and how best to identify them, including how each utility defines idle and abandoned facilities. As a result, these numbers are likely preliminary and may be adjusted.

Costs. By explicitly requiring electrical corporations to account for transmission facilities (both in and out-of-service) and wildfire mitigation measures for idle and abandoned transmission lines within the WMP, these proposed measures would fall within the cost and time considerations required by SB 254 (Becker, 2025). In other words, these measures would need to be considered based on how soon they could be implemented, at what cost, and in comparison, to alternatives.

Additionally, these costs could be eligible for the up to \$6 billion of expenditures that electrical corporations are prohibited from including in their equity rate base per SB 254, though it would depend on the timing of implementing and recovering the costs of these measures, and importantly, whether they are subject to CPUC review or rate recovery review by the Federal Energy Regulatory Commission (who generally oversees rates for transmission). In the case of the changes to GO 95, the CPUC would need to make determinations as to the appropriate definition for abandoned lines, as the bill does not provide a specific timeframe, presumably to allow the CPUC to take into consideration safety and affordability concerns. Nonetheless, there are likely to be some, potentially significant, costs that may need to be recovered from ratepayers to implement these measures. These will need to be balanced against the risks of catastrophic fires which in the case of the Eaton Fire are estimated to be \$20-45 billion dollars in damages for that one fire.

Related/Prior Legislation

SB 254 (Becker, Chapter 119, Statutes of 2025) included various proposals to address electric utility bill affordability and wildfire mitigation measures, including requiring electrical corporations to consider the time required to implement a wildfire mitigation measure and the amount of risk reduced for the costs and risk remaining.

SB 256 (Perez) of 2025, among its provisions, included similar language as this bill when it was heard in the Assembly. The bill was held in the Assembly Appropriations Committee.

AB 1650 (Portantino, Chapter 472, Statutes of 2012) required the CPUC to establish standards for disaster and emergency preparedness plans within an

existing proceeding and authorizes every city and county within the electric IOUs' service area to designate a point of contact for the electrical IOU to consult on emergency disaster preparedness plans.

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

According to the Senate Appropriations Committee:

- Ongoing annual costs of \$200,000 to \$400,000 (ratepayer funds) to the OEIS in order to modify WMP guidelines and review WMPS consistent with the requirements of this bill.
- Ongoing annual costs of \$200,000 to \$400,000 (ratepayer funds) to the CPUC in order to address additional workload related to safety certifications and WMP review.
- To the extent that utilities incur significant costs to implement the changes required by this bill, there could be costs to the state as a ratepayer. The state is an electrical customer, purchasing around 1% of the state's electricity. As such, any costs that may be recovered by ratepayers would also be borne in part by the state.

SUPPORT: (Verified 1/22/26)

The Utility Reform Network

OPPOSITION: (Verified 1/22/26)

None received

ARGUMENTS IN SUPPORT: According to The Utility Reform Network:

The WMP process is relatively comprehensive in its consideration of active energy transmission and distribution facilities, however there is no consideration of, or planning for, abandoned facilities. Given that transmission facilities, even when abandoned and no longer in use, still pose a fire risk, it is a gross oversight not to include them in the WMP for each utility. SB 742 corrects this fatal flaw and provides a clear and reasonable timeline for utilities to provide an inventory of their abandoned facilities and a plan for how to

remove them and eliminate their fire threat. TURN strongly supports this practical and thoughtful approach to increasing safety.

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

1/23/26 15:39:16

***** **END** *****