

SENATE THIRD READING

SB 804 (Archuleta)

As Amended June 27, 2025

Majority vote

SUMMARY

Directs the Office of the State Fire Marshal (OSFM), by January 1, 2028, to establish "dedicated hydrogen pipeline" safety standards and enforce those standards consistently across all jurisdictions of the state.

Major Provisions

- 1) Requires the OSFM to adopt dedicated hydrogen pipeline safety standards by January 1, 2028 that meet or exceed all the following requirements:
 - a) The dedicated pipeline must be designed and constructed to minimize hydrogen leakage to the lowest technically feasible level, as determined by OSFM.
 - b) All materials used in the construction of the dedicated pipeline must be codified by the American Society of Mechanical Engineers, or its equivalent, for compatibility with hydrogen resistance to degradation, such as corrosion or embrittlement.
 - c) The dedicated pipeline shall employ continuous measurement and monitoring systems to detect any deviation from normal operational parameters.
- 2) Requires the OSFM to enforce dedicated hydrogen pipeline safety consistently across all jurisdictions of the state and regularly review and update dedicated hydrogen pipeline safety standards, incorporating changing technology and best practices.
- 3) Requires a dedicated hydrogen pipeline owner to annually submit a report to the OSFM on or before March 30th of each year, detailing the operator's compliance with this bill's recordkeeping requirements.
- 4) Defines key terms, including "dedicated hydrogen pipeline," which for the purposes of this bill means a pipeline that has been constructed, or undergone a major retrofit, for the purpose of primarily transporting hydrogen gas. Specifies OSFM shall adopt a percentage of hydrogen gas by volume carried in a pipeline that would render it a "dedicated hydrogen pipeline;" and that such percentage must exceed 90%.
- 5) Specifies that the provisions of the bill do not limit the authority of the California Public Utilities Commission (CPUC) to regulate the rates, services, or safety practices of public utilities subject to its jurisdiction, and should there be a conflict between a provision of this bill and a provision adopted by the CPUC, the more protective provision shall apply.

COMMENTS

California is pushing to eliminate the emissions of greenhouse gases from its economy. Many expect, as part of that effort, the state to become increasingly reliant on the use of hydrogen. For example, the Air Resources Board, in its latest scoping plan to achieve statutorily required

reductions of emissions of greenhouse gases, estimates the state will need to increase its current supply of hydrogen by approximately 1,700 times.

One of the primary ways to move hydrogen is by use of a pipeline. However, the characteristics of hydrogen make it unsafe to move hydrogen through pipelines designed to carry natural gas, causing, in some circumstances, embrittlement and leaks.

In California, the CPUC and OSFM both regulate the safety of pipelines located wholly within California. Consistent with agreements with the federal Pipeline and Hazardous Materials Safety Administration (PHMSA), the CPUC regulates pipelines used to carry gas, meaning natural gas or liquid gasoline fuel, while OSFM regulates pipelines used to carry hazardous liquids.

Earlier versions of this bill tasked the CPUC with developing safety standards for dedicated hydrogen pipelines. This approach seems consistent with CPUC's existing jurisdiction over gas pipelines, as hydrogen, generally, is a gas. However, the current version of the bill assigns responsibility for developing safety standards for dedicated hydrogen pipelines to the OSFM, which regulates hazardous liquid pipelines, not gas pipelines. Unlike existing authorities of OSFM for its regulation of hazardous liquid pipelines, the details of its regulatory authority over hydrogen pipelines outlined in this bill are sparse.

According to the Author

According to the author, "California is leading the clean energy transition and hydrogen is poised to play a major role in decarbonizing sectors like cement, aviation, and heavy-duty trucking. However, current safety regulations haven't kept pace with hydrogen infrastructure growth. Senate Bill 804, the Hydrogen Pipeline Safety Act, addresses this gap by requiring the Office of the State Fire Marshal to establish specific safety standards tailored to hydrogen's unique risks. By prioritizing safety and oversight, SB 804 supports clean energy innovation while protecting public health, the environment, and public trust."

Arguments in Support

Earlier versions of this bill were supported by the California Pipetrades Council and the Environmental Defense Fund (EDF), the latter of which described federal efforts to regulate hydrogen-carrying pipelines as having "not fully kept pace with technological advancements or the specific requirements of hydrogen infrastructure" and lauding this bill as one that "addresses this regulatory gap." However, the support letters of both organizations reference the bill's assignment of hydrogen-carrying pipelines to the CPUC, which the bill no longer establishes. It is not clear whether the Pipetrades Council or EDF support the current version of the bill.

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations, this bill requires significant new analytical and regulatory work of OSFM with an estimated cost of \$2.1 million in year one, \$2.8 million in year two and \$2.7 million annually thereafter.

VOTES**SENATE FLOOR: 34-0-6**

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

ABS, ABST OR NV: Grove, Hurtado, Ochoa Bogh, Reyes, Seyarto, Valladares

ASM UTILITIES AND ENERGY: 18-0-0

YES: Petrie-Norris, Patterson, Boerner, Calderon, Chen, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ASM EMERGENCY MANAGEMENT: 7-0-0

YES: Ransom, Hadwick, Arambula, Bains, Bennett, Calderon, DeMaio

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache, Ta, Tangipa

UPDATED

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