

SENATE THIRD READING
SB 804 (Archuleta)
As Amended August 17, 2026
Majority vote

SUMMARY

Requires the Office of the State Fire Marshal (OSFM), by July 1, 2028, to establish hydrogen pipeline safety standards, and requires the California Public Utilities Commission (CPUC), by March 1, 2028, to recommend to the Legislature a regulatory framework for pipelines carrying blends of hydrogen, as specified.

Major Provisions

- 1) Requires the OSFM, by July 1, 2028, to adopt in regulation (a) hydrogen pipeline safety standards to include compliance orders, penalties, and inspection and maintenance provisions and (b) a percentage, in excess of 90%, of hydrogen gas by volume carried in pipeline that makes the pipeline a hydrogen pipeline, for regulatory purposes.
- 2) Requires the OSFM to require any hydrogen pipeline constructed after June 30, 2028, to comply with certain federal requirements and meet specified design requirements.
- 3) Requires each hydrogen pipeline operator with pipelines constructed before the effective date of the OSFM's hydrogen pipeline safety standards to file with the OSFM, by July 1, 2028, an assessment for inspection, maintenance, improvement or replacement and document any prior hydrogen release and subsequent investigations.
- 4) Requires a hydrogen pipeline owner to maintain accurate operational records and, by March 30 of each year, submit a report to the OSFM.
- 5) Makes pressure testing requirements of hydrogen pipeline systems and empowers the OSFM to require pressure testing and inspections of such systems at any time.
- 6) Requires a hydrogen pipeline operator to notify the OSFM and the jurisdictional local fire department at least three working days before conducting a pressure test and authorizes the OSFM to observe any such test.
- 7) Makes various site, construction and visibility requirements of a hydrogen pipeline easement.
- 8) Requires a pipeline operator to provide the jurisdictional fire department with maps or diagrams of hydrogen pipeline locations.
- 9) Empowers the OSFM to make numerous additional requirements regarding mapping, facility access and inspection, and records access and sharing, and requires the OSFM to establish a publicly accessible database that inventories intrastate hydrogen pipelines and records related data.
- 10) Requires the CPUC, by March 1, 2028, to submit to the Legislature a report with recommendations for the appropriate safety and regulatory framework and division of jurisdictional responsibility applicable to pipelines carrying blends of hydrogen below the

percentage threshold adopted by OSFM. Specifies the CPUC may consult with OSFM in developing the recommendations.

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 California 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 approximately 1,700 times.

One of the primary ways to move hydrogen is by using a pipeline, such as those used to move natural gas. 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 California Public Utilities Commission (CPUC) and the 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 the 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 assigns regulatory oversight of dedicated hydrogen transmission pipelines to the OSFM and reflects several months of work by the author to establish a prescriptive safety regulatory framework for hydrogen pipelines, largely modeled after the Elder Act, the governing statute for hazardous liquid (e.g., petroleum) pipelines in the state. This bill gives OSFM authority to set and enforce safety standards for intrastate hydrogen transmission pipelines – covering design, construction, testing, monitoring, inspection, and emergency response – while positioning California to also act as a federal agent for interstate pipelines within the state.

By moving safety authority for dedicated hydrogen transmission pipelines to OSFM, this bill could complicate an already unclear oversight picture: a pipeline carrying a hydrogen-natural gas blend would presumably remain under CPUC jurisdiction, while a dedicated hydrogen pipeline would fall under OSFM. This bill does attempt to clarify this regulatory gap by affirming the authority of the CPUC to regulate the rates and service of public utilities and asserts if a conflict between regulations adopted by the OSFM and the CPUC arises as it relates to hydrogen facilities, the more protective requirements shall apply. Moreover, the bill tasks the CPUC with developing recommendations, by March 1, 2028, for how to regulate pipelines carrying hydrogen blends. The underlying goal is to enable hydrogen's role in a clean energy transition without compromising public safety or environmental integrity.

According to the Author

According to the author, "California is leading the clean energy transition, and hydrogen is poised to play a critical role in decarbonizing sectors such as cement production, aviation, and heavy-duty transportation. As hydrogen infrastructure expands, safety must remain the top priority for California's pipeline network. Yet existing regulations have not kept pace with the growth of hydrogen projects. Senate Bill 804, the Hydrogen Pipeline Safety Act, addresses this gap by requiring the Office of the State Fire Marshal to develop safety standards specifically

tailored to hydrogen's unique characteristics and risks. By strengthening oversight and establishing clear safety requirements, SB 804 will support the responsible deployment of hydrogen infrastructure while protecting public health, safeguarding the environment, and maintaining public confidence in California's clean energy future."

Arguments in Support

This bill is supported by the Environmental Defense Fund, the State Building and Construction Trades Council, and the California State Pipe Trades Council. The Pipe Trades describe the bill as "smart policy that anticipates the future, addresses a regulatory blind spot, and protects the health and well-being of Californians."

Arguments in Opposition

The Pipeline Safety Trust – a nonprofit organization that promotes pipeline safety – opposes the bill, which it says would "incorrectly delegate critical pipeline safety oversight authority of hydrogen pipelines to the Office of the State Fire Marshal (OSFM) instead of the California Public Utilities Commission (CPUC)." The trust asserts it does not take a position on the future of hydrogen but expresses concern this bill "has the potential to create unnecessary conflict and confusion among the two pipeline safety regulators in the state of California."

Air Products has an Oppose Unless Amended position on the bill and have identified several technical issues, including the definition and use of "rupture" within the measure.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations, this bill requires significant new work for OSFM, which CalFire estimates at 2.1 million in year one, \$2.9 million in year two, and \$2.8 million annually thereafter.

Additionally, the bill will require one-time costs to the CPUC, likely in the hundreds of thousands of dollars, to develop recommendations for the appropriate safety regulatory framework and division of jurisdictional responsibility applicable to pipelines carrying blends of hydrogen below the bill's percentage threshold established.

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

ASM UTILITIES AND ENERGY: 17-0-1

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

ABS, ABST OR NV: Ta

ASM EMERGENCY MANAGEMENT: 5-1-1

YES: Ransom, Hadwick, Arambula, Bennett, Calderon

NO: DeMaio

ABS, ABST OR NV: Bains

ASM APPROPRIATIONS: 12-0-3

YES: Wicks, Hoover, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache

ABS, ABST OR NV: Dixon, Ta, Tangipa

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