SENATE COMMITTEE ON ENERGY, UTILITIES AND COMMUNICATIONS
Senator Benjamin Allen, Chair
2025 - 2026 Regular

Bill No:	SB 1359	**Hearing Date:**	4/21/2026
Author:	Stern		
Version:	4/13/2026 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Nidia Bautista		

SUBJECT: Gas Transition Responsibility and Electrification Act

DIGEST: This bill proposes policies to transition away from the natural gas utility system, including requiring the natural gas corporation's obligation to furnish service to be interpreted consistent with the state's greenhouse gas (GHG) emission reduction mandates and policies promoting building electrification, and requiring the California Public Utilities Commission (CPUC) before approving a capital investments of over $10 million of natural gas corporation infrastructure to require to make specified findings.

ANALYSIS:

Existing law:

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

2) Requires the CPUC to require each gas corporation to provide bundled basic gas service to all core customers in its service territory unless the customer chooses or contracts to have natural gas purchased and supplied by another entity. (Public Utilities Code §328.2)

3) Requires every public utility to furnish and maintain such 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)

4) Authorizes a gas corporation to cease providing service in an area within its service territory where a pilot project, pursuant to Public Utilities Code §663, has been implemented and the CPUC determines that adequate substitute energy service is reasonably available to support the energy end uses of affected gas corporation customers. (Public Utilities Code §459)

5) Requires the CPUC, in consultation with the state's gas corporations, to establish a voluntary program to facilitate the cost-effective decarbonization of priority neighborhood decarbonization zones, not to exceed 30 pilot projects across the state. (Public Utilities Code §663)

6) Requires the CPUC, beginning on January 1, 2029, in a new or existing proceeding, to review the efficacy of the pilot projects established pursuant to Public Utilities Code §663 in providing benefits to gas corporation customers and in assisting the state in meeting the state's climate change goals. Requires the CPUC, by March 1, 2030, to submit to the relevant policy committees of the Legislature a report on the review performed.

7) Authorizes the CPUC to supervise and regulate every public utility in the State and do all things, whether specifically designated in this part or in addition to, which are necessary and convenient in the exercise of such power and jurisdiction. (Public Utilities Code §701)

8) Authorizes the CPUC after hearing to ascertain and fix just and reasonable standards, classifications, regulations, practices, measurements, or service to be furnished, imposed, observed and followed by all electrical, gas, and water corporations. (Public Utilities Code §770)

9) Prohibits gas and electrical corporations from terminating residential service for nonpayment of a delinquent account unless the corporation first gives notice of the delinquency and impending termination, as provided in the statute. (Public Utilities Code §§779, 779.1, 779.2, 780)

10) Requires the CPUC to require each gas corporation to provide bundled basic gas service to all core customers in its service territory, unless the customer chooses or contracts to have natural gas purchased and supplied by another entity. (Public Utilities Code §963)

11) Requires the CPUC, in order to achieve transparency and accountability for rate revenues and best value for ratepayers, to consider, among other things, providing revenues for all activities identified and required by certain rules and procedures governing the operation, maintenance, repair, and replacement of CPUC-regulated gas pipeline facilities, including any adjustment of allowance for lost and unaccounted for natural gas related to actual leakage volumes. (Public Utilities Code §977)

12) Requires the State Energy Resources Conservation and Development Commission (also known as the California Energy Commission (CEC)) to

establish the Equitable Building Decarbonization Program, which includes establishing a statewide incentive program for low-carbon building technologies and the direct install program to fund certain projects, including installation of energy efficient electric appliances, energy efficiency measures, demand flexibility measures, wiring and panel upgrades, building infrastructure upgrades, efficient air conditioning systems, ceiling fans, and other measures to protect against extreme heat, where appropriate, and remediation and safety measures to facilitate the installation of new technologies. (Public Resources Code §25665 *et seq*.)

This bill:

1) Makes several findings and declarations regarding the need to manage the transition of the natural gas utility system and to direct the CPUC to prioritize electrification and nonpipelined alternatives and ensure the orderly retirement of portions of the natural gas system.

2) Requires that the obligation of a gas corporation to furnish service under this bill be interpreted consistent with the state's GHG emission reduction mandates and policies promoting building electrification, and authorizes the CPUC to authorize the retirement or discontinuation of natural gas distribution infrastructure where the CPUC finds that continued operation is inconsistent with the public interest.

3) Requires the CPUC, in determining just and reasonable rates, to ensure that costs associated with avoidable natural gas leakage, including methane emissions resulting from inadequate maintenance or infrastructure replacement delays, are not recovered from ratepayers.

4) Prohibits the CPUC, beginning January 1, 2030, when establishing rates for a gas corporation, from allowing recovery from ratepayers for the value of natural gas lost to the atmosphere from facilities under the control of the gas corporation.

5) Requires the CPUC, before approving any capital investment by a gas corporation for natural gas distribution infrastructure exceeding $10 million, to determine that the proposed investment is consistent with the state's GHG emission reduction targets, and requires a gas corporation seeking approval of an investment to provide evidence regarding specified factors.

6) Requires the CPUC to develop a framework for the orderly and equitable transition of the natural gas distribution system, as provided.

7) Requires each gas corporation to establish a Gas Infrastructure Decommissioning Trust, requires the trust to be funded through shareholder contributions, and prohibits contributions to the trust from being recovered from ratepayers.

8) Requires each gas corporation, beginning January 1, 2030, to annually file with the CPUC a transition report, including long-term natural gas demand forecasts.

9) Prohibits a gas corporation, beginning January 1, 2030, from extending new natural gas service to residential or mixed-use developments unless the applicant pays the full cost of the extension, including all costs that would otherwise be borne by existing ratepayers.

10) Requires the CPUC to initiate a rulemaking to implement this bill's provisions on or before July 1, 2029.

Background

About methane emissions. Methane is the primary component of natural gas and is also produced biologically under anaerobic conditions in animals with a four-part stomach (such as cattle and sheep), landfills, and waste handling. Atmospheric methane concentrations have been increasing as a result of human activities related to agriculture, fossil fuel extraction and distribution, and waste generation and processing. Methane is a short-lived climate pollutant with an atmospheric lifetime of about 12 years. Like other GHGs, methane warms the atmosphere by blocking infrared radiation (heat) that is re-emitted from the earth's surface from reaching space. Methane is a potent GHG, with roughly 28 times the warming power of carbon dioxide over a 100-year period and more than 80 times over a 20-year timespan. Methane also affects local air quality by contributing to the formation of global background levels of ozone. Ozone itself is a powerful short-lived climate pollutant as well as a regional ground level air pollutant (a.k.a. smog) which negatively impacts human health and can lead to asthma attacks, hospitalizations, and even premature death.

Reducing GHGs from the building sector. The 2022 Climate Change Scoping Plan identifies actions to reduce GHG emissions from the building sector, including progressively improving building codes and standards, pursuing voluntary efforts to exceed code requirements, and completing existing building retrofits. The most recent Scoping Plan also noted:

> "Achieving carbon neutrality must include transitioning away from fossil gas in residential and commercial buildings, and will rely primarily on advancing

energy efficiency while replacing gas appliances with non-combustion alternatives. This transition must include the goal of trimming back the existing gas infrastructure so pockets of gas-fueled residential and commercial buildings do not require ongoing maintenance of the entire limb for gas delivery."

California's agencies are taking steps toward achieving carbon neutrality by 2045 and meeting the state's ambitious 2030 GHG emissions reduction target, including with actions specific to reducing emissions from the building sector. These actions include:

- The California Air Resources Board (CARB) adopted a strategy to end sales of natural gas space and water heaters starting in 2030 as part of the 2022 State Implementation Plan for meeting the eight-hour ozone standard, which is submitted in compliance with the federal Clean Air Act. CARB will need to adopt regulations to implement these measures.

- The CEC adopted building energy efficiency standards in 2022 that establish electric-ready standards, encourage electric heat pump technologies, and expand the solar photovoltaic system and energy storage standards.

- The CPUC has eliminated financial subsidies available to builders to offset the costs of extending natural gas lines to serve new buildings, known as allowances which are funded by natural gas utility customers. The CPUC's intent is to eliminate these allowances, beginning in July 2023, in order to encourage builders to construct new buildings without gas utility service, essentially all-electric. (*D.22-09-26 Phase III Decision Eliminating Gas Line Extension Allowances, Ten-Year Refundable Payment Option, and Fifty Percent Discount Payment Option Under Gas Line Extension Rules)*.

- In December 2022, the CPUC adopted a decision to comprehensively review natural gas utility infrastructure investments "in order to help the state transition away from natural gas-fueled technologies and avoid stranded assets in the gas system. The decision requires gas investor-owned utilities (IOUs) to seek CPUC approval of projects via an application for a certificate of public convenience and necessity (CPCN) prior to commencing construction on any gas infrastructure project whose cost exceeds $75 million; or is located near a sensitive receptor (housing, school, health care facility) and the project requires a permit from the local air district in a non-attainment area for federal air quality standards. The decision also requires natural gas corporations to file annual reports detailing planned long term infrastructure projects exceeding $50 million. *(D. 22-12-021 Order Instituting Rulemaking to Establish Policies, Processes, and Rules to Ensure*

Safe and Reliable Gas Systems in California and Perform Long-Term Gas System Planning.)

- In 2023, the CPUC adopted a decision to reduce incentives for natural gas energy efficiency measures in residential and commercial new construction to align more closely with the state's GHG reduction, climate change mitigation, and decarbonization goals. *(D. 23-04-035 Decision Addressing Codes and Standards Subprograms and Budgets and Staff Proposal on Reducing Ratepayer-Funded Incentives for Gas Energy Efficiency Measures.)*

Local rules to limit or ban gas use. In 2019, the City of Berkeley adopted the nation's first ban of natural gas hookups in most new residences and commercial buildings. Since then, about 50 other California cities and counties have adopted reach codes (those that surpass state building standards) or ordinances that either limit or ban the installation of gas connections to new buildings. Additionally, the Bay Area Air Quality Management District adopted rules prohibiting installation of natural gas furnaces and water heaters in residential and commercial settings beginning in 2027. In April 2023, a federal court overturned the 2019 City of Berkeley's ban on natural gas hookups for new residences and commercial buildings. The California Restaurant Association filed suit against the City of Berkeley months after the city adopted the ban. A lower district court upheld the ban in 2021, however, the 9th U.S. Circuit Court of Appeals found the ban to be in direct violation of the Energy Policy and Conservation Act of 1975 (EPCA) (*California Restaurant Association v. City of Berkeley (United States Court of Appeals, 9th Cir. 2023)*. The three-judge panel held that "the Energy Policy and Conservation Act 42 U.S.C. §6297(c), expressly preempts state and local regulations concerning the energy use of many natural gas appliances, including those used in household and restaurant kitchens. Instead of directly banning those appliances in new buildings, Berkeley took a more circuitous route to the same result." The court ruled that the EPCA preempts the Berkeley ordinance. A federal appeals court declined to rehear the earlier court decision striking down the City's ordinance.

SB 1221 (Min, Chapter 602, Statutes of 2022) limited pilot projects within gas utility service territory. Given the limited, if non-existent, understanding of real-world impacts to Californians of wide-spread decommissioning of the natural gas utility system, SB 1221 authorizes up to 30 targeted pilot projects to provide learnings and greater understanding of the challenges to transition away from the natural gas utility system to electrification at the neighborhood level. The pilot projects would be voluntary to natural gas utilities, require consent from a super-majority of affected customers (66.66%), and require the projects to be more cost-effective for ratepayers as compared to proposed upgrades needed on the natural gas system. SB 1221 also ensured that where a pilot project is implemented, the natural gas corporation can cease providing service with no continued obligation to serve, thereby protecting ratepayers from having to rebuild the system in the future. The CPUC has recently adopted maps for priority neighborhoods as required by SB 1221. The agency has required public workshops and is also actively pursuing efforts towards developing pilot projects with stakeholder participation and sensitivity to the challenges that are likely to arise given the big changes for customers.

CPUC proceeding related to long-term natural gas system planning. Even prior to SB 1221, the CPUC was actively considering the issues of zonal decarbonization with concurrent decommissioning as part of the proceeding related to long-term natural gas system planning (R. 20-01-007) where many of the issues related to decommissioning natural gas utility service concurrently with transitioning customers to alternative energy sources, and related issues were being discussed. The CPUC has solicited comments from parties on a staff proposal to establish criteria and prioritize geographic tranches of the gas utility system to identify the most cost-effective areas to decommission, including those where the environmental burdens may be highest, while ensuring protections for remaining utility customers. That proceeding has now migrated to R. 24-09-012, to continue efforts on long-term natural gas system planning, including implementing SB 1221. Separately, Pacific Gas and Electric (PG&E) had submitted an application (A. 22-08-003) to pilot a zonal electrification project at California State University Monterey Bay. The “first-of-its-kind” pilot would convert 391 of 484 services, including some student housing, to all-electric service instead of pursuing certain pipeline replacement projects planned for the 2022-2025 period. However, PG&E has since decided to no longer pursue this project.

Efforts to address methane emissions. Methane emissions come from both intentional and unintentional releases of natural gas. Unintentional releases of methane, or fugitive emissions, can come from multiple sources and phases of the natural gas system, such as from leaking pipelines, abandoned wells, or inefficient combustion. Intentional releases are purposeful and known emissions that occur in the normal operations of the natural gas system, for example, the need to vent natural gas when pressures reach levels where there could be a safety risk. There are many ongoing regulatory initiatives currently being undertaken by various agencies in the state (mostly relating to air pollution, greenhouse gases, and the increased use of renewable energy sources), to address methane emissions from the natural gas system both directly and indirectly. These include: efforts to reduce short-lived climate pollution, improvements to natural gas pipeline safety requirements largely in response to the 2010 PG&E San Bruno fatal explosion, legislative requirements to address natural gas leaks, emergency regulations to address storage well integrity, and others.

Obligation to serve. The concept of a regulatory compact recognizes a set of mutual rights, obligations, and benefits between utilities and their customers. Utilities are granted exclusive service franchise (service territories), and in exchange accept the responsibility to serve everyone in the territory (obligation to serve everyone willing to pay) and submit to rate-regulation by an economic regulator (a public utilities commission) where the utility has the opportunity to earn a rate of return. A utility's obligation to serve is noted in various statues and Constitutional provisions, most notably, in Public Utilities Code §451 which requires utilities "to furnish and maintain… adequate, efficient, just, and reasonable service." A number of statutes also provide requirements for how a utility must discontinue service, including provisions related to nonpayment by a customer.

Comments

Need for this bill. According to the author:

> SB 1359 ensures California's transition away from fossil fuels is cost-effective, equitable, and aligned with state policy. This bill protects consumers, reduces emissions, and avoids costly mistakes that could burden the state and ratepayers for decades. This bill will take the first steps to ensure that the natural gas corporations do not saddle Californians with billions in liabilities by prioritizing electrification, limiting unnecessary infrastructure investment, and ensuring that shareholders bear an appropriate share of financial risk associated with the transition.

Bill attempts to move past SB 1221 pilot projects process. This bill proposes similar requirements to decommissioning the natural gas utility system, but without many of the guardrails and protections included in SB 1221. Such an approach may result in unintended consequences that could impact costs for ratepayers, result in increased customer and community discontent, and limit the ability of the CPUC and the natural gas utilities to learn from the real-world experience the SB 1221 pilots are intended to provide. These guardrails include those related to costs to ratepayers (those benefiting and not benefiting), ensuring voluntary transition (so as to not jeopardize safety and reliability of the natural gas system), cost considerations to ratepayers and many others. In this regard, the Legislature may wish to proceed with caution given the myriad of issues that should be considered and the non-existent pilot projects that would afford better understanding and learnings of such neighborhood scale efforts to decommission portions of the natural gas utility system.

Bill shifts threshold by which natural gas corporation investments are reviewed and approved. As noted above, the CPUC requires any construction project over $75 million by the natural gas corporation to undergo additional requirements, including an application for a CPCN prior to commencing construction, or for projects near a sensitive receptor. The CPCN process provides an additional layer of scrutiny to ensure the proposed project is necessary. This bill would adjust that requirement to $10 million threshold. It is unclear whether this is a reasonable threshold or how many projects would need to undergo additional requirements that could result in delays for needed safety upgrades. In this regard, the author may wish to consider whether to extend the existing annual reporting requirement on natural gas corporations for projects that exceed $50 million to those that exceed $10 million in order to better understand whether the proposal is reasonable and feasible to implement.

Addressing leaks from natural gas system. In an effort to address systemic natural gas leaks from an aging infrastructure, as well as climate impacts due to methane, SB 1371 (Leno, Chapter 525, Statutes of 2014) required the CPUC, in consultation with CARB, to open a proceeding to adopt rules and procedures that minimize natural gas leaks from CPUC-regulated gas pipeline facilities. SB 1371 required the rules and procedures include procedures for the development of metrics to quantify the volume of emissions from leaking gas pipeline facilities, and for evaluating and tracking leaks geographically and over time that may be incorporated into CARB's mandatory GHG emission reporting. SB 1371 also required, to the extent feasible, the owner of each CPUC-regulated natural gas pipeline facility that is an intrastate transmission or distribution line to calculate and report to the CPUC and ARB a baseline system-wide leak rate, along with any data and computer models used in making that calculation. In June 2017, CPUC approved the first phase decision (D.17-06-015), which established an emission target, in-line with CARB's Short-Lived Climate Pollutant Reduction Strategy, to reduce methane emissions 40% by 2030. The first phase decision also required gas corporations to implement 26 best practices and submit biannual compliance plans, beginning in 2018, to help achieve the targeted emissions reduction goal. In August 2019, the CPUC approved the second phase decision (D.19-08-020) that set a restriction on rate recovery for PG&E and Southern California Gas beginning in 2025. These utilities must show a reduction of 20% below 2015 level by 2025.

Protecting Ratepayers. This bill replicates SB 1441 (Leno, 2016) which stalled in the Legislature. The bill sought to build-off the many efforts by the state and federal government to reduce natural gas leaks and the resulting methane emissions into the atmosphere by preventing natural gas corporations from receiving recovery from ratepayers the value of natural gas lost during the production and delivery cycle, to the extent feasible as determined by the CPUC. The intent of this bill is to eliminate all, if not, most, fugitive and other emissions during the full life-cycle of the natural gas extraction, production, distribution and delivery. Unlike SB 1441, this does not provide the CPUC with discretion to determine what is feasible to recover in rates, given the natural gas system runs as a market and, as such, the utility does not control all aspects of the system, beyond the facilities it owns and operates in the state, some CPUC discretion may be warranted. Additionally, it may not be feasible, or cost-effective, to capture 100% of all potential lost gas during the full life cycle of the natural gas system.

Concerns that safety and reliability will be jeopardized. This bill proponents seek to prioritize the state's GHG reduction policy above other priorities for the state, including safe, reliable, affordable, and accessible service. Supporters of this bill tend to desire state policy that prioritizes electrification as the priority pathway to reduce GHG emissions above other considerations. They are likely frustrated with the pace of implementation at the CPUC and the continued investments in the natural gas utility system, even as the CPUC has instituted several reforms (noted above). Opponents of this bill raise concerns about jeopardizing the existing utility system, including reliability and safety, as well as costs to customers. Given the state's experience with natural gas explosions (including the deadly 2010 San Bruno PG&E natural gas pipeline explosion and massive leak from the Aliso Canyon underground storage facility), the Legislature may wish to proceed with caution.

Prior/Related Legislation

AB 2313 (Berman) of 2026, requires the CPUC to require each gas corporation to offer a Gas Distribution Service Line Replacement Alternatives Program, on or before January 1, 2028. The bill is pending in the Assembly Utilities and Energy Committee.

SB 1221 (Min, Chapter 602, Statutes of 2024) authorized 30 pilot projects where cost-effective decarbonization of priority neighborhoods meeting specified criteria can be implemented, if the CPUC determines adequate substitute energy is available, among other requirements. The bill also required specified mapping of the natural gas utility distribution system and requires the identification of priority decarbonization neighborhood zones, authorizes gas corporations to cease providing service within the 30 pilot projects, among other provisions.

SB 527 (Min) of 2023, would have required the CPUC, in consultation with gas corporations, to develop and supervise the administration of the Neighborhood Decarbonization Program to cease providing gas utility service in an area within its service territory if the CPUC determines that adequate substitute energy service is reasonably available to support the energy end use of affected gas customers. The bill was held in the Senate Committee on Appropriations.

SB 1441 (Leno) of 2016, would have prohibited, to the extent feasible, the CPUC from allowing gas corporations to seek or receive cost recovery from ratepayers for the value of natural gas lost to the atmosphere from certain natural gas facilities when establishing rates in an individual rulemaking proceeding or in general rate cases. The bill failed passage on the Assembly Floor.

SB 1371 (Leno, Chapter 525, Statutes of 2014) required the CPUC to open a proceeding to adopt rules and procedures that minimize natural gas leaks from natural gas corporation's pipeline facilities, with the goal of reducing GHG emissions.

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

SUPPORT:

350 Bay Area Action
350 Humboldt
350 Sacramento
350 Silicon Valley
Active San Gabriel Valley
All-Electric California
Building Decarbonization Coalition Action Fund
California Environmental Voters
Carbon Free Palo Alto
Carbon Free Silicon Valley
Center for Environmental Health
CleanEarth4kids.org
Climate Action California
Elders Climate Action, NorCal
Elders Climate Action, SoCal
Environmental Protection Information Center
Los Angeles Climate Reality Project
Lutheran Office of Public Policy - California
Natural Resources Defense Council
Physicians for Social Responsibility - San Francisco Bay

QuitCarbon
Resilient Palisades
San Diego 350
San Diego Building Electrification Coalition
San Francisco Baykeeper
Sierra Club California
The Climate Center
Vector Green Power

OPPOSITION:

Anaergia
Bioenergy Association of California
Boys and Girls Republic
California Bioenergy
California Contract Cities Association
California Hydrogen Business Council
California Metals Coalition
California Renewable Transportation Alliance
Central City Association of Los Angeles
Central Valley Business Federation (BizFed)
Cespira
City of Simi Valley
Clean Energy
County of Fresno
CR&R Environmental Services
Crenshaw Chamber of Commerce
Doty Bros Construction Company
Earth Foundries
EconAlliance
Economic Development Coalition of Southwest Riverside County
El Concilio Family Services
Gateway Chambers Alliance
Golden State Natural Gas Systems
Greater Bakersfield Chamber of Commerce
Greater Conejo Valley Chamber of Commerce
Greater High Desert Chamber of Commerce
Greater Irvine Chamber of Commerce
Greater Ontario Business Council
Herman Weissker
HW Power
Imperial Energy Partners

Imperial Valley Regional Chamber of Commerce
Inland Action
Los Angeles County Business Federation (BizFed)
Mainspring Energy
Meruelo Enterprises
Monterey One Water
Moreno Valley Chamber of Commerce
Newton Heat Treating Co.
Orange County Business Council
Pacific Gas and Electric Company
Pyramid Flowers
Regional Chamber of Commerce San Gabriel Valley
San Diego Gas and Electric Company
San Gabriel Valley Economic Partnership
Santa Ana Chamber of Commerce
Santa Clarita Valley Chamber of Commerce
Santa Maria Valley Chamber
Sierra Alloys
South Orange County Economic Coalition
Southern California Gas Company
Stater Bros. Markets
Teknor Apex
The Arc Los Angeles and Orange Counties
TSS Consultants
United Way of Tulare County
USA Water and Power
Valley Industry and Commerce Association
Ventura County Coalition of Labor, Agriculture and Business
Ventura County Economic Development Association
Ventura County Taxpayers Association
Waste Management
Western States Trucking Association
Yosemite Clean Energy

ARGUMENTS IN SUPPORT: A coalition of organizations in support of the bill, including the Building Decarbonization Coalition Action Fund, California Environmental Voters, and the Natural Resources Defense Council states:

> SB 1359 establishes an essential guardrail: before approving major gas infrastructure investments, the CPUC must ensure those investments are consistent with the state's greenhouse gas reduction targets and do not create stranded asset risk. Continuing to invest billions into long-lived gas assets

> without evaluating electrification and non-pipeline alternatives is not only inconsistent with state policy, it is financially irresponsible. … SB 1359 begins to shift that trajectory by encouraging smarter, forward-looking investments that prioritize clean alternatives and reduce unnecessary system costs over time.

ARGUMENTS IN OPPOSITION: According to San Diego Gas & Electric and Southern California Edison:

> SB 1359 continues to risk higher costs for customers, undermine safe and reliable service, and preempt the CPUC's ongoing gas planning proceedings with prescriptive statutory mandates. While the amended bill recognizes safety and reliability considerations in limited circumstances, it still restructures core utility investment, service, and cost-recovery principles in ways that create uncertainty, delay needed infrastructure work, and ultimately harm customers. This bill is premature because it mandate sweeping structural changes before the state and stakeholders have completed ongoing long-term gas planning and fully evaluated all viable decarbonization pathways.

-- END --