

Date of Hearing: May 7, 2025

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

AB 1026 (Wilson) – As Amended April 10, 2025

SUBJECT: Planning and zoning: housing development projects: postentitlement phase permits: electrical corporations

SUMMARY: Establishes specific timelines and procedural requirements for investor-owned utilities (IOUs), involved in postentitlement permits for housing development applications.

Specifically, **this bill:**

- 1) Includes electrical corporations to the definition of a “local agency”, for purposes of postentitlement permit issuance.
- 2) Requires an electrical corporation to compile lists specifying information required from any applicant for a postentitlement phase permit. The electrical corporation may revise the lists of information required from an applicant, but any revisions shall not apply to permit applications that are already pending review.
- 3) Requires an electrical corporation to post an example of a complete, approved application and an example of a complete set of postentitlement phase permits for a housing development project.
- 4) Requires an electrical corporation to make the items referenced in (2) and (3) available on its internet website no later than July 1, 2026.
- 5) Requires an electrical corporation that determines an application is incomplete to provide the applicant with a list of the missing items and a description of how the application can be completed as specified.
- 6) Requires an electrical corporation to determine whether a postentitlement phase permit application is complete and to provide written notice of its determination to the applicant within 15 business days of receiving the application. If an electrical corporation determines that an application is incomplete, it shall provide the applicant with a list of the missing items and a description of the steps needed to complete the application.
- 7) Requires that, upon receiving notice that an application is incomplete, the applicant may address and correct the deficiencies identified by the electrical corporation. When reviewing an application, the electrical corporation may not require any items not included in the previous list as specified.
- 8) Requires that, if an applicant submits a revised application, it shall be subject to the same timeline and requirements, including a determination of completeness within 15 business days.

- 9) Requires that, if an electrical corporation fails to make a timely determination as required, and the application or resubmitted application states that it is for a postentitlement phase permit, the application shall be deemed complete.
- 10) Requires an electrical corporation to complete the application review process, as specified, for housing development projects with 25 or fewer units. Once the application is deemed complete, the electrical corporation must transmit its determination to the applicant by email—and, if applicable, post the response on its website—within 30 business days.
- 11) Provides that if the electrical corporation requires an outside entity to review the application, the applicable time limits under this bill shall be tolled until the review is completed and the application is returned to the electrical corporation. The electrical corporation is then required to complete the review within the remaining time. The electrical corporation is also required to notify the applicant of the tolling and the resumption of the timeline within three business days, via electronic mail and, if applicable, by posting the notice on its website.
- 12) Requires that if an electrical corporation finds that a complete application is noncompliant, the electrical corporation shall provide the applicant with a list of items that are noncompliant and a description of how the application can be remedied by the applicant.
- 13) Requires an electrical corporation to provide a process for applicants to appeal a determination that a postentitlement phase permit application is incomplete, denied, or noncompliant.
- 14) Clarifies that the provisions of this bill do not limit the amount of feedback an electrical corporation may provide or the number of revisions it may request from an applicant.
- 15) Clarifies that the provisions of this bill do not preclude an applicant and an electrical corporation from mutually agreeing to extend any time limit established by this section. However, an electrical corporation shall not require such an agreement as a condition for accepting or processing a postentitlement phase permit application, unless the extension is intended to allow concurrent processing of related approvals or environmental review for the same housing development project.

EXISTING LAW:

- 1) Defines “postentitlement phase permit” as follows:
 - a) All nondiscretionary permits required by a local agency after the entitlement process to begin construction of a development that is intended to be at least two-thirds residential, excluding specified planning permits, entitlements, and other permits. These permits include, but are not limited to, all of the following:
 - i) Building permits, and all inter-departmental review required for the issuance of a building permit;
 - ii) Permits for minor or standard off-site improvements;

- iii) Permits for demolition; and
 - iv) Permits for minor or standard excavation and grading.
- b) Allows a local agency to identify by ordinance a threshold for determining whether a permit constitutes a “minor” or “standard” permit if supported by written findings; and
 - c) Excludes a permit required and issued by the California Coastal Commission (Commission), a special district, or a utility that is not owned and operated by a local agency, or any other entity that is not a city or county. (Government Code § 65913.3)
- 3) Requires a local agency, defined to include a city or county, to compile one or more lists of information that will be required from any applicant for a postentitlement phase permit. (Government Code § 65913.3)
 - 4) Defines “electrical corporation” as every corporation or person owning or managing any electric plant for compensation within the state, except as specified. This definition would be inclusive of the three largest investor-owned utilities (IOUs) in the state—Pacific Gas & Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E)—but also smaller or multi-state IOUs and rural electric cooperatives. (Public Utilities Code § 218)
 - 5) Authorizes the California Public Utilities Commission (CPUC) to establish an expedited distribution grid interconnection dispute resolution process with the goal of resolving disputes over interconnection applications within the jurisdiction of the CPUC in no more than 60 days from the time the dispute is formally brought to the CPUC. (Public Utilities Code § 769.5)
 - 6) Requires an electrical corporation to permit any new or existing customer who applies for an extension of service from that electrical corporation to install an electric extension in accordance with the regulations of the CPUC and any applicable specifications of that electrical corporation. (Public Utilities Code § 783)
 - 7) Establishes guidelines for the design, cost allocation, and responsibilities of a project applicant and a utility for electric distribution line extensions necessary to furnish permanent electric service. (Electric Rule 15)
 - 8) Establishes guidelines for the design, cost allocation, and responsibilities of a project applicant and a utility for the extension of electric service from an investor-owned utility (IOU) distribution line. (Electric Rule 16)

FISCAL EFFECT: None. This bill is keyed non-fiscal.

CUSTOMER COST IMPACTS: Unknown.

BACKGROUND:

Role of Local Government in Housing Development — According to multiple reports, California is the most expensive state for building multifamily housing, due in part to prolonged approval timelines, regulatory complexities, high development fees and other related challenges.^{1,2,3} The Department of Housing and Community Development also cites permitting delays and procedural requirements as factors that impede housing production. Often, approval delays contribute significantly to overall development costs. In California, housing development requires developers to obtain approvals from multiple levels of government, and coordinate with IOUs for electric service connections and related infrastructure. The approval process begins at the local level. The California Constitution⁴ grants cities and counties broad authority— known as police power—to shape land use decisions that promote public health, safety, and general welfare.⁵ Local governments exercise this authority through the entitlement process, which includes —discretionary approvals, such as conditional use permits that require case-by-case review—and ministerial approvals, like building permits that are issued based on pre-established standards.

Postentitlement Permits — Securing “entitlement” involves obtaining formal approval from a local government, confirming that a proposed housing project meets the applicable zoning regulations and design standards, including aspects such as land use, density, height, and site layout.⁶ Once a project secures entitlement—or formal approval—from the local planning department, it must also obtain post-entitlement permits, such as building and demolition permits. These permits, typically issued by the local building or public works department, ensure the project complies with structural, fire, and environmental safety codes, as well as site-specific engineering requirements before construction can begin.

Legislative Attempts to Address Permitting Delays – Over the years, the Legislature has passed numerous bills to address delays in both the local entitlement and post-entitlement processes. Recently, AB 2234 (Rivas, Chapter 651, Statutes of 2022) established specific timelines and digital application requirements to expedite the issuance of ministerial permits, including those for building, demolition, and excavation permits. Under this legislation, cities and counties must now act on these permit applications within 30 to 60 business days, depending on the project type.

Energization Delays in IOU Territories – California’s clean energy and climate policies—including the expansion of renewable electricity, the electrification of buildings, and the transition to zero-emission transportation—are driving increased demand for new electric service connections and upgrades to the distribution grid. In parallel, the state’s efforts to accelerate

1 RAND; “Cost to Build Multifamily Housing in California More Than Twice as High as in Texas.”; <https://www.rand.org/news/press/2025/04/cost-to-build-multifamily-housing-in-california-more.html>; Accessed May 2, 2025.

2 GV Wire, “California’s Multifamily Housing Production Costs Soar Above Other States.”; <https://gvwire.com/2025/04/30/californias-multifamily-housing-production-costs-soar-above-other-states/>; Accessed May 2, 2025

3 CAL MATTERS; “Californians: Here’s why your housing costs are so high”; <https://calmatters.org/explainers/california-housing-costs-explainer/>; Accessed May 3, 2025

4 Cal. Const., art. XI, § 7

5 Institute for Local Government; “LOCAL GOVERNMENT 101 - Local Agency Powers and Limitations”; 2012

6 University of California Berkeley; “Examining the Local Land Use Entitlement Process in California to Inform Policy and Process.” Accessed May 2, 2025

housing supply—driven by statutory requirements⁷—rely on timely, reliable, and accessible electric service connections. The process of energization varies widely based on project type (from single-family homes to multifamily complexes or commercial facilities), utility territory, required system upgrades, and external conditions such as weather, supply chain delays, or incomplete customer applications or permits. Depending on these variables, energization can take anywhere from a few weeks to several years.

Legislative Response to Energization Delays – To provide customers with certainty regarding expected timelines for grid connections and service upgrades, the Legislature passed SB 410 (Becker, Chapter 394, Statutes of 2023). This bill directs the CPUC to establish reasonable average and maximum target energization time periods by September 30, 2024. To ensure transparency and accountability, the legislation requires IOUs to report their performance in meeting these targets, including detailed analyses of staffing levels and workforce projections. The CPUC is also expected to implement procedures for customers to report energization delays, enabling the CPUC to take remedial actions if necessary. In parallel, AB 50 (Wood, Chapter 317, Statutes of 2023) complements SB 410 by focusing on utility accountability and transparency in the energization process. It directs the CPUC to define criteria for timely electric service, including establishing categories of service, setting average energization timeframes, and identifying exceptions for complex projects.

CPUC Decision in Response to Legislative Efforts – On September 12, 2024, the CPUC issued the decision in response to SB 410 and AB 50.⁸ This decision establishes statewide energization timelines, reporting requirements, and customer engagement standards for the state's three major investor-owned utilities (IOUs): Pacific Gas and Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E). Some of the key provisions include:

- **Statewide Energization Timelines:** Establishes average and maximum timeframes for various types of service requests.
- **Customer Engagement Standards:** Utilities are required to assign a project manager within 10 business days of application approval to serve as the main point of contact during the energization process. The project manager must:
 - Provide an overview of the energization process, including steps to complete a request and responsible parties.
 - Within 48 hours of identifying a delay or potential delay, discuss with the customer the cause, responsible party, estimated resolution timeframe, and potential remedies.
 - Within 10 business days of identifying issues that could delay or cancel a customer's energization request, provide clear steps to keep the project on track.
- **Customer Engagement and Communication Plan:** Utilities must submit plans to the CPUC outlining how they will build the workforce needed to respond to energization requests and how they will communicate timelines and processes to customers.

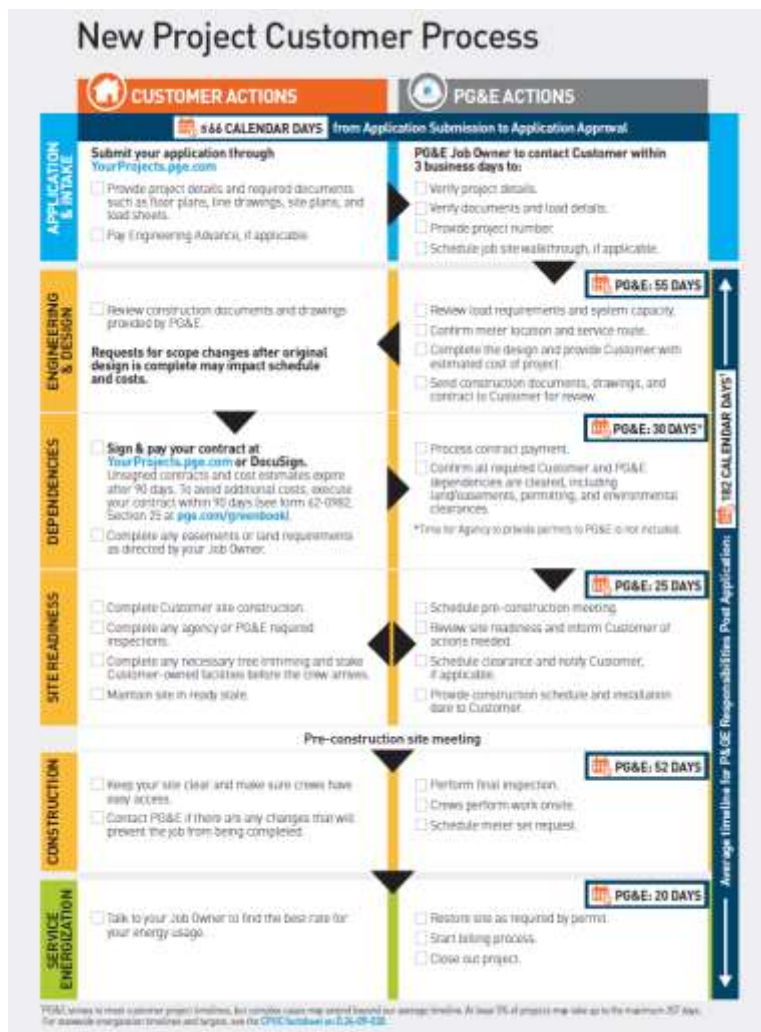
⁷ Regional Housing Needs Allocation (RHNA) is the process by which the California Department of Housing and Community Development (HCD) determines how many housing units each city and county must plan for within their Housing Element, while laws like SB 35 (and its successor, SB 423) streamline the approval process for

⁸ D. 24-09-020; Decision on, "Establishing Target Energization Time Periods and Procedure for Customers to Report Energization Delays"; R. 24-01-018; September 12, 2024.

COMMENTS:

1) *Author's Statement.* According to the author, “California’s housing crisis demands action—not just in building new homes, but in removing unnecessary roadblocks that slow down production. Too often, housing developments that have already been approved face excessive delays in the utility connection process, leaving new units unoccupied and driving up costs for developers and future residents. These delays are not only frustrating, but they also contribute to California’s housing shortage by making it harder to get projects completed on time. AB 1026 addresses this issue by requiring investor-owned utility companies to adhere to clear, standardized timelines for reviewing applications, ensuring transparency and accountability in the process. By streamlining utility connections, this bill will help get housing projects across the finish line faster—meaning more Californians will get into homes sooner.”

2) *New Customer Energization Map.* **Figure 1:** The Customer Energization Map (Titled



New Project Customer Process): The illustration outlines the sequence of actions that a customer (e.g., a project developer) and an IOU—PG&E, in this case—must take to establish electric service for new construction projects.⁹ It outlines responsibilities on both sides—from submitting an application to final service activation—organized by project phase (e.g., application intake, engineering, construction). The process begins once a customer submits project details and site plans—typically after obtaining local postentitlement permits such as a building or demolition permit. PG&E then contacts the customer, then performs technical reviews and finalizes engineering designs. The customer must also sign contracts, pay fees, and submit all required documents. After the site is

prepared, PG&E inspects the site and schedules construction. PG&E’s responsibilities

⁹ PG&E, “New Project Customer Process”; <https://www.pge.com/assets/pge/localized/en/docs/account/service-requests/GraphicFlowProcess.pdf>

include installing infrastructure (like transformers or line extensions) and ultimately energizing the service. The utility's role is to carry out the work needed to deliver power to permitted projects. This operational workflow is not regulatory in nature—it is logistical, technical, and governed by utility tariffs and CPUC oversight. By applying permitting rules to utilities, AB 1026 incorrectly assumes that electrical corporations operate like local permitting agencies. In practice, IOU energization processes occur in parallel to local permitting, with the IOU ultimately providing service only after permits have been issued, not as part of the permitting process itself.

- 3) *Streamlining Postentitlement Permit Processing.* As previously mentioned, AB 2234 (R. Rivas, Chapter 651, Statutes of 2022) established specific timelines and procedural requirements for local governments when processing postentitlement permits for housing developments. This legislation applies only to non-discretionary approvals—such as building, excavation, and encroachment permits—that are required after a project receives its land use entitlements, such as zoning changes or site plan approvals, but before construction can begin. The measure is intended to address administrative delays that occur after a project has secured all discretionary land use approvals—such as zoning changes, conditional use permits, or site plan approvals—but before construction can begin. Specifically:
- Deemed Complete Timeline: Local governments must determine whether an application is complete within 15 business days of receipt;
 - Permit Decision Timeline: Local governments must approve or deny postentitlement permits within 30 to 60 business days, depending on project size;
 - Revision Timeline: If an application is deemed incomplete, the local government must notify the applicant in writing within 15 business days of receipt, clearly identifying the missing information, and allow the applicant to submit a revised application.
 - Appeal Process: Requires local agencies to establish clear procedures and timelines for applicants to appeal permit denials or completeness determinations.

Additionally, the legislation requires local governments to prepare lists specifying required application materials and post examples of approved permits on their official websites.

- 4) *IOUs and Postentitlement Permits.* AB 1026 extends the post entitlement permitting framework established by AB 2234 (R. Rivas, 2022) to IOUs by redefining “local agency” to include electrical corporations regulated by the CPUC. This change makes IOUs subject to the same procedural timelines and requirements as cities and counties when responding to postentitlement phase applications. IOUs are also required to publish lists of required materials and examples of completed applications—mirroring transparency provisions originally designed for permit-issuing agencies.

However, the measure may be difficult to implement as drafted because IOUs are not permitting authorities. Unlike cities or counties, IOUs do not issue postentitlement permits such as building or demolition permits. These permits fall under the jurisdiction

of local governments, which have land use and regulatory authority under state and local law. In contrast, IOUs are regulated by the CPUC and are responsible for providing electric service infrastructure—such as designing, constructing, and energizing utility connections—after a project has already received the necessary permits to build.

Therefore, it is unclear how this bill would be implemented. The intention of this measure, in aligning IOU processes with local permitting processes, is to create a unified approach to all the requirements project developers need to get their development constructed and finished. IOUs do play an important role in this process, as buildings must be energized; however, the role articulated in this measure is inaccurate. *To address this discrepancy but also retain the value of the measure in articulating IOU requirements for project developers, the committee recommends deleting language that assigns postentitlement service responsibilities to IOUs and instead recommends aligning this bill to the energization process to ensure it appropriately reflects the utility's actual scope of authority.*

- 5) As noted earlier, SB 410 (Becker, 2024) directs the CPUC to establish reasonable average and maximum target energization time lines. In response, the CPUC issued a decision in September 2024, requiring IOUs to determine whether an energization application is complete within an average of 10 business days. *Consistent with this effort, the committee recommends requiring IOUs to provide written notice to applicants confirming whether an energization application is complete within an average of 10 business days—and no later than 45 business days—unless a different timeline is set by the CPUC.*
- 6) *Recent CPUC Decision.* As alluded to earlier, the CPUC is taking steps to improve utility coordination by requiring a dedicated project manager for each new service application. This individual serves as the applicant's primary point of contact throughout the energization process and helps identify and resolve potential delays. Given this existing structure to improve coordination, increase accountability, and reduce uncertainty, the extent to which this bill is still needed to achieve those same objectives may warrant further consideration.
- 7) *Related Legislation.*

AB 301 (Schiavo, 2025) establishes specific timeframes for all state departments involved in postentitlement reviews and approvals for housing developments. Status: Assembly Committee on Appropriations.

- 8) *Prior Legislation.*

AB 281 (Grayson) requires special districts to comply with specified timeframes, similar to those for cities and counties, when reviewing and approving postentitlement phase permit applications from housing developers. Status: Chapter 735, Statutes of 2023.

SB 410 (Becker) requires the California Public Utilities Commission (CPUC) to establish by September 30, 2024, reasonable average and maximum target energization time periods in order to connect new customers and upgrade the service of existing customers to the electrical grid. Status: Chapter 394, Statutes of 2023.

AB 50 (Wood) Requires the CPUC, to determine the criteria for customers to receive timely electricity service when requesting new service connections or upgraded service, known as "energization." Proposes several policies to address delays in connecting customers to the electrical grid, including improved information sharing with local governments, reporting by electric IOUs, and other measures. Status: Chapter 317, Statutes of 2023.

AB 2234 (Rivas) requires a local agency to post information related to postentitlement phase permits for housing development projects, process those permits in a specified time period depending on the size of the housing development, and establish a digital permitting system if the local agency meets a specific population threshold. Status: Chapter 651, Statutes of 2022.

- 9) *Double referral*. This bill was heard in the Housing and Community Development Committee on April 9 and passed by a vote of 11-0-1.

REGISTERED SUPPORT / OPPOSITION:

Support

Abundant Housing LA
California Building Industry Association (CBIA)
Californiayimby
Central City Association of Los Angeles
Circulate San Diego
East Bay Yimby
Grow the Richmond
Habitat for Humanity Greater San Francisco
Housing Action Coalition
Housing California
Midpen Housing
Midpen Housing Corporation
Mountain View Yimby
Napa-solano for Everyone
Northern Neighbors
Peninsula for Everyone
Santa Cruz Yimby
Santa Rosa Yimby
Sf Yimby
South Bay Yimby
South Pasadena Residents for Responsible Growth
The Two Hundred
Ventura County Yimby
Yimby Action
Yimby LA
Yimby Slo

Opposition

Pacific Gas and Electric Company
Edison International and Affiliates, Including Southern California Edison

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