

SB 1221 Implementation & Pilot Projects

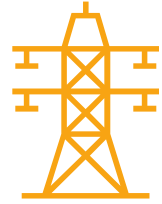
C/CAG of San Mateo County

Resource Management and Climate Protection Committee

March 18, 2026



California Public
Utilities Commission



Electric and
natural gas utilities



Communications

Industries CPUC regulates



Rail safety



Passenger carriers



Water systems



→ Rulemaking



Applications



Complaints



Investigations

SB 1221 is part of a rulemaking procedure

Long-Term Gas Planning

R.24-09-012

↑
year

↑
month

↑
Item number

↓
Rulemaking

SB 1221 Pilot Project Criteria & Timeline

- 2024 California Legislature passed SB 1221 requiring the CPUC to establish a voluntary zonal decarbonization program.
- December 2025 – 151 initial zones designated by 2020 census tract using the following:
 - Local government requested to participate
 - 10 percent or more of the gas distribution main pipelines in the area are expected to be replaced by the utility in the coming decade, reflecting the potential opportunity for cost savings.
- Initial zones capped at 25 tracts per county, except the census tracts with high CalEnviroScreen scores.
- Long-Term Gas Planning & Rulemaking: [Proceeding Information](#)

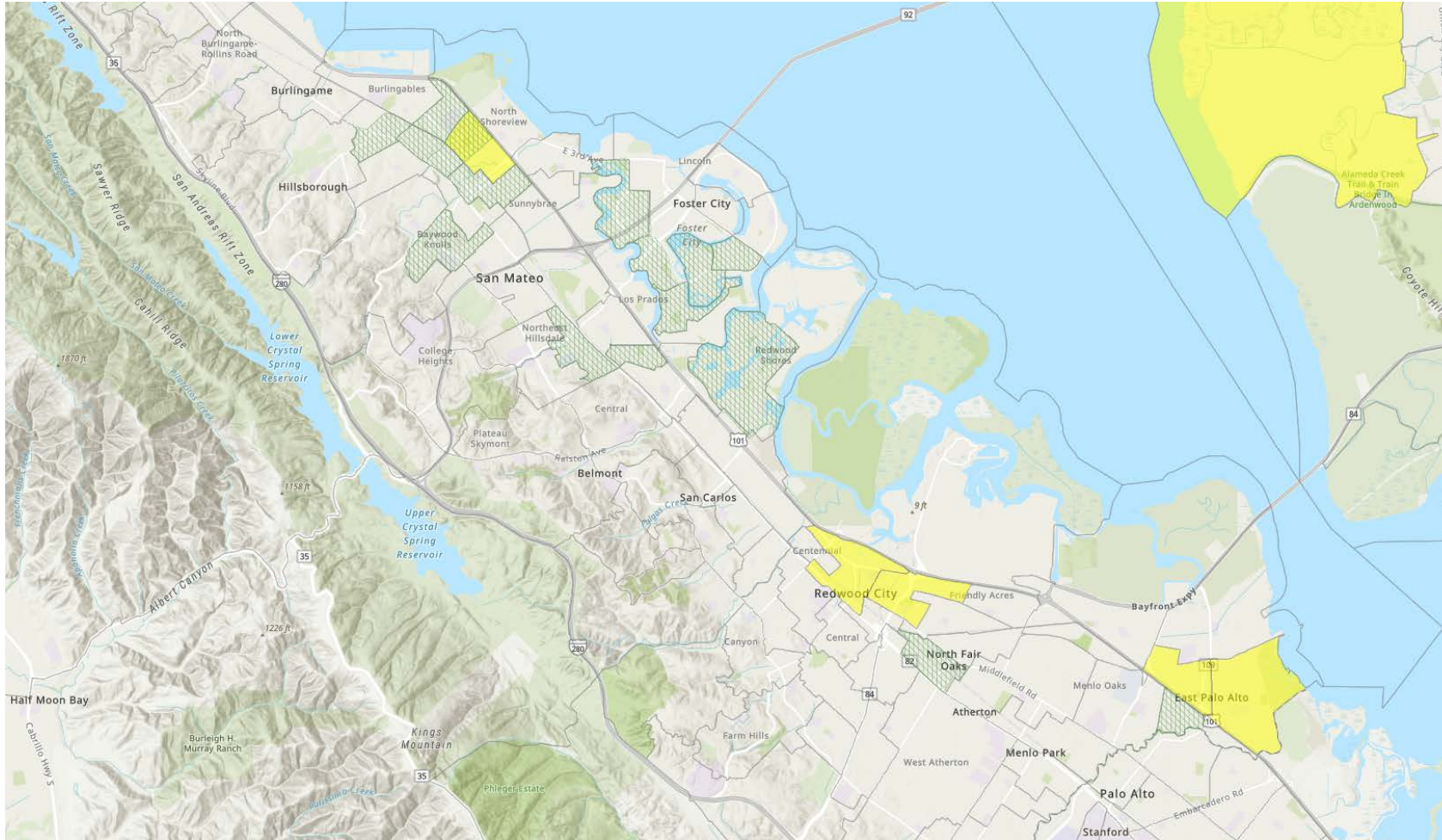
SB 1221 Pilot Project Criteria & Timeline

- March 2026– Utility outreach to regions.
- April 2026 – Utilities report back to the CPUC.
- July 2026 – CPUC will adopt the SB 1221 pilot program requirements.
- CPUC to update zones by December 2026 but may do so earlier.
- The Legislature noted that cost-effective, zero-emission alternatives to pipeline replacement projects may be considered.

SB 1221 Pilot Project Criteria & Timeline

- Scoping ruling extended August 2027, to incorporate SB 1221 into R.24-09-012.
- Local government participation & coordination.
- CPUC establishes voluntary pilot programs.
- Total of 30 projects.
- 67% of the customers within the pilot project area must agree to the zero-emission alternative and if the project is successfully implemented, the CPUC will relieve the gas corporation of its obligation to serve.

SB 1221 Pilot Project Criteria & Timeline



CPUC Engagement

- Website: www.cpuc.ca.gov
- CPUC Tools Docket Card: www.cpuc.ca.gov/documents
- Subscription Service: <http://subscribe.cpuc.ca.gov>
- Service List: <https://ia.cpuc.ca.gov/servicelists>
- Daily Calendar: www.cpuc.ca.gov/Events/

Actions for Local Government & CBOs

- Track a proceeding and register for updates.
- Sign on to regional newsletters.
- Follow PG&E activities and outreach via online meetings that cover their Bay Area activities.
- See PG&E zonal decarbonization map here:
<https://sb1221.pge.com/>
- Host a workshop or a roundtable for agency participation.
- Learn more about the CPUC: [About the CPUC](#)

Questions?





California Public Utilities Commission

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