



May 5, 2026

The Honorable Sabrina Cervantes, Chair
Senate Appropriations Committee
Sacramento, CA 95814

Re: Opposition to SB 1359 (Stern, Gas Infrastructure)

Dear Chair Cervantes:

The undersigned organizations are writing in opposition to SB 1359 (Stern), which would make several changes to gas infrastructure planning and financing that would harm the state's climate change, air quality, energy reliability, and circular economy goals. As described more below, SB 1359 would harm efforts to reduce methane leakage and critical efforts to reduce Short-Lived Climate Pollutant emissions, which climate scientists agree is the most urgent measure to mitigate climate change.

We oppose SB 1359 for the following reasons.

- 1. SB 1359 will Impede Progress on Methane Reductions that are Required by State Law and that Provide the Most Urgent Climate Solution.**

Climate Scientists agree that methane reduction is the most urgent climate solution because methane is both a climate super pollutant and a short-lived climate pollutant. According to the California Air Resources Board, the “science unequivocally underscores the need to immediately reduce emissions of short-lived climate pollutants (SLCPs)” and “efforts to reduce short-lived climate pollutant emissions can provide outsized climate and health benefits.”¹ The United Nations Environment Program agrees, stating that “Cutting methane is the strongest lever we have to slow climate change over the next 25 years and complements necessary efforts to reduce carbon dioxide. The benefits to society, economies, and the environment are numerous and far outweigh the cost.”²

Methane is 84 times more damaging than carbon dioxide over a 20-year period.³ Even more importantly, methane reductions benefit the climate right away, whereas reductions in carbon dioxide emissions from fossil fuel burning take decades or even centuries to benefit the climate.⁴ That is why SB 1383 (Lara, 2016), the state’s SLCP reduction law, requires a 40 percent reduction in methane by 2030⁵ and requires state agencies to adopt policies and incentives to increase the instate production and use of renewable gas, including biogas and biomethane, that can replace fossil gas.⁶

The state’s gas infrastructure is critical to achieving these requirements. In fact, California’s *Short-Lived Climate Pollutant Reduction Strategy* calls specifically for the conversion of organic waste to pipeline biomethane as a way to reduce methane emissions.⁷ 86 percent of California’s methane emissions come from organic waste.⁸ The single most effective methane reduction strategy is converting that organic waste to biomethane and using the biomethane in place of diesel or other fossil fuels. According to CARB’s annual analysis of the state’s climate investments, converting organic waste to energy is the most cost-effective of all climate investments and the conversion of dairy manure, in particular, has been the single most effective methane reduction

¹ *Short-Lived Climate Pollutant Reduction Strategy*, adopted by the California Air Resources Board, March 2017, at page 1.

² <https://www.unep.org/news-and-stories/press-release/global-assessment-urgent-steps-must-be-taken-reduce-methane>.

³ <https://www.iea.org/reports/methane-tracker-2021/methane-and-climate-change>.

⁴ *Short-Lived Climate Pollutant Reduction Strategy*, adopted by the California Air Resources Board, March 2017, at page 1.

⁵ SB 1383 (Lara, 2016); Health and Safety Code section 39730.5

⁶ Health and Safety code section 39730.8 (c), (d) and (e).

⁷ *Short-Lived Climate Pollutant Reduction Strategy*, at page 3.

⁸ *2022 Climate Change Scoping Plan for Achieving Carbon Neutrality*, issued by the California Air Resources Board on November 15, 2022, at page 226, Figure 4-12.

program in the state.⁹ California's *2022 Climate Change Scoping Plan* calls specifically for increased biomethane production and capture from the state's landfills, dairies and other organic waste sources.¹⁰ Almost all of these projects rely on the state's gas pipelines to transmit that biomethane.

The *2022 Climate Change Scoping Plan* makes clear that both biomethane and renewable hydrogen will be needed to decarbonize hard to electrify sectors, for electricity reliability, and for some transportation uses such as aviation, maritime and rail. Shutting down gas infrastructure before assessing the long term need for decarbonized gas is counter-productive and will slow California's efforts to reduce methane and other SLCP emissions while the urgency of those reductions is more and more clear.

2. SB 1359 Will Slow Progress in Addressing Methane Leaks from Gas Infrastructure.

SB 1359 will also slow the state's efforts to reduce methane leaks from the oil and gas sector. SB 1359 would prohibit utilities from recovering in rates any investments in methane leak prevention or mitigation. This provision would be incredibly harmful by disincentivizing utility actions to reduce methane leakage. Infrastructure maintenance – especially for the protection of public health and safety – is the most essential function that utilities provide. Methane leaks not only cause serious climate and air quality impacts, but directly threaten public safety and other infrastructure.

Given the urgency of preventing and repairing methane leaks, this provision of SB 1359 could be truly catastrophic by essentially penalizing utilities for maintaining their gas infrastructure. This is the exact opposite of what the state should be doing, which is to encourage any and all steps needed to reduce leakage from gas infrastructure. It is hard to imagine any other area of utility maintenance or safety measures that the Legislature would prohibit utilities from rate-basing. As long as there is gas infrastructure and gas usage in California, utilities should be encouraged to maintain the highest safety standards, including maintenance to prevent and stop methane leakage, and that means rate-basing that critical maintenance.

⁹ California Air Resources Board, *California Climate Investments 2022 Mid-Year Data Update*, September 2022, showing that investments in dairy digesters and diverted organic waste cut carbon emissions for \$9 and \$10 per ton, respectively. ARB's 2021 Annual Report to the Legislature on California's Climate Investments also showed that investments in organic waste to energy were the most cost-effective of all the state's climate investments. See Table 2, pages 17-18.

¹⁰ 2022 Climate Change Scoping Plan at page 79.

3. SB 1359 Prematurely Calls for Gas Decommissioning and Inappropriately Calls on Utilities to Develop Gas Decommissioning Plans.

SB 1359 calls on the utilities to develop gas decommissioning plans, which is misguided for several reasons. First, the state has yet to conduct an assessment of the long-term needs for decarbonized gas. AB 1849 (Papan) calls for such an assessment, but even if that legislation is enacted, it will be several years until the assessment is complete. To begin planning for decommissioning when there is no basis for determining how much and on what timeline does not make sense.

Second, according to the *2022 Climate Change Scoping Plan*, significant amounts of decarbonized gas will be needed for hard to electrify sectors, firm power for electricity reliability, and heavy-duty transportation such as aviation, maritime and rail. California continues to obtain more than one-third of its electricity from natural gas because gas has unique operational characteristics such as long duration (seasonal) storage and the ability to provide dispatchable and firm power. While some of that fossil gas can be displaced by other firm power sources such as geothermal or hydropower, only gas can provide seasonal storage and dispatchable power. To decarbonize remaining gas use in the power sector, and to prevent the adoption of more and more diesel generation, decarbonized gases such as biogas, biomethane and hydrogen are needed.¹¹

The need for decarbonized gas in hard to electrify sectors is also significant. As the Scoping Plan points out, many industrial and manufacturing processes require high heat that can only be produced by combustion and, therefore, the state will need a significant amount of decarbonized gas for these sectors, including glass, steel, cement, wood processing and food processing.¹²

Finally, it does not make sense to ask gas utilities to plan for their own demise. Even assuming much of California's gas infrastructure will eventually be decommissioned, it would be hard for gas utilities to objectively plan this process. It would make far more sense to first conduct an assessment of long-term gas needs and then to base the timeline by which various parts of the gas infrastructure could be decommissioned on that assessment. A public agency like the California Energy Commission would be a far more appropriate entity to prepare a decommissioning plan and only once the state has determined how much gas and gas infrastructure will be required for the long run.

¹¹ *2022 Climate Change Scoping Plan* at pages 195, 197, 198 and 205.

¹² *2022 Climate Change Scoping Plan* at pages 207, 209-211.

For all these reasons, the undersigned organizations respectfully urge the Senate Appropriations Committee to hold SB 1359.

Sincerely,

Mark Bragg
USA Water and Power

John McNamara
CR&R Environmental Services

Lee Brown
Western States Trucking Association

Nicole Rice
California Renewable Transportation
Alliance

Ross Buckenham
California Bioenergy

Yaniv Scherson
Anaergia

Teresa Cooke
California Hydrogen Coalition

Dede Smullen
Earth Foundries

Katrina Fritz
California Hydrogen Business Council

Matthew Thompson
Monterey One Water

Richard Hammond
Bio-Tronic Energy

Fred Tornatore
TSS Consultants

Ryan Kenny
Clean Energy

Katie Vassalli
The Transport Project

Charlie Ker
Cespira

Kevin Weddle
Golden State Natural Gas Systems

Kent Leacock
Mainspring Energy

Christine Wolfe
Waste Management

Julia A. Levin
Bioenergy Association of California

Declan Maddern
Yosemite Clean Energy