

This past Tuesday — on the one-year anniversary of Donald Trump taking office and immediately declaring a national energy emergency — the new governor of New Jersey took office and immediately declared a state energy emergency. But these two approaches to executive action on energy couldn't be more different and the results will help define the affordability debate in 2026.

During her inaugural speech, New Jersey Governor Mikie Sherrill signed two executive orders aimed at fulfilling her campaign pledge to declare a state of emergency on utility costs on day one of her administration. Executive Order No.1 delivers "immediate ratepayer relief" and freezes rate hikes for New Jersey families. "I want you to know that I will be fighting for you and I hope, New Jersey, you'll remember me when you open up your electric bill and it hasn't gone up by 20%," Sherrill said. Executive Order No. 2 takes action to "massively expand in-state power generation" – including solar and battery storage in the short-term, and nuclear power in the long-term, to lower electric bills. Her order will also identify permit reforms so projects can be created faster "to take on the affordability crisis," Sherrill said.

Paying people to offset bill hikes is relatively quick while investing in energy supply takes time. **Matthew Zeitlin** at Heatmap News described this combination as "throwing every broadly left-of-center idea around energy at the wall and seeing what sticks." Policymakers in other states will be watching what happens in New

Jersey.

Now, I usually avoid the slow, boring, devil's advocate centrism of **Matt Yglesias**, but his op-ed last month arguing that "liberals should support America's oil and gas industry" to win back power has been inescapable, and applies here. "Responsible environmental policy is inseparable from sustainable political strategy" he writes, and so Dems should bring back the "all of the above" strategy of the Obama era. This argument largely ignores the dramatic drop in prices for renewable energy and the urgency of rising temperatures since, you know, 2009.

The new governor of New Jersey railed against the "affordability crisis" and high energy prices without showing any support for the oil industry or even mentioning gas prices. But she didn't mention "climate change" either while talking about modernizing our energy. Not surprising. There is a pervasive exhaustion with the word "climate" as the right frame for taking action on climate change, **Robinson Meyer** writes at Heatmap News, which does an annual survey of industry thinkers. "Climate change, unfortunately, has become too politicized, one lobbyist is quoted as saying. "I'd rather talk about decarbonization than climate change."

So-called "climate hushing" rests on a fundamental flaw, Covering Climate Now writes, "It focuses on only one form of climate realism, the *political*, while ignoring a more important one, the *scientific*." Surveys show 74% of Americans want political leaders to take more climate action, according to CCN.

Meanwhile, democrats in nearby Massachusetts are jockeying with one another for how to tackle the affordability crisis. The governor and legislature have competing energy-affordability bills, **Sarah Shemkus** reports at Canary Media.

And in a rare show of bipartisan agreement, the Democratic governors of Pennsylvania and Maryland joined Trump officials this month in calling on the PJM Interconnection grid operator, the nation's largest regional electric grid operator, to bring down electric prices and force data centers to pay more for new generation than residential customers by allocating costs to data centers that have not added new power onto the grid themselves.

My UCLA Emmett Institute colleague **William Boyd** has a timely new analysis of why this initiative urging PJM to adopt a one-off "emergency auction" will do very little to fix these longstanding problems with the markets themselves. It's especially rich when Trump is also trying to strangle offshore wind projects that are supposed

to supply significant electricity into… the PJM grid. “As the price of electricity rises to the top of the political agenda for the first time in at least a generation,” Boyd writes, “it is time to recognize that the 40-year experiment with neoliberal electricity has failed.”

So, buckle up for a surge of energy affordability in American politics and prepare to hear a lot about both *real* and *fake* emergencies.

Welcome to The Drain, a weekly roundup of climate and environmental news from Legal Planet. Our song of the week is “Emergency” by Paramore.

More Energy News



A long-awaited geothermal IPO is in the works. Geothermal energy developer Fervo Energy has filed confidential papers with the SEC to go public, Axios first reported. It capped a big week for geothermal startups.

Can the grid be as seamless as the internet? At Volts, **Dave Roberts** talks with Swedish tech entrepreneur **Jonas Birgersson** about his “radical plan to apply the architecture of the internet—packet switching, buffering, and decentralized routing—to the electricity grid.”

At least 25 data center projects were canceled last year following local opposition in the United States, according to a review of press accounts, public records, and project announcements conducted by Heatmap Pro.

A fight over providing incentives to data centers in Colorado officially returned to the state capital this month when "pro-business Democrats introduced **a bill** backed by data center industry groups," **Sam Brash** reports for Colorado Public Radio. "If approved, it would give data center developers a 20-year exemption from paying state sales and use taxes — if they meet a series of economic and environmental requirements."

A new report by The Brattle Group on behalf of EnergyHub finds big cost benefits to "active managed charging," the process of modulating when and how much EVs charge to minimize their impact on the grid. "Utilities could simply make sure that the EVs that plug into their grids aren't all charging at the same time," **Jeff St. John** writes.

A new energy outlook report from the federal Energy Information Administration estimates that the U.S. is set to add 70 gigawatts of new utility-scale solar in 2026 and 2027, representing a 49% increase in operating solar capacity compared to the end of 2025.

Revolution Wind developer Ørsted says they are rushing like mad to install that offshore wind project's final seven turbines off of Rhode Island before the Trump administration can throw more sticks in the spokes. And Dominion Energy resumed construction on its Coastal Virginia Offshore Wind project after it won a court case.

The Trump administration completed its first Venezuelan oil sale valued at $500 million with additional sales expected in the near future, Semafor reported. Revenue from the deal is being held in bank accounts, including one in Qatar, that are controlled by the U.S. government.

BP, the company responsible for the Deepwater Horizon disaster is trying to open a massive new hub for offshore drilling in the Gulf that could give it access to 10 billion barrels of crude oil. The Bureau of Ocean Energy Management is currently reviewing BP's proposal for Kaskida, **Sambhav Sankar** writes for Slate.

LA and California



Traffic on the 405 Freeway in West Los Angeles. Credit: Chris Yarzab, Flickr

Good news! Metro's board of directors voted today to approve the Sepulveda Transit Corridor project to connect the Westside to the San Fernando Valley in less than 20 minutes. The underground heavy-rail option would go from Van Nuys to Sherman Oaks, pass under the mountains and Bel Air, stop here at UCLA (yay!) and ultimately end at the E Line/Expo Sepulveda station, reports **Colleen Shalby** for LAT. **Joe Linton** live skeeted the board meeting and reports that all 35 public comments were in favor of the project.

If congestion pricing is so successful in NYC (and it is) why not give it a try somewhere in California, like downtown San Francisco? That was the topic of KALW's "State of the Bay" hosted by my Legal Planet colleague **Ethan Elkind**. "After all, it's a great way to fund transit and make up for the city's acute budget shortfall," writes Streetsblog.

On Friday, Southern California Edison filed two lawsuits against Los Angeles County and several other agencies over their alleged roles in the Eaton Fire, LAist reports. In one interesting suit, Edison alleges Southern California Gas delayed shutting off gas in the burn area for several days after the fire, making the blaze far worse.

“SoCalGas’ design and actions caused gas leaks, gas fires, reignition of fires, gas explosions and secondary ignitions during the critical early stages of the Eaton Fire,” the suit reads.

California is (very very slowly) drafting the toughest statewide rules in the country for vegetation, known as Zone Zero rules, which would require at-risk homeowners to clear some or all of the plants within five feet of their house, depending on what regulators decide. The state’s Board of Forestry and Fire Protection is in charge of creating the regulations and has again postponed decisions due to local pushback. As of this month, the Los Angeles City Council has begun writing more lenient rules than the state proposals and the city of Berkeley implemented new rules as of Jan. 1, targeting around 1,000 households in the highest-risk neighborhoods in the Berkeley Hills, where homeowners have begrudgingly begun removing wooden fences and rose bushes, Politico reports.

AB 1156 would help address multiple challenges by making it easier and cheaper for farmers to put solar on farmland, writes **Wes Venteicher** in a new publication called The Current, a new American Clean Power-California newsletter. The legislation should be advanced and signed as soon as possible to provide certainty around costs for major clean energy projects, including some that Newsom has held forth as examples of California innovation.

The state of our estuary is “depleted,” according to the recently released State of Our Estuary Report. Fish have been struggling to spawn and survive as the amount of water left in their habitats has decreased since the early 2000s, and as they have endured longer and more severe droughts writes **Ian James** for the Boiling Point newsletter.

And **Leuwam Tesfai** has just been named Executive Director of the California Public Utilities Commission.

More Cars

A whopping 18% of U.S. residents who own cars indicated that they were “strongly interested” in living car-free, and another 40% said that they were “open” to it, according to this survey by Arizona State University. **Kea Wilson** at Streetsblog summarizes the findings.

Ford is in discussions with BYD about a partnership to buy batteries from the

Chinese auto giant for some of the former's hybrid-vehicle models, The Wall Street Journal reports.

Kia is doubling down with a series of low-cost, mass-market EVs.

Automakers are planning to roll out six new electric mid-price SUVs this year, all priced at or below $35,000, Bloomberg reports.

There was a noticeably lower profile, and dimmer spotlight, for electric vehicles at the Detroit auto show this week, AP reports.

States have only spent 2% of the billions of dollars that the federal government set aside four years ago to build electric vehicle charging stations on U.S. highways. "Trump's spending freeze added a speed bump to the slow rollout," **David Ferris** reports for E&E News.

But with funding unfrozen, states have firm plans for $1.4 billion of the funds, with construction set to ramp up later this year and into 2027 and 2028.

In his budget proposal unveiled this month, California Gov. Gavin Newsom proposes allocating $200 million for an EV incentive program to help replace federal tax credits scrapped last year. Politico's **Alex Nieves** reports that the auto industry is cautiously optimistic about such consumer incentives rebounding sales in the Golden State.

Davos and Beyond

At the World Economic Forum in Davos, China is pushing itself as a leader on climate action and celebrating its domination of wind, solar, and battery power, Inside Climate News reports.

Meanwhile, Trump is yelling at windmills.

Six years ago, ESG was all the rage at Davos, but now many Wall Street institutions have walked back or abandoned their commitments, **David Gelles** reports for NYT. "The alliances — like the Net-Zero Banking Alliance and the Net-Zero Asset Managers initiative — that were meant to steer investments toward clean energy and away from fossil fuels have largely fallen apart."

Former Vice President **Al Gore** said this week that the world is in a "climate policy

recession" because governments are beholden to the non-renewable-energy industry during a World Economic Forum roundtable dubbed "How Can We Avert a Climate Recession." "Policy is controlled by governments, and too many governments are now unfortunately controlled by special interest," Gore said

The global water crisis is entering a new era of "water bankruptcy," according to a UN report, which notes that terms like "crisis" and "stressed" fail to capture the severity and scale of the situation.

What does Trump's withdrawal from global climate organizations mean for the prospects of SRM and geoengineering governance? SRM360 asked five experts to respond.

Scientists this week set up camp on Antarctica's remote and fast-melting Thwaites Glacier. The NY Times is tagging along to chronicle this difficult but vital operation.

New research shows just 32 fossil fuel companies were responsible for half the global carbon dioxide emissions pollution in 2024. State-owned fossil fuel producers made up 17 of the top 20 emitters in the Carbon Majors report.

The Courts



Credit: Ian Hutchinson via UNSPLASH

The Trump administration had a rough week in court last week. Federal courts lifted stop work orders on three of the five offshore wind projects halted by the Trump administration have been temporarily allowed to resume construction while their cases against the orders play out.

Last April, a Louisiana jury awarded two coastal parish governments $744.6 million in damages, finding that Chevron had contributed to the decline of the state's shoreline and wetlands. Last week, eight of the U.S. Supreme Court's justices heard an appeal from Chevron, Texaco and Exxon Mobil arguing that the case should be litigated in federal, not state, court.

Groups that represent gas companies asked the Supreme Court to strike down Department of Energy rules that tighten standards for gas-powered commercial water heaters and consumer furnaces, E&E reports.

And SCOTUS says that it will hear a case that asks whether federal law shields a pesticide manufacturer from lawsuits claiming that the weedkiller Roundup causes cancer.



Next week has been dubbed Make Polluters Pay Week of Action with events across California and beyond including a Jan 31 panel discussion in Long Beach about the Superfund Law bills hosted by Third Act SoCal.

Watch a virtual, climate-focused governor's forum on January 28, hosted by the

Climate Center Action Fund with California Environmental Voters and the Center for Law, Energy & the Environment at UC Berkeley. **Sammy Roth** and my Legal Planet colleague **Louise Bedworth** are set to moderate.