Affordability concerns are increasingly top-of-mind for advocates, academics, and public officials with regard to electricity generation and pricing, the transition away from fossil fuel extraction, and affordable housing. Public support for improving the grid, transitioning to a clean energy economy, and expanding the supply of housing depends on whether policymakers can ensure that the costs of those efforts do not fall on the shoulders of middle- and working-class people. As household costs continue to rise, these all-important environmental goals must be seen as working in concert—rather than in conflict—with efforts to address the current cost-of-living crisis that's (rightfully) at the center of public discourse in the realms of environmental policy, politics, and economics.

In anticipation of the **UCLA Emmett Institute's 2026 Spring symposium** next month, I've collected below some of the most compelling recent articles, academic papers, and policy proposals that discuss the interplay between affordability and environmental regulation, paying particular attention to the topics that will be addressed in the symposium's three expert panel discussions:

- "Growing the Grid Without Breaking the Bank"
- "Affordability and the Transition Away from Fossil Fuels"
- "Housing Affordability and Environmental Protection"

Before getting into my findings on these three topics, I'd like to encourage Legal Planet readers to **REGISTER HERE** to attend our day-long symposium, co-sponsored by the Environmental Law Section of the California Lawyers Association. The symposium is on April 3, 2026, at the UCLA School of Law, and is free and open to the public.

Electricity Affordability as Related to Generation, Transmission, and Pricing

Electricity affordability is becoming more and more central to policy discussions as demand for electricity grows, in part driven by the rise of AI and data centers, utilities continue to invest in grid infrastructure, and state and local governments encourage the adoption of electric vehicles and appliances in lieu of traditional, fossil fuel-burning models. The average price of electricity rose over 5% nationwide from 2024 to 2025, and increased much more in some states, according to new data released by the U.S. Energy Information Administration.That has policymakers wrestling with how to ensure that the clean energy transition does not impose inequitable burdens on middle- and working-class households.

A December 2025 policy analysis by RMI, "Affordability 101: Can We Cut American Energy Bills in Half?" by Jacob Corvidae, et al., proposes various pathways by which policymakers could reduce household electricity bills, which RMI highlights as a desperately-needed objective given that both the cost of and the demand for electricity are rising against a grim backdrop in which one in three U.S. households have had to reduce or forgo food or other basic necessities to prioritize utility payments. A previous analysis by RMI found that "21 million households—roughly one in six—are behind on their utility bills, and shutoffs are projected to climb from 3.5 million in 2024 to as many as 4 million this year." First, RMI recommends policies that would upgrade home technology to more-efficient models and encourage energy-saving consumer behavior, which could lead to 20–50% lower

electricity bills. Second, RMI recommends changing how the rules are set up for who pays for what parts of the energy system—including the fuel or electricity delivered to consumers, upgrades to pipes and wires, emergency responses, and market fluctuations—and addressing a plethora of utility incentives that are misaligned with social and consumer goals, which altogether could result in 5–40% lower electricity bills for the half of U.S. households in the most need. Third, RMI proposes accelerating grid infrastructure investments that lower systemwide costs, through quickening the regulatory process, leveraging virtual power plants as a grid-strengthening and cost-cutting tool, and building new facilities near existing grid connection sites, which could ultimately lead to 5–25% lower electricity bills.

Academic researchers are also examining how electricity pricing structures affect households. For example, a September 2025 article "When Do Consumers Lose from Variable Electricity Pricing?", led by a team of researchers including M.I.T. Civil Engineering Professor Saurabh Amin, analyzes the cost impacts of time-varying electricity pricing on households according to their income level. Proponents of time-varying electricity pricing tout that "variations between peak and off-peak costs are increasing due to weather variation, renewable intermittency, and increasing electrification of demand" and that this type of electricity pricing "can lower electricity supply costs and reduce grid stress" better than traditional, flat-rate pricing. However, these researchers sought to analyze time-varying electricity pricing's "distributional impacts, particularly on low-income consumers, [which] remain understudied." The article concludes that while time-varying electricity pricing improves grid efficiency and "better reflects the varying cost of electricity compared to flat-rate pricing," it may impose higher costs on households that cannot easily shift their electricity use away from peak hours, which are more likely to be low-income households, and thus is "potentially concentrating larger price increases among vulnerable populations that have a limited ability to respond." The article concludes that these vulnerable populations "with high peak-period consumption and inflexible demand, characteristics often associated with low-income households, are most vulnerable to welfare losses." This article concludes by recommending that "variable pricing policies should be accompanied by targeted policies ensuring equitable access to demand response capabilities and pricing benefits."

These recent developments and proposals are indicative of just a few issues that the symposium panel may address in its discussion of electricity affordability and reforms to rate design, cost allocation, and regulatory involvement.

Affordability in the Transition from Fossil Fuels to Renewable Sources of Clean Energy

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

Affordability in the context of transitioning to clean energy from fossil fuels has been discussed by various state-level and national voices, including with regard to last year's legislative actions in California that environmentalists decried as prioritizing short-term oil drilling and refining interests over the urgent need to address the existential threat of climate change. The federal government's support for the fossil fuel industry and disdain for sources of clean energy—wind energy in particular—have complicated the plans of Democrat-led states and localities planning to shift toward renewable energy.

In December 2025, NRDC discussed California's 2025 embrace of efforts to streamline oil and gas permitting in some contexts and to remove legal and regulatory roadblocks to fossil fuel production. Specifically, NRDC noted that SB 237 (Grayson) was signed into law on September 19, 2025, after "NRDC and the environmental community's engagement improved this bill from the draft language [they] first saw in July." Even after those improvements, the bill "truncates the California Environmental Quality Act (CEQA) process by deeming Kern County's oil and gas ordinance to be CEQA-compliant for permit approvals, eliminating further review and allowing oil drilling permits to resume." As NRDC and other environmental groups look forward to potential bills to champion in this year's

session, they recognize that the legislative backdrop is characterized by “an ongoing budget deficit, high costs of living, and a hostile federal administration trying to undo climate progress,” yet poses “an opportunity to fix the most problematic elements of CEQA legislation that passed in June through AB 1083, authored by Assembly Member Damon Connolly and supported by a strong group of allied legislators” (addressing the highly-concerning carve-outs in the 2025 CEQA reform bill text for “advanced manufacturing”). Also related to the topic of our symposium’s panel on the fossil fuel phase-out, NRDC and its partners are working on national and state-level efforts to promote renewable energy sources, such as by advocating “to advance green hydrogen production as a solution in hard-to-electrify sectors and continuing to lead on policies that transition our state from fossil fuels to clean energy.”

In March 2025, the *Nature* article “Effects of Uncoordinated Electrification on Energy Burdens for Natural Gas Customers,” by researchers in the Climate Action Lab at University of Wisconsin-Madison’s La Follette School of Public Affairs, examined how electrification policies may differently affect households that remain connected to natural-gas distribution systems compared to households that switch to all-electric heating and appliances. The article argues that “without careful coordination, the costs of natural gas systems will be borne by a shrinking customer base, driving up bills for those left behind,” which “is worsened by new pipeline investments, which risk locking communities into increasingly expensive infrastructure.” The researchers “introduce a framework to quantify the effects of uncoordinated electrification on natural gas customers, integrating household energy data with utility financial and planning documents,” and conclude that “vulnerable communities face disproportionate affordability risks during heating electrification transitions” and “households that do not electrify may bear a 46% increase in gas bills on average over the next 15 years (relative to current costs).” Speaking to policymakers, the authors advocate for more-informed, more-expansive decarbonization strategies, recognizing that “targeted electrification may help to alleviate energy burdens, but an effective heating transition will ultimately require coordinated, neighborhood-scale strategies that consider the high fixed costs of legacy infrastructure.” These findings align with recommendations that the Emmett Institute published in our December 2025 report, “Go Big, Save Big: Approaches to Fund Building Electrification in California,” which Denise Grab, Craig Segall, and I co-authored to identify one critical opportunity that has been hiding in plain sight: the fact that California “spends billions on running two parallel energy systems, gas and electric, when it ultimately only needs one—an expanded, modern, and efficient

power grid" and "shifting that spending over time to create a single power delivery system unlocks statewide savings while lowering costs for renters and homeowners." Our report is explained succinctly in this prior Legal Planet blog post by Craig Segall.

Finally, this May 2024 article "Equity Implications of Net-Zero Emissions: A Multi-Model Analysis of Energy Expenditures Across Income Classes Under Economy-Wide Deep Decarbonization Policies" by a team of researchers from the Electric Power Research Institute, U.S. Department of Energy, U.S. EPA, Stanford, and MIT, among others, analyzed the "distributional impacts of net-zero emission policies, focusing on changes in direct energy expenditures across income classes." This research was prompted by the recognition that "effects across income groups are a focal issue of affordability for policymakers and other stakeholders," and that "by reporting on the distributional impacts of reaching economy-wide, net-zero CO2 emissions for households at different income levels, we can inform discussions about the wider impact of these scenarios on not only the economic but also the physical, mental, and emotional welfare of the most vulnerable." The article explains how various deep decarbonization policies differ in how they would affect household energy expenditures across income groups, based on how those policies are designed with regard to allocating costs and benefits in the short- and long-term. The article concludes that the "cap-based net-zero policies studied here are regressive, in that they have the most significant percentage cost impact on lower-income households" unless the policy is coupled with revenues from the cap-and-trade program being "recycled to consumers with a lump-sum distribution on a per-capita basis"—referred to as "compensating household transfers." The article emphasizes that these lump-sum, compensating household "transfers can mute these [regressive distributional] impacts, especially for the lowest-income households, and make net-zero policies progressive" under many of the deep decarbonization scenarios forecasted by this analysis.

The symposium panel will discuss these developments and more, taking a comparative look at recent developments at the federal and state levels to maintain fossil fuel production under the auspices of stabilizing gas prices, and discussing the growing strain of argument that plans to transition away from fossil fuel are in tension with energy affordability.

Housing Affordability and California's Recent CEQA Reforms and Freeze on

Building Code Updates

Affordability concerns are reshaping housing law, particularly in California, where lawmakers last year reformed CEQA in legislation championed by Sen. Scott Wiener and Asm. Buffy Wicks that sought to reduce housing costs by increasing supply and "streamlining" environmental review. These bills stemmed from the YIMBY and urbanist movements and the desire for state housing policy to accelerate urban infill development by reducing building costs and delays, promoting dense urban housing to reduce sprawl and vehicular emissions, and removing regulatory barriers—even when that entails exempting some development from longstanding environmental review processes like CEQA.

Now, policymakers and advocates are wrestling with the question of whether cornerstone environmental laws and regulations like CEQA and NEPA can be robustly enforced while addressing cost-of-living concerns. A recent series of Legal Planet blog posts by Prof. Eric Biber from Berkeley Law discussed a California Chamber of Commerce-led ballot initiative that is still in the signature-gathering phase, and "would create a new CEQA process for 'essential' projects" with "strict timeframes for completion of any environmental review, timeframes that can be enforced by a court, requiring an agency doing CEQA review to make a final decision within a set period." Among other changes, the initiative "would require all agencies approving projects by private applicants to only apply the law in place at the time the applicant submitted their application for the project" such that the initiative "'vests' rights to develop or proceed with projects by immunizing

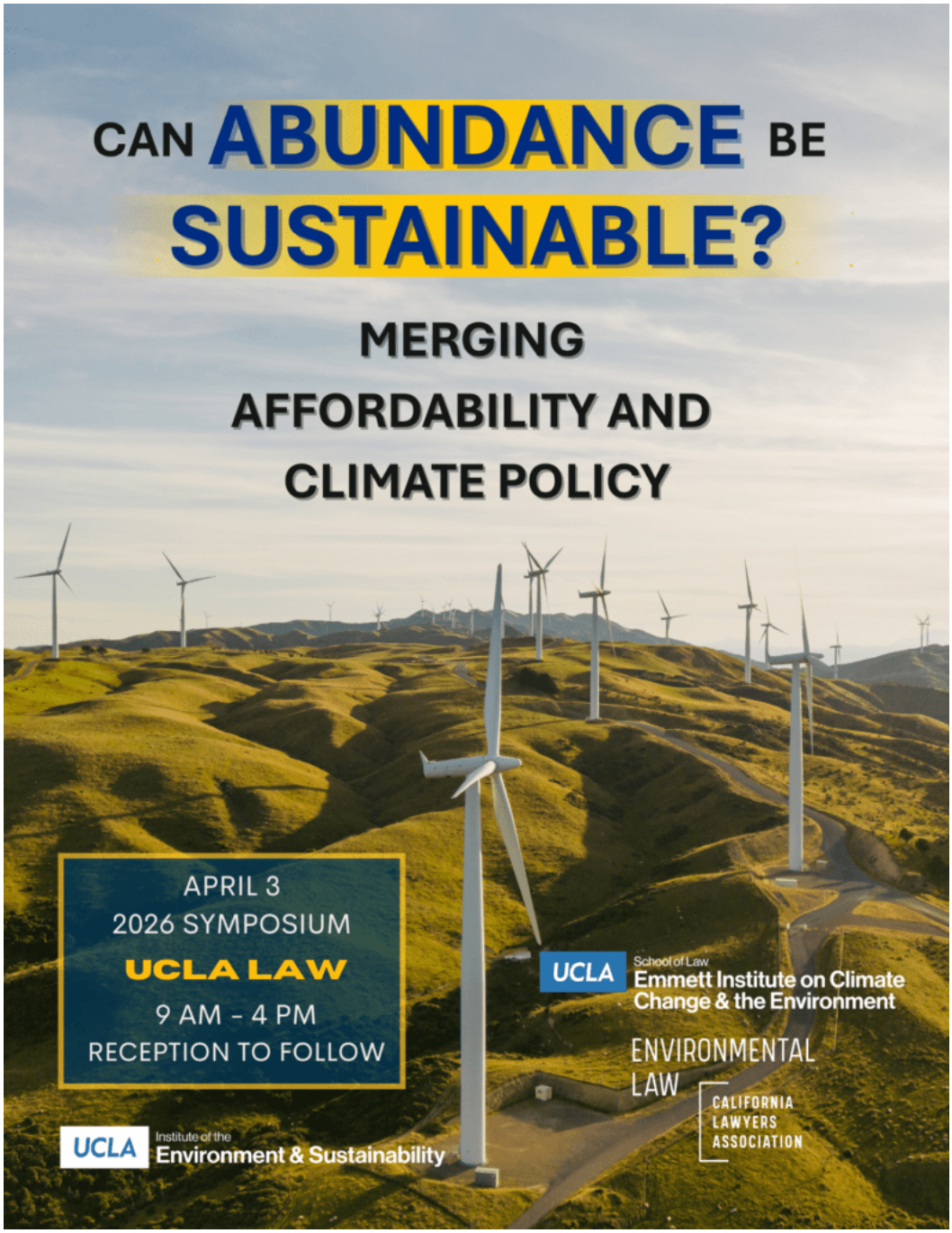
proposals from any changes in law after the proposal is submitted," in contrast to existing law at which rights generally "vest" at later stages of project review and approval. If adopted, this ballot initiative would further transform CEQA's scope, which already changed significantly following last year's CEQA-streamlining bill package, which Biber and UCLA Law Prof. Jonathan Zasloff discussed on Legal Planet in the wake of its passage.

Another landmark housing law passed at the end of last year's session, but received comparatively less attention: AB 130. The law enacted a statewide freeze of building code updates, with a former version of the bill, AB 306, which was then folded into AB 130, having passed out of the Assembly with 71 out of 80 members voting "yes" and 0 members voting "no," which CalMatters indicated was a product of the Speaker of the Assembly Robert Rivas being a co-author. The bill's supporters, including the National Association of Home Builders (NAHB), celebrated the passage of AB 130, which "prevents the state of California from considering, approving, or adopting any changes to residential building codes until June 1, 2031, except in emergency situations or in the case of wildfire mitigation" and "prevents local municipalities from amending their code during the same period." NAHB touted that AB 130 was intended to address California's housing affordability crisis and "ease the immense frustration of Los Angeles residents who lost their homes in devastating fires in January" 2025. The bill's opponents, such as the Sierra Club California, argued that the Legislature "voluntarily chose to stall our state's climate progress" and "blocked cities and agencies from requiring more energy-efficient buildings, resilient cooling systems, and better environmental standards"—"effectively locking cities into outdated technologies and infrastructure." Sierra Club California lamented that "without the ability to strengthen building standards, communities are blocked from implementing clean energy strategies that are essential to phasing out fossil fuels," which "makes it significantly more difficult to electrify buildings, cut emissions, and protect residents from the escalating impacts of extreme heat."

A report titled "California's Building Code Appeals Process: A Quiet but Crucial Lever for Housing" by Ben Metcalf, Managing Director of the Terner Center for Housing Innovation at UC Berkeley, acknowledges that AB 130's building code freeze was motivated by developers' and aligned policymakers' concern that continually-evolving building standards, which are often adopted through state or local amendments, generate regulatory uncertainty and increase housing construction costs. Metcalf proposes good-governance reforms that would improve the

functioning of the building code system—thus reducing housing construction costs and providing regulatory certainty for developers—without relying on an outright prohibition of building code updates like that adopted in AB 130. Metcalf advocates for "recognizing building code administration as a form of housing policy—and treating it with the same seriousness as other aspects of the system—[which] would be a significant step toward addressing California's housing crisis." For example, Metcalf recommends "strengthening the current process for appealing local code determinations such that any affected party, including developers or builders acting on their own, can receive additional review," such that "large cities could continue to operate their own internal appeals boards, but applicants dissatisfied with those rulings—or operating in jurisdictions without functioning boards—would also have the option to seek review at the state level." Metcalf also suggests that "state agencies and departments could use determinations to create a transparent body of guidance available to all jurisdictions, reducing uncertainty for future projects" by centralizing code interpretation requests. Local jurisdictions could then use that centralized database to align their code interpretations with peer jurisdictions, and thus "minimize some of the natural variation that emerges between jurisdictions." Solutions like these manage to address the housing crisis without threatening California's ability to meet its climate goals, which involve building code updates imposing energy efficiency and electrification standards to reduce emissions from buildings.

An August 2025 Canary Media article titled "California Halts Building Code Updates in a Blow to Electrification" by Alison Takemura explained that AB 130 allows for some exceptions to the building code freeze, by allowing certain building code updates if the California Energy Commission "deems those changes or modifications necessary as emergency standards to protect health and safety" per Cal. Health & Safety Code § 17958(b)(2). The article explains that another exception to the freeze would allow localities to "adopt updates that are necessary to carry out greenhouse gas emissions reduction strategies spelled out in their state-mandated general plans" as long as they were adopted by June 10, 2025, and do not ban gas. Merrian Borgeson, Director of California Policy at NRDC's Climate & Energy Program, opined that "at least one of these exceptions is going to work for folks who want to make further progress on climate" but AB 130 "makes it more complicated and creates more red tape."

Our symposium's panel will discuss these recent developments in housing policy and more, and propose pathways forward to achieve housing affordability without

sacrificing our commitment to protecting the environment and addressing the urgent threat of climate change.