



New California Energy Affordability Agenda Calls for Structural Reforms to Lower Electricity Bills

More than 20 electricity experts outline seven priorities for California's next governor, lawmakers and regulators as high power costs put growing pressure on households

Sacramento, CA – September 10, 2026 – With [California electricity rates roughly double the national average](#) and affordability emerging as a top concern for voters, a coalition of leading energy policy and grid experts today released a comprehensive agenda for bringing down electricity costs in the state.

The report, [Making California's Electricity Cheaper: An Affordability Agenda for the Golden State](#), from grid experts at [GridLab](#) and [Energy Innovation](#), outlines a series of reforms aimed at California's incoming gubernatorial administration, state legislators and the California Public Utilities Commission (CPUC). Developed through policy workshops involving more than 20 California electricity experts, the report argues that addressing the state's affordability crisis will require going beyond temporary bill relief to confront the underlying regulatory, financial and operational factors driving electricity costs.

"California cannot risk an affordability strategy that delivers a short-term headline without addressing why electricity has become so expensive in the first place," said Ric O'Connell, Executive Director of GridLab. "Bringing bills under control requires structural reform: stronger financial accountability, better incentives for utilities, greater transparency and a regulatory system that puts affordability at the center of decision-making."

The report comes as electricity costs increasingly compete with housing, food and other essential household expenses. Recent polling found that more than [80% of California voters rank the cost of electricity as a top priority](#), putting pressure on state leaders to deliver meaningful relief.

“California’s sky-high electricity rates didn’t just appear, they’re what happens when ‘solutions’ are layered on without addressing the root causes of a problem.” said Mike O’Boyle, Senior Director of Policy and Strategy at Energy Innovation. “California can cut consumer costs by simplifying regulations, cutting red tape for permitting, putting utilities on a budget, and reducing wildfire risk. It’s time to finally solve our affordability crisis instead of just papering over it once again.”

The agenda identifies seven areas where California leaders can pursue reforms to reduce costs while building a more efficient and accountable electricity system:

- **Reduce regulatory overhead** by streamlining processes and improving coordination across California’s complex regulatory system.
- **Confront distrust with improved transparency** so policymakers, regulators and customers can better understand utility spending, performance and the drivers of rising costs.
- **Align utility incentives with affordability** by ensuring the regulatory framework rewards utilities for delivering value and controlling costs, rather than simply increasing capital investment.
- **Modernize electricity rate design** to better reflect how customers use and contribute to the grid while supporting affordability and electrification.
- **Reduce the role of electricity rates in funding climate mitigation and wildfire prevention** by examining whether costs that provide broad societal benefits should continue to be disproportionately recovered through electricity bills.
- **Reduce financing costs and risks passed to customers** by pursuing approaches that lower the cost of capital and protect customers from unnecessary financial risk.
- **Encourage customer flexibility and improve grid efficiency** by making better use of demand flexibility and existing grid infrastructure to reduce system costs and avoid unnecessary investment.

Together, the recommendations call for affordability to become a core consideration in California electricity policy rather than a problem addressed through isolated or temporary interventions.

The report also emphasizes that electricity affordability is increasingly inseparable from California’s broader energy and climate goals. As the state looks to electrify transportation, buildings and other parts of the economy, persistently high electricity prices risk making that transition more expensive for households and businesses and weakening the economic case for switching from fossil fuels to electricity.

“California does not have to choose between an affordable electricity system and its clean energy goals,” continued O’Connell. “In fact, bringing electricity costs under control is increasingly essential to achieving those goals. The next administration has an opportunity to build an electricity system that is cleaner, more efficient and more affordable — and this agenda provides a roadmap for getting there.”

Read the full report [here](#).

###

About GridLab

GridLab is an innovative non-profit that provides technical grid expertise to enhance policy decision-making and to ensure a rapid transition to a reliable, cost effective, and low carbon future. For more information, please visit www.gridlab.org.

About Energy Innovation

Energy Innovation is a non-partisan energy and climate policy think tank. We provide customized research and policy analysis to decision-makers to support policy design that enhances security and access to affordable energy, while reducing emissions at the speed and scale required for a safe climate future.

Media Contact:

Cassady Craighill
cassady@gridlab.org

Silvio Maracci
silvio@energyinnovation.org