

Addenda #69 – January 2026 Update

Ref: Addenda #69 – November 2024 & June 2025 Update

SDG 13 – Take urgent action to combat climate change and its impacts

In Addenda #69, I explained California Assembly Bill ABX2-1: *Energy: transportation fuels, inventory, turnaround and maintenance*. The bill was applauded by the left-of-center group *Consumer Watchdog*, who called it “a critical consumer victory...”

California Attorney General Rob Bonta (Dem) said, “Californians have been paying too much for gas... Today, we protect hard working Californians.”

California Governor Gavin Newsom (Dem) said, “Price spikes have cost Californians billions of dollars over the years... we’re taking action to prevent these price spikes and save consumers money at the pump.”

Two days after Governor Newsom signed ABX2-1 into law on October 14, 2024, Phillips 66 announced its intent to cease refining operations and close its Los Angeles refinery, taking 139,000 barrels per day, 8.6% of the states refining capacity permanently offline. The company began laying off 900 employees and contractors in December 2025 and permanently ceased operations at the end of the month. Then, on April 16, 2025, Valero Energy announced that it would take a \$1.1 billion write-down to cease operations at its Benicia refinery, taking another 145,000 barrels per day, 9% of the states refining capacity permanently offline by the end of April 2026. This closure would result in layoffs of more than 400 employees, and a loss of more than \$4 million in tax revenues to the city. Progressive Democrat policies succeeded in taking 284,000 barrels of refined fuel per day, 17.6% of the states total product, permanently offline. Gasoline for the states 31.2 million light-duty vehicles, diesel fuel for more than one million trucks and busses, and aviation fuel for dozens of airports and military installations gone, within 18 months of the bills signing. University of California, Davis economists projected an immediate 40-cent-per-gallon price hike after Phillips 66 closure, with an additional 81 cent hike after Valero closes in April. The additional \$1.21 per gallon changes a typical \$70 fill-up to \$95, the exact price spike Governor Newsom claimed ABX2-1 *would prevent!*

The governor’s office put out a press release in January, claiming credit for getting Valero Energy to continue importing gasoline into northern California after it closes Benicia in April. “*While others point fingers to spread fear and divide us, California is doing the actual work-collaborating with industry, using data and transparency to protect consumers, and building the all-of-the-above energy future America needs.*” This announcement was supposed to ease the fears of Californians, but it was nothing but lies and misinformation.

The effects of employment, tax revenue and higher gasoline prices was not limited to California. Refineries in California supply roughly 33% of all fuel consumed in Arizona and 88% of all fuel consumed in Nevada, which includes 100% of all fuel consumed in Reno. In September 2024, Arizona Gov. Katie Hobbs (Dem) and Nevada Gov. Joe Lombardo (Rep), sent a joint letter to Governor Newsom not to rush to impose the new storage requirements

on California oil refiners. The two governors voiced their concerns over fuel supply shortages and increased prices on their constituents. When asked about the effects his bill would have on neighboring states, Governor Newsom declared, “Well, I guess so we should just roll over and allow oil companies to take advantage of taxpayers.” Newsom claimed the letter from Hobbs and Lombardo just repeated “the oil industry’s talking points rather than the facts.” The reality is that it was Newsom and Progressive Democrats that caused the problem by passing ABX2-1, and Newsom doesn’t care about the effects it will have on the citizens of Arizona and Nevada any more than it will on citizens of California. The fact is the looming crisis would soon become much worse.

Crimson Midstream LLC, a provider of crude oil transportation and storage services in California, operates the 373 mile San Pablo Bay Pipeline, which brings oil from the Kern River oil field in Bakersfield California to refineries in Northern California. In September 2025, Robert Waldron, CEO of Crimsons parent company CorEnergy Infrastructure Trust, wrote a letter to Governor Newsom about the “severe financial distress” Crimson was under as a result of California’s energy and environmental policies. Waldron advised Newsom that Crimson was losing \$2 million per month and without “near-term relief,” Crimson would likely be forced to shut down the SBP pipeline. This was not a case of “corporate greed” or blackmail. This was the economics of supply and demand at work. For four decades, California has implemented policies to shut down the fossil fuel industry through tougher anti-oil regulations by legislation, the reduction of oil drilling permits and electric vehicle mandates. In-state crude oil production has fallen by more than 70% since 1985 so the SBP pipeline carries less and less oil each year, leading to the decline in revenue.

The “near-term relief” Waldron referenced, was a request to the Public Utilities Commission for a 59% rate increase on the lower volume of oil being transported through the pipeline. On January 2, 2026, the rate increase was approved in order to keep the pipeline in operation and prevent an immediate fuel shortage crisis. This is just the first of several increases that could cause gasoline to reach as high as \$8.43 per gallon according to a recent analysis by USC Professor Michael Mische. Mische called the gasoline deficit “potentially devastating to California’s economic growth” and stated, “Despite political claims of price manipulation by refiners, there is simply no direct economic evidence of widespread price gouging or price or supply manipulation by California refiners...”

Another factor that will ensure higher prices, is the state requirement to use “cleaner burning fuel,” known as CARBOB. No other refineries in the country manufactures this special blend of fuel, but CARBOB *is* manufactured in South Korea, Singapore, Japan and India. California already imports 8% of its fuel supply from overseas by tanker ships. With the two refinery closures, it will have to now import more than 20% of all fuel consumed in the state. Seagoing tanker voyages take a month or more to reach California, adding to the cost of gasoline and putting even more greenhouse gases into the atmosphere. California Democrats brag about how they’re cutting in-state emissions, while the fuels they import from overseas contribute to growing global greenhouse gas emissions. Protecting consumers with their transparency...

The final factor that ensures higher fuel prices in California, is the result of a bill passed by Democrats in 2014. Senate Bill SB 445 required all ‘single wall’ underground fuel storage tanks to be replaced by ‘double wall’ tanks no later than December 31 2025, or face fines of up to \$5,000 per day. The typical gas station has three 10,000–30,000 gallon underground tanks for unleaded, premium and diesel fuel storage. Replacing three tanks at a gas station could cost the owner as much as \$1 million, including upgrading the electrical system to meet current state and national codes. A bipartisan bill to extend the deadline in May 2025 never made it to the floor for a vote.

The state made “RUST Loans” available to station owners to help remove and replace the tanks, but the program was underfunded and the application process so backlogged, that 473 gas stations had to close on January 1st because they couldn’t get the help they needed to replace their tanks. In addition to these closures, Shell Oil announced plans to shut down more than 1,000 gas stations across the state by the end of 2025, and open EV charging sites in their place. Between closures due to the tank replacement bill and Shell Oil’s charging plan, almost 14% of Californias gas stations could close this year, creating a significant supply problem for the state’s 32 million gas and diesel powered vehicle owners and a major financial burden on the lives of small business owners and operators of the gas stations.

California’s political, environmental and energy policies have created an anti-business environment in the state, especially in the oil and gas industry. The 2025 *Chief Executive Best & Worst States for Business* survey has ranked California dead last for the last fourteen years. Annual data published by U-Haul shows that California ranked dead last for the last six years on the moving companies “migration trends list.” Meaning the state saw the greatest net loss of one-way out-of-state U-Haul trucks. More people left the state between 2023 and 2025 than any other state in the country, according to Census Bureau data. The looming energy crisis caused by refinery, pipeline and gas station closures is self-inflicted. Governor Newsom continues to promote his leadership in combatting climate change, including the unrealistic goal of banning the sale of new gasoline powered vehicles by 2035 and achieving net-zero emissions by 2045. Democrats continue to hold a supermajority in the state Assembly and Senate, controlling both houses since 1997. Democrat governors have run the state since 1999, including Arnold Schwarzenegger, a Republican in name only who was a big promoter of renewable energy and worked to pass the *Global Warming Solutions Act* while in office.

California progressives pass climate policies resulting in crisis situations, higher costs for consumers and out migration of affluent taxpayers. Then they deflect blame and relax regulations or spend millions in taxpayer dollars to mitigate the problems that they caused. A suspicious person might think that this is all intentional...

“No matter if the science of global warming is all phony... climate change provides the greatest opportunity to bring about justice and equality in the world.”

Christine Stewart, Liberal Party Canadian Minister of the Environment

Addenda #93 – October 2025, January 2026 Update

Re: Ch. 8, [any year] Net Zero Emissions: Impossible!!

Re: Ch. 9 Progressive States Climate Policies

SDG 7 – Ensure access to affordable, reliable, sustainable and modern energy for all

State Energy Planning Board Approves State Energy Plan

Plan Provides Pragmatic Approach for Energy-Related Decision Making in New York State
New York state Energy Research and Development Authority Press Release, December 16, 2025

The State Energy Planning Board (Board), chaired by New York State Energy Research and Development Authority President and CEO Doreen M. Harris, voted unanimously today to approve a State Energy Plan (Plan). The Plan includes recommendations, which are based on findings from more than a year-long assessment of current systems and future energy needs through 2040, that will guide the State's energy-related decision making.

Today's approval of the Plan advances multiple objectives of the State including ensuring affordable, abundant, reliable, and clean energy while supporting economic development, equity, and a healthy environment. The plan embraces the State's continued commitment to renewables while also noting that a variety of energy sources, like advanced nuclear and natural gas, will be needed to help New York meet its overall energy needs over the next 15 years.

New York state energy board approves 15-year plan which acknowledges continued need for fossil fuels through at least 2040
Spectrum News 1, December 16, 2025

The plan acknowledges the significant shifts in circumstances, politics, and fiscal reality which have shaped the conversation around energy since New York's Climate Leadership and Community Protection Act was passed back in 2019, and works to put a face on Gov. Kathy Hochul's recent embrace of an all of the above approach to energy.

How we got to this place...

New York's Climate Leadership and Community Protection Act (CLCPA), signed into law by then Governor Andrew Cuomo on July 18, 2019, mandated the reduction of statewide greenhouse gas (GHG) emissions by 40% (from 1990 levels) by 2030 and 85% by 2050. By 2050, all sectors of the economy must achieve net-zero emissions. The state was required to reduce GHG emissions and procure at least 70% of all the electricity it consumed from renewable sources by 2030. By 2040, the state's electric grid had to be powered by 100% zero-emission sources of energy. A number of additional clean energy mandates were put in place by Governor Kathy Hochul after she took office in August 2021, including requiring all new vehicles, heavy-duty trucks and school buses sold in the state to be zero-emission (electric) by 2035, banning the sale of natural gas gas furnaces, boilers, space heaters and fireplaces by 2030, and banning natural gas hookups to all new residential and commercial buildings up to 7 floors beginning in 2026, and taller commercial buildings beginning in 2029. All of these mandates were applauded by climate activists and promised to be achievable by New York politicians.

NYSERDA President and CEO and State Energy Planning Board Chair Doreen M. Harris made a number of “promises” in her announcement of the State Energy Plan, which I’d like to address one by one.

Promise #1: The ‘Plan’ will ensure abundant and reliable energy

The New York Independent System Operator (NYISO) is responsible for monitoring and ensuring the reliability of the state’s power system and distributing electricity supply to customers through the state’s electric grid. Each quarter, the NYISO issues a report on the reliability of the grid, the most recent report, *Short-Term Assessment of Reliability: 2025 Quarter 4*, being released January 13, 2026. The study calculates the five year demand versus supply of electricity in the state, ending October 15, 2030, at which point New York was to have achieved a 40% reduction in GHG emissions and 70% of all electricity consumed is to be generated by renewable sources; hydro, wind and solar.

New York City is the largest city in the state by population, with an estimated 8.5 million people, 42% of the entire state’s population living in the City at the end of 2025. New York City is also the most populous city in the country and a global center of finance, culture, entertainment, academics and technology, so it always receives top consideration in NYISO’s Reliability reports. As of November 10, 2025, NYISO determined that by October 15, 2030, there will be a “deficiency” of electricity supply for businesses and households in NYC totaling 1,130 megawatts (MW). The projected electricity generation from *all* sources will only be able to provide adequate electricity for 11 out of 24 hours each day. The report notes that once the Empire Wind and Sunrise Wind offshore generation projects and the Champlain Hudson Power Express (CHPE) and Propel NY Public Policy transmission projects are completed and enter service, reliability margins are expected to improve “short-term,” but “margins gradually erode thereafter as expected demand for electricity grows.”
Source: Short-Term Assessment of Reliability: 2025 Quarter 4, NYISO, January 13, 2026

New York City faces the most critical shortage of abundant and reliable electricity, but the rest of the state isn’t much better. The report shows that by 2030, even if utility companies resort to “planned load reductions” during peak use periods, the entire state faces a reliability margin deficit of 4,507 MW during summer months and 3,846 MW during winter months, barring a dramatic (unlikely) increase in power generation and imported electricity.
Source: Figure 33: Summer Peak Statewide System Margin Calculation
Source: Figure 34: Winter Peak Statewide System Margin Calculation

The NYISO is honest in its analysis of why reliability margins are declining. “*As traditional fossil-fuel generation deactivates in response to carbonization goals and tighter emissions regulations, reliability margins on the grid are eroding.*” The closure of fossil fuel power plants, mandated by state climate policies, far outpaces the addition of new, “clean green energy” generation sources to the electrical grid. As Governor Hochul’s electrification mandates continue to kick in, NYISO states that the problems they face maintaining grid reliability during winter months will “*become more acute in the coming years.*”
Source: 2025 Power Trends; NYISO Annual Grid and Markets Report, July 23, 2025

Promise Number 2: *The ‘Plan’ will ensure affordable clean energy*

One of the most amusing statements made by New York Governor Hochul made promoting the 2025 Energy Plan, was about affordability. *“Across the state people tell me they cannot absorb double-digit rate hikes. Seniors, young families, small businesses are all feeling squeezed. That’s why we’ve pushed back on excessive price increase requests from utilities and energy developers and why we’ve demanded accountability from all of our partners.”*

Emissions reductions and zero-emission sources of energy mandated by the CLCPA, led to utility companies across the state to complete an engineered study to identify upgrades to their distribution and transmission systems in order to comply with these mandates and maintain “safe and reliable service.” The Initial Report on the *New York State Power Grid Study*, released in January 2021, found that \$6.8 billion needed to be spent upgrading the grid’s high-voltage distribution and transmission system, and as much as \$10.5 billion would have to be spent on upgrading medium-voltage distribution and transmission systems at local city, village and neighborhood levels. These upgrades would enable the grid to handle increased power generation required to meet increased demand caused by electrification mandates. The total cost of these upgrades in 2019 dollars, \$17.27 billion, would be passed on to utility customers in the form of additional “Electricity Delivery” charges. The higher cost of purchasing electricity generated by renewable energy sources would be passed onto customers in the form of higher “Electricity Supply” charges.

Source: Initial Report on the New York State Power Grid Study; NYSERDA, January 19, 2021; Utility Transmission & Distribution Investment Working Group Study, November 2, 2020

Utility companies began requesting a series of three year rate hikes in order to begin the required upgrades. Remember, the need for these upgrades was a direct result of the mandates in the CLCPA and subsequent electrification mandates, in order to maintain “safe and reliable service” and “advance investments to support the clean energy transition.” New York utility companies filed for 3-year rate increases in 2022 and again in 2025.

<u>Utility Company:</u>	<u>2022 Elec / Nat Gas</u>	<u>2025 Electric / Nat Gas</u>
Central Hudson	6.2% / 8.0% approved	10.2% / 19.7% proposed
New York State Electric & Gas	22.1% / 6.1% approved	34.7% / 48.1% proposed
Rochester Electric & Gas	16.0% / 10.9% approved	39.5% / 34.3% proposed
National Grid	5.2% / 5.6% approved	15.0% / 20.0% proposed
Con Edison	12.0% / 20.0% approved	13.4% / 15.8% proposed

After the rate requests were made public, Governor Hochul railed against the increases and vowed to fight them, Democrat lawmakers called for investigations into utility company billing, but the rate hikes were approved by state regulators anyway. PSC Commissioner John Howard said the rates are “reasonable... but maybe not just.” There will be double-digit rate requests filed every three years to continue required grid system upgrades and fund renewable energy projects for decades to come.

Governor Hochul knew big rate hikes would be required to fund her electrification projects. Shows of calculated outrage may fool the ‘willfully ignorant’ and Hochul’s ‘useful idiot’ supporters, but those who care enough to do their own research know the truth.

Promise Number 3: *The ‘Plan’ will support economic development and equity*

Atlas Van Lines, one of the largest moving companies in the country, publishes an annual *Household Moving Migration Patterns* report. Over the past five years, New York State has ranked among the top ten states in “outbound migration,” meaning more people have moved out of New York than have moved into the state. While the COVID-19 pandemic resulted in an estimated 261,785 residents leaving the state between July 2020 and July 2021, New York also ranked in the top ten states in the four years *after* the pandemic. In 2025, Atlas Van Lines ranked New York State #2 in the top states people moved *out* of. While Governor Hochul continues to prioritize electrification of the construction, housing and transportation sectors, taxpaying residents continue to flee the state. State Budget documents show a reduction in tax receipt collections for fiscal year (FY) 2025 to FY2026 of \$3.3 billion. To make up for the loss of income tax revenue, the government has resorted to increasing taxes and user fees on services and borrowing money to close budget shortfalls. Over the next five years, budget projections show the state will issue \$51.3 billion in bonds to fund spending, increasing the total debt outstanding to \$96.3 billion by FY2030.

Several deep-running factors are combining to push New York residents to consider other regions. Affordability looms large: housing prices, taxes and commuting costs place heavy burdens on many households. Mid-income earners express frustration at a cost of living, that doesn’t seem to match the upside of location.

Why Thousands Are Leaving New York – And Where They Are Heading in 2025; DailyDive, Nov. 13, 2025

New York State is ranked #41 in “Economy”, #45 in “Affordability” and #49 in “Opportunity” in the *U.S. News* 2025 ‘Best States’ poll. New York has the fifth highest cost of living and the second highest tax burden in the nation. Almost 14% of its residents are “living in poverty.” 31% of New York households earn above the Federal Poverty Level, but still struggle to afford basic necessities. One in every seven residents receive public assistance through programs like SNAP (Supplemental Nutrition Assistance), PA (Public Assistance) and HEAP (Home Energy Assistance Program). Almost 37% of state residents are enrolled in New York’s Medicare program, the highest percentage of any state in the nation. Another 8.5% of state residents are enrolled in the insurance exchange Essential Plan medical coverage for lower income individuals. It’s a sad fact that residents of most income levels struggle to live in New York State.

Best States Ranking, 2025; U.S. News, January 2026

2025 New York State Annual Poverty Report; New York State Community Action Association

2025 New York State Annual Poverty Report; Office of Temporary and Disability Assistance, May 2025

How many people are on Medicaid in New York/; USA Facts, September 2025

Centers for Medicare & Medicaid Services

As Governor, my responsibility is simple to say but difficult to deliver: keep the lights on, keep energy bills within reach, and keep our promise of a cleaner, healthier future for our children. Reliability, affordability, and sustainability guide every energy decision I make.

2025 New York State Energy Plan, Governor Kathy Hochul statement

While Governor Hochul claims affordability for her constituents is a priority, sustainability and clean, renewable energy has been the driving force in her policy making since she took office. She has embedded the Sustainable Development Goals of the U.N. Agenda 2030 in all of her policies, from achieving gender equality to ensuring sustainable (renewable) clean energy. Governor Hochul is as far away from achieving her emissions and renewable energy goals in New York State, as the United Nations is achieving their SDG targets, and the poverty rate in New York is virtually the same as when she took office.

I've written in numerous Addenda's how piece by piece, the state's plan to achieve 100% renewable electricity generation and net-zero emissions is failing. One of the first admissions by the state came in a July 2024 report issued by the New York State Energy Research and Development Authority, saying that the state will "likely not Achieve its climate goals by 2030 but could hit the 70% mark by 2033. NYSERDA gave excuses why the state would miss the target date including inflation, high interest rates, supply chain issues and geopolitical tensions, all of which have already led developers to back out of renewable energy project contracts. There was also the factor of higher than expected electricity demand from planned large manufacturing projects, including the Micron Technology chipmaking complex in Clay, New York, which would consume 640 million kilowatt-hours a month; more than what 1 million households would consume.

New York is not alone in revelations like this. The Environmental Defense fund released a report in July 2023 which stated, "... the 24 states that committed to reduce emissions in line with scientific recommendations continue to fall well short of achieving their goals." The report called for more enforcement actions by states. "*States have the authority and the opportunity to drive down emissions; the urgency and the problem demands their leadership.*"

Source: Turning Climate Commitments Into Results – An Update on State-Level Climate Targets; Environmental; Defense Fund report. July 2023

The report came as a complete surprise, however, to the worshippers of climate religion; they had been told by Governor Hochul and state Democrats 100% clean, renewable energy would happen. But reality has a way of disappointing and disrupting even the most carefully crafted plans, which these *were not*. The NYISO *2025 Power Trends Report* notes that since 2019, 4,315 MW of fossil fuel and nuclear power generation sources have been deactivated, while only 2,275 MW of renewable power generation sources have been added to the grid. The report goes on to note that due to new AI and data center projects and large scale industrial projects, NYISO projects a 50% - 90% electricity *demand increase* over the next seventeen years, even as additional fossil fuel generating plants are scheduled to be deactivated.

"... to achieve the mandates of the state's climate Leadership and Community Protection Act, new. Emission-free generating technologies must replace retiring fossil fuel based generation ... However, these new technologies are not yet available on a commercial scale."

2025 Power Trends Report – System and Resource Outlook; New York State Independent System Operator, April 22, 2025

Promises Broken: The reality of New Yorks Energy System

NYISO says the *only solution* to the state’s electricity deficit may be keeping fossil fuel generation sources in service until renewable power sources come online to replace them.

So, what options exist in the short-term to transition the electric system, support economic development and achieve deep emissions reductions? One idea is the repowering of existing, older fossil fuel power plants...

The Benefits of Repowering; New York ISO website, June 27, 2025

As I write this Addenda, I opened the New York ISO Real-Time Dashboard, which shows the current electricity generation within New York State. It’s a bitter cold day in Central New York, with temperatures in the low double digits and wind chill in the single digits. We are just in the beginning states of Governor Hochul’s electrification plan, so we are nowhere near winter peak demand of electric heating in future years. The total electricity generation from in-state sources is 21,113 MW, with 62% of that being generated by fossil fuel powered plants (natural gas & fuel oil), 16% from nuclear power and just 22% of that generation comes from renewable sources (hydro, land-based wind, offshore-based wind, grid-connected solar and other renewables). 16% of all electricity consumed on this day, is imported from out-of-state sources.

Source: Daily Fuel Mix, January 29, 2026 08:00 AM, New York ISO Real-Time Dashboard

Never letting facts get in the way of Agenda’s, the renewable energy databases on the NYSERDA website proudly promote the “installed capacity” of renewable energy projects in New York State.

A Big Win for New York – Electricity for millions of homes... Stabilizing energy prices... Cleaner energy, cleaner air... Thousands of jobs created... Billions invested in New York businesses...

The 2025 NY Energy Plan is 1,053 pages long, but short on details of how to close the electricity deficit gap in future years. “*Successful implementation of the Plan, like all other statewide plans, will require coordination across State agencies, partnership with other levels of government and communities, and the participation of private sector entities.*” The New York Energy Planning Board was created to make sure this coordination and participation will occur. It was created to take decisions about ensuring an adequate *fuel mix* exists to provide electricity to New Yorkers out of the hands of independent agencies like NYISO and state utility companies and putting it into the hands of a government created and controlled entity; this is how control by government is achieved. New York state is following the lead of the European Union and United Nations: when the free market of supply and demand cannot get the job done, the government must step in and take control!

- It was never about “saving the planet”
- It was never about public health or safety
- It was never about “climate justice” or “climate equity”

It was always about CONTROL