

AB 825 exposes California consumers to fleecing by the Sons of Enron and to the whims of Trump's FERC.

The gutted and amended AB 825 (published 9/10/25 at 5:43 am) now:

- 1. Eliminates ALL statutory requirements that the ISO must run electricity markets (1) consistent with California public health and environmental laws; (2) maximize electricity to California & (3) minimize costs for consumers.** AB 825 allows the ISO not to comply with CA law when operating electricity markets. (AB 825's Sec. 4, 345.6(a) eliminates all the sec. 345.5(b) requirements CAISO must follow now, by stating "notwithstanding the requirements of . . . 345.5(b)")
- 2. Allows CAISO and the RO to use the kind of markets that skyrocketed prices in other states by 10 times, costing millions of East Coast consumers over \$12 billion dollars in excess costs.** A bi-partisan coalition of 9 East Coast governors called on FERC to stop such unsound and dangerous markets. (The Office of the D.C. People's Council estimated that PJM-wide total capacity costs increased from \$2.2 billion to \$14.7 billion in the past year, see <https://opc-dc.gov/wp-content/uploads/2025/05/PJM-Capacity-Market-Report-FINAL-OPC-Synapse-7.15.pdf>; "In the most recent auction for the [2025-2026 capacity market period](#), capacity prices surged to nearly ten times higher than the previous year. The price jumped from about \$29 per megawatt-day to nearly \$270 per megawatt-day – an unprecedented increase." <https://gridshopper.com/topics/pjm-capacity-auction>)
- 3. Eliminates the prohibition on Californians' paying for any coal or coal subsidy imposed in the regional market, like Trump says he will require.** (drops sec. 345.6 sub(a)(13) in SB 540): "*Nothing* in the tariff filed with the Federal Energy Regulatory Commission for the independent regional organization, or any other aspect of participating in energy markets overseen by the independent regional organization, *shall cause California* electrical corporations that are participating transmission owners, or load-serving entities, *to be assessed any costs of fossil fuel generation resources that are not dispatched to serve California end-use loads or any costs to subsidize fossil fuel generation resources.* ")
- 4. Deletes Senate amendments that compensated Californians for all assets transferred to the regional operator & protected California from assuming the RO's liabilities or paying to indemnify or insure the RO.** (drops "Sec. 345.6 c (4)(E) in SB 540 disallowing entry into a regional market if: "Any

requirement . . . does not fully compensate California ratepayers for costs they bear for the Independent System Operator to provide the independent regional organization any services, facilities, equipment, and property, including intellectual property, that does not hold California ratepayers and the Independent System Operator harmless, through indemnity or insurance, for claims arising from the operation of the independent regional market, and that does not provide for the first lien on all revenues associated with the transactions affecting California ratepayers.”)

5. **Weakens California’s ability to withdraw or exit the RO if problems arise:** AB 825 allows Trump’s FERC to **require** further approvals before California would be allowed to withdraw from the Regional Operator. (AB 825 sec. 345.6(a)(13) adds the word “discretionary” to prohibited approvals, which means that the RO or FERC could *require* additional approvals before California is allowed to exit.)
6. **Eliminates legislative oversight by stripping the Senate amendments adding a Regional Council to ensure California is protected before joining an RO.** (deletes sec. 345.6 sub (c) & sub (a)(15) in SB 540.)
7. **Makes California’s historic renewable portfolio laws vulnerable to legal attack** by compromising the RPS’s Bucket 1 protections. AB 825 eliminates Senate amendments that added protections to ensure that renewable energy projects paid for by CA ratepayers are built locally, in California.