1	JOHN P. FISKE (SBN 249256)	
2	JASON J. JULIUS (SBN 249036) VICTORIA E. SHERLIN (SBN 312337)	
3	TAYLOR A. O'NEAL (SBN 336077)	
4	BARON & BUDD, P.C. 11440 West Bernardo Court, Suite 265	
5	San Diego, CA 92127 Tel: 858.251.7424	
6	Email: fiske@baronbudd.com jjulius@baronbudd.com	
7	tsherlin@baronbudd.com toneal@baronbudd.com	
8	ED DIAB (SBN 262319)	
9	DEBORAH S. DIXON (SBN 248965) ROBERT J. CHAMBERS II (SBN 244688)	
10	DIXON DIAB & CHAMBERS LLP 600 W. Broadway, Suite 1540	
11	San Diego, CA 92101 Tel: 619.354.2662	
12	Email: diab@theddcfirm.com ddixon@theddcfirm.com	
13	rob@theddcfirm.com Attorneys for Plaintiffs	
14	Auorneys for 1 iuniijjs	
15	SUPERIOR COURT OF TH	E STATE OF CALIFORNIA
16	IN AND FOR THE COUN	TY OF SAN FRANCISCO
17		Case No.
18	EL DORADO COUNTY, a political subdivision of the State of California;	COMPLAINT FOR DAMAGES AND
19	PLACER COUNTY, a political subdivision of the State of California; GEORGETOWN	JURY TRIAL
20	FIRE PROTECTION DISTRICT, a special district of the State of California,	1. INVERSE CONDEMNATION 2. NEGLIGENCE
21	GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT, a California public	3. TRESPASS
22	utility district; and EL DORADO COUNTY WATER AGENCY, a special district of the	4. NUISANCE 5. PREMISES LIABILITY
23	State of California created by the El Dorado County Water Agency Act,	6. VIOLATION OF PUBLIC UTILITIES CODE §2106
24	Plaintiffs,	7. VIOLATION OF HEALTH & SAFETY CODE §13007
25	V.	8. VIOLATION OF HEALTH & SAFETY CODE §13009
26	PG&E CORPORATION, a California	UNLIMITED CIVIL CASE
27	Corporation; PACIFIC GAS AND ELECTRIC COMPANY,	JURY TRIAL DEMANDED
28	a California Corporation; and DOES 1-200, inclusive,	Exempt from Filing Fees (Govt. Code § 6103); Deemed Verified (Code Civ. Proc. § 446)

Defendants.

Public Entity Plaintiffs, El Dorado County, Placer County, Georgetown Fire Protection District, Georgetown Divide Public Utility District, and El Dorado County Water Agency ("Plaintiffs") bring this action for damages against Defendants PG&E Corporation, a California Corporation; Pacific Gas and Electric Company, a California Corporation; DOES 1-200, inclusive, as follows:

INTRODUCTION

1. This Complaint arises from a wildfire that PG&E's power lines caused to ignite on September 6, 2022, now called the "Mosquito Fire."



Flames from the Mosquito Fire (El Dorado and Placer Counties) - Photo by Metro Fire of Sacramento via Reuters

- 2. The Mosquito Fire ("the Mosquito Fire" or "the Fire") started when electrical equipment within PG&E's utility infrastructure contacted, or caused sparks to contact, surrounding vegetation.
- 3. The Mosquito Fire burned for approximately 51 days before it was contained. The Fire burned through El Dorado and Placer Counties, burning approximately 76,788 acres, and destroyed and/or damaged over 90 structures, and significantly impacted the surrounding communities. The Mosquito Fire was California's largest wildfire in 2022.

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Example of Destruction Caused by the Mosquito Fire (El Dorado and Placer County) – Photo by Xavier Mascarenas via The Fresno Bee

4. Plaintiffs now sue PG&E CORPORATION, PACIFIC GAS AND ELECTRIC COMPANY, and DOES 1-200 for just compensation, damages, and all other available remedies arising from the takings and harms caused by the Mosquito Fire.

JURISDICTION AND VENUE

- 5. Venue is proper in San Francisco County as Defendant's principal place of business is located in San Francisco County. Plaintiffs are informed and believe, and thereon allege, that all Defendants resided and/or conducted business in San Francisco County at the time they committed the acts and omissions that give rise to this Complaint.
- 6. This Court has jurisdiction over this matter pursuant to Code of Civil Procedure \$\\$ 395(a) and 410.10 because Defendants are incorporated in California, have their headquarters in San Francisco, California, reside in and do significant business in the County of San Francisco, engage in the bulk of its corporate activities in California, and maintain the majority of its corporate assets in California to render the exercise of jurisdiction over Defendants consistent with the traditional notions of fair play and substantial justice.
- 7. The Superior Court of San Francisco, as a court of general jurisdiction, has subject matter jurisdiction over this unlimited civil case, as well as personal jurisdiction over each of the Defendants.

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PARTIES

A. PLAINTIFFS

- 8. Plaintiffs are political subdivisions and/or special districts of the State of California, duly organized and existing by virtue of laws of the State of California. Plaintiffs suffered and/or continue to suffer property losses and other damages as a result of the Mosquito Fire. Plaintiffs suffered and/or continue to suffer property losses and other damages from the Mosquito Fire, including but not limited to: loss of natural resources, open space, and environmental assets; emergency response and fire suppression costs; loss of tax revenues, including but not limited to property, sales, and transient occupancy taxes; losses from impacts to business-like activities; debris removal costs; staff time and labor costs; damage to infrastructure, including but not limited to roads, sidewalks, water, stormwater, sewer systems, culverts, and other public-entity owned infrastructure; damages related to soil erosion and loss of soil stability and productivity; loss of trees; damages related to water contamination including water quality preservation and correction expenses; loss of water storage; loss of aesthetic value; and, other significant damages and losses unique to public entities.
- 9. Plaintiffs seek just compensation and damages as more particularly described below.

B. DEFENDANTS

- 10. Defendant PG&E CORPORATION was, at all times relevant to this pleading, a California corporation authorized to do, and doing business, in California, with its headquarters in San Francisco, California. At all times relevant to this pleading, PG&E CORPORATION acted to provide a utility, including electrical services, to members of the public in California, including residents of Placer County and El Dorado Counties. PG&E CORPORATION did so through its agents and subsidiaries, including PACIFIC GAS AND ELECTRIC COMPANY.
- 11. Defendant PACIFIC GAS AND ELECTRIC COMPANY was, at all times relevant to this pleading, a California corporation authorized to do, and doing business, in California, with its headquarters in San Francisco, California. At all times relevant to this pleading, PACIFIC GAS AND ELECTRIC COMPANY acted to provide a utility, including

electrical services, to members of the public in California, including residents of San Francisco County, Placer County, and El Dorado County. PACIFIC GAS AND ELECTRIC COMPANY is a subsidiary or other entity wholly controlled by PG&E CORPORATION.

- 12. PACIFIC GAS AND ELECTRIC COMPANY is one of the largest combination natural gas and electric utilities in the United States. PG&E CORPORATION and PACIFIC GAS AND ELECTRIC COMPANY are jointly and severally liable for each other's wrongful acts and/or omissions as alleged herein. These companies do not compete against one another but instead operate as a single enterprise, integrating their resources to achieve a common business purpose. These companies are so organized and controlled that one is a mere instrumentality, agent, and/or conduit of the other. Officers, managers, and directors are intertwined and not fully independent of one another. These companies share legal counsel, share unified policies and procedures, file consolidated financial statements and regulatory documents. Thus, as used herein, "PG&E" refers collectively to defendants PG&E CORPORATION and PACIFIC GAS AND ELECTRIC COMPANY.
- 13. PG&E is in the business of providing electricity to the residents of, among other places, San Francisco County, Placer County, and El Dorado County through a utility infrastructure, including a network of electrical transmission and distribution lines. PG&E is a "public utility" under Public Utilities Code §§ 216(a)(1) and 218(a).
- 14. The true names and capacities of defendants DOES 1 through 200 are currently unknown to Plaintiffs who, therefore, sue these defendants under these fictitious names pursuant to Code of Civil Procedure § 474. These defendants are each directly and/or vicariously responsible, in some manner, for the harms alleged herein. If/when Plaintiffs learn these defendants' true names and capacities, Plaintiffs will seek leave to amend this pleading accordingly.
 - 15. "Defendants" refers collectively to PG&E and DOES 1 through 200.
- 16. At all times relevant to this pleading, Defendants, and/or each of them, were the agents, servants, employees, partners, aiders and abettors, co-conspirators, and/or joint venturers of each of the other Defendants; and were operating within the purpose and scope of said agency,

service, employment, partnership, enterprise, conspiracy, and/or joint venture; and each of Defendants has ratified and approved the acts of each of the remaining Defendants. Each of Defendants aided and abetted, encouraged, and rendered substantial assistance to the other Defendants in breaching their obligations and duties to Plaintiffs, as alleged herein. In taking action to aid and abet and substantially assist the commission of these wrongful acts and other wrongdoings alleged herein, each of Defendants acted with an awareness of his/her/its primary wrongdoing and realized that his/her/its conduct would substantially assist the accomplishment of the wrongful conduct, wrongful goals, and wrongdoing.

GENERAL FACTUAL ALLEGATIONS

- 17. In an incident report to the California Public Utilities Commission ("Public Utilities Commission") dated September 8, 2022, PG&E reported that, "the Mosquito fire began on September 6, 2022, near OxBow Reservoir in Placer County...The USFS has placed caution tape around the base of a PG&E transmission pole (60Kv) ...Our information reflects electrical activity occurred close in time to the report time of the fire."
- 18. By submitting the above-described report, PG&E has admitted its equipment may have sparked the Mosquito Fire. Plaintiffs are thus informed and believe the Mosquito Fire was caused by PG&E's high-voltage distribution line. Moreover, the Mosquito Fire occurred because: (1) PG&E's utility infrastructure was intended, designed, and constructed to pass electricity through exposed power lines in vegetated areas; (2) PG&E negligently, recklessly, and wantonly failed to maintain and operate the electrical equipment in its utility infrastructure; and/or (3) PG&E negligently, recklessly, and wantonly failed to maintain the appropriate clearance area between the electrical equipment in its utility infrastructure and surrounding vegetation.
- 19. The conditions and circumstances surrounding the ignition of the Mosquito Fire, including the nature and condition of PG&E's electrical infrastructure, low humidity, strong winds, and tinder-like dry vegetation were foreseeable by any reasonably prudent person and, therefore, were certainly foreseeable to Defendants—those with special knowledge and expertise as electrical services providers and their employees and agents.

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- 20. The Mosquito Fire caused Plaintiffs to suffer injuries and damages including but not limited to, the following: loss of natural resources, open space, and public lands; loss of public parks; property damages including real and personal property; staff labor costs, including overtime labor costs; fire suppression costs including, materials, and other fire suppression damages; emergency response and rescue costs; evacuation expenses; loss of tax revenue including property, sales, and transient occupancy taxes; losses from impacts on business-like activities; costs associated with response and recovery including debris removal, and other costs; damage to infrastructure including but not limited to roads, sidewalks, water, stormwater and sewer systems, and underground infrastructure, and other public entity-owned infrastructure; damages based on soil erosion and loss of soil stability and productivity; damages related to water contamination including water quality preservation and correction expenses; loss of water storage and increased sedimentation; loss of aesthetic value; and other significant damages and losses directly related to and caused by the Mosquito Fire.
- 21. A further enumerated list of impacts to Plaintiffs includes, but is not limited to, the following:
 - a. Fire suppression costs;
 - b. Administration, funding, and operation of emergency operations centers;
 - c. Administration, funding, and operation of evacuation centers and shelters;
 - d. Securing and managing burn areas, including safe re-entry for the public;
 - e. Staff overtime, labor costs, personnel, and other materials;
 - f. Additional law enforcement costs;
 - g. Lost work and productivity due to public entity employees unable to return to work;
 - h. Loss of natural resources, open space, wildlife, and public lands;
 - Loss of parks, including damage to real property and to recreational opportunities and programs, and the revenue generated therefrom;
 - j. Destruction or damage to public infrastructure, including but not limited to roads, sidewalks, water storage facilities, water distribution systems, sewer

1		collection existence stampy star existence fine stations and other
		collection systems, stormwater systems, fire stations, and other
2		infrastructure;
3	k.	Damage or harm to facility and infrastructure lifespan, including water
4		treatment facilities and landfills;
5	1.	Costs of debris removal and related administrative obligations;
6	m.	Costs of facilitating/administering community rebuilding efforts, staffing
7		and administration of permitting centers;
8	n.	Costs of administering community outreach efforts, including towards
9		revisions to new ordinances, guidelines, and rules, and housing assistance
10		programs and policies;
11	о.	Costs of watershed, waterway, and water body management and
12		protection;
13	p.	Damages related to soil erosion and mitigation, loss of soil stability and
14		productivity, including management of risk of debris flow and landslides;
15	q.	Damages related to water contamination, including water quality
16		preservation and correction expenses, including but not limited to repair
17		and/or replacement of water treatment facilities or systems;
18	r.	Loss of tax revenues such as property, sales, business, and transient
19		occupancy taxes;
20	s.	Loss of business like or proprietary revenues, such as airport use, facility
21		rentals, educational and recreational programs, and others;
22	t.	Damages related to loss of workforce housing;
23	u.	Damages associated with tourism and economic development, such as
24		overall branding and reputation;
25	v.	Damages resulting from short- and long-term public health impacts,
26	, ,	including costs to provide educational, outreach, and other services;
27	w.	Other impacts, injuries, and damages not yet identified, including those
28	vv .	unique to public entities.
20		unique to public entities.



Example of Devastation Caused by Mosquito Fire -Photo by Noah Berger Associated

Press via KCRA3

A. PG&E'S INEXCUSABLE HISTORY OF SAFETY FAILURES

- 22. At the time the Mosquito Fire ignited on September 6, 2022, Defendants were aware that the nature and condition of its electrical equipment, along with geographic, weather, ecological, and other conditions, gave rise to a high risk that PG&E's electrical equipment would ignite a wildfire like the Mosquito Fire.
- 23. PG&E's safety record is an abomination. PG&E has developed a regular pattern of placing its own profits before the safety of the California residents it serves and shows no intention of changing this behavior.
- 24. The Fire was not an isolated incident. PG&E has a long history of safety lapses resulting in injury and death to California residents, as well as destruction and damage to their property.

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- a. <u>1981 San Francisco Gas Explosion</u>: A PG&E gas main in downtown San Francisco exploded, forcing 30,000 people to evacuate. It took workers nine hours to shut off the gas main's manual shut off valves and stop the flow of gas that continued to feed the flames in the interim.
- b. <u>1992 Santa Rosa Gas Explosion</u>: Two people were killed and three others were injured when a PG&E gas line exploded in Santa Rosa. The pipeline was improperly marked, failing to give proper notice to contractors working in the area. A contractor hit the pipe with a backhoe, causing the pipe to leak several months later.
- c. <u>1994 Trauner Fire</u>: The Trauner Fire burned down a historic schoolhouse and 12 homes near the scenic Gold Rush town of Rough and Ready. Investigators determined that the Trauner Fire began when a 21,000-volt power line brushed against a tree limb that PG&E had failed to keep trimmed. Through random spot inspections, the investigators found hundreds of safety violations in the area near the Trauner Fire, approximately 200 of which involved contact between vegetation and PG&E's power lines. In June 1997, a Nevada County jury found PG&E guilty of 739 counts of criminal negligence and it was required to pay \$24 million in penalties. After the trial, a 1998 CPUC report revealed that PG&E diverted \$77.6 million from its tree trimming budget to other uses from 1987 to 1994. During that same time, PG&E underspent its authorized budgets for maintaining its systems by \$495 million and, instead, used this money to boost corporate profits.
- d. <u>1996 Mission Substation Electrical Fire</u>: At approximately 1:00 AM on November 27, 1996, a cable splice at PG&E's Mission Substation in San Francisco short-circuited, burning and melting the insulation around the splice. Smoke from the fire rose through a floor opening above the splice into a switch cabinet. That smoke was so thick that it caused a flashover

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between phases of the bus bars connecting the overhead N bus to the switch. This caused insulation on the N bus to ignite and a circuit breaker to open, resulting in the loss of power to a group of PG&E customers. The substation was unmanned at the time and the fire was only discovered by chance by an employee who had stopped by the substation to use the restroom.

- e. <u>1999 Pendola Fire</u>: A rotten pine, which the government said PG&E should have removed, fell on a power line, starting the Pendola Fire. It burned for 11 days and scorched 11,725 acres, mainly in the Tahoe and Plumas national forests. PG&E paid a \$14.75 million settlement to the U.S. Forest Service in 2009. That year, the utility also reached a \$22.7 million settlement with the CPUC after regulators found PG&E had not spent money earmarked for tree trimming and removal toward those purposes.
- f. <u>2003 Mission Substation Electrical Fire</u>: One third of San Francisco lost power following a 2003 fire at PG&E's Mission District Substation. The fire burned for nearly two hours before PG&E workers arrived on the scene to discover the damage. The CPUC report of the investigation, described PG&E's careless approach to safety and apparent inability to learn from its past mistakes, stating "PG&E did not implement its own recommendations from its own investigation of the 1996 fire."
- g. <u>2004 Sims Fire</u>: In July 2004, the Sims Fire burned over 4,000 acres of forest land in the Six Rivers National Forest and the Trinity National Forest. A federal lawsuit alleged that PG&E failed to remove a decaying tree, which fell on a transmission line and ignited the blaze.
- h. **2004 Fred's Fire**: The Fred's Fire started Oct. 13, 2004, near Kyburz in El Dorado County. A lawsuit filed by the U.S Government claimed that employees of PG&E's contractor lost control of a large tree they were cutting down. It fell onto a PG&E powerline and caused a fire that burned

¹ http://docs.cpuc.ca.gov/publishedDocs/published/Report/40886.pdf

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- over 7,500 acres. PG&E and its contractors paid \$29.5 million to settle the lawsuits over the Fred's Fire and the Sims Fire.
- i. <u>2004 Power Fire</u>: In October 2004, the Power Fire burned approximately 17,000 acres on the Eldorado National Forest and on private timberlands. A federal lawsuit alleged that the Power Fire was ignited by a lit cigarette that was dropped by a PG&E tree trimming contractor. PG&E and its contractor paid the federal government \$45 million to settle the lawsuit.
- j. <u>2005 San Francisco Electrical Explosion</u>: In August 2005, a PG&E electrical transformer exploded beneath the San Francisco financial district at Kearny and Post Streets, severely burning a woman who had been walking by. A lawsuit by the injured woman settled for an undisclosed sum.
 - 2008 Rancho Cordova Gas Explosion: An explosion and fire caused by a natural gas leak destroyed a residence in Rancho Cordova, California, killing one person, injuring five others, and causing damage to several other nearby homes in December of 2008. The cause of the explosion was the use of a section of unmarked and out-of-specification pipe with inadequate wall thickness that allowed gas to leak from a mechanical coupling installed approximately two years earlier. In November 2010, the CPUC filed administrative charges alleging that PG&E was at fault for the blast because PG&E should have discovered the improper repair job that caused the explosion but failed to timely do so. As a result, the CPUC required PG&E to pay a \$38 million fine.
- 1. **2008 Whiskey Fire**: The June 2008 Whiskey Fire burned more than 5,000 acres of land in the Mendocino National Forest. The fire started when a gray pine tree that did not have the required clearance from a PG&E transmission line came into contact with the line. PG&E and its contractors agreed to pay \$5.5 million to settle a federal lawsuit.

- m. <u>2009 San Francisco Electrical Explosion</u>: In June 2009, a PG&E underground vault exploded in downtown San Francisco leaving thousands without power.
- n. **2010** San Bruno Gas Explosion: On September 9, 2010, PG&E's disregard of public safety caused the death of eight people, injured 58 people, and destroyed an entire neighborhood in San Bruno, California, when one of its gas pipelines exploded and burst into flames. After the explosion, the NTSB issued a report that blamed the disaster on PG&E's poor management of its pipeline. In April 2015, the CPUC slapped PG&E with a \$1.6 billion fine for causing the explosion and diverting maintenance funds into stockholder dividends and executive bonuses. Further, in January 2017, a federal jury found PG&E guilty of six felony charges. The judge ordered it to pay \$3 million in fines for causing the explosion and ordered PG&E to submit to court supervision of its natural gas operations.
- o. **2014 Carmel Gas Explosion**: In 2014, PG&E employees damaged a gas pipeline in Carmel while digging because they lacked the legally required records on the location of the pipeline. Gas escaping from the pipeline exploded and destroyed an unoccupied cottage. The CPUC fined PG&E \$37.3 million and PG&E paid an additional \$1.6 million to settle a related lawsuit filed by the City of Carmel.
- p. <u>2015 San Francisco Electrical Explosion</u>: In September 2015, a PG&E underground transformer exploded in Bernal Heights, injuring two people, one of them critically.
- q. **2015 Butte Fire in Calaveras County**: On September 9, 2015, the Butte Fire ignited when a 44-foot-tall, weak grey pine tree that should have been removed by PG&E struck a 12,000-volt overhead power line that was owned and operated by PG&E. The resulting fire burned for 22 days, killing two people, burning over 70,000 acres, and destroying and damaging 475

residences, 343 outbuildings, and 45 other structures. The fire also left tens of thousands of dead or dying trees and the risk of water pollution and erosion in its wake. Thousands of people were forced to evacuate their homes, and thousands were damaged in their person and property.

- r. 2017 North Bay Fires: On or around the night of Sunday, October 8, 2017, the North Bay Fires started when power lines, transformers, conductors, poles, insulators, reclosers, and/or other electrical equipment constructed, owned, operated, managed, and/or maintained by PG&E fell down, broke, failed, sparked, exploded, and/or came into contact with vegetation. The North Bay Fires were series of fires with numerous origin points all caused by PG&E's disregard of mandated safety practices and the foreseeable risks associated with its unsafe infrastructure. The North Bay Fires claimed the lives of at least 43 people and injured many others, burned over 245,000 acres, destroyed over 14,700 homes, and displaced around 100,000 people.
- s. **2018 Camp Fire**: On or about the morning of November 8, 2018, the Camp Fire started when a poorly maintained electrical transmission and distribution lines owned and operated by PG&E failed igniting a vegetation fire. The Camp Fire claimed the lives of 85 people and injured many others, burned over 153,335 acres, and destroyed 18,804 structures, of which almost 14,000 were residences. Approximately 30,000 people lost their homes due to the Camp Fire. PG&E pled guilty to 84 counts of involuntary manslaughter in connection with the Camp Fire as well as one count of unlawfully and recklessly causing the fire.
- t. **2020 Zogg Fire**: On or around the afternoon of September 27, 2020, the Zogg Fire ignited when a PG&E electrical distribution line made contact with a pine tree. The Zogg Fire burned 56,000 acres, claimed the lives of four people, and destroyed 204 structures. On July 29, 2021, the Shasta County District Attorney's Office announced that it plans to file criminal

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charges over PG&E's role in igniting the fatal Zogg Fire.

- 2021 Dixie Fire: On or about the early evening of July 13, 2021, the Dixie Fire began when PG&E's high-voltage line made contact with a tree, thus igniting a vegetation fire. The Dixie Fire burned 963,309 acres and destroyed 1,329 structures. On April 11, 2022, the District Attorneys of Plumas, Lassen, Tehama, Shasta, and Butte Counties announced they would be pursuing civil prosecution against PG&E for its role in starting the Dixie Fire. The Dixie Fire was the largest single wildfire recorded in California history, and the second largest wildfire overall.
- 25. These previous wildfires put Defendants on actual notice that PG&E's ineffective vegetation management programs, unsafe equipment, and aging electrical infrastructure created a predictable risk that PG&E's electrical equipment would ignite a wildfire such as the Mosquito Fire.
- 26. These wildfires were not the result of an "act of God" or other force majeure. These wildfires were started by sparks from high-voltage transmission lines, distribution lines, appurtenances, and other electrical equipment within PG&E's utility infrastructure that ignited surrounding vegetation. Despite these previous wildfires, Defendants have deliberately, and repeatedly, prioritized profits over safety. That is, Defendants have a history of acting recklessly and with conscious disregard to human life and safety, and this history of recklessness and conscious disregard was a substantial factor in bringing about the Mosquito Fire.

B. PG&E'S INEXCUSABLE BEHAVIOR CONTRIBUTED TO THE CAUSE OF THE FIRE

- 1. The 2013 Liberty Report Found that PG&E's Distribution System Presented "Significant Safety Issues"
- 26. On May 6, 2013, a report was sent to the Safety and Enforcement Division of the CPUC from the Liberty Consulting Group who had been retained to conduct an independent review of capital and operations and maintenance expenditures proposed by PG&E (hereinafter

the "2013 Liberty Report").² The 2013 Liberty Report concluded that: "several aspects of the PG&E distribution system present significant safety issues." It also found: (a) "addressing risks associated with electrical distribution components has been overshadowed by electric transmission and gas facilities;" (b) "addressing aging infrastructure and adding SCADA to the system comprise the major focuses of safety initiatives for the distribution system;" and (c) "current employee/contractor serious injury and fatality levels require significantly greater mitigation."

2. PG&E's Failure to Treat the Conditions of Its Aging Electrical Assets as an Enterprise-Level Risk

- 27. Another recommendation of the 2013 Liberty Report was the "establishment of a formal asset management program in Electric Operations." According to the report, "aging infrastructure is best addressed by having a strategic asset management program in place. These types of programs, such as the PAS 55 program, force a detailed and thorough condition assessment survey of the major assets. These types of formal programs also take failure modes into consideration. Long term sustainable plans can then be prepared to address the asset conditions. A sustainable asset management will mitigate system safety risks from aging infrastructure, which constituted a major portion of the safety items in this GRC."
- 28. The 2013 Liberty Report specifically recommended that "PG&E treat aging infrastructure as an enterprise-level risk."
- 29. After the release of the 2013 Liberty Report, PG&E began to publicly state that they were treating wildfires as an enterprise-level risk. However, the methodology used by PG&E to evaluate the severity of that risk was and is unscientific and not based on valid statistical methodology. Instead, PG&E's method is to engage in a group discussion where an agreement is reached on a specific risk level based on personal opinion, anecdotal evidence, and factual misconceptions. This process has led to PG&E's failure to properly evaluate the frequency and severity of the risk posed by wildfires.

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² http://docs.cpuc.ca.gov/publisheddocs/efile/g000/m065/k394/65394210.pdf

- 30. Further, PG&E has a corporate policy in which they knowingly "accept" a certain level of risk, meaning that PG&E choose not to maintain their electrical transmission and distribution infrastructure in a manner that would reasonably prevent all risks of which they are aware, thereby leaving the public at risk of death, personal injury, and damage to property.
- 31. PG&E's failure to treat its aging infrastructure as an enterprise-level risk in a reasonable manner contributed to the cause of the Fire.

3. PG&E's "Run to Failure" Approach to Maintenance

- 38. PG&E's failure to address the "significant safety hazards" identified by the 2013 Liberty Report; failure to treat the conditions of its aging infrastructure as an enterprise-level risk; failure to inspect, maintain, repair, or replace its aging equipment; failure to conduct an inventory of its electrical assets; and failure to ensure its infrastructure could withstand foreseeable weather conditions as required by law are all indicative of what has been called PG&E's "run to failure" approach to its infrastructure.
- 39. PG&E has a well-documented history of implementing this "run to failure" approach with its aging infrastructure, ignoring necessary maintenance in order to line its own pockets with excessive profits. According to a filing by Office of Ratepayer Advocates with the CPUC in May 2013:

However, as we saw in Section V.F.3 above, the Overland Audit explains how PG&E systematically underfunded GT&S integrity management and maintenance operations for the years 2008 through 2010. PG&E engaged in a 'run to failure' strategy whereby it deferred needed maintenance projects and changed the assessment method for several pipelines from ILI to the less informative ECDA approach – all to increase its profits even further beyond its already generous authorized rate of return, which averaged 11.2% between 1996 and 2010.

Given PG&E's excessive profits over the period of the Overland Audit, there is no reason to believe that Overland's example regarding GT&S operations between 2008 and 2010 was unique. The IRP Report supplements the Overland Audit findings with additional examples of PG&E management's commitment to profits over safety. Thus, it is evident that while the example of GT&S underfunding between 2008 and 2010 might be extreme, it was not an isolated incident; rather, it represents the culmination of PG&E management's long-standing policy to squeeze every nickel it could from PG&E gas operations and

maintenance, regardless of the long term 'run to failure' impacts. And PG&E has offered no evidence to the contrary.³

40. PG&E's failure to address this "run to failure" approach to maintenance contributed to the cause of the Fire.

C. PG&E'S CORPORATE CULTURE IS THE ROOT CAUSE OF THE MOSQUITO FIRE

- 41. PG&E is a virtual monopoly in the provision of gas and electric services to the general public in almost all counties and cities across Northern and Central California.⁴
- 42. Over the past thirty-plus years, PG&E has been subject to numerous fines, penalties, and/or convictions as a result of its failure to abide by safety rules and regulations, including the fines, penalties, settlements, and convictions detailed above. Despite these recurring punishments, PG&E continues to display a shocking degree of arrogant complacency, refuses to modify its behavior, and continues to conduct its business with a conscious disregard for the safety of the public, including Public Entity Plaintiffs.
- 43. Rather than spend the money it obtains from customers for infrastructure maintenance and safety, PG&E redirects this funding to boost its own corporate profits and compensation. This pattern and practice of favoring profits over having a solid and well-maintained infrastructure that would be safe and dependable for years to come left PG&E vulnerable to an increased risk of a catastrophic events such as the Mosquito Fire.
- 44. For example, according to documents released by The Utility Reform Network ("TURN"), PG&E planned to replace a segment of the San Bruno pipeline in 2007 that it identified as one of the riskiest pipelines in PG&E's system. PG&E collected \$5 million from its customers to complete the project by 2009, but instead deferred the project until it was too late and repurposed the money for other priorities. That same year, PG&E spent nearly \$5 million on bonuses for six of its top executives.
- 45. Moreover, PG&E has implemented multiple programs that provide monetary incentives to its employees, agents, and/or contractors to not protect public safety. Prior to the

³ ftp://ftp2.cpuc.ca.gov/PG&E20150130ResponseToA1312012Ruling/2013/03/SB_GT&S_0039691.pdf

⁴ A few cities like Palo Alto and Sacramento provide their own gas and electric utility services.

Butte Fire, PG&E chose to provide a monetary incentive to its contractors to cut fewer trees, even though PG&E was required to have an inspection program in place that removed dangerous trees and reduced the risk of wildfires. Robert Urban, a regional officer for a PG&E contractor, stated that he had a concern that the bonus system incentivized his employees to not do their job, but PG&E chose to keep this program despite knowing this risk. Similarly, prior to the San Bruno explosion, PG&E had a program that provided financial incentives to employees to not report or fix gas leaks and keep repair costs down. This program resulted in the failure to detect a significant number of gas leaks, many of which were considered serious leaks. According to Richard Kuprewicz, an independent pipeline safety expert, PG&E's incentive system was "training and rewarding people to do the wrong thing," emblematic of "a seriously broken process," and "explains many of the systemic problems in this operation that contributed to the [San Bruno] tragedy."⁵

46. As detailed above, the Fire is just another example of the many tragedies that have resulted from PG&E's enduring failure to protect the public from the dangers associated with its operations. PG&E power lines, transformers, conductors, poles, insulators, and/or other electrical equipment have repeatedly started wildfires due to PG&E's ongoing failure to create, manage, implement, and/or maintain effective vegetation management programs for the areas near and around its electrical equipment. Further, PG&E's aging infrastructure has caused multiple disasters throughout California.

CAUSES OF ACTION

FIRST CAUSE OF ACTION

(Inverse Condemnation against All Defendants)

- 47. All previous paragraphs are incorporated into this cause of action.
- 48. Plaintiffs bring this cause of action for Inverse Condemnation against Defendants. On September 6, 2022, Plaintiffs were the owners of real property and/or personal property in the area of the Mosquito Fire.

⁵ http://www.sfgate.com/news/article/PG-E-incentive-system-blamed-for-leak-oversights-2424430.php

- 49. Prior to and on September 6, 2022, Defendants had each designed, constructed, installed, operated, controlled, used, and/or maintained the facilities, lines, wires, and/or other electrical equipment within PG&E's utility infrastructure, including the transmission and distribution lines in and around the location of the Mosquito Fire, for the purpose of providing electrical services to large swaths of the public.
- 50. Defendants' operation and maintenance of electrical transmission and distribution lines and supporting equipment ("Electrical Systems"), which were a substantial cause of Plaintiffs' damages, are a public improvement for a public use, and constitute an "electrical plant" pursuant to Public Utilities Code § 217.
 - 51. Article 1, § 19 of the California Constitution states:

Private property may be taken or damaged for public use only when just compensation, ascertained by a jury unless waived, has first been paid to, or into court for, the owner. The Legislature may provide for possession by the condemnor following commencement of eminent domain proceedings upon deposit in court and prompt release to the owner of money determined by the court to be the probable amount of just compensation.

- 52. On or about September 6, 2022, Defendants' Electrical Systems started the Mosquito Fire, which directly, substantially, and legally resulted in the taking of Plaintiffs' private property and deprived them of the use and enjoyment of their property.
- 53. On August 15, 2019, the Supreme Court of California published its holding for the City of Oroville v. Superior Court, 7 Cal. 5th 1091. In that case, the Court articulated that a court assessing inverse condemnation liability must find more than just a causal connection between the public improvement and the damage to private property. In the Mosquito Fire, Defendants' Electrical Systems substantially caused Plaintiffs' damages and was more than just a causal connection.
- 54. Defendants owned and substantially participated in the design, planning, approval, construction, and operation of the Electrical Systems and public improvements for the supplying of electricity. Defendants exercised control and dominion over the said electrical systems and public improvements as a public project and public benefit.

- 55. In *City of Oroville*, the Court requires a reviewing court to consider whether the inherent dangers of the public improvement as deliberately designed, constructed, or maintained materialized and were the cause of the property damage.
- 56. Electricity is a dangerous instrumentality that poses an inherent risk that requires the exercise of increased care and precaution commensurate with and proportionate to that increased danger so as to make the transport of electricity through the Electrical Systems safe under all circumstances and exigencies posed by the surrounding weather and vegetation to ensure maximum safety under all local conditions in the service area, including the risk of fire.
- 57. The Court in the *City of Oroville* articulates that "useful public improvements must eventually be maintained and not merely designed and built. So, the inherent risk aspect of the inverse condemnation inquiry is not limited to deliberate design or construct of public improvement. It also encompasses risks from maintenance or continued upkeep of the public work." (7 Cal. 5th 1091 at 1106). Defendants have a responsibility to maintain and continuously upkeep its Electrical Systems to ensure safe delivery of electricity to the public.
- 58. Defendants have a non-delegable duty to maintain and upkeep its Electrical Systems, so that should an electrical overcurrent event occur, its powerlines de-energize. The inherent danger in Defendants failing to maintain and upkeep its Electrical Systems materialized in an electrical event, which ignited the Mosquito Fire that damaged Plaintiffs' Property.
- 59. Defendants have a non-delegable duty to maintain and upkeep its Electrical Systems, which includes vegetation management around its Electrical Systems. The inherent danger in Defendants failing to maintain and continuously upkeep the surrounding vegetation around its Electrical Systems materialized in an electrical event, which ignited vegetation, starting the Mosquito Fire that damaged Plaintiffs' Property.
- 60. Defendants have special knowledge and expertise above that of a layperson that is required to perform safe structural integrity inspections and maintenance, and other safety inspections at, near and around its Electrical Systems. Specifically, Defendants exercised dominion and control over its Electrical Systems.

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- 61. On September 6, 2022, Defendants were actually aware of the inherent dangers and risks that the electrical equipment within PG&E's electrical-utility infrastructure (as deliberately designed and constructed) would ignite a wildfire like the Mosquito Fire.
- 62. This inherent risk was realized on September 6, 2022, when electrical equipment within PG&E's utility infrastructure ignited the Mosquito Fire, which resulted in the taking of Plaintiffs' real property and/or personal property.
- 63. This taking was legally and substantially caused by Defendants' actions and inactions in designing, constructing, installing, operating, controlling, using, and/or maintaining the facilities, lines, wires, and/or other electrical equipment within PG&E's utility infrastructure.
 - 64. Plaintiffs have not been adequately compensated, if at all, for this taking.
- 65. The policy justifications underlying inverse condemnation liability are that individual property owners should not have to contribute disproportionately to the risks from public improvements made to benefit the community as a whole. Under the rules and regulations set forth by the California Public Utilities Commission, amounts that Defendants must pay in inverse condemnation can be included in their rates and spread among the entire group of rate payers so long as they are otherwise acting as a reasonable and prudent manager of their Electrical Systems.
- 66. The conduct as described herein was a substantial factor in causing damage to a property interest protected by the Article I, § 19, of the California Constitution and permanently deprived Plaintiffs of the use and enjoyment of its property. As a direct result of the "taking" of the property, Plaintiffs sustained damages in excess of the jurisdictional minimum of this Court. Pursuant to California Code of Civil Procedure §1036, Plaintiffs are entitled to recover all litigation costs, expenses, and interest with regard to the compensation of damage to their property, including attorney's fees, expert fees, consulting fees and litigation costs.

SECOND CAUSE OF ACTION

(Negligence against All Defendants)

67. All previous paragraphs, except those falling under Plaintiffs' cause of action for inverse condemnation, are incorporated into this cause of action.

68. Defendant as the owner and/or controller of the Electrical Systems, was under a duty codified in California Civil Code §1714(a), which states, in pertinent part:

Everyone is responsible, not only for the result of his or her willful acts, but also for an injury occasioned to another by his or her want of ordinary care or skill in the management of his or her property or person, except so far as the latter has, willfully or by want of ordinary care, brought the injury upon himself or herself.

- 69. Defendants each have special knowledge and expertise far beyond that of a layperson with regard to the safe design, engineering, construction, use, operation, inspection, repair, and maintenance of PG&E's electrical lines, infrastructure, equipment, and vegetation management efforts. The provision of electrical services involves a peculiar and inherent danger and risk of wildfires. Specifically, Defendants were under a duty to maintain the Electrical Systems in their possession, including surrounding vegetation, in a reasonably safe condition.
- 70. Prior to and on September 6, 2022, Defendants had a non-delegable duty to apply a level of care commensurate with, and proportionate to, the inherent dangers in designing, engineering, constructing, operating, and maintaining electrical transmission and distribution systems. This duty also required Defendants to maintain appropriate vegetation management programs, for the control of vegetation surrounding PG&E's exposed power lines. This duty also required Defendants to consider the changing conditions PG&E's electrical transmission and distribution systems, as well as changing geographic, weather, and ecological conditions. This duty also required Defendants to take special precautions to protect adjoining properties from wildfires caused by PG&E's electrical equipment.
 - 71. Defendants each breached these duties by, among other things:
 - a. Failing to design, construct, operate, and maintain PG&E's high-voltage transmission and distribution lines and associated equipment, in a way that would withstand the foreseeable risk of wildfire in the area of the Mosquito Fire.
 - b. Failing to prevent electrical transmission and distribution lines from improperly sagging or making contact with other metal;
 - c. Failing to properly inspect and maintain vegetation within proximity to

energized transmission and distribution lines to mitigate the risk of fire;

- d. Failing to conduct reasonably prompt, proper, and frequent inspections of PG&E's power lines and associated equipment;
- e. Failing to promptly de-energize exposed power lines during fire-prone conditions;
- f. Failing to properly train and supervise employees and agents responsible for maintenance and inspection of power lines; and/or
- g. Failing to implement and follow regulations and reasonably prudent practices to avoid fire ignition.
- 72. At all relevant times, Defendants operated, controlled, and/or maintained the Electrical Systems.
- 73. At all times relevant, Defendants were required to own, design, control, possess, operate, install, construct, inspect, maintain, and manage the Electrical Systems, including the real estate, rights-of-way, easements, fixtures, conductors, devices, poles, conduits, apparatus, parts, and equipment in accordance with all standards, laws, rules, regulations, and orders pertaining thereto.
- 74. Defendants in connection with the production, sale, transmission, and distribution of electricity have a non-delegable duty, commensurate with and proportionate to the danger of transmitting power, to own, design, control, possess, construct, operate, install, inspect, maintain, and/or manage the Electrical Systems in a proper, reasonable, careful, and safe manner.
- 75. Defendants' failure to comply with applicable provisions of the Public Utilities Act and Public Utilities Commission General Orders and Rules, as alleged herein, is negligence per se because these statutes, orders, and rules are aimed at preventing the exact type of harm that Plaintiffs suffered because of Defendants' failure to comply with these statutes, orders, and rules. That is, Plaintiffs are within the class of individuals these statutes, orders, and rules were implemented to protect.
- 76. As a direct and legal result of the Defendants' actions and/or omissions, Plaintiffs have suffered damages including, but not limited to the following: damage to and loss of natural

resources, open space, parks, and public lands; property damages including real and personal property damages, including loss of and damage to vegetation, trees, infrastructure, and structures; increased staff labor costs, including overtime labor costs to respond to and manage the Mosquito Fire and ensure the safety of the citizens of El Dorado and Placer Counties and surrounding communities and districts; fire suppression costs, including personnel, overtime labor costs, materials, and other fire suppression damages; evacuation expenses; costs associated with debris removal; damage to infrastructure, including but not limited to roads, sidewalks, water, stormwater and sewer systems, underground infrastructure and other public-entity owned infrastructure; damages based on fire-related soil erosion, loss of soil stability and productivity; damages related to water contamination including water quality preservation and correction expenses; loss of water storage; loss of aesthetic value; loss of tax revenue, including property, sales, and transient occupancy damages; losses from impacts on business-like activities; and other significant injuries, damages and losses directly related to and caused by the Mosquito Fire.

- 77. As a further direct and legal result of the Defendants' actions and/or omissions, Plaintiffs have incurred and will continue to incur expenses and other damages related to the damage to property, including costs relating to storage, clean-up, disposal, repair, depreciation, and/or replacement of their property, and/or other related consequential damages.
- 78. Defendants have a virtual monopoly over the transmission and distribution of electrical power to the areas affected by the Mosquito Fire and has individual contracts with all residents and businesses in those areas to whom it distributes that electrical power. The communities affected by the Mosquito Fire are all dependent upon the safe transmission and distribution of that electrical power for continuous residential and commercial usage, and Defendants have contractual, statutory, and public duties to provide that electrical power in a manner that promotes those individual and public interests.
- 79. The potential harms to the Plaintiffs' property from wildfires such as the Mosquito Fire were objectively foreseeable both in nature and in scope and were subjectively known to Defendants from the history of wildfires caused by utility equipment.

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- 80. Defendants' negligence, including Defendants' negligence per se, was a substantial factor in causing Plaintiffs' damages.
- 81. As a direct and proximate result of the aforesaid conduct, Plaintiffs suffered damages described herein, which were proximately and substantially caused by the Mosquito Fire.
- 82. Public policy supports finding a duty of care in this circumstance due to Defendants' violation of California Civil Code §§ 3479, 3480, Public Utilities Code § 2106 and Health & Safety Code §§ 13007 and 13009.
- 83. Defendants, including one or more PG&E officers, directors, and/or managers, have deliberately, and repeatedly, prioritized profits over safety. That is, Defendants have a history of acting recklessly and with conscious disregard to human life and safety, and this history of recklessness and conscious disregard was a substantial factor in bringing about the Mosquito Fire. This is despicable and oppressive conduct. Plaintiffs thus seek punitive damages in an amount sufficient to punish Defendants' long history of prioritizing profits over safety and to deter such conduct in the future.

THIRD CAUSE OF ACTION

(Trespass against all Defendants)

- 84. All previous paragraphs are incorporated into this cause of action.
- 85. On September 6, 2022, Plaintiffs were the owners, tenants, and/or lawful occupiers of real properties in the area of the Mosquito Fire.
- 86. Defendants negligently and/or recklessly allowed the Mosquito Fire to ignite and/or spread out of control, causing harm, damage, and/or injury resulting in a trespass upon Plaintiff's property interests.
 - 87. Plaintiffs did not grant permission for any fire to enter their properties.
- 88. As a direct and legal result of the wrongful conduct of Defendants which led to the trespass, Plaintiffs have suffered and will continue to suffer damages as set forth herein, in an amount according to proof at trial.

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89. The trespass was a substantial factor in causing Plaintiffs to suffer injuries and damages including but not limited the following: damage to and loss of natural resources, open space, parks, and public lands; property damages including real and personal property damages, including loss of and damage to vegetation, trees, infrastructure, and structures; increased staff labor costs, including overtime labor costs to respond to and manage the Mosquito Fire and ensure the safety of the citizens of El Dorado and Placer Counties and other surrounding areas; fire suppression costs, including personnel, overtime labor costs, materials, and other fire suppression damages; evacuation expenses; costs associated with debris removal; damage to infrastructure, including but not limited to roads, sidewalks, water, stormwater and sewer systems, underground infrastructure and other public-entity owned infrastructure; damages based on fire-related soil erosion, loss of soil stability and productivity; damages related to water contamination including water quality preservation and correction expenses; loss of water storage; loss of aesthetic value; loss of tax revenue, including property, sales, and transient occupancy damages; losses from impacts on business-like activities; and other significant injuries, damages and losses directly related to and caused by the Mosquito Fire. Plaintiffs suffered other injuries and damages yet identified including those unique to the public entities.

90. As a further direct and legal result of the wrongful acts and/or omissions of Defendants, Plaintiffs seek recovery of punitive and exemplary damages against Defendants as set forth above. Further, the conduct of Defendants and their failures to act as alleged in this Complaint were in reckless disregard of their consequences and in reckless disregard of the rights and safety of Plaintiffs and subjected Plaintiffs to cruel and unjust hardship, thus constituting malice and oppression on Defendants' part for which they must be punished by punitive and exemplary damages in an amount according to proof. An officer, director, or managing agent of Defendants personally committed, authorized, and/or ratified the reckless and wrongful conduct alleged in this Complaint.

FOURTH CAUSE OF ACTION

(Nuisance against All Defendants)

91. All previous paragraphs are incorporated into this cause of action.

- 92. On September 6, 2022, Plaintiffs were the owners, tenants, and/or lawful occupiers of real properties in the area of the Mosquito Fire.
- 93. Defendants' actions, conduct, omissions, negligence, trespass, and failure to act created a condition and/or permitted a condition to exist that was harmful to health; offensive to the senses; an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life and property; unlawfully obstructed the free passage or use, in the customary manner, of public streets and highways; and a completely predictable fire hazard.
- 94. At no time did Plaintiffs consent, expressly or impliedly, to Defendants' actions and inactions in creating these conditions.
- 95. As a further direct and legal result of the conducts of Defendants, Plaintiffs have suffered and will continue to be harmed by the interference with Plaintiffs' occupancy, possession, use, and/or enjoyment of their property as alleged above.
- 96. An ordinary person would be reasonably annoyed and disturbed by Defendants' actions and inactions in creating these conditions.
- 97. The conduct of Defendants was unreasonable and the seriousness of the harm to the public, including Plaintiffs, outweighs the social utility of Defendants' conduct.
- 98. As a direct and proximate result of the conduct of Defendants and the resultant fire, Plaintiffs incurred significant and actual damages, as described herein and in an amount to be proven at trial.
- 99. Plaintiffs suffered injuries and damages including but not limited the following: damage to and loss of natural resources, open space, parks, and public lands; property damages including real and personal property damages, including loss of and damage to vegetation, trees, infrastructure, and structures; increased staff labor costs, including overtime labor costs to respond to and manage the Mosquito Fire and ensure the safety of the citizens of El Dorado and Placer Counties and other surrounding communities; fire suppression costs, including personnel, overtime labor costs, materials, and other fire suppression damages; evacuation expenses; costs associated with debris removal; damage to infrastructure, including but not limited to roads, sidewalks, water, stormwater and sewer systems, underground infrastructure and other public-

entity owned infrastructure; damages based on fire-related soil erosion, loss of soil stability and productivity; damages related to water contamination including water quality preservation and correction expenses; loss of water storage; loss of aesthetic value; loss of tax revenue, including property, sales, and transient occupancy damages; losses from impacts on business-like activities; and other significant injuries, damages and losses directly related to and caused by the Mosquito Fire. Plaintiffs suffered other injuries and damages yet identified including those unique to the public entities.

100. Defendants, including one or more PG&E officers, directors, and/or managers, have deliberately, and repeatedly, prioritized profits over safety. That is, Defendants have a history of acting recklessly and with conscious disregard to human life and safety, and this history of recklessness and conscious disregard was a substantial factor in bringing about the Mosquito Fire. This is despicable and oppressive conduct. Plaintiffs thus seek punitive and exemplary damages in an amount according to proof to punish Defendants' long history of prioritizing profits over safety and to deter such conduct in the future.

FIFTH CAUSE OF ACTION

(Premises Liability against All Defendants)

- 101. All previous paragraphs are incorporated into this cause of action.
- 102. Defendants, and/or each of them, were the owners of an easement and/or real property in the area of the origins of the Mosquito Fire, and/or were the owners of the power lines upon said easement(s) and/or right(s) of way.
- 103. Defendants, and/or each of them, acted wantonly, unlawfully, carelessly, recklessly, and/or negligently in failing to properly inspect, manage, maintain, and/or control the vegetation near its power lines along the real property and easement(s), allowing an unsafe condition presenting a foreseeable risk of fire danger to exist on said property.
- 104. As a direct and legal result of the wrongful acts and/or omissions of Defendants, and/or each of them, Public Entity Plaintiffs suffered, and continue to suffer, the injuries and/or damages as set forth herein.

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105. As a further direct and legal result of the wrongful acts and/or omissions of Defendants, and/or each of them, Public Entity Plaintiffs seek the recovery of punitive and exemplary damages against Defendants.

106. Plaintiffs suffered injuries and damages including but not limited the following: damage to and loss of natural resources, open space, parks, and public lands; property damages including real and personal property damages, including loss of and damage to vegetation, trees, infrastructure, and structures; increased staff labor costs, including overtime labor costs to respond to and manage the Mosquito Fire and ensure the safety of the citizens of El Dorado and Placer Counties and other surrounding communities; fire suppression costs, including personnel, overtime labor costs, materials, and other fire suppression damages; evacuation expenses; costs associated with debris removal; damage to infrastructure, including but not limited to roads, sidewalks, water, stormwater and sewer systems, underground infrastructure and other publicentity owned infrastructure; damages based on fire-related soil erosion, loss of soil stability and productivity; damages related to water contamination including water quality preservation and correction expenses; loss of water storage; loss of aesthetic value; loss of tax revenue, including property, sales, and transient occupancy damages; losses from impacts on business-like activities; and other significant injuries, damages and losses directly related to and caused by the Mosquito Fire. Plaintiffs suffered other injuries and damages yet identified including those unique to public entities.

SIXTH CAUSE OF ACTION

(Violation of Public Utilities Code § 2106 against All Defendants)

- 107. All previous paragraphs are incorporated into this cause of action.
- 108. PG&E was on September 6, 2022, and is, a "public utility" for purposes of the Public Utilities Code. PG&E was, therefore, required to comply with the Public Utilities Act.
- 109. Prior to and on September 6, 2022, PG&E was also required to obey and comply with every order, decision, direction, or rule made or prescribed by the Public Utilities Commission in the matters specified under the Public Utilities Act, and any other matter in any way relating to or affecting its business as a public utility, and was required to do everything

necessary or proper to secure compliance therewith by all of its officers, agents, and employees.

- 110. A utility that performs or fails to perform something required to be done by the California Constitution, a law of the State, or a regulation or order of the Public Utilities Commission, which leads to the loss or injury, is liable for that loss or injury pursuant to Public Utilities Code § 2106.
- 111. Public Utilities Code § 2106 creates a private right of action against "[a]ny public utility which does, causes to be done, or permits any act, matter, or thing prohibited or declared unlawful, or which omits to do any act, matter, or thing required to be done, either by the Constitution, any law of this State, or any order or decision of the commission"
- 112. Defendants failed to furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and facilities as are necessary to promote the safety, health, comfort, and convenience of PG&E patrons and the public, as required by Public Utilities Code § 451.
- 113. Defendants failed to comply with the requirements for overhead line design, construction, and maintenance, the application of which will ensure adequate service and secure safety to persons engaged in the construction, maintenance, operation, or use of overhead lines and to the public in general, as required by Public Utilities Commission General Order 95, including Rules 31.2, 35, and 38, which set forth inspection, vegetation-management, and minimum-clearance requirements.
- 114. Defendants failed to comply with the requirements for electric distribution and transmission facilities regarding inspections in order to ensure safe and high-quality electrical service, as required by Public Utilities Commission General Order 165.
- 115. The violation of a legislative enactment or administrative regulation which defines a minimum standard of conduct is unreasonable per se.
- 116. Defendants' failure to comply with applicable provisions of the Public Utilities Act and with applicable Public Utilities Commission orders and rules, was a substantial factor in causing Plaintiffs to suffer damages, including but not limited the following: damage to and loss of natural resources, open space, parks, and public lands; property damages including real and

personal property damages, including loss of and damage to vegetation, trees, infrastructure, and structures; increased staff labor costs, including overtime labor costs to respond to and manage the Mosquito Fire and ensure the safety of the citizens of El Dorado and Placer Counties and surrounding communities; fire suppression costs, including personnel, overtime labor costs, materials, and other fire suppression damages; evacuation expenses; costs associated with debris removal; damage to infrastructure, including but not limited to roads, sidewalks, water, stormwater and sewer systems, underground infrastructure and other public-entity owned infrastructure; damages based on fire-related soil erosion, loss of soil stability and productivity; damages related to water contamination including water quality preservation and correction expenses; loss of water storage; loss of aesthetic value; loss of tax revenue, including property, sales, and transient occupancy damages; losses from impacts on business-like activities; and other significant injuries, damages and losses directly related to and caused by the Mosquito Fire. Plaintiffs suffered other injuries and damages yet identified including those unique to the public entities.

117. Defendants, including one or more PG&E officers, directors, and/or managers, have deliberately, and repeatedly, prioritized profits over safety. That is, Defendants have a history of acting recklessly and with conscious disregard to human life and safety, and this history of recklessness and conscious disregard was a substantial factor in bringing about the Mosquito Fire. This is despicable and oppressive conduct. Plaintiffs thus seek punitive and exemplary damages in an amount according to proof to punish Defendants' long history of prioritizing profits over safety and to deter such conduct in the future.

SEVENTH CAUSE OF ACTION

(Violation of Health & Safety Code § 13007 against all Defendants)

- 118. All previous paragraphs are incorporated into this cause of action.
- 119. Defendants negligently, recklessly, and/or in violation of law, allowed the Mosquito Fire to be set and allowed the Mosquito Fire to escape to Plaintiffs' properties.
- 120. Defendants' negligent, reckless, and/or illegal actions and inactions in allowing the Mosquito Fire to be set and escape to Plaintiffs' properties was a substantial factor in causing

Plaintiffs to suffer damages to property and continue to suffer the injuries and damages described herein.

- 121. As a direct and legal result of the wrongful acts and/or omissions of Defendants, Plaintiffs suffered and continue to suffer, the injuries and damages as set forth herein, including damages under Health and Safety Code §13007.
- 122. As a further direct and legal result of the wrongful acts and/or omissions of Defendants, Plaintiffs seek the recovery of punitive and exemplary damages against Defendants as set forth above.
- 123. Defendants, including one or more PG&E officers, directors, and/or managers, have deliberately, and repeatedly, prioritized profits over safety. That is, Defendants have a history of acting recklessly and with conscious disregard to human life and safety, and this history of recklessness and conscious disregard was a substantial factor in bringing about the Mosquito Fire. This is despicable and oppressive conduct. Plaintiffs thus seek punitive damages in an amount sufficient to punish Defendants' long history of prioritizing profits over safety and to deter such conduct in the future.

EIGHTH CAUSE OF ACTION

(Violation of Health and Safety Code § 13009 against all Defendants)

- 124. All previous paragraphs are incorporated into this cause of action.
- 125. By engaging in the acts and omissions alleged in this Complaint, Defendants, and each of them, willfully, negligently, and in violation of law, set fire to and/or allowed fire to be set to the property of another in violation of Health and Safety Code § 13009 et. seq.
- 126. As a legal result of Defendants' violation of Health and Safety Code § 13009 et. seq., Public Entity Plaintiffs suffered recoverable damages, including but not limited to damages under 13009.1, for fire suppression costs and costs for rescue and/or emergency medical services.
- 127. As a legal result of Defendants' violation of Health and Safety Code § 13009, Public Entity Plaintiffs suffered recoverable damages, including recovery of costs for restoration and rehabilitation of land, and other ecological and/or environmental damages allowable under Health and Safety Code § 13009.2.

- 128. As a further legal result of the violation of Health and Safety Code § 13009 by Defendants, Public Entity Plaintiffs suffered damages that entitles them to reasonable attorney's fees under Code of Civil Procedure § 1021.9 for the prosecution of this cause of action.
- 129. Further, the conduct alleged against Defendants in this Complaint was despicable and subjected Plaintiffs to cruel and unjust hardship in conscious disregard of their rights, constituting oppression, for which Defendants must be punished by punitive and exemplary damages in an amount according to proof. Defendants' conduct was carried on with a willful and conscious disregard of the rights and safety of Plaintiffs, constituting malice for which Defendants must be punished by punitive and exemplary damages according to proof. On information and belief, an officer, director, or managing agent of PG&E personally committed, authorized, and/or ratified the despicable and wrongful conduct alleged in this Complaint.

DEMAND FOR JURY TRIAL AND RELIEF

130. Plaintiffs hereby demand a jury trial for all claims so triable.

PRAYER FOR RELIEF

131. Plaintiffs seek the following damages in an amount according to proof at the time of trial:

For Inverse Condemnation:

- (1) Economic damages and just compensation for the taking of property;
- (2) Damages for diminution in value of real and/or personal property;
- (3) Repair, depreciation, and/or replacement of damaged, destroyed, and/or lost personal and/or real property;
- (4) Loss of the use, benefit, goodwill, and enjoyment of Plaintiffs' real and/or personal property;
- (5) Loss of revenues (including but not limited to: tax revenues such as property, sales, business, and transient occupancy taxes); staff labor and/or wages; business-like or proprietary revenues (such as airport use, facility rentals, educational and recreational programs); loss of workforce housing; damage to name and reputation; damage to tourism and economic

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1		development; loss of earning capacity, and/or related expenses;	
2	(6)	Damages for increased operating expenses;	
3	(7)	Any and all relief compensation, or measure of damages available to Public	
4		Entity Plaintiffs by law based on the injuries and damages suffered by the	
5		Public Entity Plaintiffs;	
6	(8) Prejudgment interest according to proof;		
7	(9) All costs of suit, including attorneys' fees, expert fees, and related fees		
8		and/or costs;	
9	(10)	Such other and further relief as the Court shall deem proper, all according to	
10		proof.	
11	For Negligence, Trespass, Nuisance, Premises Liability, Violation of Public Utilities Code		
12	§2106, Viola	tion of Health & Safety Code § 13007, and Violation of Health & Safety Code §	
13	<u>13009:</u>		
14	(1)	General and/or special damages for all damage to property (real and personal);	
15	(2)	Repair, diminution in value, and/or replacement of damaged, destroyed, and/or	
16		lost personal and/or real property;	
17	(3)	Loss of use, benefit, goodwill, and enjoyment of Public Entity Plaintiff(s) real	
18		and/or personal property;	
19	(4)	Loss of revenues (including but not limited to: tax revenues such as property,	
20		sales, business, and transient occupancy taxes); staff labor and/or wages;	
21		business-like or proprietary revenues (such as airport use, facility rentals,	
22		educational and recreational programs); loss of workforce housing; damage to	
23		name and reputation; damage to tourism and economic development; loss of	
24		earning capacity, and/or related expenses;	
25	(5)	Lost work productivity due to public entity employees being unable to report to	
26		work and due to focus on fire recovery instead of normal business practices;	
27	(6)	Loss of natural resources, open space, wildlife, public lands, parks and other	
28		recreational areas and revenues generated therefrom;	

1	(7)	Destruction or damage to public infrastructure (e.g. roads, sidewalks, water,
2		stormwater and sewer systems, water storage facilities, water distribution systems,
3		sewer collection systems, stormwater systems, fire stations, and other
4		infrastructure;
5	(8)	Harm to facility and infrastructure lifespan (e.g. water treatment facilities and
6		landfills);
7	(9)	Debris removal costs;
8	(10)	Costs of facilitating/administering community rebuilding efforts, staffing, and
9		administration of permitting centers;
0	(11)	Costs of facilitating/administering community outreach efforts, including housing
1		assistance programs and policies;
2	(12)	Costs of watershed, waterway, and water body management and protection;
3	(13)	Damages related to soil erosion and mitigation, loss of soil stability and
4		productivity, including management of debris flow and landslide risks;
5	(14)	Damages related to water contamination, including water quality preservation and
6		correction expenses, including, but not limited to repair and/or replacement of
7		water treatment facilities or systems;
8	(15)	Fire Suppression Costs and costs to rescue and/or emergency medical and/or
9		rescue services under Health and Safety Code §13009 and 13009.1, or any other
20		statute;
21	(16)	Damages and costs for restoration and rehabilitation of land and ecological and/or
22		environmental damages allowable under Health and Safety Code §13009.2, or any
23		other statute;
24	(17)	Law Enforcement Costs, including but not limited to costs to manage and secure
25		burn areas;
26	(18)	Costs to run emergency operations centers and/or costs to provide to provide
27		evacuation centers and shelters;
28	(19)	Erosion damage to real property and/or flood control costs;
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1		(20)	An order enjoining continued violation of: (a) Public Resources Code §§ 4292,
2			4293, and 4295; (b) Public Utilities Code § 451; (c) Public Utilities Commission
3			General Order 95, Rules 31.1-31.5, 35, 38, 43, 43.2, 44.1-44.4, 48-48.1; and, (d)
4			Public Utilities Commission General Order 165;
5		(21)	An order to abate the existing and continuing nuisances caused by the Mosquito
6			Fire;
7		(22)	Damages and injuries to trees and other vegetation
8		(23)	Punitive/exemplary damages;
9		(24)	Punitive and Exemplary damages in an amount according to proof as allowed
10			under Civil Code § 3294;
11		(25)	Exemplary damages in an amount according to proof as allowed under Public
12			Utilities Code § 2106 and/or any and all other statutory or legal bases that apply;
13		(26)	All costs of suit;
14		(27)	Prejudgment interest, according to proof;
15		(28)	Attorney's fees, expert fees, consultant fees, and litigation costs and expenses, as
16			allowed; under California Code of Civil Procedure § 1021.9, and/or any other
17			statute; and,
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1	(29) For suc	ch other and further relief as the Court shall deem proper, all accordi	ng to
2	proof.		
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4	Dated: January 18, 20	BARON & BUDD, P.C.	
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6		By: JOHN P. FISKE	-
7		JASON J. JULIUS VICTORIA E. SHERLIN	
8		TAYLOR A. O'NEAL	
9			
10	Dated: January 18, 20	DIXON DIAB & CHAMBERS LLP	
11			
12		By:ED DIAB	-
13		DEBORAH S. DIXON	
14		ROBERT J. CHAMBERS	
15		Attorneys for Plaintiffs	
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