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# IN THE SUPERIOR COURT OF MARICOPA COUNTY

### IN AND FOR THE STATE OF ARIZONA

MARK BRNOVICH, a married man;

Plaintiff,

V

CLEAN ENERGY FOR A HEALTHY ARIZONA, LLC, an Arizona limited liability company, 'CLEAN ENERGY FOR A HEALTHY ARIZONA COMMITTEE, DARRYL TATTRIE, JESSICA GRENNAN, ALEJANDRA GOMEZ, and TOM STEYER;

Defendants.

Case No.:

CV 2018-013379

CHRIS DEROSE Clerk of the Superior Court By Susan Hughes, Deputy Date 10/24/2018 Time 12:28:04

-- CASE# CV2018-013379

Receipt# 26867270

Amount

333.00

333.00

Description

TOTAL AMOUNT

CIVIL NEW COMPLAINT

### **COMPLAINT**

(Jury Trial Demanded)

Plaintiff Mark Brnovich, by and through counsel undersigned, hereby files his Complaint against Clean Energy for a Healthy Arizona, LLC, Clean Energy for a Healthy Arizona Committee, Darryl Tattrie, Jessica Grennan, Alejandra Gomez, and Tom Steyer (collectively "Clean Energy for a Healthy Arizona" or "Defendants"), and hereby alleges as follows:

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#### GENERAL ALLEGATIONS/INTRODUCTION

- 1. Defendants formed and contributed to Clean Energy for a Healthy Arizona, LLC and Clean Energy for a Health Arizona Committee for the purported purpose of amending the Constitution of Arizona in relation to required energy portfolios of public utilities.
- Despite this stated objective, however, Clean Energy for a Healthy Arizona, with funding and approval by all Defendants, launched an unfounded, false, defamatory and misleading advertising campaign, expending substantial funds believed to be approximately 3.6 million dollars, on malicious attack ads aimed at falsely impeaching the honesty, integrity and personal reputation of Arizona Attorney General Mark Brnovich, a licensed attorney, in an effort to falsely and maliciously undermine his re-election campaign against Democratic candidate January Contreras, who has since compounded the damage based on the attacks alleged herein, by referring to the Attorney General as "corrupt" and as a "notorious dark money champion" among other things in her fundraising campaign. Among other things, the false ads purport to relate to Proposition 127, but actually serve to defame the Attorney General for Contreras' benefit by somehow trying in vain to link the Proposition to the Attorney General's race by a misleading and false reference to alleged APS contributions to Brnovich in the amount of \$425,000.
  - 3. Defendants utilized these false statements to claim that Attorney General Mark Brnovich is somehow beholden to APS based on these alleged contributions and because of this he assured that the description of Proposition 127 would favor a "no" vote.
    - 4. This is patently false.
  - 5. Contrary to Defendants claims, Attorney General Mark Brnovich and his campaign received no contributions, donations, or other such monies from APS. At most, Attorney General Mark Brnovich's Political Action Committee received minimal donations from Pinnacle West and one of its employees.

- 6. On information and belief, the monies referenced by Defendants may have been donated to the Republican Attorney General's Association which is an independent expenditure committee, which by law cannot coordinate with, or otherwise involve a candidate directly.
- 7. Moreover, the changes made by the Attorney General's Office to the language of the description of Proposition 127 were not made to benefit APS, or anyone else, rather Mark Brnovich exercised his duty as Arizona Attorney General to assure that the descriptions of ballot measures are fair and accurate, and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote could accomplish.
- 8. Indeed, contrary to Defendants assertions, Attorney General Mark Brnovich had no communications with APS regarding Proposition 127, never intended to do anything by any informational language to help steer the election and did not act for APS in relation to Proposition 127. Any reference to the contrary in ads being put out are blatantly false and maliciously concocted solely for partisan purposes.
- 9. Tellingly, the Secretary of State's Office actually wanted to include language that Proposition 127 would result in a required increase of 317% in retail energy sales from renewable sources. Attorney General Mark Brnovich properly refused to include this language due to the fact that his office believed that this language was in essence, "redundant and appears to be designed to shock voters as a separate, dramatic increase". That is, Attorney General Mark Brnovich refused to include language proffered by the Secretary of State's Office which was seemingly designed to shock voters against its passage.
- 10. Further, the Attorney General's Office had communications with Defendants Lawyer prior to the official language being finalized, *not* APS, Pinnacle West, or any representative of those organizations.
- 11. Attorney General Mark Brnovich has always been transparent with Defendants and their Lawyer regarding the ballot language used in relation to Proposition 127.

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- The Attorney General even considered language/modifications proposed by 12. Defendants Lawyer.
- 13. Specifically, Defendants, through their attorney, claimed that the final description must include the removal of the phrase "irrespective of cost to consumers" and "neither pre-1997 hydropower nor any nuclear generation counts for this percentage".
  - 14. Defendants threatened to sue if these changes were not made.
- 15. In response to these concerns, the then Acting Division Chief, Brunn (Beau) Roysden, explained that Ariz.Rev.Stat. § 19-125 requires that the ballot describe "the essential change in existing law".
- 16. The existing renewable energy plan was established after consideration of the cost to consumers, while the initiative seeks to establish a constitutional mandate to use a certain 12 amount of eligible renewable energy that applies irrespective of the cost to consumer. As such, 13 the fact that the ballot initiative creates mandates irrespective of the cost to consumers is, by 14 definition, an essential change in existing law that was required to be described pursuant to statute.
  - Moreover, the Arizona courts require that the language not be false or clearly 17. In light of this, and the fact that the initiative limits the definition of what misleading. constitutes renewable, it was necessary to make clear that certain sources of energy would not constitute renewable energy under the ballot initiative.
  - 18. All of this was done in a purely objective manner as one would expect from the Attorney General's Office.
  - Tellingly, Defendants response did not even address, let alone contest, the fact that 19. the "irrespective of the cost to consumers" language reflected a change in the existing law. Instead, Defendants only contended that it somehow implied that there would be a cost.
- 20. That is, Defendants effectively conceded that this phrase described a change in the 26 existing law, and was therefore required to be included by Ariz.Rev.Stat. § 19-125.

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- 21. Similarly, Defendants, through their attorney, conceded that a definition of what constituted "renewable" energy under the ballot initiative was necessary.
- 22. Having been apprised of Defendants concerns and their failure to explain why either phrase was not in fact necessary and required by law, the Attorney General's Office informed Defendants that the language would not be removed.
- 23. Unsurprisingly, given Defendants tacit admissions that the phrases were not violative of any law and were required to be within the description, they never followed through with the threat of litigation.
- 24. Instead, they purposefully and maliciously ran attack ads in multiple mediums falsely claiming that Attorney General Mark Brnovich "rigged" or "manipulated" the election.
- 25. On or before October 17, 2018, Clean Energy for a Healthy Arizona released and caused to be published on numerous occasions and via numerous sources—including—web-13 based and television mediums and radio advertisements false statements to the public about the 14 Plaintiff, including a video which can be found at:

# https://www.youtube.com/watch?v=Knn8lgRAoXw.

- 26. The video, as do the other ads, contains the following erroneous statements which were known to be false and which should have been known by Defendants to be false, including after demand for the removal was rejected:
  - a. Arizona's Attorney General is supposed to protect consumers. But after APS spent over 400 grand [onscreen "APS GAVE \$425,000 TO HELP ELECT BRNOVICH"] to elect Mark Brnovich he rigged official ballot language [on screen "MANIPULATING THE WORDING ... IN FAVOR OF APS"] to help APS block affordable solar, raise your bills, and protect their profit.
  - Its corruption as usual for APS [onscreen "MARK BRNOVICH CORRUPTION AS USUAL FOR APS"].

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- c. The FBI confirmed it launched an investigation into campaign spending linked to APS.
- d. Say no to corruption and higher bills [onscreen "NO ON BRNOVICH"] vote no on Brnovich and yes on Prop 127.
- 27. The statement "they spent over 400,000 dollars to elect Mark Brnovich attorney general" is also clearly false and misleading and beyond conclusory. The "contributions" by APS referenced by Defendants were, at best, to an independent expenditure committee that cannot legally be controlled by or have any involvement by or with the candidate as the Defendants knew. However, what is also clear is that the Defendants are clearly trying to elect Brnovich's opponent by wrongfully linking Brnovich to APS, and clearly inferring he had changed certain language in the materials explaining the Proposition for APS' sole benefit, and 12 not based on his Office's best judgement of what the public should be informed of as a synopsis 13 of the Proposition and its effect.
- The phrase "he rigged official ballot language" is patently false. The term "rig" in 28. 15 any form—especially when used in the context of elections given current political events and 16 particularly accompanied by the term "corruption" or "bought-off"—means to any normal person, illegally and wrongfully interfering with the process of an election. As you are well 18 aware, nothing of the sort occurred here and given the Attorney General's official responsibilities it is defamation per se. General Brnovich unequivocally did not have any communications or coordination with APS regarding Proposition 127, never intended to do anything by any informational language to help steer the election and did not act for APS in relation to Proposition 127. Any reference to the contrary in ads being put out are blatantly false and maliciously concocted solely for partisan purposes.
- 29. The onscreen phrase "manipulating the wording in favor of APS" is false. The term "manipulate" means to influence a person or situation unfairly or unscrupulously. 26 Brnovich did not "manipulate" the wording but rather exercised his duty as Arizona attorney

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general to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote accomplishes.

- 30. The phrase "to help APS block affordable solar, raise your bills, and protect their profit" is false. General Brnovich unequivocally did not have any communications or coordination with APS regarding Proposition 127, never intended to do anything by any informational language to help steer the election and did not act for APS in relation to Proposition 127. Further, the Arizona Corporation Commission is tasked with setting "just and reasonable" rates in relation to APS. As such, unlike a non-regulated company, APS does not control its rates or fees, rather, APS's rates and fees are set by the Arizona Corporation Commission. The profits of APS are set by the Arizona Corporation Commission in its rate making authority. See e.g., Scates v. Arizona Corp. Comm'n, 118 Ariz, 531, 534, 578 P.2d 612, 615 (Ct. App. 1978) ("Thus, the rates established by the Commission should meet the overall operating costs of the utility and produce a reasonable rate of return. It is equally clear that the rates cannot be considered just and reasonable if they fail to produce a reasonable rate of return or if they produce revenue which exceeds a reasonable rate of return." (emphasis added)).
- 31. The phrases "Its corruption as usual for APS [onscreen "MARK BRNOVICH CORRUPTION AS USUAL FOR APS"] followed by "the FBI confirmed it launched an investigation into campaign spending linked to APS" and "say no to corruption and higher bills [onscreen "NO ON BRNOVICH"] vote no on Brnovich" are false. While the FBI may have investigated into campaign spending linked to APS, this has absolutely nothing to do with Brnovich and should not be linked to him in any way to be fair or honest. Further, the statement is patently misleading as even the investigation that did occur (relating to Gary Pierce, Sherry 24 Pierce, Jim Norton, and Johnson Utilities) resulted in a mistrial and the FBI dropping the charges.

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32. On or before October 3, 2018, Clean Energy for a Healthy Arizona released and caused to be published on numerous occasions and via numerous sources—including—webbased and television mediums and radio advertisements false statements to the public about the Plaintiff including a video which can be found at:

# https://twitter.com/CleanHealthyAZ/status/1047622330413998080.

- The video, as do the other ads, contains the following erroneous statements which 33. were known to be false and which should have been known by Defendants to be false, including after demand for the removal was rejected:
  - While APS raised your rates and fees they spent over \$400,000 dollars to elect Mark Brnovich attorney general.
  - b. So when Prop 127, the clean energy ballot measure threatened APS's profits Brnovich bailed them out.
  - Manipulating the wording on the clean energy ballot initiative in favor of APS.
  - Arizona's top election officials called it eye-brow raising.
  - You can call it corrupt.
  - To clean up Arizona and lower costs vote no on Brnovich and yes on 127.
- In addition, Defendants have stated on numerous ads run on television and/or 34. 18 radio and print ads that Brnovich "rigged the system to protect their profits at our expense". Brnovich did not "rig" any system or manipulate ballot language as claimed to protect anyone's 20 profits at the expense of anyone else. All these statements are verifiably and demonstrably false and/or misleading and place the Attorney General Brnovich in a false light at a minimum, and really had nothing to do with Proposition 127 and were designed solely or in prominent part to assist Plaintiff's opponent and to avoid campaign finance laws.
- 35. Brnovich did not alter the description of the energy renewable initiative, 25 Proposition 127, to include the phrase "irrespective of cost to consumers" for APS' benefit, and 26 had no intention that it would use this language to help APS to convince voters to reject the

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Proposition, and is not responsible for such use. In fact, any language changed was made by an Assistant Arizona Attorney General who heads up the Civil Division and was not done for any partisan purpose of the Attorney General. The language used is the language decided on to necessarily explain the ballot measure's effect. The statement by Defendants that "APS raised your rates and fees" is not only false and misleading, but really has nothing to do with the statements and connection to Brnovich. The Arizona Corporation Commission is tasked with setting "just and reasonable" rates in relation to APS. As such, unlike a non-regulated company, APS does not control its rates or fees, rather, APS's rates and fees are set by the Arizona Corporation Commission so the statement is purposefully misleading and false and tied to Attorney General Brnovich in bad faith and to be malicious.

- 36. The statement "they spent over 400,000 dollars to elect Mark Brnovich attorney general" is also clearly false and misleading and beyond conclusory. The "contributions" by APS referenced by Defendants were to an independent expenditure committee that cannot legally be controlled by or have any involvement by or with the candidate as the Defendants knew. However, what is also clear is that the Defendants are clearly trying to elect Brnovich's opponent by wrongfully linking Brnovich to APS, and clearly inferring he had changed certain language in the materials explaining the Proposition for APS' sole benefit, and not based on his Office's best judgement of what the public should be informed of as a synopsis of the Proposition and its effect.
- 37. The statement "Prop 127 the clean energy ballot measure threatened APS's profits" is also known to be false and misleading. Again, the profits of APS are set by the Arizona Corporation Commission in its rate making authority and not by APS. See e.g., Scates v. Arizona Corp. Comm'n, 118 Ariz. 531, 534, 578 P.2d 612, 615 (Ct. App. 1978) ("Thus, the rates established by the Commission should meet the overall operating costs of the utility and 25 produce a reasonable rate of return. It is equally clear that the rates cannot be considered just

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and reasonable if they fail to produce a reasonable rate of return or if they produce revenue which exceeds a reasonable rate of return." (emphasis added)).

- 38. The statement "Brnovich bailed them out" is incredibly false and misleading and cast as are the other false statements as facts. The colloquially "bailed them out" language means to get someone or something out of trouble. Brnovich has taken no steps in furtherance of APS to get them out of some legal or other trouble, but rather, through his Office as Chief Law Enforcement Officer of the State, exercised his duty as Arizona Attorney general to assure that the descriptions of ballot measures are fair and accurate, and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote could accomplish. Moreover, the election has not occurred and as such no action could have gotten someone or something, including APS, out of any supposed trouble.
- 39. The statement "[m]anipulating the wording on the clean energy ballot initiative in favor of APS" is also false and misleading. The term "manipulate" means to influence a person or situation unfairly or unscrupulously. Brnovich did nothing to "manipulate" the wording, but rather exercised his duty as Arizona attorney general to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote accomplishes. This is a practice his Office and persons working there do as part of their official responsibilities.
- 40. The statement "Arizona's top election officials called it eye-brow raising" is false and misleading. First, there were no top election officials that said this at all. The statement was allegedly made by a single individual, one Eric Spencer, a lawyer who works at the Secretary of State's Office in an e mail that was apparently leaked to the public or press. As such, Defendant Clean Energy for a Healthy Arizona's statement's use of pluralization is patently false. Moreover, Eric Spencer himself actually wanted to include language that Proposition 127 would

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result in a required increase of 317% in retail energy sales from renewable sources. Attorney General Mark Brnovich properly refused to include this language due to the fact that his office believed that this language was in essence, "redundant and appears to be designed to shock voters as a separate, dramatic increase". Thus, Eric Spencer's "eye-brow raising" comment clearly contradict his own suggested language for the description of Proposition 127-which again was designed to shock voters against its passage.

- 41. The knowingly coy statement "[y]ou can call it corrupt" is false and misleading. This phrase clearly implies that the speaker has knowledge of facts that would constitute "corruption" but then disingenuously leaves it to the hearer to call it the same. "Corruption" is a showing of a willingness to act dishonestly in return for money or personal gain. Such a suggestion is patently false and there are no facts to support such an absurd contention. 12 Brnovich's actions were the exact opposite of corrupt as he acted, pursuant to his duty as attorney general, to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public, ensuring that voters of all 14 persuasions are able to understand what a "yes" or "no" vote accomplishes.
  - 42. The statement "[t]o clean up Arizona and lower costs vote no on Brnovich and yes on 127" is also false and misleading in that voting no on Brnovich in no way cleans up Arizona or lowers any costs for voters at all.
  - On or before October 11, 2018, Clean Energy for a Healthy Arizona released and 43. caused to be published on numerous occasions and via numerous sources—including—webbased and radio mediums—further audio advertisements which can be found at:
    - https://www.azcentral.com/story/opinion/op-ed/laurieroberts/2018/10/11/prop-127-attacking-mark-brnovich-helping-aps-he-deserves/1603053002/.
    - 44. The audio advertisement contains the following statements:
      - a. It's called a cash cow.

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- b. For big utility company APS raising rates and fees on Arizona customers grows their profits.
- c. So APS buys off Arizona politicians.
- d. The FBI confirmed it launched an investigation into campaign spending linked to APS.
- e. And politicians help APS in return.
- APS gave over 400,000 dollars to help Mark Brnovich become attorney general. And another 400 grand to Governor Ducey.
- So when the affordable clean energy measure, Prop 127 threatened APS's profits Brnovich stepped in and altered its official ballot label.
- Manipulating the wording in favor of APS<sub>F</sub>
- The state's top election officials called it eye-brow raising.
- APS would call it a return on investment.
- k. If you want to clean up corruption and bring down energy bills vote no on Brnovich and Ducey. Vote yes on Prop 127.
- 45. These statements are verifiably and demonstrably false and misleading and defamatory and defamatory per se, and placed Plaintiff in a false light.
- 46. The statement "[f]or big utility company APS raising rates and fees on Arizona customers grows their profits" is purposefully and maliciously false and misleading. The profits of APS are set by the Arizona Corporation Commission in its rate making authority. See e.g., Scates v. Arizona Corp. Comm'n, 118 Ariz. 531, 534, 578 P.2d 612, 615 (Ct. App. 1978) ("Thus, the rates established by the Commission should meet the overall operating costs of the utility 23 and produce a reasonable rate of return. It is equally clear that the rates cannot be considered 24 just and reasonable if they fail to produce a reasonable rate of return or if they produce 25 revenue which exceeds a reasonable rate of return." (emphasis added)).

- 47. The statement "[s]o APS buys off Arizona politicians" is false and misleading and clearly in light of all other statements intended to clearly reflect on the Plaintiff without naming him directly. The colloquially "buys off" is a synonym for the word "bribe" and suggests the commission of a crime. Such a contention is patently false and defamatory per se.
- 48. The statement "[t]he FBI confirmed it launched an investigation into campaign spending linked to APS" is false and misleading and again communicated to somehow leave the false impression that Brnovich is somehow tied into some kind of FBI investigation, which is defamatory per se. While the FBI may have investigated into campaign spending linked to APS, this has absolutely nothing to do with Brnovich and should not be linked to him in any way to be fair or honest. Its placement in a context to suggest that the FBI is investigating Mark Brnovich, is false. Further, the statement is patently misleading as even the investigation that did occur (relating to Gary Pierce, Sherry Pierce, Jim Norton, and Johnson Utilities) resulted in a mistrial and the FBI dropping the charges.
- 49. The statement "APS gave over 400,000 dollars to help Mark Brnovich become attorney general" is beyond false and misleading and malicious as well as the others herein. The contributions by APS referenced by Defendants were to an independent expenditure committee that cannot legally be controlled by or have any involvement by or with the candidate as Defendants know.
- 50. The statement "Prop 127 threatened APS's profits" is also false and misleading. Again, the profits of APS are set by the Arizona Corporation Commission in its rate making authority. See e.g., Scates v. Arizona Corp. Comm'n, 118 Ariz. 531, 534, 578 P.2d 612, 615 (Ct. App. 1978) ("Thus, the rates established by the Commission should meet the overall operating costs of the utility and produce a reasonable rate of return. It is equally clear that the rates cannot be considered just and reasonable if they fail to produce a reasonable rate of return or if they produce revenue which exceeds a reasonable rate of return." (emphasis added)).

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The statement "Brnovich stepped in and altered its official ballot label" is false 51. and misleading. The phrase "stepped in and altered" in the context of this statement insinuates a wrongful action. This is false. Brnovich did not act in any wrongful way or act beyond the duty he is actually entrusted with as part of his official responsibilities. Brnovich exercised his duty as Arizona attorney general to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote accomplishes. There is no basis to disparage these activities entrusted to the Attorney General as if he intervened on APS' behalf to alter language to benefit it, when, in fact, others in the Attorney General's Office believed the language had not fully reflected the actual truth, and acted for the public's benefit not APS, who did not contribute \$425,000 to Brnovich as has been falsely and misleadingly claimed.

- -52. The statement "altered its official ballot label" is also false and misleading. The "ballot label" was not altered as if it were final. Rather, Brnovich exercised his duty as Arizona Attorney General, through officials in his Office charged with these responsibilities, to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public before receipt and to not simply accept what the Secretary of State's election director dictates, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote actually may accomplish and the obvious risks attendant to the vote.
- 53. The statement "[m]anipulating the wording in favor of APS" is false and misleading. As described herein, the wording does not favor APS and was not intended for that purpose by the Attorney General's Office. There was no "manipulation" of any wording as the connotation of that word implies. There was language added that was deemed necessary to properly convey the effects of the Proposition. Moreover, the term "manipulate" means to 26 influence a person or situation unfairly or unscrupulously. Brnovich did not "manipulate" the

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wording but rather exercised his duty as Arizona attorney general to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote accomplishes.

- 54. The statement "[t]he state's top election officials called it eye-brow raising" is false and misleading. The statement was allegedly made by a single individual, one Eric Spencer, whose e mail was leaked to the public or press to imply some wrongful conduct based on questionable motives of all involved as stated earlier herein. As such, Defendant Clean Energy for a Healthy Arizona's statement's use of pluralization is patently false.
- 55. Moreover, the statement was made by one Eric Spencer who himself actually wanted to include language that Proposition 127 would result in a required increase of 317% in retail energy sales from renewable sources. Attorney General Mark Brnovich properly refused to include this language due to the fact that his office believed that this language was in essence, "redundant and appears to be designed to shock voters as a separate, dramatic increase". Thus, 15 Eric Spencer's "eye-brow raising" comment clearly contradict his own suggested language for the description of Proposition 127—which again was designed to shock voters against its 17 passage.
- 56. The statement "APS would call it a return on investment" is false and misleading. Defendants have no doubt no idea what APS would call this at all. It is believed they would not 20 say this at all because it is patently false. The phrase "return on investment" indicates that APS 21 invested something in expectation of return. That would be false. As alleged herein, APS has never "invested" in Brnovich. Moreover, Brnovich has never given APS anything. Rather, Brnovich exercised his duty as Arizona attorney general to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting 25 public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote 26 accomplishes.

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- 57. The statement "[i]f you want to clean up corruption and bring down energy bills vote no on Brnovich" is false and misleading. This statement claims that Clean Energy for a Healthy Arizona has evidence or factual basis to claim that Brnovich is "corrupt". "Corruption" is a showing of a willingness to act dishonestly in return for money or personal gain. Such a suggestion is patently false and there are no facts to support such an absurd contention. Brnovich's actions were the exact opposite of corrupt as he acted, pursuant to his duty as attorney general, to assure that the descriptions of ballot measures are fair and accurate and provide necessary and appropriate information to the voting public, ensuring that voters of all persuasions are able to understand what a "yes" or "no" vote accomplishes.
- 58. The falsehoods found also found same in these ads are on https://www.apscorruption.com which is paid for by Clean Energy for a Healthy Arizona. A simple "google" search of the phrase "attorney general"—with no modifiers or additional language—returns as a first "result" a paid google ad for https://www.apscorruption.com.
- 59. As alleged herein, the entire content of Clean Energy for a Healthy Arizona's advertisements are entirely false and misleading and purposefully and maliciously designed to place Brnovich in a false light in a vicious and hurtful manner beyond the pale of a civilized 17 society.
- 60. These false and misleading publications, which falsely accuse Brnovich (an attorney and elected public servant as corrupt) impeach the honesty, integrity and reputation of Brnovich. "In Arizona, a publication which impeaches the honesty, integrity or reputation of a person is libelous per se" Peagler v. Phoenix Newspapers, Inc., 114 Ariz. 309, 316 (1977); Kinsey v. Real Detective Pub. Co., 52 Ariz. 353 (1938); See also, PROSSER ON TORTS § 112, at 757-64 (4TH ED.1971); RESTATEMENT OF TORTS § 569, comment E; and is actionable without 24 proof of special damages because damages are presumed, *Ilitzky v. Goodman*, 57 Ariz. 216 25|| (1941); Central Arizona Light & Power Co. v. Akers, 45 Ariz. 526 (1935).

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### **PARTIES**

- 61. Plaintiff Mark Brnovich is the Arizona Attorney General, is a citizen of the United States and resident of the City of Phoenix in the state of Arizona. He is a married man with children.
- 62. Defendant Clean Energy for a Healthy Arizona, LLC is an Arizona limited liability company
- 63. Defendant Clean Energy for a Healthy Arizona is a Committee formed in the State of Arizona for the purpose of an Initiative Petition. The Arizona Committee ID No. for Clean Energy for a Healthy Arizona is 2018-00444.
- 64. Defendant Darryl Tattrie is the Treasure of Clean Energy for a Healthy Arizona Committee and a member of Clean Energy for a Healthy Arizona, LLC.
- 65. Defendant Alejandra Gomez is the Chairperson of the Clean Energy for a Healthy Arizona Committee.
- 66. Defendant Jessica Grennan is a member of Clean Energy for a Healthy Arizona, LLC.
  - 67. Defendant Tom Steyer is a liberal activist and fundraiser who upon information and belief is a large donor to Clean Energy for a Healthy Arizona who contributed to, approved, and funded the false and misleading advertisements that are the subject of this Complaint.

### JURISDICTION AND VENUE

68. This Court has jurisdiction pursuant to Ariz.Const.Art. VI § 14 and Ariz.Rev.Stat. §§ 12-123, 12-1801, and 12-1831. This Court is an appropriate venue as the actions complained of where purposefully directed at and occurred in Maricopa County. Ariz.Rev.Stat. § 12-401.

## <u>COUNT ONE</u> (DEFAMATION AND DEFAMATION PER SE)

69. Brnovich incorporates by this reference all allegations of this Complaint as if fully set forth herein.

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- 70. The advertisements alleged herein, when read or heard in context have the natural and probable effect of bringing Brnovich into disrepute, contempt and ridicule, and impeach Brnovich's honesty, integrity, virtue, and reputation in the mind of the average reader or hearer.
- 71. As alleged herein, the advertisements contain numerous false and defamatory statements of fact of and concerning Brnovich.
- 72. As alleged herein, these statements are patently false and misleading and purposefully malicious by clear and convincing evidence and were made within the past year. The false and derogatory statements go to the very heart of Plaintiff's business calling and occupation and profession and were designed by evil individuals to cause evil results and were purposeful and intended to cause embarrassment and shame with a conscious disregard for the effect of these malicious statements or were made purposefully or recklessly and warrant punitive damages to deter such horrendous conduct in the future as to Plaintiff or others.
- 73. Given the fact that every statement contained in the advertisements is false and misleading based upon readily available information Defendants knew that the statements were false or acted in reckless disregard of whether the statement was true or false. Indeed, Defendants knowledge of the fact that their statements were and are false is clear as Defendants were put on notice of the defamatory nature of their attack ads by letter dated October 22, 2018 and they have failed to respond or take any action to cease their defamatory actions. As such, by at least this date Defendants undeniably had knowledge that the allegations contained in their attack ads (and as alleged herein) were and are false.
- 74. As alleged herein, these false and defamatory statements have been published to thousands, if not millions, of Arizona citizens through the use of web-based, televised, and radio transmission.
- 75. The statements have caused Brnovich damage in an amount to be proven at trial but in excess of the jurisdictional limits of this Court.

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76. Moreover, "[i]n Arizona, a publication which impeaches the honesty, integrity or reputation of a person is libelous per se" Peagler v. Phoenix Newspapers, Inc., 114 Ariz. 309, 316 (1977); Kinsey v. Real Detective Pub. Co., 52 Ariz. 353 (1938); See also, PROSSER ON TORTS § 112, at 757-64 (4TH ED.1971); RESTATEMENT OF TORTS § 569, comment E; and is actionable without proof of special damages because damages are presumed, Ilitzky v. Goodman, 57 Ariz. 216 (1941); Central Arizona Light & Power Co. v. Akers, 45 Ariz. 526 (1935).

77. The statements made by Defendants have been repeated by third parties causing further damage to Brnovich. It was reasonably expected, if not intended, that such repetition would occur and as such Defendants are liable for the remarks of those third persons.

- Plaintiff incorporates by reference as though fully set forth herein all prior 78. allegations set forth above.
- All defendants named are jointly and severally liable for the acts of each other as they all substantially encouraged, aided and abetted one another in a conspiracy they formed to scheme to defame Plaintiff and to benefit his opponent by use of defamatory statements designed to harm Plaintiff and his personal and professional reputation in a smear campaign of the lowest order.
- 80. Defendants directed the activities and conduct of the fictitiously named entity formed to perpetrate their wrongful conduct and to wrongfully interfere in Plaintiff's prospective business and professional advantages. Defendants used the fiction of a Committee formed under Title 16 of the Arizona Revised Statutes to perpetrate their wrongful activities, and to mask their 24 scheme to harm Plaintiff, and thus are all individually liable and responsible for the acts of the fictitious entity as well as of each other.

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### REQUEST FOR RELIEF

WHEREFORE, Plaintiffs pray for judgment against Defendants, and each of them, as follows:

- A. For damages in an amount to be proven at trial.
- B. For punitive damages in an amount sufficient to punish Defendants and deter it and others from emulating Defendants' conduct and for their evil minds guiding evil hands.
  - C. For costs and expenses pursuant to A.R.S. § 12-341.
  - D. For such other relief as is just and proper.

DATED October 24, 2018.

# WILENCHIK & BARTNESS, P.C.

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ORIGINAL of the foregoing filed this 24th day of October, 2018, with

the Clerk of the Superior Court.

Ву:

WILENCHING BARTNESS

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