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11 **UNITED STATES BANKRUPTCY COURT**
12 **NORTHERN DISTRICT OF CALIFORNIA**
13 **SAN FRANCISCO DIVISION**

14 In re:
15 PG&E CORPORATION
16 -and-
17 PACIFIC GAS AND ELECTRIC COMPANY,
18 Debtors

Case No. 19-30088 (DM)
Chapter 11
(Lead Case)
(Jointly Administered)

19 ANTHONY GANTNER, individually and on
20 behalf of all those similarly situated,
21 Plaintiff,
22 vs.
23 PG&E CORPORATION, a California
24 Corporation, and PACIFIC GAS & ELECTRIC
25 COMPANY, a California Corporation,
26 Defendants.

Adv. Pro. No. 19-_____
(DM)
CLASS ACTION COMPLAINT FOR
DAMAGES AND INJUNCTIVE
RELIEF

1 **I. SUMMARY OF THE CASE**

2 1. Plaintiff brings this action for damages against Defendants PG&E
3 CORPORATION, a California Corporation, and PACIFIC GAS & ELECTRIC COMPANY, a
4 California Corporation (collectively, “PG&E”) for damages Plaintiff and the Class suffered
5 arising out of PG&E’s planned outages in Northern California on Oct. 9-12, Oct. 23-Nov. 1, and
6 Nov. 20-22 (the “Outages”).

7 2. The necessity for the Outages was caused by PG&E’s own negligence in failing,
8 over many years, to properly maintain or replace old transmission lines, leaving them vulnerable
9 to failing and sparking deadly wildfires.

10 3. Because of the Outages, Plaintiff and the Class were without power for many
11 days, in some cases up to 17 days total and upwards of 10 days in a row. Plaintiff was without
12 power himself for 8-9 days total and up to 5 days in a row. As a result, Plaintiff and the Class
13 suffered various losses including loss of habitability of their dwellings, loss of food items in
14 their refrigerators, expenses for alternate means of lighting and power, such as candles,
15 flashlights, batteries, and gas generators, loss of cell phone connectivity, dangerous dark
16 conditions, lack of running water, and loss of productivity and business.

17 4. Plaintiff and the Class seek compensation for their losses, and also injunctive
18 relief to require PG&E to properly maintain and inspect its power grid, so that planned outages
19 will not be necessary in the future.

20 **II. JURISDICTION AND VENUE**

21 5. This adversary proceeding arises in and relates to PG&E’s Chapter 11 Case. The
22 Court has jurisdiction to consider this adversary proceeding and over the claims against PG&E
23 pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b).
24 Plaintiff consents to the entry of a final order by the Court in connection with this adversary
25 proceeding to the extent it is later determined that the Court, absent consent of the parties,
26 cannot enter final orders or judgments consistent with Article III of the United States
27 Constitution.

1 **III. THE PARTIES**

2 **A. PLAINTIFF ANTHONY GANTNER**

3 6. At all relevant times herein, Anthony Gantner (“Mr. Gantner”) was an owner
4 and/or occupant of real property located in St. Helena, California, serviced by PG&E. Gantner
5 is currently a resident of St. Helena, California.

6 **B. DEFENDANTS**

7 7. Defendant PG&E Corporation is an energy-based holding company
8 headquartered in San Francisco, California. It is the parent company of Defendant Pacific Gas
9 & Electric Company.

10 8. Defendant Pacific Gas & Electric Company is incorporated in California and is
11 headquartered in San Francisco, California. Defendant Pacific Gas & Electric Company
12 provides public utility services that include the generation, transmission, and distribution of
13 electricity to millions of customers in Northern and Central California, including the residents of
14 St. Helena. Pacific Gas & Electric Company is a convicted felon.

15 9. PG&E is jointly and severally liable for each other’s negligence, misconduct, and
16 wrongdoing as alleged herein, because at all relevant times, each of the Defendants were the
17 partners, principals, agents, employees, servants, and joint venturers of each other, and in doing
18 the things alleged in this Complaint were acting within the course and scope of their authority
19 and relationship as partners, principals, agents, employees, servants and joint venturers with the
20 permission, knowledge, and consent of each other.

21 **IV. THE FACTS**

22 **A. PG&E IS REQUIRED TO SAFELY DESIGN, OPERATE, AND**
23 **MAINTAIN ITS ELECTRICAL SYSTEMS**

24 10. PG&E owns, installs, constructs, operates, and maintains overhead power lines,
25 together with supporting towers and appurtenances throughout Northern and Central California
26 to transmit and distribute electricity to the general public for profit.
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1 11. Electrical infrastructure is inherently dangerous and hazardous, and PG&E
2 recognizes that. The transmission and distribution of electricity requires PG&E to exercise an
3 increased level of care in line with the increased risk of the associated danger.

4 12. At all times PG&E had and continues to have a duty to properly construct,
5 inspect, repair, maintain, manage, and/or operate its transmission lines and other electrical
6 equipment and to keep vegetation properly trimmed and maintained so as to prevent foreseeable
7 contact with such electrical equipment.

8 13. In the construction, inspection, repair, maintenance, management, ownership,
9 and/or operation of its power lines and other electrical equipment, PG&E had an obligation to
10 comply with various statutes, regulations, and standards, including the following.

11 14. Pursuant to California Public Utilities Code § 451, “Every public utility shall
12 furnish and maintain such adequate, efficient, just, and reasonable service, instrumentalities,
13 equipment, and facilities . . . as are necessary to promote the safety, health, comfort, and
14 convenience of its patrons, employees, and the public.”

15 15. To meet this safety and service mandate, PG&E is required to comply with
16 design standards for its electrical equipment, as stated in CPUC General Order 95. In extreme
17 fire areas, PG&E also must ensure that its power lines can withstand winds of up to 92 miles per
18 hour.

19 16. PG&E must also follow standards to protect the public from the consequences of
20 vegetation and/or trees coming into contact with its power lines and other electrical equipment.
21 Under California Public Resources Code § 4292, PG&E is required to “maintain around and
22 adjacent to any pole or tower which supports a switch, fuse, transformer, lightning arrester, line
23 junction, or dead end or corner pole, a firebreak which consists of a clearing of not less than 10
24 feet in each direction from the outer circumference of such pole or tower.”

25 17. California Public Resources Code § 4293 mandates that PG&E must maintain
26 clearances of four to ten feet for all of its power lines, depending on voltage. Under § 4293,
27 “Dead trees, old decadent or rotten trees, trees weakened by decay or disease and trees or
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1 portions thereof that are leaning toward the line which may contact the line from the side or may
2 fall on the line shall be felled, cut, or trimmed so as to remove such hazard.”

3 18. CPUC General Order 165 requires PG&E to inspect its distribution facilities to
4 maintain a safe and reliable electric system. Specifically, PG&E must conduct “detailed
5 inspections of all of its overhead transformers in urban areas at least every five years.” PG&E is
6 also required to conduct “intrusive” inspection of its wooden poles that have not already been
7 inspected and are over 15 years old, every 10 years.

8 19. PG&E knew or should have known that such standards and regulations were
9 minimum standards and that PG&E has a duty to identify vegetation which posed a foreseeable
10 hazard to power lines and/or other electrical equipment, and manage the growth of vegetation
11 near its power lines and equipment so as to prevent the foreseeable danger of contact between
12 vegetation and power lines starting a fire. Further, PG&E has a duty to manage, maintain,
13 repair, and/or replace its aging infrastructure to protect public safety. These objectives could
14 and should have been accomplished in a number of ways, including, by not limited to, putting
15 electrical equipment in wildfire-prone areas underground, increasing inspections, modernizing
16 infrastructure, and/or obtaining an independent audit of its risk management programs to ensure
17 effectiveness.

18 20. PG&E may not, consistent with its obligations under California Public Utilities
19 Code § 451, ignore the above-referenced safety mandates until it becomes an emergency, and
20 then pass the burden on to its consumers by shutting off their power every time weather
21 conditions indicate an increased risk of wildfire. As California Public Utilities Code § 451
22 states, PG&E must “furnish and maintain such adequate, efficient, just, and reasonable service”
23 to its customers. The Outages are a blatant breach of this obligation.

24 **B. PG&E’S INEXCUSABLE HISTORY OF SAFETY FAILURES**

25 21. PG&E’s safety record is an abomination. Over the last forty years, it has been
26 the root cause of numerous and increasingly deadly fires in California, including: San Francisco
27 Gas Explosion (1981); Santa Rosa Gas Explosion (1991); Trauner Fire (1994); Mission
28 Substation Electrical Fire (1996); Pendola Fire (1999); Mission Substation Electrical Fire

1 (2003); Rancho Cordova Explosion (2008); Sims Fire (2004); Freds Fire (2004); Power Fire
2 (2004); San Francisco Electrical Explosion (2005); Whiskey Fire (2008); San Francisco
3 Electrical Explosion (2009); San Bruno Gas Explosion (2010); Cupertino Explosion (2011);
4 Carmel Gas Explosion (2014); San Francisco Electrical Explosion (2015); Butte Fire in
5 Calaveras County (2015); North Bay Fires (2017); Camp Fire (2018); Kincade Fire (2019)

6 22. These fires have resulted in billions in dollars in fines and criminal convictions
7 against PG&E for its criminally negligent maintenance of its power lines.

8 **C. PG&E’S CORPORATE CULTURE IS THE CAUSE OF THE OUTAGES**

9 23. PG&E is a virtual monopoly in the provision of gas and electric services to the
10 general public in almost all counties and cities across Northern and Central California.¹

11 24. Over the past thirty-plus years, PG&E has been subject to numerous fines,
12 penalties, and/or convictions as a result of its failure to abide by safety rules and regulations.
13 Despite these recurring punishments, PG&E continues to display a shocking degree of arrogant
14 complacency, refuses to modify its behavior, and continues to conduct its business with a
15 conscious disregard for the safety and well-being of the public, including Plaintiff.

16 25. Rather than spend the money it obtains from customers for infrastructure
17 maintenance and safety, PG&E funnels this funding to boost its own corporate profits and
18 compensation. This pattern and practice of favoring profits over having a solid and well-
19 maintained infrastructure left PG&E vulnerable to an increased risk of catastrophic events such
20 as the myriad of wildfires its unsafe system has caused in recent years.

21 26. Many tragedies have resulted from PG&E’s enduring failure to protect the public
22 from the dangers associated with its operations. PG&E power lines, transformers, conductors,
23 poles, insulators, and/or other electrical equipment have repeatedly started wildfires due to
24 PG&E’s ongoing failure to create, manage, implement, and/or maintain effective vegetation
25 management programs for the areas near and around its electrical equipment. Further, PG&E’s
26 aging infrastructure has caused multiple disasters throughout California.

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¹ A few cities like Palo Alto and Sacramento provide their own gas and electric utility services.

1 **1. PG&E’s Aging and Unsafe Infrastructure and Its Negligent Failure**
2 **to Fix it**

3 27. On May 6, 2013, a report was sent to the Safety and Enforcement Division of the
4 CPUC from the Liberty Consulting Group, retained to conduct an independent review of capital
5 and operations and maintenance expenditures proposed by PG&E (hereinafter the “2013 Liberty
6 Report”).² The 2013 Liberty Report concluded that: “several aspects of the PG&E distribution
7 system present significant safety issues.” It also found: (a) “addressing risks associated with
8 electrical distribution components has been overshadowed by electric transmission and gas
9 facilities;” and (b) “addressing aging infrastructure and adding SCADA to the system comprise
10 the major focuses of safety initiatives for the distribution system.”

11 28. In a January 17, 2019 Order issued by federal judge, the Honorable William
12 Alsup of the Northern District of California, in a criminal case against PG&E, Judge Alsup
13 found “the single most recurring cause of the large 2017 and 2018 wildfires attributable to
14 PG&E’s equipment has been the susceptibility of PG&E’s distribution lines to trees or limbs
15 falling onto them during high-wind events. This has most often occurred in rural areas where
16 distribution lines use thirty-five to fifty-foot single poles and run through grass, brush, oak and
17 pines. The power conductors are almost always uninsulated. When the conductors are pushed
18 together by falling trees or limbs, electrical sparks drop into the vegetation below. During the
19 wildfire season when the vegetation is dry, these electrical sparks pose as extreme danger of
20 igniting wildfire.”

21 29. The 2013 Liberty Report found that PG&E had a “large amount of small size
22 obsolete conductor[s] remaining on PG&E’s system.” PG&E has 113,000 miles of conductors,
23 and over 60% of those conductors are and were highly susceptible to failure because of its size
24 or composition. These obsolete conductors are relatively small and more susceptible to failure.
25 As the conductor ages, it becomes even more likely to break. Extreme weather conditions, like
26 wind and lightning, wear more on small conductors than the more modern larger ones. For these

27 _____
28 ² <http://docs.cpuc.ca.gov/publisheddocs/efile/g000/m065/k394/65394210.pdf>

1 reasons, “[t]his conductor was once popular, but is now recognized as obsolete, due to its small
2 size.”

3 30. In addition, since prior to 1996, PG&E has known or should have known that its
4 choice of chemical treatments for its poles can also make its equipment unsafe. For example,
5 PG&E uses and has used poles treated with pentachlorophenol in liquefied petroleum gas by the
6 Cellon® process. Those poles generally experience surface decay below ground regardless of
7 the type of wood the poles are made of. As a result, to be safe, digging inspections are required
8 for poles treated like that. But PG&E failed to conduct proper inspections and, when PG&E has
9 been advised of necessary repairs, PG&E has failed to do so in a timely fashion. These failures
10 are a breach of PG&E’s obligations to the public and have caused fires.

11 31. According to a report from the Wall Street Journal from July 2019, prior to the
12 deadly November 2018 Camp Fire, PG&E executives knew that 49 of its steel towers needed to
13 be replaced but were not.³

14 32. An internal presentation given in 2017 stated that the average age of its
15 transmission towers was 68 years old and that its oldest towers were 108 years old. The mean
16 life expectancy of those towers is 65 years. In other words, the average transmission tower
17 PG&E used was older than the average life of those towers.

18 33. In that 2017 internal presentation, PG&E recognized that it needed a plan to
19 replace those towers and better manage its lines to prevent “structure failure resulting [in]
20 conductor on ground causing fire.”

21 34. But PG&E repeatedly delayed upgrading its oldest transmission lines, ranking
22 them as low-risk projects, while spending billions of dollars on other less-pressing projects,
23 issuing dividends to its investors, and spending millions on campaign contributions.

24 35. Until the deadly Camp Fire, PG&E was not regularly climbing its towers to
25 inspect them, despite outside consultants suggesting that the company do just that.

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27 ³ [https://www.wsj.com/articles/pg-e-knew-for-years-its-lines-could-spark-wildfires-and-didnt-
28 fix-them-11562768885](https://www.wsj.com/articles/pg-e-knew-for-years-its-lines-could-spark-wildfires-and-didnt-fix-them-11562768885)

1 36. In June 2019, PG&E announced that its towers and lines needed thousands of
2 repairs and shut down the Caribou Palermo line which was the root cause of the Camp Fire.
3 However, that line was just one of many unreasonably dangerous lines PG&E maintained and
4 continues to maintain. Indeed, in 2018, when PG&E proposed a spending plan to federal
5 regulators for thousands of transmission-line upgrades, its risk-based system had nearly 600
6 projects estimated at \$2.7 billion as a higher risk priority than the Caribou Palermo line which
7 caused the Camp Fire and is now shut down.

8 37. PG&E’s treatment of the Caribou-Palermo line is indicative of its treatment of all
9 of its outdated and dangerous equipment. Instead of fixing the problem in 2013 when PG&E
10 was aware of it, it delayed safety work on that line for more than five years, failing to replace 49
11 steel towers and the hardware and aluminum line on 57 towers.

12 38. The Ignacio-Mare Island line, which, on information and belief, delivers power to
13 parts of Marin County which were impacted by the Power Outage, contains at least 28 towers
14 which have been in place since 1921. Work on this line designed to increase the heights of the
15 towers so the lines would be far enough away from the ground was supposed to be complete by
16 2015 but is now not scheduled to start until 2020.

17 39. Similarly, lines which carry power through the Eldorado and Stanislaus national
18 forests that were scheduled to be complete by 2016 is expected to start late 2020 and a line in
19 the Los Padres National Forest which was to be upgraded in 2015 is now scheduled to start in
20 2021.

21 40. In 2010, PG&E used a consulting firm, Quanta Technology, to assess the age and
22 transmission of its structures. The returns were staggering. It was unable to determine the age
23 of 6,900 towers, 3,500 were installed in the 1900s and 1910s and 60% of its structures in the
24 230-kilovolt system were built between 1920 and 1950. Quanta suggested that PG&E climb at
25 least a sample of those towers but PG&E didn’t do that until after the Camp Fire.

26 41. PG&E’s failure to conduct proper and regular inspections of its equipment and
27 failure to make necessary repairs contributed to the cause of the deadly wildfires in California
28 and were the reason Outages in the fall of 2019.

1 **2. PG&E Did Not Track the Conditions of Its Aging Electrical Assets as**
2 **an Enterprise-Level Risk as the 2013 Liberty Report Required**

3 42. Another recommendation of the 2013 Liberty Report was “the establishment of a
4 formal asset management program in Electric Operations.” According to the report, “aging
5 infrastructure is best addressed by having a strategic asset management program in place. These
6 types of programs, such as the PAS 55 program, force a detailed and thorough condition
7 assessment survey of the major assets. These types of formal programs also take failure modes
8 into consideration. Long term sustainable plans can then be prepared to address the asset
9 conditions. A sustainable asset management will mitigate system safety risks from aging
10 infrastructure, which constituted a major portion of the safety items in this GRC.”

11 43. The 2013 Liberty Report specifically recommended that “PG&E treat aging
12 infrastructure as an enterprise-level risk.”

13 44. After the release of the 2013 Liberty Report, PG&E began to publicly state that it
14 was treating wildfires as an enterprise-level risk. However, the methodology used by PG&E to
15 evaluate the severity of that risk was and is unscientific and was and is not based on valid
16 statistical methodology. Instead, PG&E’s method is to engage in a group discussion where an
17 agreement is reached on a specific risk level based on personal opinion, anecdotal evidence, and
18 factual misconceptions. This process has led to PG&E’s failure to properly evaluate the
19 frequency and severity of the risk posed by wildfires.

20 45. PG&E’s failure to treat its aging infrastructure as an enterprise-level risk in a
21 reasonable manner contributed to PG&E being unable to trust that its aging equipment would
22 not create or exacerbate ongoing wildfires in Northern California and caused it to cut power to
23 millions of its customers for days at a time.

24 **3. PG&E’s “Run to Failure” Approach to Maintenance**

25 46. PG&E’s failure to address the “significant safety hazards” identified by the 2013
26 Liberty Report, failure to treat the conditions of its aging infrastructure as an enterprise-level
27 risk, failure to inspect, maintain, repair or replace its aging equipment, failure to conduct an
28 inventory of its electrical assets, and failure to ensure its infrastructure could withstand

1 foreseeable weather conditions as required by law are all indicative of what has been called
2 PG&E’s “run to failure” approach to its infrastructure.

3 47. PG&E has a well-documented history of implementing this “run to failure”
4 approach with its aging infrastructure, ignoring necessary maintenance in order to line its own
5 pockets with excessive profits. According to a filing by Office of Ratepayer Advocates with the
6 CPUC in May 2013:

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

15 “Given PG&E’s excessive profits over the period of the Overland Audit, there is
16 no reason to believe that Overland’s example regarding GT&S operations
17 between 2008 and 2010 was unique. The IRP Report supplements the Overland
18 Audit findings with additional examples of PG&E management’s commitment to
19 profits over safety. Thus, it is evident that while the example of GT&S
20 underfunding between 2008 and 2010 might be extreme, it was not an isolated
21 incident; rather, it represents the culmination of PG&E management’s long
22 standing policy to squeeze every nickel it could from PG&E gas operations and
23 maintenance, regardless of the long term ‘run to failure’ impacts. And PG&E has
24 offered no evidence to the contrary.”⁴

25 48. PG&E’s failure to address this “run to failure” approach to maintenance
26 contributed to the wildfires that have plagued California and caused it to shut off power to its
27 customers rather than risk another corporate-negligence-induced disaster.

28 **4. PG&E Continually Impedes and Ignores CPUC Safety Efforts**

49. In 2007, the CPUC began working to tighten regulations on utilities and force
them to create maps that detail where power lines present the highest risk for wildfires. As of
2017, a decade later, the maps were still incomplete. And the CPUC had not adopted strict new
regulations.

⁴ ftp://ftp2.cpuc.ca.gov/PG&E20150130ResponseToA1312012Ruling/2013/03/SB_GT&S_0039691.pdf

1 50. PG&E repeatedly asked to slow down these very necessary safety efforts. In
2 October 2016, PG&E complained that CPUC’s plans to complete the map by March 2017 was
3 “too aggressive.” In July 2017, the utility called a proposed regulation to increase the wind
4 speed that power poles must withstand “arbitrary,” and that certain proposed regulations would
5 “add unnecessary costs to construction and maintenance projects in rural areas.” On Oct. 6,
6 2017—two days before the deadly North Bay Fires—two administrative law judges assigned to
7 oversee the project granted PG&E and other utilities yet another requested delay.

8 51. In response to PG&E’s repeated failure to correct its behavior and the 2010 San
9 Bruno explosion, the CPUC’s Safety and Enforcement Division commissioned a report,
10 prepared by NorthStar Consulting Group, to determine whether PG&E’s “organizational culture
11 and governance prioritize safety and adequately direct resources to promote accountability and
12 achieve safety goals and standards.” The NorthStar report concluded that while PG&E
13 purportedly made efforts to reduce incidents and increase safety after the 2010 San Bruno
14 explosion, “these efforts had been somewhat reactionary” and were not driven by a
15 “comprehensive enterprise-wide approach to addressing safety.”

16 52. On April 26, 2018, PG&E agreed to pay \$97.5 million because it engaged in
17 prohibited communications with the CPUC and failed to timely report ex parte communications
18 from 2010 to 2014, in violation of CPUC rules. All this, despite the fact that PG&E had been
19 found guilty of a felony for interfering with the federal investigation of the 2010 San Bruno
20 explosion.

21 **5. PG&E Repeatedly and Continuously Diverted Safety Funds**

22 53. In an investigation covering 1994 to 1998, CPUC staff accused PG&E of more
23 than 500,000 counts of violating state laws requiring utilities to keep trees pruned a safe distance
24 from overhead electric lines. Much of the incriminating information cited by CPUC
25 investigators was culled from the electric utility's own records.

26 54. In another investigation by the CPUC and Overland (an independent auditing
27 company) covering 1997 to 2012, it was uncovered that PG&E diverted more than \$100 million
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1 in gas safety and operations money collected from customers and spent it for other purposes,
2 including profit for stockholders and bonuses for executives.

3 55. According to the audit, from 1999 to 2010, PG&E also collected \$430 million
4 more than its guaranteed revenue from its gas-transmission and -storage operations.

5 56. In another report, the CPUC concluded that in the three years leading up to the
6 2010 San Bruno explosion, the company spent \$56 million annually on an incentive plan for
7 executives and “non-employee directors,” including stock awards, performance shares and
8 deferred compensation.

9 57. In 2016, PG&E reported \$498 million worth of fines, \$412 million of which were
10 for “safety-related cost disallowances.”

11 58. In 2017, the year of the deadly North Bay Fires, PG&E’s CEO, Geisha Williams
12 earned \$8.6 million, a 106% raise over the previous year. The COO, Nicholas Stavropoulos
13 earned \$6.4 million, a raise of 88.9% over the year before.

14 59. A July 2018 investigation by CPUC investigators found that PG&E kept \$246
15 million dollars over the last 17 years that was meant to pay for undergrounding powerlines,
16 which can help prevent wildfires.

17 60. PG&E’s advertising campaigns highlight that avoiding accountability—and not
18 public safety—is its top priority. Instead of allocating all available resources to maintenance
19 and fire safety, PG&E spent millions on advertising designed to distract the public from the fact
20 that PG&E is a six-time felon.

21 61. Prior to its recent bankruptcy, PG&E distributed almost five billion dollars in
22 dividends to its investors despite knowing that its system was in unreasonably dangerous
23 condition and was the cause of deadly California wildfires.

24 62. From January 1, 2017 to December 31, 2018, PG&E donated \$5.3 million to
25 political candidates, political parties, political action committees (PACs) and ballot measures,
26 while large swaths of the State of California burned due to its negligence and its aging and
27 dangerous infrastructure continued to age and become even more dangerous.

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1 **D. THE POWER OUTAGES**

2 63. On or about October 9, 2019, PG&E began preemptively turning off power to
3 roughly 800,000 customers in Northern and Central California, impacting more than two million
4 people who rely on PG&E for their electricity. (PG&E counts customers on a household or
5 business basis, so one PG&E customer impacted may impact many individuals.)

6 64. The Outage—the first of many which PG&E calls “Public Safety Power
7 Shutoff(s)”—impacted over 35 counties, including, Alameda, Alpine, Amador, Butte, Calaveras,
8 Colusa, Contra Costa, El Dorado, Glenn, Humboldt, Kern, Lake, Marin, Mariposa, Mendocino,
9 Merced, Napa, Nevada, Placer, Plumas, San Joaquin, San Mateo, Santa Clara, Santa Cruz,
10 Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Tehama, Trinity, Tuolumne, Yolo, Yuba,
11 Fresno, Madera, Sacramento, San Benito, San Louis Obispo, and Santa Barbara. According to
12 PG&E, the sole purpose of the power shutdown was to “reduce the risk of catastrophic wildfire
13 in the communities that we serve.”

14 65. Upon the urging of Governor Newsom, PG&E agreed to provide a “one-time bill
15 credit” for customers impacted by the October 9 Outage, in the amount of \$100 for residents and
16 \$250 for business customers due to the “website and call center communications issues” which
17 “exacerbated” the hardship caused by the October 9 Outage.⁵ On information and belief, many
18 PG&E customers had no notice whatsoever of the October 9 Outage.

19 66. On October 10, PG&E returned power to approximately 426,000 customers
20 because of improving weather conditions, but 312,000 customers remained without power. This
21 despite PG&E’s weather services issuing an “all-clear” signal on Thursday afternoon. PG&E’s
22 website indicated that wind gusts exceeded 70 mph on the evening of October 9 to 10. Notably,
23 there is no indication that it ever came close to the 92 miles per hour threshold established by
24 CPUC General Order 95.

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⁵ <https://www.pgecurrents.com/2019/10/29/pge-statement-on-oct-9-public-safety-power-shutoff-customer-bill-credit/>

1 67. By noon on Oct. 11, PG&E had restored power to 543,000 customers, but about
2 195,000 customers still did not have power. By that evening 21,000 customers remained
3 without power.

4 68. It was not until about 6 p.m. on October 12 that PG&E reported that power was
5 restored to all the customers who were impacted by the October 9 Outage.

6 69. On October 23, 2019, PG&E once again began shutting off power to its
7 customers to mitigate potential wildfires which might spark due to its negligently maintained
8 power system.

9 70. The October 23 Outage began with PG&E shutting off power to about 1,000
10 customers in San Mateo and Kern Counties in the middle of the night (around 1:00 a.m.). By
11 mid-day PG&E had shut off power to approximately 179,000 customers in 17 counties,
12 including, Alpine, Amador, Butte, Calaveras, El Dorado, Kern, Lake Mendocino, Napa, Nevada,
13 Placer, Plumas, San Mateo, Sierra, Sonoma, Tehama, and Yuba.

14 71. That night, the Kincaid Fire started northeast of Geyserville in Sonoma County in
15 an area where the power had not been shut off. Preliminary reports indicate that the fire started
16 when PG&E's 230,000-volt transmission line failed (a broken jumper wire was found on that
17 transmission tower near the point of ignition). That fire was not fully contained until November
18 6, 2019, burned 77,758 acres of land, and damaged 120 buildings. Nearly 200,000 residents of
19 Sonoma County were evacuated to mitigate the risk of the wildfire caused by PG&E.

20 72. PG&E restored power to 93% of its affected-customers by 9 p.m. on October 24
21 and 99% by October 25, but power remained out for certain customers in Sonoma County near
22 the Kincade Fire.

23 73. On October 26, 2019, PG&E began its largest shutdown yet, shutting off power
24 to 973,000 customers in portions of 37 counties in response to wind and dry conditions it feared
25 might spark or exacerbate ongoing wildfires caused by its unreasonably dangerous
26 infrastructure. An estimated 2.5 to 2.8 million people were impacted by the Outage. PG&E
27 announced that it would institute this Outage in phases beginning around 5 p.m. The following
28 counties were affected: Amador, Butte, Colusa, El Dorado, Glenn, Nevada, Placer, Plumas, An

1 Joaquin, Sierra, Siskiyou, Shasta, Tehama, Yuba, Lake, Marin, Mendocino, Napa, Solano,
2 Sonoma, Yolo, Alameda, Alpine, Calaveras, Contra Costa, Humboldt, Mariposa, Mendocino,
3 Monterey, San Benito, San Mateo, Santa Clara, Santa Cruz, Stanislaus, Tuolumne, Siskiyou,
4 Trinity, Kern, Fresno, and Madera.

5 74. By 10 p.m. on October 28, 57% of the 970,000 customers had their power
6 restored, but PG&E was announcing yet another Outage to begin in the early morning of
7 October 29. No sooner had power been restored to some PG&E customers than PG&E once
8 again threatened another impending Outage.

9 75. On October 29, PG&E announced that it had shut off power to approximately
10 540,000 more customers in portions of 27 counties while at the same time announcing that it
11 restored power to $\frac{3}{4}$ of the 973,000 customers impacted by the October 26 Outage.

12 76. As of 4 p.m. on October 30, 168,500 customers remained without power. By 10
13 a.m. on October 31, 36,745 customers were still without power. On November 1 at 4 p.m. there
14 were still 200 customers who had not had their power turned back on by PG&E.

15 77. In total, nearly 1.1 million customers were impacted by the October 26 and
16 October 29 Outages.

17 78. On November 20, 2019, PG&E shut off power to approximately 50,000
18 customers in Butte, Colusa, Glenn, Lake, Mendocino, Napa, Shasta, Solano, Sonoma, Tehama,
19 and Yolo counties to protect against expected high winds. Power was not restored for most of
20 those customers for a day and a half even though winds did not approach the 92-mph threshold
21 established by CPUC General Order 95.

22 79. In brief, instead of addressing its crumbling infrastructure to protect against
23 wildfires, PG&E has decided to mitigate that risk by shifting its duty to provide safe power onto
24 its customers to live without power for days or weeks at a time so it can avoid another
25 catastrophic wildfire and the attendant liabilities which come with it. Years of corporate greed
26 and criminal negligence have caught up to PG&E but that does not entitle it to pass the cost of
27 its negligence onto its consumers who did nothing but pay their bills and expect to be able to
28 turn their lights on so they can live their lives and conduct their businesses.

1 **E. PLAINTIFF’S LOSSES**

2 82. Mr. Gantner is a resident of St. Helena, California. He grows wine grapes on his
3 property and sells them to local wineries there. PG&E shut off Mr. Gantner’s power as part of
4 the Outages described above from on or about October 9 to October 12, 2019, from on or about
5 October 26 to October 31, 2019, and from on or about November 21 to November 22, 2019.

6 83. During the October 9 to Oct. 12 Outage described above, Mr. Gantner was
7 scheduled to harvest his Cabernet Sauvignon grapes in St. Helena, California. This harvest was
8 significantly interfered with and disrupted as a consequence of the of October 9-12
9 Outage. During this time, many wineries, including the winery to which Mr. Gantner was to
10 deliver his grapes, were unable to regularly process the delivery of grapes, as received, because
11 PG&E had shut off their power. Mr. Gantner, who was scheduled to have his grapes picked and
12 delivered on October 11, 2019, was required on an emergency basis to reschedule the harvesting
13 of his grapes, including the arranging of a new grape picking crew and hauling of said grapes,
14 until October 13, 2019, a Sunday, which is not a regular day for harvesting and delivery of
15 grapes. The costs of labor increased about \$500 because of the Sunday harvest. Upon delivery
16 of Mr. Gantner’s 5.5 tons of grapes, the ongoing backlog for grape processing at the winery was
17 such that they were not crushed and processed for an additional period of approximately 16
18 hours, during which time the quality of those grapes and the wine produced therefrom were
19 materially diminished. Plaintiff estimates that this diminution in value of the grapes is
20 approximately \$2,500.

21 80. In addition to the disruption in the distribution of his wine grapes, Mr. Gantner
22 suffered loss of habitability of his house for every day PG&E shut off his power.

23 81. Mr. Gantner did not have cell phone connectivity and the darkness at night was
24 dangerous. The combination of the dangerous condition and the lack of an ability to reach
25 emergency services if needed caused Mr. Gantner and those similarly situated to suffer
26 emotional distress.

27 82. Mr. Gantner also suffered a lack of running water because his well-water pump
28 which needed electricity to function, was shut off.

1 83. Mr. Gantner also suffered from lack of use of his home office, which was
2 unusable without electricity which was supposed to be provided by PG&E.

3 84. Mr. Gantner also suffered various other losses including, loss of food items in his
4 refrigerator, and expenses for alternate means of lighting and power, such as candles, flashlights,
5 batteries, and gas generators.

6 **V. CLASS ACTION ALLEGATIONS**

7 85. Mr. Gantner brings this lawsuit as a class action on behalf of himself and all
8 California residents and business owners who had their power shutoff due to PG&E’s October 9,
9 October 23, October 26, October 28, and November 20 Outages and any subsequent voluntary
10 Outages PG&E imposes on its customers. The proposed class is defined as: All California
11 residents and business owners who had their power shutoff by PG&E during the October 9,
12 October 23, October 26, October 28, or November 20, 2019 Outages and any subsequent
13 voluntary Outages PG&E imposes on its customers during the course of litigation. Defendants,
14 their subsidiaries, officers, directors, managing agents and members of those persons’ immediate
15 families, the Court, Court personnel, and legal representatives, heirs, successors or assigns of
16 any excluded person or entity are excluded from the Class.

17 86. The Class Period is defined as the period beginning October 9, 2019 and ending
18 at the time this action proceeds to final judgment or settles (the “Class Period”).

19 87. Subject to additional information obtained through further investigation and
20 discovery, the foregoing definition of the Class may be expanded or narrowed by amendment or
21 amended complaint. Plaintiff further reserves the right to name additional Class representatives
22 and to identify subclasses as necessary and appropriate.

23 88. **Numerosity.** The Class for whose benefit this action is brought is so numerous
24 that joinder of all Class Members is unfeasible and impracticable. While Plaintiff does not
25 presently know the exact number of Class Members, Plaintiff is informed and believes that the
26 entire Class consists of potentially millions of individuals and that those Class Members can be
27 readily determined and identified through Defendants’ files and other documents maintained by
28 Defendant and, if necessary, through appropriate discovery.

1 89. **Typicality.** Plaintiff’s claims are typical of the claims of the members of the
2 Class. Plaintiff, like all Class Members, was subject to PG&E power outages due to PG&E’s
3 negligence and suffered damages as a result. Furthermore, the factual bases of Defendants’
4 misconduct are common to all Class Members and represent a common thread of unlawful
5 conduct resulting in injury to all members of the Class.

6 90. **Commonality.** Common questions of law and fact exist as to all members of the
7 Class and predominate over any questions solely affecting individual members. Issues of law
8 and fact common to the Class include:

- 9 a. Whether PG&E’s conduct in maintaining its power system violated the duty of
10 care owed to its customers;
- 11 b. What duty of care, PG&E owes to its customers;
- 12 c. Whether Class Members have been damaged by Defendants’ actions or conduct;
- 13 d. The effect upon and the extent of injuries suffered by the Class and the
14 appropriate amount of compensation;
- 15 e. Whether declaratory and injunctive relief are appropriate to curtail Defendants’
16 conduct as alleged herein; and
- 17 f. Whether Defendants’ acted with malice, oppression and/or fraud thereby
18 justifying an award of punitive damages;

19 91. **Adequacy.** Mr. Gantner will fairly and adequately represent the interests of the
20 Class and has no interests adverse to or in conflict with other Class Members. Mr Gantner’s
21 retained counsel will vigorously prosecute this case, have previously been designated class
22 counsel in cases in the State and Federal courts of California, and are highly experienced in
23 consumer, class and complex, multi-party litigation.

24 92. **Superiority.** A class action is superior to other available methods for the fair and
25 efficient adjudication of this controversy since, among other things, joinder of all Class
26 Members is impracticable, and a class action will reduce the risk of inconsistent adjudications or
27 repeated litigation on the same conduct. Further, the expense and burden of individual lawsuits
28 would make it virtually impossible for Class Members, Defendants, or the Court to cost-

1 effectively redress separately the unlawful conduct alleged. Thus, absent a class action,
2 Defendants would unjustly retain the benefits of its wrongdoing and Class Members would go
3 without redress for the illegal and reprehensible discrimination they suffered. Plaintiff knows of
4 no difficulties to be encountered in the management of this action that would preclude its
5 maintenance as a class action, either with or without sub-classes.

6 93. Adequate notice can be given to Class Members directly using information
7 maintained in Defendants’ records, or through notice by publication.

8 94. Accordingly, class certification is appropriate under Fed. R. Civ. P. 23.

9 **VI. CLAIM FOR RELIEF**

10 **FIRST CLAIM FOR RELIEF**
11 **NEGLIGENCE**
12 **(Against All Defendants)**

13 95. Plaintiff hereby realleges and incorporates by reference each and every allegation
14 contained above as though the same were set forth herein in full.

15 96. The California Public Utilities Code, section 451 provides a heightened standard
16 of care for public utility companies like PG&E, it states: “Every public utility shall furnish and
17 maintain such adequate, efficient, just, and reasonable service, instrumentalities, equipment, and
18 facilities . . . as are necessary to promote the safety, health, comfort, and convenience of its
19 patrons, employees, and the public.”

20 97. Defendants have a virtual monopoly over the transmission and distribution of
21 electrical power to the areas affected by the Outages and have individual contracts with all
22 resident and businesses in those areas to whom it distributes that electrical power. The
23 communities affected by the Outages are all dependent upon the safe transmission and
24 distribution of that electrical for continuous residential and commercial usage, and PG&E has
25 contractual, statutory, and public duties to provide that electrical power in a manner that
26 promotes those individual and public interests.

27 98. The Outages were a direct and legal result of the negligence, carelessness,
28 recklessness, and/or unlawfulness of Defendants, and/or each of them. Defendants, and/or each
of them, breached their respective duties owed individually and/or collectively to Plaintiff and

1 the Class by, including but not limited to: (1) failing to comply with the applicable statutory,
2 regulatory, and/or professional standards of care; (2) failing to timely and properly maintain,
3 manage, inspect, and/or monitor the subject power lines, electrical equipment, and/or adjacent
4 vegetation; (3) failing to make the overhead lines safe under all the exigencies created by
5 surrounding circumstances and conditions; (4) failing to properly cut, trim, prune, and/or
6 otherwise keep vegetation at a sufficient distance to avoid foreseeable contact with power lines;
7 (5) failing to trim and/or prune vegetation so as to avoid creation of a safety hazard with close
8 proximity of the subject power lines; (6) failing to conduct adequate, reasonably prompt, proper,
9 effective, and/or frequent inspections of the electrical transmission lines, wires, and/or
10 associated equipment; (7) failing to design, construct, monitor, and/or maintain high voltage
11 electrical transmission, and/or distribution power lines in a manner that avoids the potential to
12 ignite a fire during long, dry seasons by allowing vegetation to grow in an unsafe manner; (8)
13 failing to install the equipment necessary and/or to inspect and/or repair the equipment installed,
14 to prevent electrical transmission and distribution lines from improperly sagging, operating,
15 and/or making contact with other metal wires placed on its poles and igniting fires; (9) failing to
16 keep equipment in a safe condition and/or manage equipment to prevent fire at all times; (10)
17 failing to update outdated and dangerous equipment; (11) failing to properly train and to
18 supervise employees and agents responsible for maintenance and inspection of the transmission
19 lines and/or vegetation areas nearby these lines; and (12) shutting off power to millions of
20 customers to avoid further wildfires caused by its corporate negligence. Instead of doing any of
21 these necessary and reasonable steps to mitigate or eliminate the risk of a wildfire occurring or
22 spreading as a result of its outdated and unreasonably dangerous power system, PG&E breached
23 its duty of care to millions of its customers by shutting off their power for days at a time,
24 sometimes without notice.

25 99. As a direct and legal result of Defendants' actions and/or omissions, Plaintiff and
26 Class Members suffered various losses including loss of habitability of their dwellings, loss of
27 food items in their refrigerators, expenses for alternate means of lighting and power, such as
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1 candles, flashlights, batteries, gas generators, loss of cell phone connectivity, dangerous dark
2 conditions, lack of running water, and loss of productivity and business.

3 100. As a further direct and legal result of Defendants' actions and/or omissions,
4 Plaintiff and Class Members have suffered and/or continue to suffer great mental pain and
5 suffering, including worry, emotional distress, humiliation, embarrassment, anguish, anxiety,
6 and nervousness. Plaintiff is informed and believe, and upon such information and belief allege,
7 that such injuries have resulted in debilitating injuries in an amount according to proof at trial.

8 101. As a direct and legal result of the Defendants' actions and/or omissions,
9 Plaintiff and Class Members have suffered a loss of income, loss of earning capacity, loss of
10 profits, increased expenses due to displacement, and/or other consequential economic losses in
11 an amount according to proof at trial.

12 102. As a further direct and legal result of the Defendants' actions and/or omissions,
13 Plaintiff and Class Members have suffered damage to and/or a loss of personal property,
14 including but not limited to items of peculiar value to Plaintiff and Class Members in an amount
15 according to proof at trial.

16 103. As detailed above, Defendants' safety record is inexcusably bad. Defendants
17 have had several incidents that caused injury and death to California residents, and destroyed
18 properties, and has been subject to numerous penalties, including, but not limited to record fines
19 following the San Bruno Explosion, as a result of their failure to comply with safety standards,
20 rules and regulations. Despite these fines and punishments, Defendants failed to modify their
21 behavior, continuing their practice of placing their own profits over safety and conducting their
22 business with a conscious disregard for the safety and well-being of the public and property.

23 104. The potential harms to Plaintiff from Power Outages were objectively foreseeable
24 both in nature and in scope and were subjectively known to PG&E.

25 105. As set forth above and as will be shown by proof, there is a high degree of
26 certainty that Plaintiff and the Class has suffered those injuries and damages, and that there is an
27 extremely close connection between those injuries and damages and Defendants' conduct. A
28 high degree of moral blame is attached to Defendants' conduct, and the policy of preventing

1 future harm justifies both the recognition of the existence of a duty of care owed by Defendants
2 to Plaintiff and the Class and the imposition of all damages described above.

3 106. At all times prior to the subject incident, the conduct of Defendants, by act and/or
4 omission, acted with oppression, fraud, malice, and/or with a knowing, conscious disregard for
5 the rights and/or safety of others. The wrongful conduct of Defendants was more than just
6 inadvertence, error of judgment or negligence. Rather, Defendants conduct was despicable and
7 showed malice as defined by California Civil Code § 3294. As a result, Plaintiff requests that
8 the trier of fact, in the exercise of sound discretion of the rights and safety of others, such that
9 additional damages for the sake of example and sufficient to punish said Defendants for their
10 despicable conduct, in an amount reasonably related to Plaintiff’s and Class Members’ actual
11 damages and Defendants’ wealth, yet sufficiently large enough to be an example to others and to
12 deter Defendants and others from engaging in similar conduct in the future.

13 **PRAYER**

14 WHEREFORE, Plaintiff prays for judgment against Defendants, and each of them, as
15 follows:

- 16 a. For special and general damages in an amount according to proof, but at least
17 \$2,500,000,000.
- 18 b. For punitive and exemplary damages in an amount according to proof as allowed
19 under California Civil Code § 3294;
- 20 c. For punitive and exemplary damages in an amount according to proof as allowed
21 under California Public Utilities Code § 2106;
- 22 d. For an injunction ordering that Defendants, and each of them, stop continued
23 violation of: (a) General Order No. 95, Rules 31.1-31.5, 35, 38, 43, 43.2, 44.1-44.4, and 48-48.1;
24 (b) General Order No. 165; (c) California Public Resources Code §§ 4292, 4293; and (d)
25 California Public Utilities Code § 451;
- 26 e. For attorney’s fees allowed under California Code of Civil Procedure § 1021.5;
- 27 f. For prejudgment interest;
- 28 g. For punitive damages as allowed by law;

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- h. For all costs of suit incurred herein; and
- i. For such other and further relief as the Court deems just and proper.

Dated: December 19, 2019

PHILLIPS, ERLEWINE, GIVEN & CARLIN LLP

By: /s/ Nicholas A. Carlin
Nicholas A. Carlin
Brian S. Conlon
Attorneys for Plaintiff

DEMAND FOR JURY TRIAL

Plaintiff hereby requests a trial by jury of all issues so triable.

Dated: December 19, 2019

PHILLIPS, ERLEWINE, GIVEN & CARLIN LLP

By: /s/ Nicholas A. Carlin
Nicholas A. Carlin
Brian S. Conlon
Attorneys for Plaintiff