

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

BRUCE S. ALPERT (SBN 75684)  
BRAD J. STEPHENS (SBN 212246)  
**OFFICE OF COUNTY COUNSEL**  
COUNTY OF BUTTE  
25 County Center Drive  
Oroville, CA 95965  
Tel: (530) 538-7621

SCOTT SUMMY (*pro hac vice pending*)  
JOHN P. FISKE (SBN 249256)  
STEPHEN JOHNSTON (*pro hac vice pending*)  
**BARON & BUDD, P.C.**  
11440 West Bernardo Court, Suite 265  
San Diego, CA 92127  
Tel: (619) 261-4090  
Fiske@baronbudd.com

[Additional Captions on Signature Page]  
Attorneys for County of Butte

**IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**IN AND FOR THE COUNTY OF BUTTE**

COUNTY OF BUTTE, a political subdivision )  
of the State of California, )  
Plaintiff, )  
v. )  
PG&E CORPORATION, a California )  
Corporation; PACIFIC GAS AND ELECTRIC )  
COMPANY, a California Corporation; and )  
DOES 1-250, inclusive, )  
Defendants. )

CASE NO. **19CV00151**  
**COMPLAINT FOR DAMAGES**  
**1. INVERSE CONDEMNATION**  
**2. NEGLIGENCE**  
**3. TRESPASS**  
**4. NUISANCE**  
**5. NEGLIGENCE PER SE**  
**6. VIOLATION OF PUBLIC**  
**UTILITIES CODE §2106**  
**7. VIOLATION OF HEALTH &**  
**SAFETY CODE §13007**

**UNLIMITED CIVIL CASE**  
**JURY TRIAL DEMANDED**

) Exempt from Filing Fees (Govt. Code §  
) 6103); Deemed Verified (Code Civ. Proc. §  
) 446)  
)  
)  
)  
)

Superior Court of California  
County of Butte  
1/15/2019  
By  Clerk Deputy  
Electronically FILED

1 Plaintiff COUNTY OF BUTTE, a political subdivision of the State of California (the  
2 “COUNTY”) hereby brings the following Complaint for damages against PG&E CORPORATION  
3 and PACIFIC GAS AND ELECTRIC COMPANY, California Corporations (collectively, “PG&E”  
4 or “Defendants”) and other as of yet unknown entities and individuals as a result of the injuries and  
5 damages that the COUNTY sustained in the “Camp Fire” that started on or about November 8,  
6 2018.

7 **I.**

8 **INTRODUCTION**

9 1. On the morning of November 8, 2018, what has now become the deadliest and most  
10 destructive wildfire in California history started in Butte County, California. Termed the “Camp  
11 Fire” after the suspected point of origin on Camp Creek Road, the fire claimed the lives of 86  
12 people. The Camp Fire destroyed over 18,000 structures, burned over 150,000 acres, and  
13 effectively eradicated the Town of Paradise in its path, among others.

14 2. The COUNTY is informed and believes, and thereon alleges, that the Camp Fire  
15 started when electrical infrastructure owned, operated and maintained by PG&E fell down, broke,  
16 failed, sparked, exploded, and/or came into contact with vegetation or other combustible materials  
17 that were supposed to be inspected and maintained by PG&E.

18 3. The COUNTY is informed and believes, and thereon alleges, that the Camp Fire  
19 was caused by: (1) the negligent and improper operation of the power lines and related equipment  
20 by PG&E; (2) the failure of power lines, and/or electrical infrastructure, and/or equipment that was  
21 designed, constructed, operated and maintained by PG&E and Defendants as alleged herein; (3)  
22 the Defendants’ negligent failure to maintain and clear vegetation as required by California  
23 regulations and law concerning vegetation clearance in areas containing power lines and electrical  
24 infrastructure; and/or (4) failing to de-energize power lines during fire prone conditions and/or  
25 using devices such as reclosers that reactivated or re-energized the flow of electrical current  
26 through power lines after they were downed.

27 4. As set forth in more detail in the following pages, based on multiple reports, audits,  
28 investigations, and/or interviews, it is clear that the Camp Fire resulted from PG&E’s willful and

1 conscious disregard of public safety. PG&E, although mandated to do so, failed to identify, inspect,  
2 manage, and/or control vegetation growth near its power lines and/or other electrical equipment.  
3 This created a foreseeable danger of trees and/or other vegetation coming into contact with PG&E's  
4 power lines and/or other electrical equipment and causing electrical problems and fires. Further,  
5 PG&E failed to construct, manage, track, monitor, maintain, operate, replace, repair, and/or  
6 improve its power lines, poles, transformers, conductors, insulators, reclosers, and/or other  
7 electrical equipment in a safe manner, despite being aware that its infrastructure was aging, unsafe,  
8 likely to cause fires, and/or vulnerable to environmental conditions.

9 5. PG&E knew about the significant risk of wildfires and other disasters from its  
10 ineffective vegetation management programs, unsafe equipment, and/or aging infrastructure for  
11 decades before the Camp Fire began and, as described below, has been repeatedly fined, deemed  
12 responsible and/or convicted of crimes for causing wildfires, explosions, and other disasters by  
13 failing to mitigate these risks.

14 6. Wildfires, explosions, and other devastating events have resulted from PG&E's long  
15 history of failing to adequately fund its public safety, vegetation management, and/or infrastructure  
16 maintenance programs.

## 17 **II.**

### 18 **JURISDICTION AND VENUE**

19 7. Defendant PG&E CORPORATION is incorporated in California and based in San  
20 Francisco, California doing business in the County of Butte. At all times mentioned herein, it has  
21 acted to provide electrical services to members of the public in California, including, Butte County  
22 through PACIFIC GAS AND ELECTRIC COMPANY.

23 8. Defendant PACIFIC GAS AND ELECTRIC COMPANY, a subsidiary corporation  
24 of PG&E Corporation, is incorporated in California and based in San Francisco, California and  
25 doing business in the County of Butte. It is one of the largest combination natural gas and electric  
26 utilities in the United States.

27 9. At all times herein mentioned, PG&E provided electrical services to millions of  
28 customers in Northern and Central California, including to residents of Butte County through its

1 electrical transmission and distribution systems.

2 10. Venue is proper in this county as Defendants perform business in this county, and  
3 a substantial part of the events, acts, omissions, and transactions complained of herein occurred in  
4 this county.

5 **III.**

6 **THE PARTIES**

7 **PLAINTIFF**

8 11. The COUNTY is a political subdivision of the State of California, duly organized  
9 and existing by virtue of the laws of the State of California.

10 **THE DEFENDANTS**

11 12. At all times herein, Defendants were corporations authorized to do business and  
12 doing business in the State of California with their principal place of business in the County of San  
13 Francisco, State of California. Defendant PG&E CORPORATION is an energy-based holding  
14 company headquartered in San Francisco. It is the parent company of Defendant PACIFIC GAS  
15 AND ELECTRIC COMPANY. Defendants provide public utility services, including the  
16 generation of electricity and the transmission and distribution of electricity and natural gas to  
17 millions of customers in Northern and Central California, including the residents of Butte County.

18 13. The COUNTY alleges that Defendants are jointly and severally liable for each  
19 other's wrongful acts and/or omissions as hereafter alleged, in that:

- 20 a. Defendants operate as a single business enterprise operating out of the same  
21 building located at 77 Beale St, San Francisco, California for the purpose of  
22 effectuating and carrying out PG&E CORPORATION's business and operations  
23 and/or for the benefit of PG&E CORPORATION;
- 24 b. Defendants do not operate as completely separate entities, but rather, integrate  
25 their resources to achieve a common business purpose;
- 26 c. PACIFIC GAS & ELECTRIC COMPANY is so organized and controlled, and  
27 its decisions, affairs and business so conducted as to make it an instrumentality,  
28 agent, conduit and/or adjunct of PG&E CORPORATION;

- 1 d. PACIFIC GAS & ELECTRIC COMPANY's income contribution results from  
2 its function, integration, centralization of management and economies of scale  
3 with PG&E CORPORATION;
- 4 e. Defendants' officers and management are intertwined and do not act completely  
5 independent of one another;
- 6 f. Defendants' officers and managers act in the interest of PG&E CORPORATION  
7 as a single enterprise;
- 8 g. PG&E CORPORATION has control and authority to choose and appoint  
9 PACIFIC GAS & ELECTRIC COMPANY's board members as well as its other  
10 top officers and managers;
- 11 h. Despite both being Electric Companies and Public Utilities, Defendants do not  
12 compete with one another, but have been structured, organized, and businesses  
13 effectuated so as to create a synergistic, integrated single enterprise where  
14 various components operate in concert one with another;
- 15 i. PG&E CORPORATION maintains unified administrative control over  
16 PACIFIC GAS & ELECTRIC COMPANY;
- 17 j. Defendants are insured by the same carriers and provide uniform or similar  
18 pension, health, life and disability insurance plans for employees;
- 19 k. Defendants have unified 401(k) Plans, pensions and investment plans, bonus  
20 programs, vacation policies and paid time off from work schedules and policies;
- 21 l. Defendants invest these funds from their programs and plans by a consolidated  
22 and/or coordinated Benefits Committee controlled by PG&E CORPORATION  
23 and administered by common trustees and administrators;
- 24 m. Defendants have unified personnel policies and practices and/or a consolidated  
25 personnel organization or structure;
- 26 n. Defendants have unified accounting policies and practices dictated by PG&E  
27 CORPORATION and/or common or integrated accounting organizations or  
28 personnel;

- 1 o. Defendants are represented by common legal counsel;
- 2 p. PG&E CORPORATION's officers, directors, and other management make
- 3 policies and decisions to be effectuated by PACIFIC GAS & ELECTRIC
- 4 COMPANY and/or otherwise play roles in providing directions and making
- 5 decisions for PACIFIC GAS & ELECTRIC COMPANY;
- 6 q. PG&E CORPORATION's officers, directors, and other management direct
- 7 certain financial decisions for PACIFIC GAS & ELECTRIC COMPANY
- 8 including the amount and nature of capital outlays;
- 9 r. PG&E CORPORATION's written guidelines, policies, and procedures control
- 10 PACIFIC GAS & ELECTRIC COMPANY, its employees, policies, and
- 11 practices;
- 12 s. PG&E CORPORATION files consolidated earnings statements factoring all
- 13 revenue and losses from PACIFIC GAS & ELECTRIC COMPANY as well as
- 14 consolidated tax returns, including those seeking tax relief; without limitation;
- 15 and
- 16 t. PG&E CORPORATION generally directs and controls PACIFIC GAS &
- 17 ELECTRIC COMPANY's relationship with, requests to, and responses to
- 18 inquiries from, the Public Utilities Commission and uses such direction and
- 19 control for the benefit of PG&E CORPORATION.

20 14. At all times material to this Complaint, DOES 1 through 250 were the agents and/or  
21 employees of PG&E and acting within the course and scope of their agency and/or employment.

22 15. The true names of DOES 1 through 250, whether individual, corporate, associate,  
23 agency or otherwise, are unknown to the COUNTY who, under California Code of Civil Procedure  
24 §474, sues these Defendants under fictitious names. Each of the fictitiously named Defendants is  
25 responsible in some manner for the conduct alleged herein, including, without limitation, by way  
26 of conspiracy, aiding, abetting, acting with actual or ostensible authority, or as an alter ego, or  
27 single enterprise, furnishing the means and/or acting in capacities that create agency, *respondent*  
28 *superior*, and/or predecessor or successor-in-interest relationships with the Defendant. The DOE

1 Defendants are private individuals, associations, partnerships, corporations, subcontractors, or  
2 otherwise that actively assisted and participated in the negligent and wrongful conduct alleged  
3 herein in ways that are currently unknown to Plaintiff. Some or all of the DOE Defendants may  
4 be residents or conduct business in the State of California. Plaintiff may amend or seek to amend  
5 this Complaint to allege the true names, capacities and responsibility of these DOE Defendants  
6 once they are ascertained, and to add additional facts and/or legal theories.

7 16. DOES 1 through 250 are and/or were the agents and/or employees of PG&E and  
8 were acting within the course and scope of their agency and/or employment with PG&E when they  
9 committed the acts and omissions set forth herein.

#### 10 IV.

### 11 STATEMENT OF FACTS

#### 12 A. PG&E IS REQUIRED TO SAFELY DESIGN, OPERATE, AND MAINTAIN ITS 13 ELECTRICAL SYSTEMS

14 17. PG&E owns, installs, constructs, operates, and maintains overhead power lines,  
15 together with supporting poles and appurtenances throughout Northern and Central California for  
16 the purpose of transmitting and distributing electricity to the general public. These lines and  
17 equipment were located at and around the origin points for the Camp Fire.

18 18. Electrical infrastructure is inherently dangerous and hazardous, and PG&E  
19 recognizes it as such. The transmission and distribution of electricity requires PG&E to exercise  
20 an increased level of care in line with the increased risk of associated danger.

21 19. At all times PG&E had and continues to have a duty to properly construct, inspect,  
22 repair, maintain, manage, and/or operate its power lines and/or other electrical equipment. PG&E  
23 also has a duty to keep vegetation properly trimmed and maintained to prevent foreseeable contact  
24 with its electrical equipment.

25 20. In the construction, inspection, repair, maintenance, management, ownership, and/or  
26 operation of its power lines and other electrical equipment, PG&E had an obligation to comply  
27 with, *inter alia*: (a) Code of Civil Procedure § 733; (b) Public Resource Code §§ 4292, 4293, and  
28 4435; (c) Public Utilities Code § 451; and (d) CPUC General Order Numbers 95 and 165.

1           21. California’s drought years increased the risk of wildfire and consequently  
2 heightened PG&E’s duty of care in the prevention of wildfires. In January 2014, Governor Edmund  
3 Gerald Brown, Jr. declared a state of emergency due to California’s continued drought. In June  
4 2014, pursuant to Resolution ESRB-4, the California Public Utilities Commission (“CPUC”)  
5 directed PG&E and all investor-owned utilities to take remedial measures to reduce the likelihood  
6 of fires started by or threatening utility facilities.<sup>1</sup> In addition, the CPUC informed PG&E it could  
7 seek recovery of incremental costs associated with these remedial measures outside of the standard  
8 funding process, agreeing to provide additional funding on top of vegetation management funding  
9 already authorized to ensure remedial measures would not go unperformed due to lack of funding.

10           22. In early 2017, the CPUC issued a Fact Sheet on “PG&E Vegetation Management  
11 Spending,” directing PG&E to take increased efforts to reduce fire risk due to the drought  
12 emergency: “Although the Governor issued an Executive Order in April 2017 ending the Drought  
13 State of Emergency, the declaration directed state agencies ‘to continue response activities that may  
14 be needed to manage the lingering drought impacts to people and wildlife.’ The California Tree  
15 Mortality State of Emergency issued in October 2015 by Governor Brown regarding the bark beetle  
16 infestation and resulting tree mortality remains in effect. The CPUC has not rescinded ESRB-4,  
17 and work by the utilities to comply with it and the Tree Mortality Emergency continues.”<sup>2</sup>

18           23. PG&E knew or should have known that these statutory and regulatory standards are  
19 minimum standards. PG&E knew or should have known that it has: (a) a duty to identify vegetation  
20 that is dead, diseased, and/or dying, or that otherwise poses a foreseeable hazard to power lines  
21 and/or other electrical equipment; and (b) a duty manage the growth of vegetation near its power  
22 lines and equipment so as to prevent the foreseeable danger of contact between vegetation and  
23 power lines starting a fire.

24           24. Further, PG&E has a duty to manage, maintain, repair, and/or replace its aging  
25

---

26           <sup>1</sup> <http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M096/K415/96415169.pdf> (last accessed  
27 January 7, 2019).

28           <sup>2</sup> [http://cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/Safety/PGE%20Vegetation  
%20Management%20Spending.pdf](http://cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Safety/PGE%20Vegetation%20Management%20Spending.pdf) (last accessed February 12, 2018).



1 infrastructure to protect public safety. These objectives could and should have been accomplished  
2 in a number of ways, including, but not limited to, putting electrical equipment in wildfire-prone  
3 areas underground, increasing inspections, developing and implementing protocols to shut down  
4 electrical operations in emergency situations, modernizing infrastructure, and/or obtaining an  
5 independent audit of its risk management programs to ensure effectiveness.

6 25. PG&E knew or should have known that failure to comply and conform to applicable  
7 standards and duties constituted negligence and would expose members of the general public to a  
8 risk of death, injury, and/or damage to their property.

## 9 **B. PG&E'S FIRE/EXPLOSION BACKGROUND**

### 10 **1. PG&E'S Fire Involvement**

11 26. Over the past thirty-plus years, PG&E has been subject to numerous fines, penalties,  
12 and/or convictions as a result of its failure to abide by safety rules and regulations, including the  
13 following fines, penalties, and/or convictions. Despite these recurring punishments, PG&E has  
14 continued to conduct its business without due regard for the safety of the public, including the  
15 COUNTY.

16 27. As detailed herein, the Camp Fire is among the many tragedies that have resulted  
17 from PG&E's conduct and operations. PG&E power lines, transformers, conductors, poles,  
18 insulators, and/or other electrical equipment have repeatedly started wildfires due to PG&E's  
19 ongoing failure to create, manage, implement, and/or maintain effective vegetation management  
20 programs for the areas near and around its electrical equipment. Further, PG&E's deteriorating and  
21 carelessly maintained infrastructure has caused multiple disasters throughout California.

### 22 **2. The 1981 San Francisco Gas Explosion**

23 28. A PG&E gas main in downtown San Francisco exploded in 1981, forcing 30,000  
24 people to evacuate. It took workers nine hours to shut off the gas main's manual shut-off valves  
25 and stop the flow of gas that continued to feed the flames in the interim.

### 26 **3. The 1991 Santa Rosa Gas Explosion**

27 29. Two people were killed and three others were injured when a PG&E gas line  
28 exploded in Santa Rosa in December 1991. The pipeline was improperly marked, failing to give

1 proper notice to contractors working in the area. A contractor hit the pipe with a backhoe, causing  
2 the pipe to leak and explode several months later.

#### 3 **4. The 1994 Trauner Fire**

4 30. In 1994, PG&E's failure to maintain the vegetation surrounding its electrical  
5 equipment caused a devastating wildfire in Nevada County, California. This Fire, commonly  
6 known as the "Trauner Fire" or the "Rough and Ready Fire," burned approximately 500 acres in  
7 and around the town of Rough and Ready, destroyed 12 homes, and burned 22 structures, including  
8 a historic schoolhouse that was built in 1868.

9 31. Investigators determined that the Trauner Fire began when a 21,000-volt power line  
10 brushed against a tree limb that PG&E was supposed to keep trimmed. Through random spot  
11 inspections, the investigators found several hundred safety violations in the area near the Trauner  
12 Fire. Approximately 200 of these violations involved contact between vegetation and one of  
13 PG&E's power lines. As a result, on or around June 19, 1997, PG&E was convicted of 739 counts  
14 of criminal negligence and required to pay \$24 million in penalties.

15 32. After the trial, a 1998 CPUC report revealed that PG&E diverted \$77.6 million from  
16 its tree-trimming budget to other uses from 1987 to 1994. During that same time, PG&E under  
17 spent its authorized budgets for maintaining its systems by \$495 million and instead, used this  
18 money to boost corporate profits.

#### 19 **5. The 1996 Mission Substation Electrical Fire**

20 33. At approximately 1:00 a.m. on November 27, 1996, a cable splice at PG&E's  
21 Mission Substation in San Francisco short-circuited, burning and melting the insulation around the  
22 splice. Smoke from the fire rose through a floor opening above the splice into a switch cabinet.  
23 The smoke was so thick that it caused a flashover between phases of the bus bars connecting the  
24 overhead N bus to the switch. This caused insulation on the N bus to ignite and a circuit breaker  
25 to open, resulting in the loss of power to a group of PG&E customers. The substation was unmanned  
26 at the time and the fire was only discovered by chance by an employee who had stopped by the  
27 substation to use the restroom.

28 ///

1           **6. The 1999 Pendola Fire**

2           34. A rotten pine, which the federal government determined PG&E should have  
3 removed, fell on a power line, starting the Pendola Fire in 1999. It burned for 11 days and scorched  
4 11,725 acres, mainly in the Tahoe and Plumas National Forests. PG&E paid a \$14.75 million  
5 settlement to the U.S. Forest Service in 2009. That year, the utility also reached a \$22.7 million  
6 settlement with the CPUC after regulators found PG&E had not spent money earmarked for tree  
7 trimming and removal toward those purposes.

8           **7. The 2003 Mission District Substation Fire**

9           35. In December 2003, a fire broke out at PG&E’s Mission District Substation in San  
10 Francisco. Despite signs of trouble appearing at control centers, the fire burned for nearly two  
11 hours before PG&E operators showed up at the Substation, found it full of smoke, and finally called  
12 the fire department. The source of the fire was not located until five hours after it began. As a  
13 result, nearly one-third of San Francisco’s residents and business owners lost power, with some  
14 waiting over 24 hours for their power to be restored.

15           36. The CPUC report of the investigation, which was released in 2004, states in part:

16                       Soon after undertaking the investigation of the 2003 fire, CPSD [CPUC’s  
17 Consumer Protection and Safety Division] discovered that another fire had  
18 occurred at Mission Substation in 1996. CPSD’s investigation team  
19 conducted a thorough analysis of both fires and found strikingly similar  
20 contributing factors and root causes. CPSD’s team further determined that  
21 PG&E had not implemented the recommendations resulting from its own  
22 investigation of the 1996 fire...**CPSD finds it quite troubling that PG&E  
23 did not implement its own recommendations from its own investigation  
24 of the 1996 fire.**<sup>3</sup>

25           **8. The 2004 Sims Fire**

26           37. In July 2004, the Sims Fire burned over 4,000 acres of forest land in the Six Rivers  
27 and Trinity National Forests. A federal lawsuit alleged that PG&E failed to remove a decaying  
28 tree, which fell on a transmission line and ignited the blaze.

///

---

<sup>3</sup> <http://docs.cpuc.ca.gov/publishedDocs/published/Report/40886.PDF> (last accessed February 12, 2018).

1           **9. The 2004 Freds Fire**

2           38.     The Freds Fire started in October 2004 near Kyburz, El Dorado County, California.  
3     A lawsuit filed by the United States Government claimed that employees of PG&E’s contractor lost  
4     control of a large tree they were cutting down. It fell onto a PG&E power line and caused a fire  
5     that burned over 7,500 acres. PG&E and its contractors paid \$29.5 million to settle the lawsuits  
6     over the Freds Fire and the Sims Fire.

7           **10. The 2004 Power Fire**

8           39.     In October 2004, the Power Fire burned approximately 17,000 acres in the El  
9     Dorado National Forest and on private timberlands. A federal lawsuit alleged that the Power Fire  
10    was ignited by a lit cigarette that was dropped by a PG&E tree trimming contractor. PG&E and its  
11    contractor paid the federal government \$45 million to settle the lawsuit.

12          **11. The 2005 San Francisco Electrical Explosion**

13          40.     In August 2005, a PG&E electrical transformer exploded in the San Francisco  
14    financial district at Kearny and Post Streets, severely burning a woman who had been walking by.  
15    A lawsuit by the injured woman settled for an undisclosed sum.

16          **12. The 2008 Rancho Cordova Explosion**

17          41.     In December 2008, a gas leak from a PG&E pipe caused an explosion in Rancho  
18    Cordova, California. This explosion left one person dead, injured several others, and caused over  
19    \$260,000 in property damage.

20          42.     A National Transportation Safety Board (“NTSB”) investigation revealed that the  
21    leak was caused by incorrect repairs performed by PG&E in 2006, at which time PG&E installed a  
22    piece of pipe to patch an earlier leak. The investigative report for the incident concluded that the  
23    walls of the new pipe were too thin, allowing gas to leak from the pipe, and that PG&E failed to  
24    timely send properly trained personnel to check out the leak, even though PG&E had been told  
25    several months earlier that its emergency plans fell below required standards. Specifically, the  
26    report noted the following:

1 Contributing to the accident was the 2-hour 47-minute delay in the arrival at  
2 the job site of a Pacific Gas and Electric Company crew that was properly  
3 trained and equipped to identify and classify outdoor leaks and to begin  
4 response activities to ensure the safety of the residents and public.<sup>4</sup>

4 43. In November 2010, the CPUC filed administrative charges against PG&E in  
5 connection with the Rancho Cordova explosion, alleging that PG&E was at fault for the blast and  
6 that PG&E should have discovered the improper repair job that caused the explosion, but failed to  
7 timely do so. As a result, the CPUC required PG&E to pay a \$38 million fine.

### 8 **13. The 2008 Whiskey Fire**

9 44. The June 2008 Whiskey Fire burned more than 5,000 acres of land in the Mendocino  
10 National Forest. The fire started when a gray pine tree that did not have the required clearance  
11 from a PG&E transmission line came into contact with the line. PG&E and its contractors agreed  
12 to pay \$5.5 million to settle a federal lawsuit.

### 13 **14. The 2009 San Francisco Electrical Explosion**

14 45. In June 2009, a PG&E underground electrical vault exploded in San Francisco's  
15 Tenderloin neighborhood, sending 30-foot flames and smoke into the air for two hours. This  
16 explosion left thousands of people without power.

### 17 **15. The 2010 San Bruno Explosion**

18 46. On September 9, 2010, PG&E's continued disregard of public safety caused the  
19 death of eight people, injured 58 people, and destroyed an entire neighborhood in San Bruno,  
20 California when one of its gas pipelines exploded and burst into flames. Subsequent to the  
21 explosion, the NTSB issued a report that blamed the disaster on PG&E's poor management of its  
22 pipeline. In January 2011, federal investigators reported that the probable cause of the accident  
23 was: (i) PG&E's inadequate quality assurance and quality control during its Line 132 pipeline  
24 relocation project, which allowed the installation of a substandard and poorly-welded pipe section;  
25 and (ii) PG&E's inadequate pipeline integrity management program, which failed to detect and  
26 remove the defective pipe section.

27 \_\_\_\_\_  
28 <sup>4</sup> [http://docs.cpuc.ca.gov/published/Final\\_decision/146914-03.htm](http://docs.cpuc.ca.gov/published/Final_decision/146914-03.htm) (last accessed February 12,  
2018).

1 47. As a result, PG&E was required to pay substantial fines for its massive safety  
2 violations. In April 2015, the CPUC imposed a \$1.6 billion fine on PG&E for causing the explosion  
3 and diverting maintenance funds into stockholder dividends and executive bonuses. Further, in  
4 January 2017, a federal judge convicted PG&E of six felony charges and ordered it to pay \$3 million  
5 in additional fines for causing the explosion.

6 48. The CPUC launched an investigation into the manner by which PG&E officers,  
7 directors, and/or managing agents establish safety policies and practices to prevent catastrophic  
8 events. At the beginning of the investigation, the CPUC President identified PG&E's ongoing  
9 safety violations:

10 Despite major public attention, ongoing CPUC investigations (OIs) and  
11 rulemakings (OIRs) into PG&E's actions and operations, including the  
12 investigations we voted on today, federal grand jury, and California Department  
of Justice investigation, **continued safety lapses at PG&E continue to occur**.<sup>5</sup>

### 13 **16. The 2011 Cupertino Explosion**

14 49. After the San Bruno explosion, in September 2011, PG&E's failure to take  
15 appropriate action caused a gas explosion that partially engulfed a condominium in Cupertino,  
16 California. The explosion was the result of cracked Aldyl-A plastic pipe.

17 50. Prior to the explosion, the manufacture of Aldyl-A, the NTSB, and the federal  
18 Pipeline and Hazardous Materials Safety Administration had all issued warnings about this type of  
19 plastic pipe that was prone to premature brittleness, cracking, and failure dating back to at least  
20 2002. Although some utilities around the United States had been replacing Aldyl-A pipes, PG&E  
21 did not have a replacement program to phase them out, leaving the public vulnerable.

### 22 **17. The 2014 Carmel Explosion.**

23 51. In March 2014, a home in Carmel, California was destroyed due to a gas explosion  
24 caused by PG&E's actions. Prior to the explosion, PG&E was attempting to replace a gas  
25 distribution line, but PG&E's legally inadequate records did not show that the steel pipe had a  
26

27 <sup>5</sup> [http://www.cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/About\\_Us/  
Organization/Commissioners/Michael\\_J.\\_Picker/PresidentPickerCommentsonPGESafetyCultureandEnfor  
28 cementTheory.pdf](http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Commissioners/Michael_J._Picker/PresidentPickerCommentsonPGESafetyCultureandEnforcementTheory.pdf) (last accessed February 12, 2018).

1 plastic insert. When crews dug into the steel pipe to perform the replacement, the unknown plastic  
2 insert was pierced, allowing gas to leak through the pipe and into the residence.

3 52. The CPUC required PG&E to pay substantial fines. In 2015, the CPUC imposed a  
4 \$10.85 million fine for the Carmel explosion. In August 2016, the CPUC imposed an additional  
5 \$25.6 million fine, bringing the total to over \$36 million.

### 6 **18. The 2015 San Francisco Transformer Explosion**

7 53. In September 2015, a PG&E underground transformer exploded in San Francisco's  
8 Bernal Heights neighborhood. This explosion injured two people, one of them critically.

### 9 **19. The 2015 Butte Fire**

10 54. Tragedy struck again in September 2015, when PG&E's inadequate and ineffective  
11 vegetation management programs resulted in the Butte Fire in the Sierra foothills. The Butte Fire  
12 burned for 22 days across Amador and Calaveras Counties, killed two people, destroyed 921 homes  
13 and/or structures, and charred over 70,000 acres. The fire also left tens of thousands of dead or  
14 dying trees and the risk of water pollution and erosion in its wake. Thousands of people were forced  
15 to evacuate their homes, and thousands were damaged in their person and property.

16 55. Similar to the other disasters caused by PG&E's wrongdoing, the Butte Fire could  
17 have been prevented by PG&E. The Butte Fire was ignited by a gray pine tree that grew and came  
18 into contact with one of PG&E's power lines. PG&E knew that gray pines posed the highest risk  
19 of catastrophic wildfires, but failed to identify and/or remove the dangerous tree pursuant to its  
20 vegetation management practices. Instead, PG&E removed the two trees surrounding the gray pine  
21 at issue, which exposed the gray pine to sunlight and allowed it to quickly come into contact with  
22 PG&E's power line.

23 56. Subsequent to the Butte Fire, in April 2017, the CPUC fined PG&E a total of \$8.3  
24 million for "failing to maintain its 12kV overhead conductors safely and properly" and failing to  
25 maintain a minimum distance between its power lines and vegetation. Cal Fire also sent PG&E a  
26 bill for \$90 million to cover state firefighting costs. Despite these consequences, PG&E did not  
27 change, revise, or improve any of its vegetation management practices after the Butte Fire.

28 ///

1           **20. PG&E’s Conduct Regarding the Butte Fire**

2           57.     The Camp Fire started approximately three years after the Butte Fire.

3           58.     PG&E’s actions leading up to the Butte Fire included the following:

- 4           •     *First*, PG&E failed to ensure that properly qualified and trained inspectors were  
5           being used by its contractors to identify hazard trees.
- 6           •     *Second*, PG&E failed to verify that its quality assurance audits were properly  
7           conducted.
- 8           •     *Third*, PG&E knew that inspectors who were hired did not meet the minimum  
9           qualifications required by PG&E’s own specifications.
- 10          •     *Fourth*, PG&E failed to train inspectors on PG&E’s hazardous tree rating system  
11          (“HTRS”).
- 12          •     *Fifth*, PG&E failed to verify that its contractor trained inspectors on the HTRS.
- 13          •     *Sixth*, PG&E failed to require inspectors to use the HTRS.
- 14          •     *Seventh*, PG&E knew that wildfires caused by contact between vegetation and  
15          its power lines posed the highest degree of risk to the public.
- 16          •     *Eighth*, PG&E knew that its vegetation management program failed to identify  
17          over 500,000 trees annually that were closer than the required distance away  
18          from its power lines.
- 19          •     *Ninth*, PG&E knew that its inspectors failed every year to identify tens of  
20          thousands of “facility protect trees” or “hazard trees” that were dead, diseased,  
21          and/or dying, or that otherwise posed a risk of contacting a power line.
- 22          •     *Finally*, PG&E failed to remove those trees, one of which was the 44-foot tall,  
23          weak, and spindly gray pine tree that started the Butte Fire.

24          59.     After the Butte Fire, PG&E did not meaningfully change, revise, or improve any of  
25          its vegetation management practices.

26           **21. 2017 North Bay Fires**

27          60.     In October 2017, a series of fires ravaged communities across Northern California  
28          causing extensive destruction. Collectively termed the “North Bay Fires,” the fires caused the



1 deaths of 44 people, displaced almost 100,000 people, burned more than 245,000 acres and  
2 destroyed almost 15,000 homes. While the fires had numerous origin points, they all shared a  
3 common alleged cause – unsafe electrical infrastructure owned, operated and maintained by PG&E.  
4 While the civil litigation is still ongoing, to date, Cal Fire investigators have determined that 16 of  
5 the North Bay Fires involved PG&E’s electrical equipment, including the Cherokee Fire that  
6 occurred in Butte County.

7 61. Cal Fire also concluded that in 11 of the fires, PG&E violated California state law  
8 and has referred those investigations to District Attorneys for potential criminal prosecution of  
9 PG&E for causing the fires.

10 **C. THE CAMP FIRE**

11 62. The COUNTY is informed and believes, and thereon alleges, that on November 8,  
12 2018, the Camp Fire was proximately caused by PG&E’s ownership, design, maintenance,  
13 management, and operation of its overhead power conductors, lines, poles, transformers, and other  
14 equipment. The COUNTY is informed and believes, and thereon alleges, that the Camp Fire  
15 started when electrical infrastructure owned, operated and maintained by PG&E fell down, broke,  
16 failed, sparked, exploded, and/or came into contact with vegetation that PG&E was obligated to  
17 have inspected and maintained but failed to do so in a manner that would have prevented or  
18 mitigated the effects of such contact.

19 63. PG&E in a filing with the California Public Utilities Commission (“CPUC”) on  
20 December 11, 2018, stated that on November 8, 2018, at approximately 6:15 am, the PG&E  
21 Caribou-Palermo 115kV Transmission Line relayed and de-energized. In fact, a PG&E employee  
22 observed fire in the vicinity of Tower :27/222 at approximately 6:30 a.m. that day and was reported  
23 to 911. Later that afternoon, PG&E stated that it “observed damage on the line at Tower :27/222,  
24 located near Camp Creek and Pulga Roads, near the Town of Pulga.”<sup>6</sup> PG&E further stated that  
25 an aerial patrol identified that on Tower :27/222, a suspension insulator supporting a transposition  
26 jumper had separated from an arm on the tower. The suspension insulator and the transposition

27 \_\_\_\_\_  
28 <sup>6</sup> [http://s1.q4cdn.com/880135780/files/doc\\_downloads/2018/wildfire/12/12-11-18.pdf](http://s1.q4cdn.com/880135780/files/doc_downloads/2018/wildfire/12/12-11-18.pdf) (last  
accessed January 8, 2019).

1 jumper remained suspended on the ground.

2           64. PG&E further reported in its December 11, 2018, CPUC filing that PG&E observed  
3 a broken C-hook attached to the separated suspension insulator that had connected the suspension  
4 insulator to a tower arm, along with wear at the connection point. PG&E further observed a flash  
5 mark on Tower :27/222 near where the transposition jumper was suspended and damage to the  
6 transposition jumper and suspension insulator. The COUNTY is informed and believes, and  
7 thereon alleges, that the broken C-hook and aforementioned damage reported by PG&E to the  
8 tower at issue caused an electrical event to occur, sparking the deadly Camp Fire.

9           65. The COUNTY suffered injuries and damages including but not limited to the  
10 following: loss of natural resources, open space, and public lands; property damages including real  
11 and personal property; fire suppression costs including personnel, overtime labor costs, materials,  
12 and other fire suppression damages; evacuation expenses, economic damages such as loss of tax  
13 revenue including property, sales, and transient occupancy taxes; economic damages such as losses  
14 from impacts on business like activities; costs associated with response and recovery including  
15 personnel, overtime and labor costs, as well as debris removal, emergency response, and other  
16 costs; damage to infrastructure including but not limited to roads, underground infrastructure, and  
17 other COUNTY-owned infrastructure; damages based on soil erosion, and loss of soil stability and  
18 productivity; damages related to water contamination including water quality preservation and  
19 correction expenses; loss of aesthetic value; and other significant injuries, damages, and losses  
20 directly related to and caused by the Camp Fire.

21           66. PG&E is a utility company pursuant to sections 218(a) and 216(1) of the California  
22 Public Utilities Code. PG&E is in the business of providing electricity to the residents of Butte  
23 County through a network of electrical transmission and distribution lines, and infrastructure.

24           67. The COUNTY is informed and believes, and thereon alleges, that at all times  
25 material to this Complaint, Defendants DOES 1 through 250, inclusive, were and/or are: the agents  
26 and/or employees of PG&E and acting within the course and scope of their agency and/or  
27 employment, or were acting in concert or conspiracy with PG&E in causing the Camp Fire and/or  
28 the damages sustained by the COUNTY; responsible in some manner for the conduct alleged

1 herein, including, without limitation, by way of conspiracy, aiding, abetting, acting with actual or  
2 ostensible authority, or as an alter ego, or single enterprise, furnishing the means and/or acting in  
3 capacities that create agency, *respondeat superior*, and/or predecessor or successor-in-interest  
4 relationships with the Defendant; and/or private individuals, associations, partnerships,  
5 corporations, subcontractors, or otherwise that actively assisted and participated in the negligent  
6 and wrongful conduct alleged herein in ways that are currently unknown to Plaintiff. Some or all  
7 of the DOE Defendants may be residents or conduct business in the State of California. Plaintiff  
8 may amend or seek to amend this Complaint to allege the true names, capacities and responsibility  
9 of these DOE Defendants once they are ascertained, and to add additional facts and/or legal  
10 theories.

11 68. At all times relevant to this Complaint, all Defendants, including PG&E and DOES  
12 1-250, inclusive, are and were aware, or should have been aware, of the potential danger and losses  
13 that could be caused by fires such as the Camp Fire. Before 2018, increasingly severe wildfires  
14 put all Defendants on notice of the level of care required to prevent high voltage transmission and  
15 distribution lines from causing wildfires in foreseeable California weather conditions. However,  
16 PG&E and DOES 1-250 failed to take reasonable precautions to prevent such wildfires from  
17 occurring. As a result, residents of Butte County were struck in November 2018 by the devastating  
18 Camp Fire, which was entirely preventable. The fires were not “Acts of God.” The COUNTY is  
19 informed and believes, and thereon alleges, that the Camp Fire that occurred within the COUNTY  
20 was caused by the intentional, reckless, negligent, and/or wrongful conduct of PG&E and the other  
21 Defendants, that the Camp Fire was started by sparks from high voltage distribution lines,  
22 appurtenances, and electrical equipment which the COUNTY is informed and believes, and  
23 thereon alleges, was the direct result of failures in faulty and/or neglected design, construction,  
24 inspection, operation, maintenance, and vegetation control by PG&E and the DOE Defendants.

25 69. Wires carrying electricity and electrical infrastructure are dangerous instruments.  
26 The transmission and distribution of electricity through power lines constitutes a hazardous and  
27 dangerous activity requiring the exercise of increased care commensurate with – and proportionate  
28 to – that increased danger so as to make the transport of electricity through wires safe under all

1 circumstances and exigencies offered by the surrounding environment (including, but not limited  
2 to, the weather conditions and the risk of fire).

3 70. The COUNTY is informed and believes, and thereon alleges, that all of the  
4 Defendants failed to discharge their duty to exercise care commensurate with, and proportionate  
5 to, the combined danger of an area susceptible to fire and the dangerous activity of wires carrying  
6 electricity and electrical infrastructure, thereby creating a substantial factor in the cause of the  
7 Camp Fire, as more fully set forth herein.

8 71. The conditions and circumstances at the time of the ignition in the Camp Fire origin  
9 areas, including the condition of electrical infrastructure, instruments, drought, low humidity, and  
10 tinder-like dry vegetation were foreseeable (and could reasonably have been expected) by a  
11 reasonably prudent person and, therefore, were reasonably foreseeable to, and should have been  
12 expected by, Defendants, particularly with their special knowledge and expertise as a public utility  
13 company (and/or employees and/or agents, thereof).

14 72. This action seeks recovery of damages for the COUNTY, according to its individual  
15 proof and not as a part of a “class action,” for any and all harm it suffered as a result of the Camp  
16 Fire. The COUNTY is informed and believes, and thereon alleges, that PG&E and DOES 1-250  
17 knew of the dangerous condition of its electrical infrastructure and surrounding property within its  
18 duty of care, custody and control, which eventually resulted in the Camp Fire, but recklessly and  
19 with careless and conscious disregard to human life and safety, decided to ignore the fire risk by,  
20 *inter alia*, failing to take steps necessary to properly maintain its electrical infrastructure and  
21 surrounding vegetation, and engaging in the imprudent use of recloser devices that restored  
22 electrical current to downed power lines during the Camp Fire. To make sure that the necessary  
23 precautions are taken in the future to avoid such catastrophic events, this action seeks punitive and  
24 exemplary damages against PG&E and DOES 1-250, inclusive.

25 ///

26 ///

27 ///

1           **D. PG&E’S ACTS AND OMISSIONS CAUSED AND CONTRIBUTED TO CAUSING**  
2           **THE CAMP FIRE**

3                   **The 2013 Liberty Report Found that PG&E’s Distribution System Presented**  
4                   **“Significant Safety Issues”**

5           73.     On May 6, 2013, a report was sent to the Safety and Enforcement Division of the  
6 CPUC from the Liberty Consulting Group who had been retained to conduct an independent review  
7 of capital and operations and maintenance expenditures proposed by PG&E (hereinafter the “2013  
8 Liberty Report”).<sup>7</sup> The 2013 Liberty Report concluded that: “several aspects of the PG&E  
9 distribution system present significant safety issues.” It also found: (a) “addressing risks associated  
10 with electrical distribution components has been overshadowed by electric transmission and gas  
11 facilities;” (b) “addressing aging infrastructure and adding SCADA to the system comprise the  
12 major focuses of safety initiatives for the distribution system;” and (c) “current employee/contractor  
13 serious injury and fatality levels require significantly greater mitigation.”

14                   **PG&E Failed to Treat the Conditions of Its Aging Electrical Assets as an**  
15                   **Enterprise-Level Risk**

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

24           75.     The 2013 Liberty Report specifically recommended that “PG&E treat aging  
25 infrastructure as an enterprise-level risk.”

26           76.     PG&E’s failure to treat its aging infrastructure as an enterprise-level risk

27 \_\_\_\_\_  
28 <sup>7</sup> <http://docs.cpuc.ca.gov/publisheddocs/efile/g000/m065/k394/65394210.pdf> (last accessed  
January 9, 2019).

1 proximately caused the Camp Fire and the injuries, deaths, harm and property destruction arising  
2 therefrom.

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

4 77. PG&E’s failure to address the “significant safety hazards” identified by the 2013  
5 Liberty Report; replace obsolete and undersized conductors; failure to treat the conditions of its  
6 aging infrastructure as an enterprise-level risk; failure to inspect, maintain, repair, and/or replace  
7 its aging equipment; failure to conduct an inventory of its electrical assets; and failure to ensure its  
8 infrastructure could withstand foreseeable weather conditions as required by law are all indicative  
9 of what has been called PG&E’s “run to failure” approach to its infrastructure.

10 78. PG&E has a well-documented history of implementing this “run to failure” approach  
11 with its aging infrastructure, ignoring necessary maintenance and creating hazards to the public.

12 79. PG&E’s “run to failure” approach to maintenance proximately caused the Camp Fire  
13 and the injuries, deaths, harm and property destruction arising therefrom.

### 14 **PG&E’s Purchase of Insurance Coverage for Punitive Damages**

15 80. Insurance Code § 533 provides in pertinent part: “An insurer is not liable for a loss  
16 caused by the willful act of the insured.”

17 81. Civil Code § 1668 provides: “All contracts which have for their object, directly or  
18 indirectly, to exempt anyone from responsibility for his own fraud, or willful injury to the person  
19 or property of another, or violation of law, whether willful or negligent, are against the policy of  
20 the law.”

21 82. Despite the statutory exoneration given to insurance companies for liability for  
22 losses caused by willful acts of an insured, and despite the fact that the public policy of the State of  
23 California invalidates any insurance contract that purports to provide coverage for punitive  
24 damages, PG&E has purchased policies of insurance from offshore companies in Bermuda,  
25 London, and elsewhere that expressly provide coverage for punitive damages in amounts that  
26 exceed hundreds of millions of dollars.

27 83. PG&E purchased insurance policies that cover punitive damages for the purpose of  
28 providing corporate security without regard to public safety.

1       **E. PG&E’S CORPORATE CULTURE**

2           84.     PG&E has a virtual monopoly in the provision of gas and electric services to the  
3 general public in almost all counties and cities across Northern and Central California.

4           85.     Over the past thirty-plus years, PG&E has been subject to numerous fines, penalties,  
5 and/or convictions as a result of its failure to abide by safety rules and regulations, including the  
6 fines, penalties, settlements, and convictions detailed above.

7           86.     PG&E redirects money it obtains from customers for infrastructure maintenance and  
8 safety, thereby failing to provide adequate funding for a solid and well-maintained infrastructure  
9 that would be safe and dependable for years to come.

10          87.     For example, according to documents released by The Utility Reform Network  
11 (“TURN”), PG&E planned to replace a segment of the San Bruno pipeline in 2007 that it identified  
12 as one of the riskiest pipelines in PG&E’s system. PG&E collected \$5 million from its customers  
13 to complete the project by 2009, but instead deferred the project until it was too late and repurposed  
14 the money to other priorities. That same year, PG&E spent nearly \$5 million on bonuses for six of  
15 its top executives.

16          88.     Moreover, PG&E has implemented multiple programs that provide monetary  
17 incentives to its employees, agents, and/or contractors contrary to public safety. Prior to the Butte  
18 Fire, PG&E chose to provide a monetary incentive through the VMII program to its contractors to  
19 cut fewer trees, even though PG&E was required to have an inspection program in place that  
20 removed dangerous trees and reduced the risk of wildfires. Robert Urban, a regional officer for a  
21 PG&E contractor, stated that he had a concern that the bonus system incentivized his employees to  
22 not do their job, but PG&E chose to keep this program despite knowing this risk.

23          89.     Similarly, prior to the San Bruno explosion, PG&E had a program that provided  
24 financial incentives to employees to not report or fix gas leaks and keep repair costs down. This  
25 program resulted in the failure to detect a significant number of gas leaks, many of which were  
26 considered serious leaks. According to Richard Kuprewicz, an independent pipeline safety expert,  
27 PG&E’s incentive system was “training and rewarding people to do the wrong thing,” emblematic  
28 of “a seriously broken process,” and “explains many of the systemic problems in this operation that

1 contributed to the [San Bruno] tragedy.”<sup>8</sup>

2 90. As detailed above, the Camp Fire is just one example of the many tragedies that have  
3 resulted from PG&E’s failure to protect the public from the dangers associated with its operations.  
4 PG&E’s aging infrastructure and lack of asset management has caused multiple disasters  
5 throughout California.

6 91. As detailed more fully above, PG&E’s failures to reduce the risk of wildfire are  
7 serious and widespread, and contributed to causing the Camp Fire.

8 **FIRST CAUSE OF ACTION**

9 **(Inverse Condemnation)**

10 **(Against All Defendants)**

11 92. The COUNTY hereby realleges and incorporates by reference each and every  
12 allegation contained above as though the same were set forth herein in full.

13 93. Defendants’ operation of their electrical equipment, lines, and infrastructure were  
14 a substantial cause of the COUNTY’s damages, are a public improvement for a public use, and  
15 constitute an “Electrical Plant” pursuant to California Public Utilities Code §217.

16 94. Defendants’ facilities, wires, lines, equipment, infrastructure and other public  
17 improvements, as deliberately designed and constructed, present an inherent danger and risk of  
18 fire to private property. In acting in furtherance of the public objective of supplying electricity,  
19 Defendants took and did take on or about November 8, 2018, a known, calculated risk that private  
20 property would be damaged and destroyed by fire.

21 95. On or about November 8, 2018, the inherent risk of fire became a reality, which  
22 directly and legally resulted in the taking of the COUNTY’s private property. COUNTY has not  
23 received adequate compensation for the damage to and/or destruction of its real and personal  
24 property, thus constituting a taking of COUNTY’s property by Defendants without just  
25 compensation, in an amount to be proven at trial.

26 96. The COUNTY is informed and believes, and thereon alleges that Defendants’

27 \_\_\_\_\_  
28 <sup>8</sup> <https://www.sfgate.com/news/article/PG-E-incentive-system-blamed-for-leak-oversights-2424430.php> (last accessed January 9, 2019).



1 conduct as described herein was a substantial factor in causing damage to a property interest of the  
2 COUNTY protected by the Fifth Amendment of the U.S. Constitution and Article I, Section 19,  
3 of the California Constitution, which entitles the COUNTY to just compensation according to  
4 proof at trial for all damages incurred.

5 97. Under and pursuant to California Code of Civil Procedure §1036, the COUNTY is  
6 entitled to recover all litigation costs and expenses with regard to the compensation of damage to  
7 properties, including attorney's fees, expert fees, consulting fees and litigation costs.

8 **SECOND CAUSE OF ACTION**

9 **(Negligence and *Respondeat Superior*)**

10 **(Against all Defendants)**

11 98. The COUNTY hereby realleges and incorporates by reference each and every  
12 allegation contained above as though the same were set forth herein in full.

13 99. Defendants have a non-delegable duty to apply a level of care commensurate with  
14 and proportionate to the danger of designing, engineering, constructing, operating and maintaining  
15 electrical transmission and distribution systems, inclusive of vegetation clearance.

16 100. Defendants have a non-delegable duty of vigilant oversight in the maintenance, use,  
17 operation, repair and inspection appropriate to the changing conditions and circumstances of their  
18 electrical transmission and distribution systems.

19 101. Prior to the subject Camp Fire, PG&E hired, retained, contracted, allowed, and/or  
20 otherwise collaborated with vegetation management companies and certain of the DOE  
21 Defendants and/or other parties, to perform work along and maintain the network of distribution  
22 lines, infrastructure, and vegetation. The work for which the vegetation management companies  
23 and DOE Defendants were hired involved a risk of fire that was peculiar to the nature of the agency  
24 relationship. A reasonable property/easement owner and/or lessee, in the position of PG&E, knew,  
25 or should have recognized, the necessity of taking special precautions to protect adjoining property  
26 owners against the risk of harm created by work performed, work to be performed and/or the  
27 failure to perform such work of vegetation management, removal and/or control.

28 102. Defendants, and each of them, knew or should have known that the activities of

1 DOE Defendants, and/or other parties, involved a risk that was peculiar to the operation of  
2 Defendants' business that was foreseeable and arose from the nature and/or location of the work.  
3 Notwithstanding the above, Defendants, and each of them, failed to take reasonable precautions to  
4 protect adjoining property owners against the foreseeable risk of harm created by their activities.

5 103. Defendants, and each of them, have special knowledge and expertise far above that  
6 of a layperson that they were required to apply to the design, engineering, construction, use,  
7 operation, inspection, repair and maintenance of electrical lines, infrastructure, equipment and  
8 vegetation in order to assure safety under all the local conditions in their service area, including  
9 but not limited to, those conditions identified herein.

10 104. The COUNTY is informed and believes, and thereon alleges that Defendants'  
11 negligence was a substantial factor in causing the COUNTY's damages.

12 105. The COUNTY is informed and believes, and thereon alleges that Defendants  
13 negligently breached its duties by, among other things:

- 14 a. Failing to conduct reasonably prompt, proper and frequent inspections of the  
15 electrical transmission lines, wires and associated equipment;
- 16 b. Failing to design, construct, monitor, and maintain high voltage transmission  
17 and distribution lines in a manner that avoids igniting fire during long, dry  
18 seasons by allowing those lines to withstand foreseeable conditions to avoid  
19 igniting fires;
- 20 c. Failing to design, construct, operate and maintain high voltage transmission and  
21 distribution lines and equipment to withstand foreseeable conditions to avoid  
22 igniting fires;
- 23 d. Failing to maintain and monitor high voltage transmission and distribution lines  
24 in fire prone areas to avoid igniting fire and spreading fires;
- 25 e. Failing to install the equipment necessary, and/or to inspect and repair the  
26 equipment installed, to prevent electrical transmission and distribution lines  
27 from improperly sagging, operating or making contact with other metal wires  
28 placed on its poles igniting fires;

- f. Failing to keep equipment in a safe condition at all times to prevent fires;
- g. Failing to inspect fixtures and vegetation within proximity to energized transmission and distribution lines;
- h. Failing to de-energize power lines during fire prone conditions and/or using devices such as reclosers that reactivated or re-energized the flow of electrical current through power lines after they were downed;
- i. Failing to de-energize power lines after the fire's ignition;
- j. Failing to properly train and supervise employees and agents responsible for maintenance and inspection of the distribution lines;
- k. Failing to implement and follow regulations and reasonably prudent practices to avoid fire ignition; and
- l. Failing to properly investigate, monitor, control, and maintain vegetation sufficient to mitigate the risk of fire.

106. The COUNTY is informed and believes, and thereon alleges that Defendants' failure to comply with their duty of care proximately caused damage to the COUNTY.

107. As a further direct and proximate result of Defendants' negligence, the COUNTY incurred significant and actual damages, in an amount to be proven at trial.

108. 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 the COUNTY and subjected the COUNTY 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 PG&E personally committed, authorized and/or ratified the reckless and wrongful conduct alleged in this Complaint.

**THIRD CAUSE OF ACTION**

**(Trespass)**

**(Against all Defendants)**

109. The COUNTY hereby realleges and incorporates by reference each and every

1 allegation contained above as though the same were set forth herein in full.

2 110. At all times relevant herein, the COUNTY had jurisdiction over and was the owner,  
3 tenant, and/or lawful occupier of property damaged by the Camp Fire.

4 111. The COUNTY is informed and believes, and thereon alleges that Defendants  
5 negligently allowed the Camp Fire to ignite, burn and/or spread out of control, which caused  
6 damage to the COUNTY.

7 112. The COUNTY did not grant permission to Defendants to cause the Camp Fire to  
8 enter its properties.

9 113. As a direct, proximate and substantial cause of the trespass, the COUNTY incurred  
10 significant and actual damages, in an amount to be proven at trial.

11 114. The COUNTY sustained damages to timber, trees, or underwood as a result of  
12 Defendants' trespass and seeks treble or double damages for wrongful injuries to its property  
13 inclusive of timber, trees, or underwood on their property, as permitted by California Civil Code  
14 §3346.

15 115. Further, the conduct of Defendants and their failures to act as alleged in this  
16 Complaint were in reckless disregard of their consequences and in reckless disregard of the rights  
17 and safety of the COUNTY and subjected the COUNTY to cruel and unjust hardship, thus  
18 constituting malice and oppression on Defendants' part for which they must be punished by  
19 punitive and exemplary damages in an amount according to proof. An officer, director, or  
20 managing agent of PG&E personally committed, authorized and/or ratified the reckless and  
21 wrongful conduct alleged in this Complaint.

22 **FOURTH CAUSE OF ACTION**

23 **(Nuisance)**

24 **(Against all Defendants)**

25 116. The COUNTY hereby realleges and incorporates by reference each and every  
26 allegation contained above as though the same were set forth herein in full.

27 117. Defendants' actions, conduct, omissions, negligence, trespass, and failure to act  
28 resulted in a fire hazard and a foreseeable obstruction to the free use of the COUNTY's property,

1 invaded the right to use the COUNTY's property and interfered with the enjoyment of the  
2 COUNTY's property, causing the COUNTY to suffer unreasonable harm and substantial actual  
3 damages constituting a nuisance, pursuant to California Civil Code §3479.

4 118. As a direct and proximate result of the conduct of Defendants, the COUNTY  
5 incurred significant and actual damages, in an amount to be proven at trial.

6 119. Further, the conduct of Defendants and their failures to act as alleged in this  
7 Complaint were in reckless disregard of their consequences and in reckless disregard of the rights  
8 and safety of the COUNTY and subjected the COUNTY to cruel and unjust hardship, thus  
9 constituting malice and oppression on Defendants' part for which they must be punished by  
10 punitive and exemplary damages in an amount according to proof. An officer, director, or  
11 managing agent of PG&E personally committed, authorized and/or ratified the reckless and  
12 wrongful conduct alleged in this Complaint.

13 **FIFTH CAUSE OF ACTION**

14 **(Negligence Per Se)**

15 **(Against all Defendants)**

16 120. The COUNTY hereby realleges and incorporates by reference each and every  
17 allegation contained above as though the same were set forth herein in full.

18 121. Defendants at all times herein had a duty to properly design, construct, operate,  
19 maintain, inspect, and manage their electrical infrastructure as well as trim trees and vegetation in  
20 compliance with all relevant provisions of applicable orders, decisions, directions, rules or statutes,  
21 including those delineated by, but not limited to, Public Utilities Commission General Order 95,  
22 including but not limited to Rules 31.2 and 38, Public Resources Code Section 4435, and Public  
23 Utilities Commission General Order 165.

24 122. The violation of a legislative enactment or administrative regulation which defines  
25 a minimum standard of conduct is unreasonable per se.

26 123. The COUNTY is informed and believes, and thereon alleges that Defendants  
27 violated the above by, but not limited to:

28 a. Failing to service, inspect or maintain electrical infrastructure, structures and

- 1                   vegetation affixed to and in close proximity to high voltage electrical lines;
- 2           b. Failing to provide electrical supply systems of suitable design;
- 3           c. Failing to construct and to maintain such systems for their intended use of safe
- 4           transmission of electricity considering the known condition of the combination
- 5           of the dry season and vegetation of the area, resulting in the County being
- 6           susceptible to the ignition and spread of fire and the fire hazard and danger of
- 7           electricity and electrical transmission and distribution;
- 8           d. Failing to properly design, construct, operate, maintain, inspect and manage its
- 9           electrical supply systems and the surrounding arid vegetation resulting in said
- 10          vegetation igniting and accelerating the spread of the fire;
- 11          e. Failing to properly safeguard against the ignition of fire during the course and
- 12          scope of employee work on behalf of PG&E; and
- 13          f. By failing to comply with the enumerated legislative enactments and
- 14          administrative regulations.

15           124. The COUNTY is informed and believes, and thereon alleges that the violation of

16   General Order 95, including, but not limited to, Rules 31.2 and 38, Public Resources Code section

17   4435, and Public Utilities Commission General Order 165 by the Defendants proximately and

18   substantially caused the destruction, damage and injury to the COUNTY.

19           125. The COUNTY was and is within the class of persons for whose protection General

20   Order 95, including but not limited to Rules 31.2 and 38, Public Resources Code section 4435, and

21   Public Utilities Commission General Order 165 were adopted.

22           126. Defendants are liable to the COUNTY for all loss, damages and injury caused by

23   and resulting from Defendants' violation of General Order 95, including, but not limited to Rules

24   31.2 and 38, Public Resources Code Section 4435, and Public Utilities Commission General Order

25   165 as alleged herein according to proof.

26           127. Further, the conduct of Defendants and their failures to act as alleged in this

27   Complaint were in reckless disregard of their consequences and in reckless disregard of the rights

28   and safety of the COUNTY and subjected the COUNTY to cruel and unjust hardship, thus

1 constituting malice and oppression on Defendants' part for which they must be punished by  
2 punitive and exemplary damages in an amount according to proof. An officer, director, or  
3 managing agent of PG&E personally committed, authorized and/or ratified the reckless and  
4 wrongful conduct alleged in this Complaint.

5 **SIXTH CAUSE OF ACTION**

6 **(Violation of Public Utilities Code § 2106)**

7 **(Against all Defendants)**

8 128. The COUNTY hereby realleges and incorporates by reference each and every  
9 allegation contained above as though the same were set forth herein in full.

10 129. As a Utility and employees of a Utility, Defendants are legally required to comply  
11 with the rules and orders promulgated by the California Public Utilities Commission pursuant to  
12 California Public Utilities Code §702.

13 130. A Utility that performs or fails to perform something required to be done by the  
14 California Constitution, a law of the State, or a regulation or order of the Public Utilities  
15 Commission, which leads to the loss or injury, is liable for that loss or injury, pursuant to Public  
16 Utilities Code §2106.

17 131. As Utilities, Defendants are required to provide, maintain, and service equipment  
18 and facilities in a manner adequate to maintain the safety, health and convenience of their  
19 customers and the public, pursuant to Public Utilities Code §451.

20 132. Defendants are required to design, engineer, construct, operate and maintain  
21 electrical supply lines in a manner consonant with their use, taking into consideration local  
22 conditions and other circumstances, so as to provide safe and adequate electric service, pursuant  
23 to Public Utility Commission General Order 95, Rule 33.1 and General Order 165.

24 133. The COUNTY is informed and believes, and thereon alleges that through their  
25 omissions, commissions, and conduct alleged herein, Defendants violated Public Utilities Code  
26 sections 702 and 451, and/or Public Utilities Commission General Order 95, thereby making them  
27 liable for losses, damages and injury sustained by the COUNTY pursuant to Public Utilities Code  
28 §2106.





1 managing agent of PG&E personally committed, authorized and/or ratified the reckless and  
2 wrongful conduct alleged in this Complaint.

3 **PRAYER FOR RELIEF**

4 Wherefore, the COUNTY prays for judgment against PG&E and DOES 1 through 250 and  
5 each of them as follows:

6 **For Inverse Condemnation**

- 7 (1) Damages for repair, depreciation, and/or replacement of damaged,  
8 destroyed, and/or lost personal and/or real property;
- 9 (2) Damages for loss of the use, benefit, goodwill, and enjoyment of the  
10 COUNTY's real and/or personal property;
- 11 (3) Damages for loss of wages, earning capacity and/or business profits and/or  
12 any related displacement expenses;
- 13 (4) All costs of suit, including attorneys' fees, expert fees, and related costs;
- 14 (5) Any and all relief, compensation, or measure of damages available to the  
15 COUNTY by law based on the injuries and damages suffered by the  
16 COUNTY;
- 17 (6) Prejudgment interest from November 8, 2018, according to proof; and
- 18 (7) For such other and further relief as the Court shall deem proper, all  
19 according to proof.

20 **For Negligence, Trespass, Nuisance, Negligence Per Se, Violation of Public**  
21 **Utilities Code §2106 and Violation of Health & Safety Code §13007**

- 22 (1) General and/or special damages according to proof;
- 23 (2) Loss of the use, benefit, goodwill, and enjoyment of the COUNTY's real  
24 and/or personal property;
- 25 (3) Loss of wages, earning capacity, goodwill, and/or business profits or  
26 proceeds and/or any related displacement expenses;
- 27 (4) Damages suffered by the COUNTY resulting from the Camp Fire including  
28

1 but not limited to loss of natural resources, open space, and public lands;  
2 loss of public parks; property damages including real and personal property;  
3 fire suppression costs including personnel, overtime labor costs, equipment  
4 and materials; evacuation expenses; loss of tax revenues including property,  
5 sales, and transient occupancy taxes; economic damages such as losses from  
6 impacts on business like activities; costs associated with response and  
7 recovery including debris removal, emergency response, and other costs;  
8 damage to infrastructure including but not limited to roads, underground  
9 infrastructure, and other COUNTY-owned infrastructure; damages based  
10 on soil erosion or soil erosion avoidance costs, loss of soil stability and  
11 productivity; water contamination including water quality preservation and  
12 correction expenses; loss of aesthetic value;

13 (5) Attorneys' fees, expert fees, consultant fees and litigation costs and  
14 expense, as allowed under California Code of Civil Procedure §1021.9  
15 and/or any other statute;

16 (6) Treble or double damages for wrongful injuries to timber, trees, or  
17 underwood on their property, as allowed under California Civil Code  
18 §3346;

19 (7) For punitive and exemplary damages against PG&E in an amount according  
20 to proof under California Public Utilities Code §2106 and any and all other  
21 statutory or legal basis that may apply;

22 (8) Costs of suit;

23 (9) Prejudgment interest; and

24 (10) Any and all other and further such relief as the Court shall deem proper, all  
25 according to proof.

26 ///

27 ///

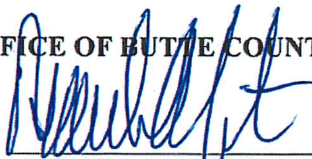
28 ///

**JURY TRIAL DEMAND**

The COUNTY hereby respectfully demands a jury trial on all causes of action for which a jury is available under the law.


Dated: January 14, 2019

**OFFICE OF BUTTE COUNTY COUNSEL**

By:   
\_\_\_\_\_  
BRUCE S. ALPERT  
BRAD J. STEPHENS

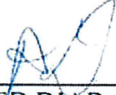
Dated: January 14, 2019

**BARON & BUDD, P.C.**

By:   
\_\_\_\_\_  
JOHN P. FISKE  
SCOTT SUMMY  
STEPHEN JOHNSTON

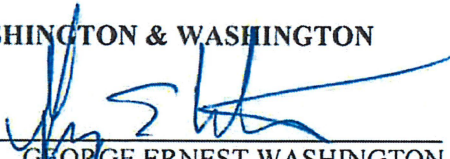
Dated: January 14, 2019

**DIXON DIAB & CHAMBERS LLP**

By:   
\_\_\_\_\_  
ED DIAB  
DEBORAH S. DIXON  
ROBERT J. CHAMBERS

Dated: January 14, 2019

**WASHINGTON & WASHINGTON**

By:   
\_\_\_\_\_  
GEORGE ERNEST WASHINGTON  
PETER GEORGE WASHINGTON

***Attorneys for Plaintiff BUTTE COUNTY***

[Additional Captions]

ED DIAB (SBN 262319)  
DEBORAH S. DIXON (SBN 248965)  
ROBERT J. CHAMBERS II (SBN 244688)  
**DIXON DIAB & CHAMBERS LLP**  
501 W. Broadway, Suite 800  
San Diego, CA 92101  
Tel: 619.354.2662  
Email: diab@theddcfirm.com  
ddixon@theddcfirm.com  
rob@theddcfirm.com

GEORGE ERNEST WASHINGTON  
(SBN 46281)  
PETER GEORGE WASHINGTON  
(SBN 230514)  
**WASHINGTON & WASHINGTON**  
1600 Humboldt Rd., Ste. 2  
Chico, CA 95928  
Tel: 530.345.0821  
Email: george.washington@wwdefense.com  
peter.washington@wwdefense.com