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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

ACE FIRE UNDERWRITERS INSURANCE
COMPANY; ACE PROPERTY AND
CASUALTY INSURANCE COMPANY;
AGCS MARINE INSURANCE COMPANY;
ALLIANZ GLOBAL RISKS US INSURANCE;
ALLIANZ UNDERWRITERS INSURANCE
COMPANY; ALLMERICA FINANCIAL
BENEFIT INSURANCE COMPANY;
AMERICAN BANKERS INSURANCE

Case No.: **25STCV06125**

**SUBROGATION PLAINTIFFS'
COMPLAINT**

**Negligence
Inverse Condemnation**

[DEMAND FOR JURY TRIAL]

1 COMPANY; AMERICAN FAMILY
2 CONNECT PROPERTY AND CASUALTY
3 INSURANCE COMPANY; AMERICAN FIRE
4 AND CASUALTY COMPANY; AMERICAN
5 SECURITY INSURANCE COMPANY;
6 AMERICAN STATES PREFERRED
7 INSURANCE COMPANY; AMERICAN
8 ZURICH INSURANCE COMPANY; AMICA
9 GENERAL AGENCY, INC.; AMICA
10 MUTUAL INSURANCE COMPANY; AMICA
11 PROPERTY AND CASUALTY INSURANCE
12 COMPANY; ASSOCIATED INDUSTRIES
13 INSURANCE COMPANY; AXIS
14 INSURANCE, LLOYD'S UNDERWRITER
15 SYNDICATE NO. 1686 AXS, LONDON,
16 ENGLAND, SUBSCRIBING TO UNIQUE
17 MARKET REFERENCE B0180PJ2441645;
18 AXIS SURPLUS INSURANCE COMPANY;
19 AXIS SURPLUS SPECIALTY INSURANCE
20 COMPANY; BANKERS STANDARD
21 INSURANCE COMPANY; BERKLEY
22 SPECIALTY INSURANCE COMPANY;
23 BROTHERHOOD MUTUAL INSURANCE
24 COMPANY; CALIFORNIA CAPITAL
25 INSURANCE COMPANY; CALIFORNIA
26 CASUALTY INDEMNITY EXCHANGE;
27 CHUBB INDEMNITY INSURANCE
28 COMPANY; CITIZENS INSURANCE
COMPANY OF AMERICA; COAST
NATIONAL INSURANCE COMPANY;
COMMERCE WEST INSURANCE
COMPANY; CONSUMERS COUNTY
MUTUAL; DB INSURANCE CO., LTD;
ESSENTIA INSURANCE COMPANY;
EVANSTON INSURANCE COMPANY;
FARMERS INSURANCE EXCHANGE;
FEDERAL INSURANCE COMPANY;
FEDERATED MUTUAL INSURANCE;
FIDELITY AND GUARANTY INSURANCE
COMPANY; FIRE INSURANCE
EXCHANGE; FIREMAN'S FUND
INDEMNITY CORPORATION; FIRST
NATIONAL INSURANCE COMPANY OF
AMERICA; GENERAL INSURANCE
COMPANY OF AMERICA; FOREMOST
INSURANCE COMPANY GRAND RAPIDS,

1 MICHIGAN; FOREMOST PROPERTY AND
2 CASUALTY INSURANCE COMPANY;
3 GARRISON PROPERTY AND CASUALTY
4 INSURANCE COMPANY; GRANADA
5 INDEMNITY COMPANY; HANOVER
6 INSURANCE COMPANY; HARTFORD
7 ACCIDENT & INDEMNITY COMPANY;
8 HARTFORD CASUALTY INSURANCE
9 COMPANY; HARTFORD FIRE INSURANCE
10 COMPANY; HARTFORD INSURANCE
11 COMPANY OF THE MIDWEST;
12 HARTFORD UNDERWRITERS INSURANCE
13 COMPANY; ;HOMESITE INSURANCE
14 COMPANY OF CALIFORNIA; HOMESITE
15 INSURANCE COMPANY OF THE
16 MIDWEST; HORACE MANN INSURANCE
17 COMPANY; HORACE MANN PROPERTY &
18 CASUALTY COMPANY; HOUSTON
19 CASUALTY COMPANY (UK BRANCH OF
20 42374); ILLINOIS UNION INSURANCE
21 COMPANY; INDEMNITY INSURANCE
22 COMPANY OF NORTH AMERICA;
23 IRONSHORE INDEMNITY INC;
24 IRONSHORE SPECIALTY INSURANCE; ;
25 JEWELERS MUTUAL INSURANCE
26 COMPANY; JM SPECIALTY INSURANCE
27 COMPANY; LIBERTY INSURANCE
28 CORPORATION; LIBERTY MUTUAL FIRE
INSURANCE COMPANY; LIBERTY
MUTUAL PERSONAL INSURANCE
COMPANY; MAPFRE INSURANCE
COMPANY; MARKEL AMERICAN
INSURANCE COMPANY; MARKEL
INSURANCE COMPANY; MASS BAY
INSURANCE COMPANY; MID-CENTURY
INSURANCE COMPANY; MITSUI
SUMITOMO INSURANCE COMPANY OF
AMERICA; MS TRANSVERSE INSURANCE
COMPANY; NATIONAL FIRE & MARINE
INSURANCE COMPANY;
NARRAGANSETT BAY INSURANCE
COMPANY; NATIONWIDE MUTUAL
INSURANCE COMPANY; NAUTILUS
INSURANCE COMPANY; NEIGHBORHOOD
SPIRIT PROPERTY AND CASUALTY
COMPANY; NORTHFIELD INSURANCE

1 COMPANY; NOVA CASUALTY COMPANY;
2 OHIO SECURITY INSURANCE COMPANY;
3 PACIFIC INSURANCE COMPANY, LTD.;
4 PRAETORIAN INSURANCE COMPANY;
5 PHARMACISTS MUTUAL INSURANCE
6 COMPANY; PROPERTY & CASUALTY
7 INSURANCE COMPANY OF HARTFORD;
8 PHILADELPHIA INDEMNITY INSURANCE
9 COMPANY; QBE SPECIALTY INSURANCE
10 COMPANY; REDWOOD FIRE AND
11 CASUALTY INSURANCE COMPANY;
12 REGENT INSURANCE COMPANY; SAFECO
13 INSURANCE COMPANY OF AMERICA;
14 SAFECO INSURANCE COMPANY OF
15 ILLINOIS; SCOTTSDALE INSURANCE
16 COMPANY; SECURITY NATIONAL
17 INSURANCE COMPANY; SENTINEL
18 INSURANCE COMPANY, LTD.;
19 STANDARD GUARANTY INSURANCE
20 COMPANY; STARR SURPLUS LINES
21 INSURANCE COMPANY; STEADFAST
22 INSURANCE COMPANY; STILLWATER
23 INSURANCE COMPANY; STILLWATER
24 PROPERTY AND CASUALTY INSURANCE
25 COMPANY; THE CHARTER OAK FIRE
26 INSURANCE COMPANY; THE OHIO
27 CASUALTY INSURANCE COMPANY; THE
28 PHOENIX INSURANCE COMPANY; THE
STANDARD FIRE INSURANCE COMPANY;
THE TRAVELERS HOME AND MARINE
INSURANCE COMPANY; THE TRAVELERS
INDEMNITY COMPANY; TOGGLE
INSURANCE COMPANY; TRAVELERS
CASUALTY INSURANCE COMPANY OF
AMERICA; TRAVELERS COMMERCIAL
INSURANCE COMPANY; TRAVELERS
EXCESS AND SURPLUS LINES COMPANY;
TRAVELERS INDEMNITY COMPANY OF
CONNECTICUT; TRAVELERS PERSONAL
INSURANCE COMPANY; TRAVELERS
PERSONAL SECURITY INSURANCE
COMPANY; TRAVELERS PROPERTY
CASUALTY COMPANY OF AMERICA;
TRAVELERS PROPERTY CASUALTY
INSURANCE COMPANY; TRUCK
INSURANCE EXCHANGE; TRUMBULL

1 INSURANCE COMPANY; UNITED
2 CASUALTY INSURANCE COMPANY OF
3 AMERICA; UNITED SERVICES
4 AUTOMOBILE ASSOCIATION; US
5 COASTAL PROPERTY & CASUALTY
6 INSURANCE COMPANY DBA PACIFIC
7 COASTAL PROPERTY & CASUALTY
8 INSURANCE COMPANY; USAA
9 CASUALTY INSURANCE COMPANY;
10 USAA GENERAL INDEMNITY COMPANY;
11 WESCO INSURANCE COMPANY; WEST
12 AMERICAN INSURANCE COMPANY;
13 WESTCHESTER FIRE INSURANCE
14 COMPANY; WESTCHESTER SURPLUS
15 LINES INSURANCE COMPANY; 21ST
16 CENTURY INSURANCE COMPANY; 21ST
17 CENTURY PREMIER INSURANCE
18 COMPANY,

19 Plaintiffs,

20 vs.

21 SOUTHERN CALIFORNIA EDISON
22 COMPANY, a California Corporation; and
23 DOES 1 through 100, inclusive,

24 Defendants.

25 Subrogation Plaintiffs, ACE FIRE UNDERWRITERS INSURANCE COMPANY;
26 ACE PROPERTY AND CASUALTY INSURANCE COMPANY; AGCS MARINE
27 INSURANCE COMPANY; ALLIANZ GLOBAL RISKS US INSURANCE; ALLIANZ
28 UNDERWRITERS INSURANCE COMPANY; ALLMERICA FINANCIAL BENEFIT
INSURANCE COMPANY; AMERICAN BANKERS INSURANCE COMPANY; AMERICAN
FAMILY CONNECT PROPERTY AND CASUALTY INSURANCE COMPANY; AMERICAN
FIRE AND CASUALTY COMPANY; AMERICAN SECURITY INSURANCE COMPANY;
AMERICAN STATES PREFERRED INSURANCE COMPANY; AMERICAN ZURICH
INSURANCE COMPANY; AMICA GENERAL AGENCY, INC.; AMICA MUTUAL
INSURANCE COMPANY; AMICA PROPERTY AND CASUALTY INSURANCE

1 COMPANY; ASSOCIATED INDUSTRIES INSURANCE COMPANY; AXIS INSURANCE,
2 LLOYD’S UNDERWRITER SYNDICATE NO. 1686 AXS, LONDON, ENGLAND,
3 SUBSCRIBING TO UNIQUE MARKET REFERENCE B0180PJ2441645; AXIS SURPLUS
4 INSURANCE COMPANY; AXIS SURPLUS SPECIALTY INSURANCE COMPANY;
5 BANKERS STANDARD INSURANCE COMPANY; BERKLEY SPECIALTY INSURANCE
6 COMPANY; BROTHERHOOD MUTUAL INSURANCE COMPANY; CALIFORNIA
7 CAPITAL INSURANCE COMPANY; CALIFORNIA CASUALTY INDEMNITY
8 EXCHANGE; CHUBB INDEMNITY INSURANCE COMPANY; CITIZENS INSURANCE
9 COMPANY OF AMERICA; COAST NATIONAL INSURANCE COMPANY; COMMERCE
10 WEST INSURANCE COMPANY; CONSUMERS COUNTY MUTUAL; DB INSURANCE
11 CO., LTD; ESSENTIA INSURANCE COMPANY; EVANSTON INSURANCE COMPANY;
12 FARMERS INSURANCE EXCHANGE; FEDERAL INSURANCE COMPANY;
13 FEDERATED MUTUAL INSURANCE; FIDELITY AND GUARANTY INSURANCE
14 COMPANY; FIRE INSURANCE EXCHANGE; FIREMAN’S FUND INDEMNITY
15 CORPORATION; FIRST NATIONAL INSURANCE COMPANY OF AMERICA; GENERAL
16 INSURANCE COMPANY OF AMERICA; FOREMOST INSURANCE COMPANY GRAND
17 RAPIDS, MICHIGAN; FOREMOST PROPERTY AND CASUALTY INSURANCE
18 COMPANY; GARRISON PROPERTY AND CASUALTY INSURANCE COMPANY;
19 GRANADA INDEMNITY COMPANY; HANOVER INSURANCE COMPANY; HARTFORD
20 ACCIDENT & INDEMNITY COMPANY; HARTFORD CASUALTY INSURANCE
21 COMPANY; HARTFORD FIRE INSURANCE COMPANY; HARTFORD INSURANCE
22 COMPANY OF THE MIDWEST; HARTFORD UNDERWRITERS INSURANCE
23 COMPANY; ;HOMESITE INSURANCE COMPANY OF CALIFORNIA; HOMESITE
24 INSURANCE COMPANY OF THE MIDWEST; HORACE MANN INSURANCE COMPANY;
25 HORACE MANN PROPERTY & CASUALTY COMPANY; HOUSTON CASUALTY
26 COMPANY (UK BRANCH OF 42374); ILLINOIS UNION INSURANCE COMPANY;
27 INDEMNITY INSURANCE COMPANY OF NORTH AMERICA; IRONSHORE INDEMNITY
28 INC; IRONSHORE SPECIALTY INSURANCE; ; JEWELERS MUTUAL INSURANCE

1 COMPANY; JM SPECIALTY INSURANCE COMPANY; LIBERTY INSURANCE
2 CORPORATION; LIBERTY MUTUAL FIRE INSURANCE COMPANY; LIBERTY
3 MUTUAL PERSONAL INSURANCE COMPANY; MAPFRE INSURANCE COMPANY;
4 MARKEL AMERICAN INSURANCE COMPANY; MARKEL INSURANCE COMPANY;
5 MASS BAY INSURANCE COMPANY; MID-CENTURY INSURANCE COMPANY; MITSUI
6 SUMITOMO INSURANCE COMPANY OF AMERICA; MS TRANSVERSE INSURANCE
7 COMPANY; NATIONAL FIRE & MARINE INSURANCE COMPANY; NARRAGANSETT
8 BAY INSURANCE COMPANY; NATIONWIDE MUTUAL INSURANCE COMPANY;
9 NAUTILUS INSURANCE COMPANY; NEIGHBORHOOD SPIRIT PROPERTY AND
10 CASUALTY COMPANY; NORTHFIELD INSURANCE COMPANY; NOVA CASUALTY
11 COMPANY; OHIO SECURITY INSURANCE COMPANY; PACIFIC INSURANCE
12 COMPANY, LTD.; PRAETORIAN INSURANCE COMPANY; PHARMACISTS MUTUAL
13 INSURANCE COMPANY; PROPERTY & CASUALTY INSURANCE COMPANY OF
14 HARTFORD; PHILADELPHIA INDEMNITY INSURANCE COMPANY; QBE SPECIALTY
15 INSURANCE COMPANY; REDWOOD FIRE AND CASUALTY INSURANCE COMPANY;
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17 SAFECO INSURANCE COMPANY OF ILLINOIS; SCOTTSDALE INSURANCE
18 COMPANY; SECURITY NATIONAL INSURANCE COMPANY; SENTINEL INSURANCE
19 COMPANY, LTD.; STANDARD GUARANTY INSURANCE COMPANY; STARR
20 SURPLUS LINES INSURANCE COMPANY; STEADFAST INSURANCE COMPANY;
21 STILLWATER INSURANCE COMPANY; STILLWATER PROPERTY AND CASUALTY
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25 MARINE INSURANCE COMPANY; THE TRAVELERS INDEMNITY COMPANY; TOGGLE
26 INSURANCE COMPANY; TRAVELERS CASUALTY INSURANCE COMPANY OF
27 AMERICA; TRAVELERS COMMERCIAL INSURANCE COMPANY; TRAVELERS
28 EXCESS AND SURPLUS LINES COMPANY; TRAVELERS INDEMNITY COMPANY OF

CONNECTICUT; TRAVELERS PERSONAL INSURANCE COMPANY; TRAVELERS
PERSONAL SECURITY INSURANCE COMPANY; TRAVELERS PROPERTY CASUALTY
COMPANY OF AMERICA; TRAVELERS PROPERTY CASUALTY; INSURANCE
COMPANY; TRUCK INSURANCE EXCHANGE; TRUMBULL INSURANCE COMPANY;
UNITED CASUALTY INSURANCE COMPANY OF AMERICA; UNITED SERVICES
AUTOMOBILE ASSOCIATION; US COASTAL PROPERTY & CASUALTY INSURANCE
COMPANY DBA PACIFIC COASTAL PROPERTY & CASUALTY INSURANCE
COMPANY; USAA CASUALTY INSURANCE COMPANY; USAA GENERAL INDEMNITY
COMPANY; WESCO INSURANCE COMPANY; WEST AMERICAN INSURANCE
COMPANY; WESTCHESTER FIRE INSURANCE COMPANY; WESTCHESTER SURPLUS
LINES INSURANCE COMPANY; 21ST CENTURY INSURANCE COMPANY; 21ST
CENTURY PREMIER INSURANCE COMPANY, bring this action for damages against
Defendants Southern California Edison Company (“SCE”) and Does 1 through 100, both
individually and collectively (“Defendants”) as follows:

INTRODUCTION

1. This case arises from the Eaton Fire, which began on or around January 7, 2025, at approximately 6:11 p.m. in the area known as Eaton Canyon, east of Altadena, Los Angeles, California located in Los Angeles County. The Eaton Fire’s preliminary origin area is located around coordinates N34.1860422292 W118.09357612511549, in Eaton Canyon (“General Area of Origin”).¹ Although the full extent of the damage caused by the Eaton Fire has yet to be fully calculated, the California Department of Forestry and Fire Protection (“CAL FIRE”) currently estimates that the Eaton Fire burned more than 14,000 acres, destroyed 9,418 structures,

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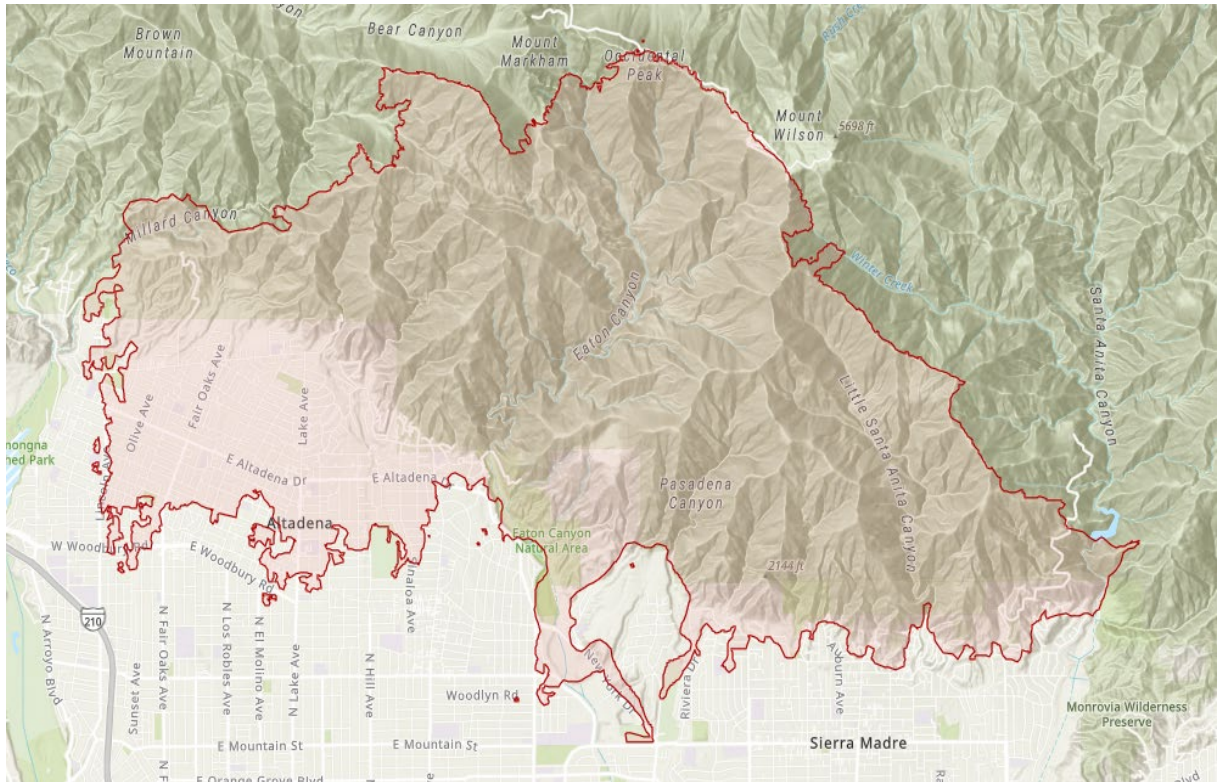
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¹ See <https://download.edison.com/406/files/202501/20250127-eaton-fire-update.pdf>

1 damaged an addition 1,073 structures, and resulted in at least 17 civilian fatalities.² The image
2 below depicts the Eaton Fire perimeter as defined by CAL FIRE.



17 2. Subrogation Plaintiffs are insurers and Joint Powers Authorities (JPAs) which
18 have compensated their policyholders (“Insureds”) for damages incurred to the Insureds’ real
19 and/or personal property and other related damages, caused by the Eaton Fire. This action seeks
20 recovery of amounts paid, or to be paid by Subrogation Plaintiffs, to or on behalf of their
21 Insureds as a result of the Eaton Fire.

22 3. Seeking to hold the culpable parties responsible for their actions which contributed
23 to the Eaton Fire, and prevent the future reoccurrence of similar tragic events, Subrogation
24 Plaintiffs bring this action against SCE for its contributions to the Eaton Fire’s ignition, spread,
25 and ultimate destructive consequences inflicted upon the communities of Altadena and Pasadena.

27 ² Cal Fire, California Department of Forestry and Fire Protection, *Incident Update: Eaton Fire*, Jan. 27, 2025, 10:04
28 a.m., available at <https://www.fire.ca.gov/incidents/2025/1/7/eaton-fire/updates/262ba0be-593a-463c-94b1-a15d1e7f2a1e> (last visited Feb. 26, 2025)

1 **SUBROGATION PLAINTIFFS**

2 4. Subrogation Plaintiffs are insurers authorized to and doing business in the State of
3 California. As a component of that business, Subrogation Plaintiffs issued insurance policies³
4 providing coverage against loss due to damage caused by fire, water and other casualties.

5 5. Subrogation Plaintiffs issued insurance policies to their Insureds providing
6 coverage for damages to their respective real property, business, contents, business personal
7 property, and other damages as defined in their respective policies.

8 6. Subrogation Plaintiffs' Insureds owned property that suffered damage from the
9 Eaton Fire. As a result of the Eaton Fire, Subrogation Plaintiffs have paid and/or will pay money
10 to their respective Insureds under their policies of insurance for losses caused by the Eaton Fire.
11 Such payments include, but are not limited to, repair of real and personal property, replacement
12 of real and personal property, additional living expenses, loss of use and business interruption.
13 These payments were made pursuant to various homeowners, automobile, business/commercial
14 and property insurance policies⁴. This action seeks recovery of amounts paid, and to be paid, by
15 Subrogation Plaintiffs to their Insureds. Subrogation Plaintiffs who are obligated to make
16 payment or have made payments to their Insureds are equitably subrogated to the rights of their
17 Insureds, "stand in their shoes," and are entitled to bring this claim for payments made or to be
18 made. Subrogation Plaintiffs' payments were not voluntary, and Subrogation Plaintiffs
19 investigated, adjusted and paid, and may in the future pay, said damage, injury and loss,
20 consistent with their policies of insurance and obligations under the law. Subrogation Plaintiffs'
21 damages are in a liquidated sum; the amount paid to their Insureds. Subrogation Plaintiffs'
22 Insureds have an existing, assignable cause of action against Defendants, which the Insureds
23 could have asserted for their own benefit had they not been compensated for their losses by
24 Subrogation Plaintiffs. As such, Subrogation Plaintiffs have suffered damages caused by an act

25 _____
26 ³ The JPAs do not issue insurance policies. They have Memorandums of Coverage (MOCs) that set forth the terms
27 of the coverage for their members. For ease of reference, throughout this document, the term "insurance policies"
shall also refer to these MOCs even though the MOCs are not insurance policies.

28 ⁴ For the JPAs the payments were issued under the terms of the MOCs.

1 or omission of Defendants, and Subrogation Plaintiffs have equitable and/or legal rights against
2 Defendants herein, to the extent of payment made to the fullest extent allowed pursuant to
3 California law, including California Civil Code sections 3287 and 3288.

4 **DEFENDANTS**

5 7. Defendant SCE is, and was at all relevant times, a privately-owned public utility
6 organized and existing under the laws of the State of California in the business of providing
7 electricity to the real property owned by Subrogation Plaintiffs' Insureds, and located in Los
8 Angeles County, California.

9 8. SCE, based in Los Angeles County, is one of the nation's largest electric utilities -
10 serving a 50,000 square-mile area within Central, Coastal, and Southern California. SCE's assets
11 total approximately \$81.8 billion.⁵

12 9. SCE is both an "Electrical Corporation" and a "Public Utility" pursuant to,
13 respectively, sections 218(a) and 216(a) of the California Public Utilities Code which vests SCE
14 with the authority to take property by eminent domain. SCE is in the business of providing
15 electricity to more than 14 million residents, including Insureds of Subrogation Plaintiffs, in a
16 50,000 square-mile area of Central, Coastal and Southern California cities, including Los
17 Angeles County through a network of electrical transmission and distribution lines.

18 10. At all times mentioned herein, SCE was the supplier of electricity to members of
19 the public in Los Angeles County, and elsewhere in Southern California. At all relevant times,
20 SCE installed, constructed, built, maintained, and operated overhead power lines, together with
21 supporting, transmission towers, utility poles and attached electrical equipment, for the purpose
22 of conducting electricity for delivery to members of the general public.

23 11. SCE is required to comply with a number of national and state regulations
24 applicable to electrical equipment it owns, operates, and maintains including, but not limited to,
25 Public Resource Code section 4292, CPUC General Order 95, and CPUC General Order 165.
26 Furthermore, SCE is required to comply with safety standards applicable to decommissioned
27

28 ⁵ See Southern California Edison 2023 Annual Report. <https://tinyurl.com/4taxp7h4>

1 transmission towers and electrical lines, including, but not limited to, National Electric Safety
2 Code sections 215 and 261.

3 **DOE DEFENDANTS**

4 12. The true names and capacities, whether individual, corporate, associate, or
5 otherwise of the Defendants Does 1 through 100, inclusive, are unknown to Subrogation
6 Plaintiffs who sue said Defendants by such fictitious names pursuant to Code of Civil Procedure
7 section 474. Subrogation Plaintiffs further allege that each of said fictitious Defendants are in
8 some manner responsible for the acts and occurrences hereinafter set forth. Subrogation
9 Plaintiffs will amend this Complaint to show their true names and capacities when the same are
10 ascertained, as well as the manner in which each fictitious Defendant is responsible.

11 13. The term “Defendants” used throughout this complaint refers to SCE and Does 1
12 through 100 and each of them.

13 **JURISDICTIONAL ALLEGATIONS**

14 14. This Court has subject matter jurisdiction over this action pursuant to California
15 Code of Civil Procedure section 395(a) because, at all relevant times, Defendants conducted
16 significant business in within Los Angeles County, State of California, rendering the exercise of
17 jurisdiction over Defendants by California courts consistent with the traditional notions of fair
18 play and substantial justice. The amount in controversy exceeds the jurisdictional minimum of
19 this Court. Eaton Fire cases filed within Los Angeles County have been consolidated before the
20 Honorable Laura A. Seigle.

21 15. Venue is proper in this County, pursuant to California Code of Civil Procedure
22 section 395.5 because, at all relevant times, SCE maintained its principal place of business at
23 2244 Walnut Grove Avenue, Rosemead, County of Los Angeles, California.

24 **GENERAL ALLEGATIONS**

25 16. Subrogation Plaintiffs incorporate by reference each and every allegation
26 contained above, as though fully set forth herein.

27 **A. SCE Had a Non-Delegable, Non-Transferable Duty To Safely Maintain Its**
28 **Electrical Infrastructure**

1 17. At all times prior to January 7, 2025, SCE had a non-delegable, non-transferable
2 duty to properly construct, inspect, maintain, repair, manage and/or operate its electrical power
3 lines, transmission towers, electrical facilities, overhead electrical facilities, electrical
4 infrastructure, and all appurtenant electrical equipment (the “Electrical Equipment”) to prevent
5 the foreseeable risk of fire.

6 18. In the construction, inspection, repair, maintenance, ownership, and/or operation
7 of the Electrical Equipment, SCE had an obligation to comply with a number of statutes,
8 regulations, orders and standards, as detailed below.

9 19. SCE is required to comply with a number of design standards for its Electrical
10 Equipment, as specified by CPUC General Order 95 and other implementing regulations. In
11 particular, Pursuant to Public Resources Code section 4292, California requires SCE to comply
12 with heightened fire protection standards when owning, controlling, operating, and/or
13 maintaining any electrical transmission line upon any mountainous or brush-covered land,
14 including maintaining firebreaks “not less than 10 feet in each direction from the outer
15 circumference of” their transmission towers.

16 20. SCE’s transmission towers in the Eaton Fire’s General Area of Origin (the
17 “Transmission Towers”) are each, and all of them, owned, controlled, operated, and/or
18 maintained by SCE in mountainous and/or brush covered land within the meaning of Public
19 Resources Code section 4292.

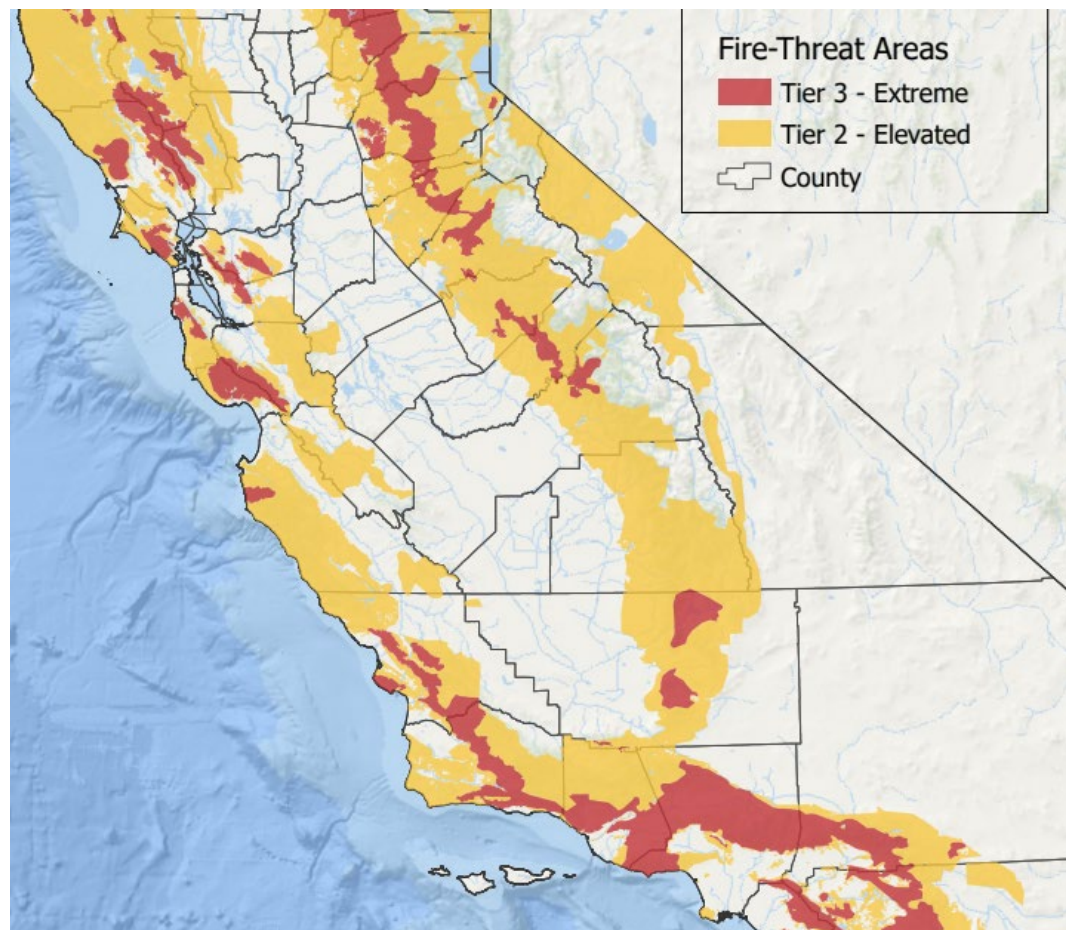
20 21. On November 8, 2017, the CPUC adopted new regulations imposing greater
21 safety obligations applicable to overhead electrical power lines located in areas that have been
22 designated as “High-Fire Threat Districts.” The CPUC maintains a High-Fire Threat District map
23 which designates as “Tier 2 fire threat districts” areas which are at “an elevated risk for
24 destructive utility-associated wildfires.” The CPUC further designates as “Tier 3 fire threat
25 districts” areas “where there is an extreme risk for destructive utility-associated wildfires.”
26 According to the CPUC, “Tier 3 is distinguished from Tier 2 by having the highest likelihood of

27 ///

28 ///

1 utility-associated fire initiation and growth that would impact people or property, and where the
2 most restrictive utility regulations are necessary to reduce utility fire risk.”⁶

3 22. The CPUC’s High-Fire Threat District Map in effect at the time of the Eaton
4 Fire, depicted below, places the Eaton Fire’s General Area of Origin within a Tier 3 fire threat
5 district.



24 23. In Tier 3 fire threat districts, like the Red Zone surrounding the Eaton Fire’s
25 General Area of Origin, SCE is required to construct, design and maintain its power lines and
26

27 ⁶ See <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M200/K638/200638039.PDF> (accessed February 27,
28 2025)

1 utility poles so they can withstand winds of up to 92 miles per hour. Further, SCE is required to
2 conduct “patrol” inspections of all its overhead facilities annually to ensure compliance with all
3 applicable safety standards.

4 24. SCE was put on notice by the publication of the CPUC’s High-Fire Threat
5 District Map, and therefore knew well in advance of the Eaton Fire of the elevated fire risk in
6 Los Angeles County for ignition and rapid spread of power line fires due to strong winds,
7 abundant dry vegetation, and/or other environmental conditions.

8 25. SCE’s safety obligations apply equally to the Mesa-Sylmar transmission line
9 connected to SCE’s Transmission Tower M16T1 even though the line is no longer in service.
10 CPUC General Order 95, Section III, Rule 31.2 specifically provides that “lines temporarily out
11 of service shall be inspected and maintained in such condition as not to create a hazard.”
12 Furthermore, the regulations applicable to electrical facilities located within Tier 3 fire threat
13 districts contain no exclusions for transmission lines taken out of service.

14 26. SCE knew or should have known that such standards and regulations were
15 minimum standards, and that SCE has a duty to identify and remediate its Electrical Equipment
16 which posed a foreseeable hazard of igniting a wildfire.

17 **B. The Eaton Fire Occurred During Foreseeable and Expected Fire Weather.**

18 27. At all times mentioned herein, Defendants were aware that Southern California,
19 including Los Angeles County, had received two years of above-average rainfall, which
20 produced an above-average growth of fire fuels. Defendants were also aware that Los Angeles
21 County, including the Altadena and Pasadena areas, frequently experiences Santa Ana wind
22 conditions, which are highly conducive to the rapid spread of wildfires and extreme fire
23 behavior. The Santa Ana winds are not abnormal or unforeseeable, and everyone who lives and
24 works in Southern California is familiar with this type of extreme wind event.

25 28. On January 6, 2025, the National Weather Service issued a Red Flag Warning
26 across Southern California, including much of Los Angeles County in effect from January 6,
27 2025 through January 10, 2025 predicting for sustained wind speeds up to 85 mph, and gusts up
28 to 100 mph.



29. Further, on January 6, 2025, the National Weather Service’s Los Angeles office issued a “Life-Threatening & Destructive Windstorm” warning which encompassed the cities of Altadena and Pasadena.

30. SCE was specifically aware of these anticipated adverse weather conditions. On January 6, 2025, SCE issued a press release in which SCE’s incident Commander Raymond Fugere was quoted as saying that “[t]he incoming wind is predicted to be intense[.]”⁷ SCE’s communications to the public connected the anticipated windy conditions with an increased risk of wildfire, stating that there was an “elevated risk of fire danger” due to “several consecutive months without significant rain” and that the “winds combined with locally dry vegetation will increase the risk of wildfire.”⁸ SCE further informed the public that it may implement public safety power shutoffs in response to adverse wind conditions “only as a last resort.”⁹

⁷ See SCE January 6, 2025 Press Release, available at: <https://energized.edison.com/stories/crews-ready-for-extreme-winds-possible-outages>

⁸ *Id.*

⁹ *Id.*



31. SCE was also specifically aware of the risks posed by its electrical equipment during Santa Ana windstorms because of several prior devastating wildfires caused by its equipment during similar conditions. SCE's prior failures to safely construct and maintain its equipment to withstand Santa Ana winds resulted in significant regulatory action and costly public fines.

32. In October 2007, strong Santa Ana winds swept across Southern California and caused dozens of wildfires, including the Malibu Canyon Fire. A subsequent investigation by the CPUC's Safety and Enforcement Division ("SED") determined that the Malibu Canyon Fire was caused when three of SCE's wooden utility poles broke and fell to the ground as a result of strong Santa Ana winds. The resulting fire burned 3,846 acres, destroyed 14 structures and 36 vehicles and caused damage to 19 other structures.

33. The CPUC ultimately found that SCE failed to properly inspect and maintain their poles and electrical facilities in accordance with the minimum standards. SCE agreed to a settlement with the CPUC, paid a \$37 million fine, and agreed to conduct a safety audit and remediation of its utility poles in the Malibu area.

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1 34. On November 30, 2011, and December 1, 2011, Santa Ana winds again swept
2 through SCE’s territory, knocking down utility facilities, uprooting trees, and causing prolonged
3 power outages. Two-hundred forty-eight wood utility poles and 1,064 overhead electrical lines
4 were affected and 440,168 customers lost power during this wind event. After conducting an
5 investigation, the CPUC concluded that SCE’s utility poles were overloaded in violation of the
6 safety factor requirements codified in GO 95, Rule 44.1.

7 35. On December 4, 2017, strong Santa Ana winds caused SCE’s electrical
8 distribution system to fail, resulting in the Thomas Fire. The Thomas Fire burned more than
9 281,000 acres, including much of the Los Padres National Forest, and destroyed 1,063 structures;
10 ultimately resulting in the declaration of a national disaster. The Thomas Fire was, at the time,
11 the largest wildfire in California’s modern history.

12 36. After conducting an investigation into the Thomas Fire, the CPUC again
13 concluded that SCE repeatedly violated applicable safety requirements contained within GO 95
14 by failing to maintain minimum clearances between its conductors. Further, the CPUC
15 determined that SCE “impeded and prolonged” the CPUC’s investigation by failing to provide
16 comprehensive data regarding the operation of its facilities even while subject to an official
17 investigation.¹⁰

18 **C. SCE’s Transmission Facilities Caused the Eaton Fire.**

19 37. On January 9, 2025, Defendant SCE filed an Electrical Safety Incident Report
20 with the California Public Utilities Commission (“CPUC”) in accordance with Public Utilities
21 Code section 315, which acknowledged, in relevant part, that contemporaneous public reporting
22 “suggest[ed] SCE equipment may be associated with” the Eaton Fire.¹¹

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26 ¹⁰ <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/safety-and-enforcement-division/investigations-wildfires/sed-investigation-report---thomas-fire---redacted.pdf> (last accessed February 27, 2025)

28 ¹¹ See <https://download.edison.com/406/files/202501/esir-20250109-eaton-fire.pdf>

38. On January 27, 2025, Defendant SCE sent a letter to the CPUC supplementing its previous Electrical Incident Safety Report.¹² In that letter, SCE acknowledged to the CPUC that it owns and/or operates three transmission towers in close proximity to the Eaton Fire's General Area of Origin: (1) Transmission Tower M6T1, carrying the Eagle Rock-Mesa 220kV and Mesa-Vincent No. 2 220kV transmission lines; (2) Transmission Tower M24T3 structure, carrying the Mesa-Vincent No. 1 220kV and Goodrich-Gould 220kV transmission lines; and (3) Transmission Tower M16T1, carrying the Mesa-Sylmar transmission line. SCE further claimed to the CPUC that the Mesa-Sylmar transmission line is de-energized and no longer in service. The following image depicts an overhead view of the three transmission towers identified by SCE as near the Eaton Fire's General Area of Origin.



¹² See <https://download.edison.com/406/files/202501/20250127-eaton-fire-update.pdf>

1 39. Viewed laterally, the three transmission towers near the Eaton Fire’s General
2 Area of Origin are visually distinguishable to the naked eye even though all three transmission
3 lines are situated in close proximity and run parallel to one another. In particular, Tower M16T1
4 is substantially shorter than the other two towers and utilizes a distinct structural design. The
5 image below depicts the three transmission towers from a side-view.



25 40. In its January 27, 2025 letter to the CPUC, SCE acknowledged that “a fault was
26 detected at approximately 6:11 p.m. on the Eagle Rock-Gould 220 kV line ... and that SCE’s
27 system protection devices for this line operated as intended.” SCE further stated that its
28 “[p]reliminary analysis shows that, because SCE’s transmission system is networked, the fault on

1 this geographically distant line caused a momentary and expected increase in current on SCE's
2 transmission system, including on the four energized lines on M6T1 and M24T3."

3 41. Although SCE describes these electrical events on their transmission system as
4 "momentary" and "expected," in actuality the effects were immediately catastrophic. At the same
5 time as the fault on the Eagle Rock-Gould 200kV line occurred, an electrical arcing event
6 occurred on SCE's transmission towers, conductors, and/or associated electrical equipment in the
7 Eaton Fire's General Area of Origin which sent a shower of sparks and molten metal to the
8 ground. Seconds later the Eaton Fire ignited.

9 42. Photographs and video of the incipient stages of the Eaton Fire show that the fire
10 originated immediately underneath SCE's transmission towers, and specifically near the base of
11 Tower M16T1. At 6:11 p.m. — the same time SCE acknowledges the existence of a fault on the
12 Eagle Rock-Gould 200kV line — a surveillance camera at an ARCO gas station located at
13 Altadena Drive and New York Avenue captured video footage of two electrical arcs at the top of
14 Tower M16T1.¹³



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27 ¹³ Ivan Penn, Blacki Migliozi, Danni Hakim & KK. Rebecca Lai, *Flashes Then Flames: New Video of Eaton Fire*
28 *Raises More Questions For Power Company*, NEW YORK TIMES (Jan. 26. 2025),
<https://www.nytimes.com/2025/01/26/us/los-angeles-eaton-fire-cause.html> .

1 43. The image below, a still frame from video footage captured just three minutes
2 later, at approximately 6:14 p.m., shows the early stages of the Eaton Fire, spreading from the
3 base of the visibly distinct Tower M16T1.



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16 44. Subrogation Plaintiffs are informed and believe that the arcing event captured on
17 the ARCO surveillance video caused visible marking to Tower M16T1. Subsequent inspection of
18 Tower M16T1 uncovered damage consistent with electrical arcing and excessive heat on the
19 tower's steel structure.

20 45. Although SCE's communications to the CPUC state that the Mesa-Sylmar
21 transmission line is no longer in service and was not energized at the time of the Eaton Fire, the
22 available physical evidence demonstrates that SCE's electrical facilities were still capable of
23 carrying dangerous, high-voltage electrical energy across long distances and towards the
24 communities of Altadena and Pasadena.

25 46. Upon information and belief, Tower M16T1 was taken out of service in 1971.¹⁴
26 Despite having over 50 years to remove this aged and de-commissioned equipment, SCE

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28 ¹⁴ <https://www.washingtonpost.com/weather/2025/02/01/eaton-fire-decommissioned-power-line> (last accessed February 27, 2025)

1 deliberately left Tower M16T1 and its attached conductors —spanning nearly 6 miles — in place
2 and dangerously near other high voltage, electrified transmission powerlines.

3 47. Subrogation Plaintiffs are further informed and believe that Tower M16T1 was
4 improperly maintained because the tower’s grounding wire was left partially exposed to the air
5 and permitted to make contact with surrounding vegetation. SCE’s failure to maintain tower
6 M16T1 in such a condition such as not to create a hazard maintenance was a violation of CPUC
7 General Order 95.



21 48. While officials are still determining the full extent of the Eaton Fire’s disastrous
22 consequences, the Eaton Fire is estimated to have caused at least \$10 billion dollars in insured
23 property damage alone.¹⁵ Unfortunately, the evidentiary record is already clear that this tragedy
24 was entirely preventable. The Eaton Fire did not result from an unforeseeable series of events or
25 spontaneously emerge from coincidentally harsh environmental conditions. SCE was well aware
26 of the risks of wildfire associated with continuously operating energized transmission lines
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28 ¹⁵ <https://www.verisk.com/company/newsroom/verisk-estimates-industry-insured-losses-for-the-palisades-and-eaton-fires-will-fall-between-usd-28-billion-and-usd-35-billion> (last accessed February 13, 2025).

1 during dry and windy weather conditions, deliberately leaving aged and out-of-use electrical
2 equipment in the field near other high voltage, energized transmission lines, and failing to
3 remediate the overgrowth of nearby, highly flammable vegetation.

4 49. SCE had a duty to properly construct, inspect, maintain, and operate its Electrical
5 Equipment in such a manner as to avoid igniting wildfires. SCE violated these duties by
6 knowingly operating improperly maintained Electrical Equipment, failing to safely maintain its
7 out-of-service transmission conductors and towers, and failing to de-energize its transmission
8 circuits in the Altadena and Pasadena areas. Had SCE acted responsibly, the Eaton Fire could
9 have been prevented.

10 **FIRST CAUSE OF ACTION**

11 **(Negligence against Defendants SCE and DOES 1-100)**

12 50. Subrogation Plaintiffs reallege and incorporate by reference each and every
13 allegation contained above as though set forth fully herein.

14 51. Defendants, and each of them, have a non-delegable, non-transferable duty to
15 apply a level of care commensurate with and proportionate to the danger of designing,
16 constructing, operating and maintaining Electrical Equipment and performing appropriate
17 vegetation management around such facilities.

18 52. Defendants, and each of them, have a non-transferable, non-delegable duty of
19 vigilant oversight in the construction, maintenance, use, operation, repair and inspection of their
20 Electrical Equipment that are appropriate to the geographical and weather conditions affecting
21 such Electrical Equipment. This duty of vigilant inspection and maintenance extends to
22 Electrical Equipment that have been placed out-of-service or otherwise abandoned.

23 53. Defendants and each of them, have special knowledge and expertise far above
24 that of a layperson regarding their requirements to design, engineer, construct, use, operate,
25 maintain and inspect these electrical facilities, including removal of vegetation and, repairing and
26 replacing old, out-of-service, and aging electrical equipment so as to not cause wildfires like the
27 Eaton Fire.

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1 54. Defendants, and each of them, negligently breached those duties by, among other
2 things:

- 3 (a) Failing to conduct reasonably prompt, proper and frequent inspections of their
4 Electrical Equipment, including overhead electric facilities;
- 5 (b) Failing to design, construct, monitor, operate and maintain their Electrical
6 Equipment to withstand foreseeable Santa Ana wind events and avoid igniting
7 and/or spreading wildfires;
- 8 (c) Failing to clear vegetation within a 10 foot radius around the perimeter of all
9 utility poles and towers which supported a switch, fuse, transformer, lighting
10 arrester, line junction, or dead end or corner pole as required by Public
11 Resource Code section 4292;
- 12 (d) Failure to perform inspections of all overhead Electrical Equipment, including
13 electric facilities, as required by CPUC General Order 165;
- 14 (e) Failing to remove, inspect and maintain old and out-of-service Electrical
15 Equipment so as not to create a hazard as required by CPUC General Order 95,
16 Section III, Rule 31.2;
- 17 (f) Failing to properly investigate, screen, train and supervise employees and
18 agents responsible for maintenance and inspection of Electrical Equipment,
19 including the overhead electric facilities, and vegetation removal around such
20 equipment and facilities;
- 21 (g) Allowing fire to ignite or spread to the property of another in violation of
22 California Health & Safety Code section 13007;
- 23 (h) Failing to remove abandoned transmission lines and/or hardware for over 50
24 years, thereby leaving them susceptible to becoming energized and starting a
25 fire;
- 26 (i) Failing to properly ground transmission towers; and/or

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1 (j) Failing to have adequate line clearance between transmission lines such that
2 the lines could contact each other, or get close enough to allow for electrical
3 induction from an energized line to a de-energized line.

4 55. The Eaton Fire was the direct, legal and proximate result of Defendants'
5 negligence.

6 56. As a direct, proximate, and legal result of said negligence, Subrogation Plaintiffs
7 suffered damages as alleged herein.

8 57. At all times mentioned herein, Defendants, and each of them, failed to properly
9 inspect and maintain Electrical Equipment which they knew, given the CPUC's designation of
10 the Eaton Fire's General Area of Origin as a Tier 3 fire threat district, posed a risk of harm to the
11 Subrogation Plaintiffs, and to their real and personal property. Defendants, and each of them,
12 were aware of the risk posed by their transmission facilities and the likelihood of a dangerous
13 and rapidly spreading wildfire. Defendants also knew that, given the then existing weather
14 conditions, said wildfire was likely to pose a risk of catastrophic property damage, economic
15 loss, personal injury, and/or death to the general public, including Subrogation Plaintiffs'
16 Insureds.

17 58. The property damage and economic losses caused by the Eaton Fire is the result
18 of the ongoing custom and practice of SCE of consciously disregarding applicable statutes,
19 regulations, standards, and rules regarding the safe operation, use and maintenance of their
20 Electrical Equipment.

21 59. On information and belief, these Defendants, and each of them, failed to properly
22 inspect and maintain their Electrical Equipment with the full knowledge that any incident was
23 likely to result in a wildfire that would burn and destroy real and personal property, displace
24 homeowners from their homes and disrupt businesses in the fire area.

25 60. The actions of Defendants, and each of them, did in fact result in damages to the
26 Subrogation Plaintiffs. Defendants, and each of them, failed to maintain their Transmission
27 Towers and attached conductors in a safe manner, and/or failed to properly patrol, inspect,

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maintain, and/or remove aging equipment and vegetation around their Electrical Equipment as required by statute.

61. The negligence of Defendants, and each of them, was a substantial factor in causing the Subrogation Plaintiffs' damages.

62. Defendants' failure to comply with their duties of care proximately caused damage to Subrogation Plaintiffs.

63. As a further direct and proximate result of Defendants' negligence, Subrogation Plaintiffs' Insureds suffered damages including, but not limited to real property damage, loss of personal property, economic loss, loss of quiet use and enjoyment of their property, and costs to evacuate and relocate.

64. Defendants, and each of them, were and are in a special relationship to the Insureds of Subrogation Plaintiffs. As a supplier of electrical power to many of the Insureds, SCE's operation of its Electrical Equipment was intended to and did directly affect the Insureds of Subrogation Plaintiffs. As a result, it was foreseeable that a massive wildfire would destroy personal and real property, force residents in the fire area to evacuate, and prevent customers of businesses located within the fire area from patronizing those businesses.

65. The Subrogation Plaintiffs suffered damages, which were clearly and certainly caused by the Eaton Fire, including but not limited to the cost to repair and replace the damaged and/or destroyed real and personal property.

66. Public policy supports finding a duty of care in this circumstance due to Defendants' violation of California Civil Code sections 3479, 3480, Public Utilities Code section 2106 and Health & Safety Code section 13007.

SECOND CAUSE OF ACTION

(Inverse Condemnation against Defendants SCE and DOES 1-100)

67. Subrogation Plaintiffs reallege and incorporate by reference each and every allegation contained above as though set forth fully herein.

68. Article 1, Section 19 of the California Constitution states:

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

5 69. Under California Public Utilities Code section 216(a)(1) a “‘Public Utility’
6 includes every common carrier, toll bridge corporation, pipeline corporation, gas corporation,
7 *electrical corporation*, telephone corporation, telegraph corporation, water corporation, sewer
8 corporation, and heat corporation, where the service is performed for, *or the commodity is*
9 *delivered to, the public or any portion thereof.*” (Cal. Pub. Util. Code § 216(a)(1) [emphasis
10 added]).

11 70. At all times relevant hereto, SCE was and is a public utility supplying electricity
12 for public use in the State of California, including Los Angeles County, California. Furthermore,
13 SCE supplied electricity in the subject transmission power lines and towers for the purpose of
14 providing electricity for public use.

15 71. At all times relevant hereto, SCE owned, operated, controlled, maintained,
16 inspected, repaired, and were responsible for the subject high-voltage 220KV electrical power
17 lines and Electrical Equipment located in the Eaton Fire’s General Area of Origin.

18 72. At all times relevant hereto, the Electrical Equipment was a public improvement
19 designed, constructed, and maintained for the purpose of transmitting electrical power to the
20 public.

21 73. The Electrical Equipment, as deliberately designed, constructed, and maintained
22 by SCE caused and permitted the occurrence of an electrical failure that ignited the Eaton Fire.

23 74. Subrogation Plaintiffs are informed and believe and therefore allege that SCE
24 deliberately failed to install system protection devices sufficient to prevent the ignition of the
25 Eaton Fire on its out-of-service Electrical Equipment as a cost-saving measure.

26 75. SCE further deliberately failed to remove old and antiquated equipment that was
27 taken out of service for a half-century, leaving aging and inactive infrastructure in close
28 proximity to active high-voltage transmission lines.

1 76. SCE’s taking of property, as alleged herein, deprived insureds of Subrogation
2 Plaintiffs of the use and enjoyment of their property and other damages.

3 77. As a direct result of SCE’s taking, Subrogation Plaintiffs have paid or will pay
4 their Insureds for their damages. Consequently, Subrogation Plaintiffs are legally and equitably
5 entitled to recover from SCE the amounts they has paid and will pay to their Insureds.

6 78. On August 15, 2019, the Supreme Court of California published its holding in the
7 *City of Oroville v. Superior Court* (2019) 7 Cal.5th 1091. In that case, the Court articulated that
8 “[a] court assessing inverse condemnation liability must find more than just a causal connection
9 between the public improvement and the damage to private property... damage to private
10 property must be substantially caused by an inherent risk presented by the deliberate design,
11 construction, or maintenance of the public improvement.” *Id.* at 1105 [emphasis added]. In the
12 Eaton Fire, SCE’s Electrical Equipment as deliberately designed, constructed, and maintained,
13 substantially caused Subrogation Plaintiffs’ damages and was more than a causal connection, as
14 further described below.

15 79. SCE owned and substantially participated in the design, planning, approval,
16 construction, and operation of the Electrical Equipment and public improvements for the
17 supplying of electricity to the public for public use. SCE exercised control and dominion over
18 said Electrical Equipment, including the vegetation management around the Electrical
19 Equipment and public improvements as a public project and for the public benefit.

20 80. In *City of Oroville*, the Court required a reviewing court to consider whether the
21 inherent dangers of the public improvement as deliberately designed, constructed, or maintained,
22 materialized, and were the cause of the property damage. In fact, the inherent dangers of the
23 Electrical Equipment materialized and were the substantial cause of the Eaton Fire.

24 81. Electricity is a dangerous instrumentality that poses an inherent risk to property
25 that requires the exercise of increased care and precaution commensurate with and proportionate
26 to that increased danger so as to make the transport of electricity through the Electrical
27 Equipment safe under all circumstances and exigencies posed by the surrounding weather and
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1 vegetation, to ensure maximum safety under all local conditions in the service area, including the
2 risk of fire.

3 82. SCE deliberately designed its Electrical Equipment to transport electricity through
4 its substations, to the public directly into their homes. The circuitry and conductors of the
5 Electrical Equipment were electrically a single and unified circuit that transmitted electricity.

6 83. SCE deliberately designed its transmission lines to travel above ground, near,
7 around, along, and above dry, highly combustible vegetation, and in close proximity to inactive
8 and aging infrastructure. SCE could have designed its transmission lines to travel underground,
9 but instead deliberately designed its transmission lines in a manner that exposed it to
10 environmental and other stresses and other hazards that increased their risk of failure.

11 84. The inherent danger of electricity, and SCE's design of the Transmission Towers,
12 electrical lines, Electrical Equipment, and vegetation management program, resulted in an
13 electrical arcing event which ignited the Eaton Fire— ultimately damaging Subrogation Plaintiffs.

14 85. The Court in the *City of Oroville* articulated that “useful public improvements
15 must eventually be maintained and not merely designed and built. So the inherent risk aspect of
16 the inverse condemnation inquiry is not limited to deliberate design or construct of public
17 improvement. It also encompasses risks from maintenance or continued upkeep of the public
18 work.” (*City of Oroville*, supra, 7 Cal.5th 1091 at 1106). SCE has a responsibility to maintain
19 and continuously upkeep its Transmission Towers, electrical lines and Electrical Equipment,
20 including sufficient inspection and maintenance of lines which are out of service, in order to
21 ensure the safe delivery of electricity to the public.

22 86. SCE's Transmission Towers and Electrical Equipment, as deliberately designed,
23 constructed, and maintained presented an inherent risk and danger of fire to private property. In
24 supplying electricity to the public, on or about January 07, 2025, SCE knowingly accepted a risk
25 that its Transmission Towers and/or Electrical Equipment would damage and/or destroy private
26 property by fire.

27 87. The injury to Subrogation Plaintiffs was the inescapable and unavoidable
28 consequence of SCE's Transmission Towers, Electrical Equipment and electrical lines as

1 deliberately designed, constructed, and maintained (or not maintained). This damage was the
2 necessary and probable result of SCE's public improvement in supplying electricity. The Eaton
3 Fire followed in the normal course of subsequent events, when an electrical arcing event
4 resulting in the Eaton Fire. The damages to Subrogation Plaintiffs' Insureds' property were
5 predominately caused by SCE's Electrical Equipment, as deliberately designed, constructed and
6 maintained.

7 88. The conduct as described herein was a substantial factor in causing damage to a
8 property interest protected by Article I, section 19, of the California Constitution and
9 permanently deprived Insureds of Subrogation Plaintiffs of the use and enjoyment of their
10 property. As a direct result of the "taking" of the property, Subrogation Plaintiffs suffered
11 damages in excess of the jurisdictional minimum of this Court, in an amount according to proof
12 of at trial. Pursuant to California Code of Civil Procedure section 1036, Subrogation Plaintiffs
13 are entitled to recover all litigation costs, expense, and interest with regard to the compensation
14 of damage to the insureds of Subrogation Plaintiffs' property, including attorneys' fees, expert
15 fees, consulting fees, and litigation costs.

16 **DEMAND FOR JURY TRIAL**

17 89. Subrogation Plaintiffs hereby demand a jury trial, except as to causation and
18 liability for inverse condemnation which are legally required to be adjudicated via a bench trial.

19 **PRAYER FOR RELIEF**

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

- 22 1. For all applicable remedies under California common law negligence;
- 23 2. For an amount which will compensate Subrogation Plaintiffs for all the detriment
24 proximately caused by Defendants herein, to be proven at trial;
- 25 3. For Subrogation Plaintiffs' costs and attorneys' fees permitted by law and statute,
26 including but not limited to, California Code of Civil Procedure section 1036;
- 27 4. For prejudgment interest as permitted by law, including but not limited to,
28 California Civil Code sections 3287 and 3288; and

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