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THE COUNTY OF LOS ANGELES AND ITS
COUNTY COUNSEL (ON BEHALF OF THE
PEOPLE OF THE STATE OF CALIFORNIA)

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, CENTRAL DISTRICT**

THE PEOPLE OF THE STATE OF
CALIFORNIA, ex. rel. Mary C. Wickham, the
Los Angeles County Counsel, AND COUNTY
OF LOS ANGELES,

Plaintiffs,

v.

SOUTHERN CALIFORNIA GAS
COMPANY, and DOES 1-50, inclusive,

Defendants.

CASE NO. BC 6 2 8 1 2 0

COMPLAINT FOR:

- 1. PUBLIC NUISANCE AND ABATEMENT THEREOF;**
- 2. UNFAIR COMPETITION (BUSINESS AND PROFESSIONS CODE SECTION 17200, ET SEQ.);**
- 3. BREACH OF FRANCHISE AGREEMENT;**
- 4. BREACH OF LEASE; AND**
- 5. DAMAGES UNDER LOS ANGELES COUNTY CODE SECTIONS 1.23.010, ET SEQ. AND 12.56.010 ET SEQ.**

DEMAND FOR JURY TRIAL

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1 Plaintiffs—the People of the State of California (the “People”), acting by and through
2 Mary C. Wickham, County Counsel for the County of Los Angeles (“County Counsel”), and the
3 County of Los Angeles (the “County”)—allege as follows:

4 **SUMMARY OF THE CASE**

5 **A. Introduction**

6 1. Defendant Southern California Gas Company (“SoCalGas”) is the nation’s largest
7 natural gas distribution utility. SoCalGas owns and operates over 200 natural gas wells at four gas
8 storage fields in the County of Los Angeles—referred to as (1) Aliso Canyon, (2) Playa del Rey,
9 (3) Honor Rancho-Santa Clarita and (4) Montebello.

10 2. As such, SoCalGas owes the highest duty to ensure that its gas wells do not pose a
11 danger to the health and safety of nearby communities and the people of Los Angeles County.

12 3. SoCalGas has failed and continues to fail to live up to that duty. It puts corporate
13 profits before public safety and fails to make necessary repairs and improvements to its decades-
14 old gas system.

15 4. As a result, SoCalGas caused a massive, unprecedented gas leak—a horrific public
16 nuisance—to occur at its Aliso Canyon facility; and there is an ongoing and impending risk at
17 Aliso Canyon, and at the other SoCalGas storage facilities, that more leaks—and more horrific
18 public nuisance harms—will occur.

19 5. SoCalGas cannot continue on this track. It cannot ignore safety risks. The purpose
20 of this lawsuit, and a remedy sought herein, is to avoid another disastrous gas leak—and all the
21 attendant harm to people and the environment—by requiring SoCalGas to install sub-surface
22 safety shut-off valves—a modern “state of the art” gas well safety system—on each and every gas
23 well it operates in Los Angeles County.

24 **B. Public Nuisances**

25 6. Starting in October 2015, SoCalGas caused the largest natural gas leak in
26 U.S. history, spewing 100,000 tons (two hundred million pounds) of gas, with all its hydro-carbon
27 based chemicals, for four months into the community of Porter Ranch (and throughout the region).
28

1 7. This was not a one-time incident, just by far the worst leak that has occurred to
2 date. It has had severe and profound effects on public health and has caused human suffering and
3 hardship. Here is an infra-red photo of the leaking well:



Source: Earthwatch

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15 8. In addition to Aliso Canyon, SoCalGas's Playa del Rey facility, which has
16 54 active wells located near Los Angeles International Airport ("LAX"), has been plagued with
17 multiple leaks in recent years. In 2013, an explosion sent a fire plume 50 feet in the air that could
18 be seen for miles.
19

20 9. Leaks from wells at SoCalGas's Montebello facility have resulted in the evacuation
21 and demolition of people's homes. Although SoCalGas has stated that it is in the process of
22 decommissioning the Montebello facility, that has not occurred. There are approximately 50 wells
23 on the site and in the neighboring community that resulted in at least six reported gas leaks
24 between October 2015 and February 2016.

25 10. SoCalGas's Honor Rancho-Santa Clarita facility, which has 46 active wells, also
26 has a history of gas leaks that took SoCalGas months to resolve and threatened the integrity of the
27 entire gas storage field.
28

1 11. Each of these SoCalGas storage facilities in Los Angeles County shares common
2 critical characteristics that jeopardize the safety and stability of the wells. They are all located in
3 depleted oil fields that were developed in the 1920s and 1930s. In the 1950s, SoCalGas began
4 converting the depleted oil fields into natural gas storage facilities; and it converted the old oil
5 wells into gas injection/extraction wells.

6 12. The gas wells consist of an assembly of valves, flanges and caps above ground, and
7 a metal pipe and concrete casing thousands of feet underground, often over a mile deep. Natural
8 gas is compressed to very high pressures and injected underground into reservoirs comprised of
9 porous oil sands and rocks. SoCalGas's wells have an average age of 52 years; some date back
10 more than 80 years. Well depths often exceed 8,000 feet underground.

11 13. These wells are plagued with corrosion, structural integrity problems, erosion, and
12 other safety hazards. Indeed, SoCalGas has acknowledged that the gas wells throughout its
13 Los Angeles County storage fields pose "safety and environmental risks" because critical well
14 components are "aging and obsolete." It has admitted that it exposes its decades-old wells to
15 demanding field conditions, that problems associated with its aging wells are difficult to predict,
16 and that a well-related disaster is likely given the age of the wells and their heavy utilization.

17 14. Following the Aliso Canyon disaster, inspectors from the South Coast Air Quality
18 Management District ("AQMD") conducted inspections at SoCalGas's gas storage facilities at
19 Aliso Canyon, Playa del Rey, Honor Rancho-Santa Clarita and Montebello. In June 2016, AQMD
20 issued a report stating that its inspectors detected numerous leaking components at wells at each
21 facility resulting in the release of contaminants including methane and other organic compounds.

22 **C. SoCalGas Failures**

23 15. At the Aliso Canyon well that leaked 100,000 tons of gas, and at its other leaking
24 wells in Los Angeles County, SoCalGas failed and refused to use its funds to make repairs and
25 take proper precautions, seeking instead to pass the financial burden of these repairs onto
26 consumers. In 2014, for example, SoCalGas proposed an ambitious, "highly proactive" safety
27 program to test all of its active gas injection wells "before they result in unsafe conditions."
28

1 16. SoCalGas acknowledged that the company was repairing leaks in older wells only
2 after they happened. SoCalGas wanted consumers to fund a sweeping \$236-million program that
3 included extensive inspections and repairs of wells before they leaked, abandonment of failed
4 wells and drilling of new wells. To that end, SoCalGas filed for a rate increase to fund the repairs,
5 but, on information and belief, while the requested rate increase was pending, SoCalGas failed to
6 undertake the work it acknowledged was necessary.

7 17. Unfortunately for the residents of Porter Ranch and the people affected by the
8 Aliso Canyon leak—and shockingly—SoCalGas made a corporate decision not to incur the
9 expense to remedy the multitude of known and admitted, serious problems associated with its
10 antiquated wells. SoCalGas chose to wait until approval of its rate increase.

11 18. This corporate decision has led to great public harm and hardship.

12 **D. Natural Gas**

13 19. The main ingredient in natural gas is methane (94%), a potent greenhouse gas. In
14 addition, it contains hazardous pollutants such as benzene (a known carcinogen and reproductive
15 toxin), toluene (a reproductive toxin), and ethylbenzene (a carcinogen). Natural gas also includes
16 other chemicals including tert-butyl mercaptan and tetrahydrothiophene, which give odorless
17 methane its rotten-egg smell. Short-term exposure to tert-butyl mercaptan can cause adverse
18 health effects such as headaches, dizziness, nausea, vomiting, pulmonary irritation, expiratory
19 wheezing, rapid heartbeat, and irritation of the eyes, skin and mucus membranes. Short-term
20 exposure to tetrahydrothiophene can cause similar adverse health effects. (Tert-butyl mercaptan
21 and tetrahydrothiophene are referred to together herein as “mercaptan.”)

22 20. Natural gas is highly flammable and easily ignited by heat or sparks. Vapors
23 caused by a natural gas leak can form an explosive mixture with air; vapors can also cause
24 dizziness or asphyxiation without warning. Because natural gas is lighter than air, it can migrate
25 into enclosed spaces.

26 21. Natural gas is transported via pipelines in its gaseous form. It is extracted from
27 wells—like those in Aliso Canyon, Playa del Rey, Honor Rancho-Santa Clarita and Montebello—
28 and transported to distribution centers. SoCalGas’s distribution system covers a territory of

1 approximately 20,000 square miles throughout Southern California, from Visalia to the Mexican
2 border.

3 22. SoCalGas uses a system of pipelines to distribute natural gas to residential and
4 commercial customers throughout Los Angeles County, pursuant to a Franchise Agreement
5 whereby the County allows SoCalGas to use its property for gas distribution. Dating back to
6 1955, the Franchise Agreement provides that shut-off valves shall be installed to protect life and
7 property in the event of a leak. The Franchise Agreement is codified in Los Angeles County
8 Ordinance No. 6765, as amended.

9 **E. The Missing Sub-Surface Safety Shut-Off Valve**

10 23. The Aliso Canyon well that leaked (Standard Sesnon 25 or "SS 25") had been
11 equipped with a safety shut-off valve—located underground at the base of the pipe. But in 1979,
12 the sub-surface safety valve was damaged, and SoCalGas decided not to repair or replace it.
13 Instead, SoCalGas knowingly left the well vulnerable to the catastrophic leak that recently
14 occurred.

15 24. If SoCalGas had repaired or replaced this safety valve, the Aliso Canyon leak
16 would have been substantially limited, thereby avoiding massive health, safety and environmental
17 damage. Plaintiffs are informed and believe that the cost of fixing the valve, or installing a new
18 valve, is relatively minimal, yet to save money SoCalGas chose not to pursue this fix.

19 25. SoCalGas knowingly failed and refused to repair or replace the safety valve which
20 if carried out, could have avoided the human suffering and hardship and millions of dollars in
21 harm caused by the leak.

22 **F. Other SoCalGas Wells And Distribution System Pose Great Risks**

23 26. The Aliso Canyon leak is not the only example of the serious harm that can result
24 from the failure to take appropriate safety measures in connection with the storage and distribution
25 of natural gas. Well SS 25 is just one part of the gas distribution system that SoCalGas owns and
26 operates throughout Los Angeles County. Another recent natural gas disaster demonstrates the
27 public safety risk posed by these distribution pipelines.
28

27. Pacific Gas & Electric Co. ("PG&E"), like SoCalGas, is a utility. PG&E operates natural gas storage and distribution facilities in Northern California. On September 9, 2010, PG&E's pipeline distribution system in San Bruno, California ruptured and caused an explosion that killed eight people and resulted in massive harm and property damage. The San Bruno explosion was caused by structural deficiencies in PG&E's gas pipeline distribution system.

28. SoCalGas's pipeline distribution system through the streets and roadways in Los Angeles County is governed by the Franchise Agreement. Like PG&E's system in Northern California, SoCalGas's pipeline distribution system is decades-old. It was installed before modern safety standards were implemented. It suffers from corrosion and has a history of leaks and infrastructure problems.

29. SoCalGas admits that its transmission pipelines lack modern shut-off valves that would control gas flow in the event of an emergency, such as a leak or rupture.

30. Pursuant to the Franchise Agreement, SoCalGas is obligated to maintain and operate its distribution system in a manner necessary to protect life and property. SoCalGas's failure to install and maintain adequate sub-surface safety shut-off valves and/or other components of a modern "state of the art" safety system at its wells in Aliso Canyon, Playa del Rey, Honor Rancho-Santa Clarita and Montebello, and throughout its entire pipeline distribution system, violates its obligations under the Franchise Agreement.

31. SoCalGas's storage facility in Honor Rancho-Santa Clarita is located on land owned by the County. SoCalGas operates the gas field there subject to a lease with the County. The Honor Rancho Lease requires SoCalGas to maintain the property and improvements in a safe condition; it must keep its storage reservoirs in good order, condition and repair. SoCalGas's failure to operate and maintain its gas storage field at the highest safety standards, including the use of sub-surface safety shut-off valves and/or other components of a modern "state of the art" safety system, violates its obligations under the Honor Rancho Lease.

G. Remedy

32. By this action, the People of the State of California, through the Los Angeles County Counsel and the County (jointly referred to herein as "Plaintiffs"), seek relief from the

1 Court to abate the actual and impending public nuisances and violations of the Franchise
2 Agreement and Lease at SoCalGas's natural gas storage facilities and pipeline distribution system
3 located in Los Angeles County. Given the aging infrastructure and inadequate safety measures
4 employed by SoCalGas, the risk of another gas leak occurring is great and poses a monumental
5 risk to the residents of Los Angeles County. Plaintiffs should not have to wait for another disaster,
6 like the Aliso Canyon leak or the San Bruno explosion, to occur. This nuisance should be
7 addressed—and abated—now.

8 33. SoCalGas should be required to take the measures necessary to continue operating
9 these decades-old gas wells and pipelines in a way that does not jeopardize the public's health and
10 safety. Specifically, this Court should order SoCalGas to install and maintain sub-surface safety
11 shut-off valves and/or other components of a modern "state of the art" safety system at each and
12 every gas well it operates in Los Angeles County.

13 34. Corporate profits cannot trump public safety. SoCalGas is part of a utility
14 conglomerate, Sempra Energy, with over \$10 billion in revenues per year and over \$40 billion in
15 assets. SoCalGas has the ability to make safe all of its gas wells in the County.

16 PARTIES

17 35. Plaintiff the People of the State of California bring this action by and through
18 Mary C. Wickham, County Counsel for Los Angeles County, under the authority granted to her by
19 Civil Code sections 3479, 3480, 3490, 3491, 3494, and Code of Civil Procedure section 731, to
20 abate public nuisances. On behalf of the People of the State of California, Mary C. Wickham, as
21 County Counsel for the County, also brings this action for violation of Business and Professions
22 Code section 17200, *et seq.*

23 36. Plaintiff County of Los Angeles is and was at all relevant times a chartered county,
24 which brings this action for breach of the Franchise Agreement, breach of the Honor Rancho
25 Lease, and recovery of public nuisance abatement and emergency response costs pursuant to
26 Los Angeles County Code sections 1.23.010, *et seq.*, and 12.56.010, *et seq.*

27
28

1 37. Defendant Southern California Gas Company is a California corporation doing
2 business in California. SoCalGas is a natural gas distribution utility that stores, sells and transmits
3 natural gas in California. SoCalGas's principal place of business is in Los Angeles County.

4 38. DOES 1 through 25, inclusive, are persons whose names and identifies are
5 unknown to the People at this time, and the People therefore sue them under these fictitious
6 names, pursuant to Code of Civil Procedure section 474. The People will amend this Complaint to
7 allege the true names and capacities of DOES 1 through 25 as soon as they are discovered. DOES
8 1 through 25 are, and at all times relevant to the claims in this Complaint were, creating,
9 contributing to and/or assisting in the creation of, a public nuisance as defined in California Civil
10 Code section 3479, *et seq.*

11 39. At all relevant times, DOES 26 through 50, inclusive, were in a position of
12 responsibility allowing them to influence corporate policies or activities with respect to
13 SoCalGas's compliance with California laws and regulations at its facilities and in the conduct of
14 its business in the State of California, and had, by reason of their position in the corporation,
15 responsibility and authority either to prevent in the first instance, or promptly correct, the
16 violations complained of herein, but failed to do so. In addition to any direct personal liability of
17 these individuals, DOES 26 through 50 also are personally liable under the "responsible corporate
18 officer doctrine" for violations of law committed by SoCalGas as alleged herein.

19 **JURISDICTION AND VENUE**

20 40. This Court has jurisdiction over this action pursuant to the California Constitution,
21 Article VI, section 10.

22 41. Venue is proper in this Court pursuant to Code of Civil Procedure section 392,
23 subdivision (a), and section 731 because the violations of law and public nuisance alleged in this
24 Complaint occurred in the County of Los Angeles.

25 42. Venue is also proper in this Court pursuant to Code of Civil Procedure
26 section 395.5, because SoCalGas's principal place of business is in the County of Los Angeles.

FACTS COMMON TO ALL CAUSES OF ACTION

43. SoCalGas owns and operates four underground gas storage facilities in former oil fields in Los Angeles County—Aliso Canyon, Playa del Rey, Honor Rancho-Santa Clarita and Montebello.¹ These underground storage fields work in conjunction with the SoCalGas transmission pipeline and distribution delivery network.

44. Wells that were designed and built to pump oil were converted, between the 1950s and 1970s, to inject gas at high pressure into porous oil sands a mile or more underground. SoCalGas pipes in and stores billions of cubic feet of natural gas in these old oil fields.

45. Wells deteriorate with age and use. Casings and pipes corrode from exposure to salty brine and are blasted thin from sand drawn up along with the high-pressure gas. The cement that seals the pipe from surrounding rock cracks, allowing gas to escape.

A. Aliso Canyon

46. The Aliso Canyon underground gas storage facility is located on property owned by SoCalGas in Los Angeles County, immediately adjacent to the Porter Ranch neighborhood. It is SoCalGas's largest natural gas storage field, holding in total approximately 160 billion cubic feet of natural gas. Over 40 of the 116 injection wells in use there were drilled more than 50 years ago.

47. SoCalGas acquired the depleted oil field and transformed it into a gas storage field in 1973. Thereafter, the company continued to drill wells at Aliso Canyon as houses were built nearby in Porter Ranch. Today, over 30,000 people reside in the area.

48. Aliso Canyon is the largest natural gas storage area in the West, providing fuel for heat in winter and powering electric plants for cooling in summer. Storage is needed because natural gas pipelines cannot deliver gas fast enough or carry the capacity needed to meet high demands.

49. The facility holds 86 billion cubic feet of natural gas, enough to supply all of Southern California for more than a month; and it holds another 80 billion cubic feet of

¹ SoCalGas has another natural gas storage field in Goleta near Santa Barbara, California.

1 “cushion gas,” which is gas that remains underground to keep the reservoir’s pressure high enough
2 so that gas can be moved in and out.

3 50. Approximately 38 miles of gas injection, withdrawal and liquid-handling pipelines
4 connect the storage wells to processing and compression facilities.

5 51. There is a history of gas leaks at the facility that predates the recent Aliso Canyon
6 disaster. For example, in 2013, two wells were found to have leaks in the production casing at
7 lower depths of the wells even though there was no indication of leaks at the surface.

8 **B. Playa Del Rey**



18 **Source: SoCalGas**

19 52. The Playa del Rey gas storage field is located near the Ballona Wetlands between
20 Marina del Rey and LAX. SoCalGas took over the Playa del Rey gas storage field in 1953.
21 SoCalGas built out the field and injected 27 billion cubic feet of gas in the field as “cushion gas.”

22 53. Some of the wells are directionally drilled so that the underground gas field extends
23 well beyond the limits of the SoCalGas property footprint. SoCalGas operates 54 active wells—
24 per the photo above, 34 wells are located on site and 20 wells are located outside the perimeter of
25 the storage field property.

26 54. The reservoir stretches under nearby homes, the Ballona Wetlands and Marina del
27 Rey. Eight of the active gas wells at Playa del Rey were drilled in the 1930s. The Playa del Rey
28

1 field has had at least 10 leaking wells over the years, including several that were repaired and then
2 leaked again.

3 55. In December 2007, SoCalGas settled a complaint regarding the Playa del Rey field.
4 The settlement required SoCalGas to minimize its venting of natural gas and to capture the vapors
5 coming from the plant. It addressed gas coming up in the soil from abandoned or closed wells.

6 56. Nevertheless, in January 2013, an explosion at the gas field sent a fire plume
7 50 feet in the air. Methane (a major component of natural gas) is highly flammable; and some of
8 the wells in the Playa del Rey storage field are located close to LAX, the largest and busiest
9 airport in California and one of busiest airports in the world.

10 57. The aging facility at Playa del Rey has been beset by leaks and mechanical failures.

11 58. Some of the wells at the facility—located near Loyola Marymount University and
12 business and residential areas—failed to demonstrate “mechanical integrity” during a recent
13 examination. A leak in a third well resulted in that well being shut down.

14 59. In April 2016, AQMD inspectors detected leaks in well components in five of
15 every six wells inspected at the facility. The area around Playa del Rey is even more densely
16 populated than Porter Ranch. Should one or more of the wells have a failure and a serious leak
17 occur, the harm (health and financial) could be even greater than the horrific leak at the Aliso
18 Canyon facility that forced thousands of residents from their homes for several months.

19 60. A senior supervising engineer for the State of California inspected the Playa del
20 Rey site in 2014. The engineer said there is a high risk of a gas leak at the facility because some
21 of the wells there are older than those at Aliso Canyon. “Everything is gleaming on the surface,
22 but underground everything is falling apart because it was not regularly maintained,” according to
23 the engineer.

C. Montebello

Figure 2.2-1: Aerial Photograph



SOURCE: From an aerial photograph provided by the Southern California Gas Company.
July 19, 2000. Chambers Group.

61. SoCalGas opened the Montebello Natural Gas Storage Facility in 1956 on a former oil field that had been drilled in the 1930s. It has a capacity for 40 billion cubic feet of natural gas and a similar amount of "cushion gas" held underground to keep the field pressurized.

62. Leaks from the Montebello storage facility began occurring in the early 1970s, resulting in the evacuation and demolition of 13 homes between the mid-1970s and mid-1990s.

63. A 1984 lawsuit alleged that SoCalGas allowed explosive levels of gas to seep into homes and neighborhoods and withheld information about the extent of the danger to residents.

64. In or about 2001, SoCalGas began decommissioning the Montebello facility, but 15 years later the site still is operating. Today, SoCalGas operates 51 wells in Montebello—31 wells are located on site and 20 wells are located in the community—producing 1 million cubic feet of natural gas a day. Five of these wells were drilled in the 1960s.

1 65. A March 16, 2016 survey reported six gas leaks between October 26, 2015 and
2 February 5, 2016. Neighbors reported increased activity from SoCalGas crews in the middle of
3 the night and in the neighborhood where leaks previously occurred, as well as in front of a school.

4 66. In April 2016, AQMD inspectors detected leaks at around 20% of well sites and in
5 50% of isolation valve sites.

6 **D. Honor Rancho-Santa Clarita**

7 67. SoCalGas also maintains a gas storage facility in the Santa Clarita Valley known as
8 Wayside Honor Rancho. Honor Rancho is located approximately 10 miles north of Aliso Canyon.
9 SoCalGas leases the land from the County for this field.

10 68. Fourteen of Honor Rancho's active wells were drilled in the 1950s and 1960s as oil
11 wells by Chevron Texaco. SoCalGas bought the field in 1975 and converted it to store natural
12 gas. It holds 24 billion cubic feet of gas.

13 69. Several years ago, there was a leak so severe that it placed the integrity of the entire
14 field in peril. Like the Aliso Canyon leak, the Honor Rancho leak took months to resolve.

15 70. The Honor Rancho facility has experienced problems with gas migrating beyond
16 the intended reservoir. SoCalGas has acknowledged that gas migration is caused by a lack of
17 structural integrity of the geologic reservoir and by deficiencies in the construction and
18 maintenance of the well.

19 71. Honor Rancho currently has approximately 46 active wells, and 12 miles of
20 pipeline connect the storage wells to processing and compression facilities.

21 72. In May 2016, AQMD inspectors detected an average of 3.7 leaking components per
22 well.

23 **E. The Aliso Canyon Disaster**

24 73. On October 23, 2015, the well known as SS 25 at Aliso Canyon ruptured. The
25 leaking well was converted for natural gas use in 1973.

26 74. The leak was initially described by SoCalGas as a minor problem at the well head.
27 This was not true. There was a hole in the well casing about 480 feet down that leads to a deep
28 underground reservoir over 8,000 feet below the surface.

75. SoCalGas initially said the leak posed no imminent health threat to the community. Residents were told that SoCal Gas was completing an annual purging of its lines. This was false.

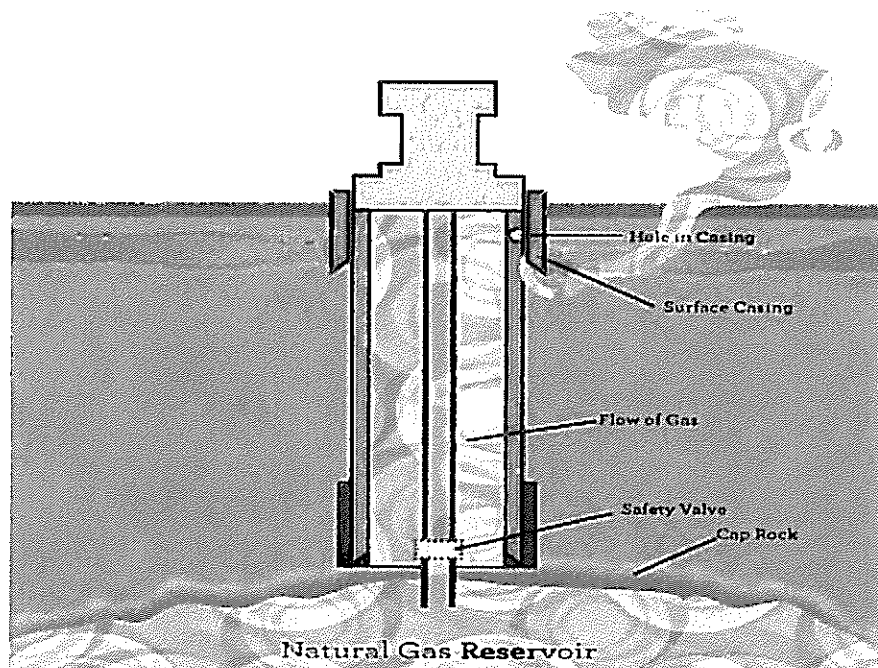
76. SoCalGas maintained that levels of hazardous sulfur compounds were “intermittent, very low” and below regulatory standards. However, tests found hydrogen sulfide levels of 183 parts per billion—six times the standard for this toxic chemical.

77. On November 20, 2015, the California Air Resources Board released a report showing that the well had leaked a huge amount of methane, a potent greenhouse gas. Methane was being released at a rate of 50,000 kilograms per hour, accounting for about one-quarter of all annual methane emissions in California, the same amount of emissions as driving 160,000 cars for a year.

78. SoCalGas crews tried to stop the flow of gas by pumping fluid into the well, but were unsuccessful. It took over a month for SoCalGas to determine it needed to drill a relief well.

79. SoCalGas did not begin drilling a relief well until December 4, 2015; and the well was not declared sealed until February 18, 2016, four months after the leak began.

F. Sub-Surface Safety Shut-Off Valve



Source: LA Weekly illustration by Darrick Rainey

1 80. The leak could have been prevented by repairing a sub-surface safety shut-off valve
2 that became inoperative in the 1970s. A SoCalGas executive admitted at a public meeting in
3 December 2015 that the company failed to repair the old valve.

4 81. SoCalGas admitted that it chose not to replace or repair this safety device because
5 regulations require safety valves only on wells that are within 100 feet of a road or a park or
6 within 300 feet of a home.

7 82. SoCalGas should have repaired or replaced the valve and thereby could have
8 averted the massive public disaster that occurred; and it should install sub-surface safety shut-off
9 valves and/or other components of a modern "state of the art" safety system on all its wells in
10 Los Angeles County to protect against another disaster.

11 **G. The Magnitude Of The Leak**

12 83. The leak at the Aliso Canyon gas storage facility spewed methane along with other
13 chemicals, some toxic, into the atmosphere.

14 84. Scientists who flew an airplane equipped with sensors through the plume of gas
15 leaking into the Porter Ranch area found that the nearly four-month leak released approximately
16 100,000 tons or 200 million pounds of natural gas—effectively doubling the methane emissions
17 rate of the entire Los Angeles Basin.

18 85. The researchers were able to calculate that, over the 112-day leak, the well released
19 about 97,100 tons of methane, a greenhouse gas that is many times more potent than carbon
20 dioxide, as well as 7,300 tons of ethane. Those amounts are equal to 24% of the methane and
21 56% of the ethane released in the entire Los Angeles Basin over a full year.

22 86. Over a 20-year period, methane is estimated to have a warming effect on the earth's
23 atmosphere 84 times that of carbon dioxide. During the four months the leak lasted—25 days
24 longer than the BP oil spill in the Gulf of Mexico—the leak contributed roughly the same amount
25 of warming as the greenhouse-gas emissions produced by the entire country of Lebanon.

26 **H. Relocation Of Thousands Of Residents And Cleaning Of Homes**

27 87. The leak began on October 23, 2015, but SoCalGas did not report it until five days
28 later on October 28, 2015. On November 19, 2015, the County Department of Public Health

1 ("DPH") issued a Public Health Directive, directing SoCalGas to abate the gas leak and eliminate
2 emissions and to provide free, temporary relocation to residents affected by the leak.

3 88. Both the County Board of Supervisors and the Governor declared a state of
4 emergency because of the leak.

5 89. SoCalGas stipulated to a resident relocation program, which was memorialized in a
6 Court order on December 24, 2015, requiring SoCalGas to pay relocation costs for thousands of
7 residents who were forced to leave their homes for health reasons. Residents suffered from
8 "nausea, dizziness, vomiting, shortness of breath and headaches and other ailments."

9 90. On February 18, 2016, nearly four months after the leak started, the leak was
10 declared sealed. However, residents continued to report illnesses and symptoms after the well was
11 capped. In the three-week period after the leak was sealed, DPH received nearly 300 new health
12 complaints from residents indicating that they had been suffering from the same symptoms
13 reported during the gas leak. Leak-related symptoms were reported at 63% of sampled households
14 after the gas leak stopped.

15 91. DPH conducted health surveys and indoor air testing, the results of which were
16 published in a May 13, 2016 Public Health Assessment. DPH's analysis of household dust
17 samples revealed a characteristic "fingerprint" of metals (barium, cobalt, lead, manganese,
18 strontium, and vanadium) inside Porter Ranch homes; this same fingerprint of metals was not
19 found in "control" homes outside the Porter Ranch community. DPH also found these metals in
20 the soil near the leaking well and in air samples downwind of SS 25.

21 92. These metals should not be present in homes. Their existence is attributable to
22 SoCalGas's attempts to stop the gas leak with a solution that contains barium, the most prevalent
23 of these component metals. These metals are known to cause the symptoms being experienced by
24 residents, including eye, nose and skin irritation, respiratory problems, and other ailments.

25 93. The metals are not the only contaminants found in the Porter Ranch community
26 that are related to the gas leak. Oily "brown spots" were found on approximately 1200 homes,
27 schools and playgrounds after the leak was capped. SoCalGas admits that the oily residue is
28 related to the well.

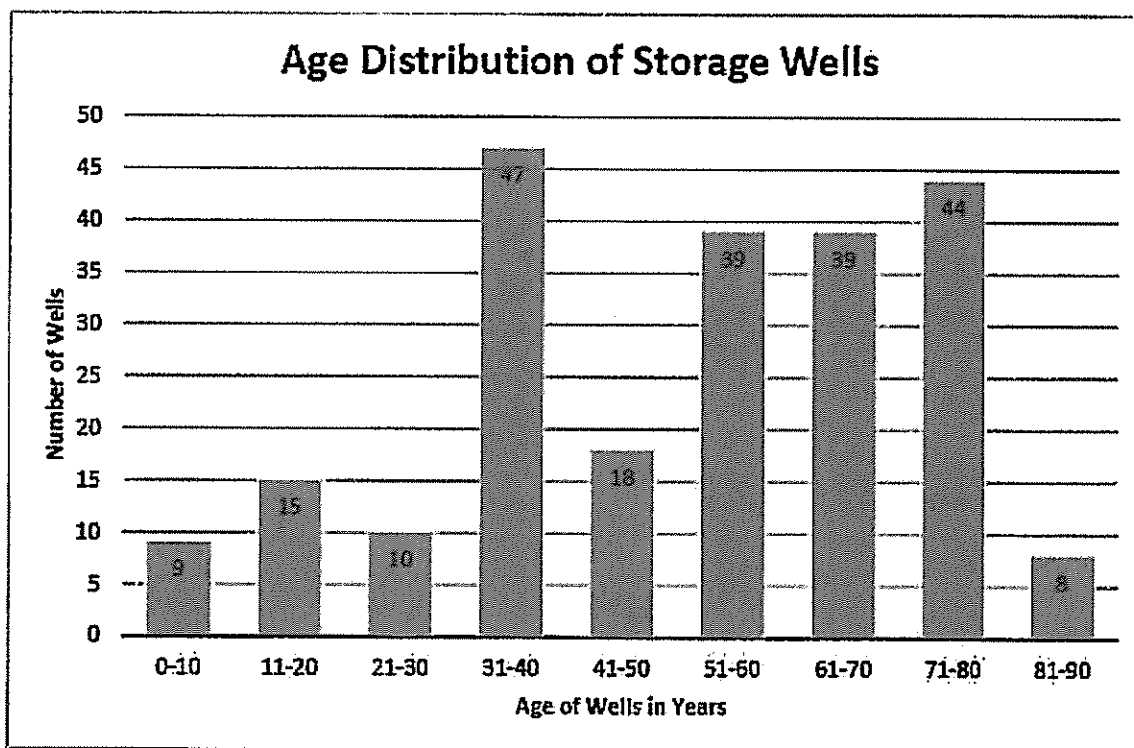
94. On May 13, 2016, DPH issued a Public Health Directive, directing SoCalGas to offer comprehensive cleaning of all homes of residents impacted by the Aliso Canyon disaster in accordance with a DPH-recommended cleaning protocol.

95. On May 20, 2016, the Court ordered SoCalGas to provide complimentary cleaning of homes that were part of the relocation program ordered by the Court.

96. SoCalGas has failed and refused to comply with the Public Health Directive issued on May 13; and has failed and refused to clean the homes properly despite the Court's May 20 order to that effect.

97. As a result of the Aliso Canyon gas leak, DPH expended significant resources in conducting the health surveys and indoor testing that were part of the May 13, 2016 Public Health Assessment, as well as providing oversight in connection with the Court-ordered cleaning program for homes in Porter Ranch and the surrounding community; and the County has incurred millions of dollars of additional costs as a result of this disaster.

I. SoCalGas Knew All Along That Its Gas Wells Are Hazardous



Source: SoCalGas

1 98. SoCalGas stated that its corporate policy is to take a "wait and see" approach to
2 known safety risks associated with its decades-old gas storage facilities. Its facilities are plagued
3 by deteriorating, aging, obsolete or failed equipment that impact the safety and integrity of the
4 wells. SoCalGas also said that there are gaps and deficiencies in its risk assessment procedures.

5 99. On information and belief, SoCalGas increased the risk of failure by drawing gas
6 through the larger outer casing of the wells in order to increase productivity. Using the outer
7 casing of a well accelerates damage and increases the risk that a leak will contaminate
8 groundwater or reach the surface; and it ignores the safety feature of the outer casing acting as a
9 buffer in case of a leak in the inner metal tubing.

10 100. Narrower tubular production pipes are intended for such wear and are easily
11 replaced. The outer casings are permanent fixtures of a well and are more difficult to fix when
12 they go bad. By utilizing the outer casing to draw gas, SoCalGas eliminated an important safety
13 feature of the casing: It provides an additional safety barrier, but only if not used to move gas.

14 101. To maximize gas flow—and revenues—SoCalGas moved gas through both the
15 inner pipe and the outer casing, thereby negating the effect of having a safety barrier but
16 generating more revenues for itself.

17 102. SoCalGas has acknowledged that the company was repairing leaks in older wells
18 only as they happened. In 2014, SoCalGas proposed an ambitious "highly proactive" \$236-
19 million safety program to test all 229 of its active natural gas injection wells in Los Angeles
20 County, "before they result in unsafe conditions." SoCalGas warned that wells in four storage
21 fields, including Aliso Canyon, were deteriorating and had been leaking frequently. SoCalGas
22 said its wells posed a risk of uncontrolled failure. The proposed safety program that included
23 inspections of wells, abandonment of wells and the drilling of new wells. SoCalGas initially
24 sought funds from rate-payers to bear the expense of the program. On information and belief,
25 SoCalGas has not implemented the safety program because it did not want to pay for it.

26 103. SoCalGas has had an obligation to deal with the failure risk when it is discovered,
27 not sit by and wait for rate-payers to foot the bill. SoCalGas puts its own pocket book ahead of the
28 welfare and safety of the public.

1 104. During the same time period that it acknowledged the need for a safety program at
2 Aliso Canyon, SoCalGas moved forward on a \$210-million construction project to increase its
3 ability to pump gas. SoCalGas is installing powerful turbine compressors that boost the amount of
4 gas that can be compressed for injection at Aliso Canyon.

5 105. This is all being done to increase the revenues and profits of SoCalGas; yet
6 SoCalGas did not expend the funds necessary to test for leaks and to ensure all of its wells have
7 sufficient operational safety features.

8 106. SoCalGas commonly keeps wells with damaged casings in operation by using
9 cement patches, metal sleeves or inner liners. The modus operandi of SoCalGas is to put the
10 financial burden on rate-payers; put the risk of hazard on the public; and do little, or nothing, that
11 will require the company to bear the financial burden.

12 **J. The San Bruno Explosion Demonstrates Pipeline Safety Risks**

13 107. PG&E has a natural gas storage and distribution system in Northern California that
14 shares many of the same characteristics of SoCalGas's system. There are portions of its
15 distribution pipeline that were installed in the 1950s.

16 108. On September 9, 2010, a pipeline ruptured and exploded in a residential area at the
17 intersection of Earl Avenue and Glenview Drive in San Bruno, California.

18 109. The explosion created a 72-foot long crater in the street. Two PG&E mechanics
19 had to manually close the mainline valve of the rupture, stopping the gas flow at the location.
20 Additional PG&E crews had to manually close two distribution line valves in an effort to stop gas-
21 fed house fires that erupted near the pipeline as a result of the explosion.

22 110. The San Bruno explosion injured 66 people resulting in eight fatalities. The
23 explosion caused damage extending approximately 600 feet from the pipeline blast center. The
24 fire affected 108 houses—38 of which were destroyed—and damaged or destroyed 74 vehicles.
25 The explosion caused millions of dollars in damages.

26 111. Industry experts concluded that the deadly disaster was caused by delinquent
27 maintenance and deficient safety systems.
28

1 112. SoCalGas's pipeline distribution system in Los Angeles County is also decades-old
2 and lacks modern shut-off valves that would control gas flow in the event of an emergency. The
3 same, or similar, conditions in San Bruno exist here.

4 **FIRST CAUSE OF ACTION**

5 **(Public Nuisance – Civil Code § 3479, *et seq.*; Code Civ. Proc. § 731:**

6 **Brought by the People of the State of California against All Defendants)**

7 113. The allegations above are realleged and incorporated by reference herein as though
8 set forth in full.

9 114. Under Civil Code section 3479, a "nuisance" is "[a]nything which is injurious to
10 health, ... or an obstruction to the free use of property, so as to interfere with the comfortable
11 enjoyment of life or property...."

12 115. Under Civil Code section 3480, "[a] public nuisance is one which affects at the
13 same time an entire community or neighborhood, or any considerable number of persons, although
14 the extent of the annoyance or damage inflicted upon individuals may be unequal."

15 116. Defendants have engaged and continue to engage in conduct that is injurious to
16 health and safety, that interferes with the comfortable enjoyment of life and property of a
17 considerable number of persons, and that constitutes a violation of one or more provisions of
18 Titles 7 through 32 of the Los Angeles County Code, including without limitation Los Angeles
19 County Ordinance No. 6765 and Los Angeles County Code sections 12.20.010, 12.20.020, and
20 12.20.040.

21 117. On or about October 23, 2015, Defendants' conduct caused a natural gas leak to
22 occur at the Aliso Canyon facility resulting in significant emissions of air contaminants, including
23 methane, mercaptans and BTEX.² These contaminants are having a significant negative impact on
24 the County of Los Angeles, its citizens and the environment, and will continue to have a
25 detrimental impact even after the uncontrolled release of natural gas is ended.

26 _____
27 ² BTEX is an acronym that stands for benzene, toluene, ethylbenzene, and xylenes. These
28 compounds are some of the volatile organic compounds (VOCs) found in petroleum derivatives
such as natural gas.

1 118. The emissions caused by Defendants' conduct are a direct and proximate
2 contributing cause of the injuries and harms sustained by the citizens, the County and the
3 environment.

4 119. The emissions of air contaminants caused by Defendants' conduct have resulted in
5 injuries, including adverse health effects suffered by citizens of the State. Thousands of
6 Porter Ranch residents were forced to leave their homes for health reasons because, among other
7 things, they suffered from "nausea, dizziness, vomiting, shortness of breath and headaches."

8 120. The emissions caused by Defendants' conduct created a risk of fire or explosion.

9 121. Because of the health and safety risks caused by Defendants' conduct, the County
10 has suffered significant financial harm, including costs and expenses associated with:

11 (1) deploying emergency response, law enforcement, and health and safety personnel in immediate
12 response to the gas leak in October 2015; (2) ongoing health and safety investigation, testing,
13 analysis and community education efforts of the DPH and its personnel and consultants; (3) legal
14 expenses; and (4) other enforcement costs. The County's abatement costs in response to the
15 Aliso Canyon disaster, which are ongoing and continuing, exceed \$1 million.

16 122. The emissions of methane caused by Defendants' conduct have a detrimental
17 impact on the County, its citizens and the environment. The increased emissions of methane, a
18 potent greenhouse gas, will exacerbate the impacts of climate change and affect the health and
19 well-being of the County's citizens, even after the leak has been stopped. These emissions are not
20 in the public interest.

21 123. The Aliso Canyon disaster is a powerful demonstration of how SoCalGas's
22 improper maintenance and operations of its gas storage fields threaten the health and safety of the
23 County, its citizens and the environment. The other wells at Aliso Canyon, at SoCalGas's storage
24 fields in Playa del Rey, Honor Rancho and Montebello, and SoCalGas's pipeline distribution
25 system also threaten the health and safety of the County and its residents.

26 124. In 2014, SoCalGas admitted that its decades-old gas storage wells located in four
27 natural gas storage fields in Los Angeles County needed substantial repairs and upgrades in order
28 to avoid serious hazards and unpredictable safety risks. SoCalGas's old facilities are deteriorating

1 and have been leaking at a higher rate and with more frequency since at least 2008, if not before
2 then.

3 125. SoCalGas admits that the wells pose a risk of uncontrolled failure and that the
4 release of methane (the main component of natural gas) can create, in addition to severe
5 environmental harm, significant risks of fire and explosion, which jeopardize the health and safety
6 of first responders and citizens.

7 126. The uncontrolled release of natural gas into the atmosphere, with all of its
8 contaminants and carcinogens and toxins, is having and will continue to have a substantial
9 negative impact on Los Angeles County, its residents and the environment. The massive gas leak
10 at SS 25 is just the tip of the iceberg.

11 127. SoCalGas put corporate profits before public safety and failed to make necessary
12 repairs and improvements to its decades-old gas storage and distribution system. SoCalGas has
13 failed to take the reasonable safety measure of installing sub-surface safety shut-off valves and/or
14 other components of a modern "state of the art" safety system on each and every well it operates in
15 Los Angeles County. The cost of installing shut-off valves and/or other safety system components
16 is minimal when compared to the huge environmental harm, personal injuries and property
17 damage caused by leaking wells—like the Aliso Canyon disaster.

18 128. Defendants maintain more than 200 gas wells in Los Angeles County. SoCalGas
19 has admitted that its wells are at risk of failure, threatening uncontrolled releases of natural gas
20 into the atmosphere and posing significant risks of fire, explosion and other serious threats to the
21 health and safety of Los Angeles County residents. There is an ongoing and impending risk at all
22 four of SoCalGas's storage facilities in Los Angeles County.

23 129. Defendants' refusal to take reasonable steps to mitigate the known safety risks
24 caused by their deteriorating gas storage wells and distribution systems within Los Angeles
25 County is against the public interest. Defendants' refusal places nearby communities at a
26 substantial and unreasonable risk of interference with their health and safety.

27 130. Defendants by their conduct and omissions have created and are maintaining a
28 public nuisance pursuant to California Civil Code sections 3479 and 3480 and the Los Angeles

1 County Code that is injurious to the State and its citizens, the County, the environment and the
2 economy.

3 131. Defendants, and each of them, are liable under Civil Code sections 3479, *et seq.*,
4 Code of Civil Procedure section 731, and Los Angeles County Code section 1.23.050 for creating
5 and maintaining a public nuisance.

6 132. Defendants must abate the public nuisance caused by the uncontrolled release of
7 natural gas from the Aliso Canyon facility, the disbursement of oily residue throughout the
8 Porter Ranch community and the existence of metallic contaminants in household dust inside
9 Porter Ranch homes attributable to the gas leak and attempts to stop the leaking well. Defendants
10 must also abate the ongoing nuisance posed by the released air contaminants, including methane,
11 mercaptan and benzene, and the persistence of the released greenhouse gases in the atmosphere.

12 133. Further, Defendants must abate the public nuisance caused by their failure to install
13 sub-surface safety valves and/or other components of a modern "state of the art" safety system on
14 all their active wells in Los Angeles County. Defendants must abate the nuisance posed by the
15 absence of shut-off valves and/or other safety system components at all appropriate places in the
16 distribution system, including the underground distribution pipelines. The County and its
17 residents should not have to wait for another disaster to occur. SoCalGas must remedy the
18 dangers posed by its unsafe gas storage and distribution system now.

19 SECOND CAUSE OF ACTION

20 (Unfair Competition – Business & Professions Code § 17200, *et seq.*:

21 Brought by the People of the State of California against SoCalGas)

22 134. The allegations above are realleged and incorporated by reference herein as though
23 set forth in full.

24 135. The County Counsel for the County, acting to protect members of the general
25 public, brings this cause of action pursuant to Business and Professions Code sections 17204 and
26 17206, as authorized and agreed by the District Attorney for the County.

27 136. The acts and omissions of SoCalGas, as described herein, constitute a public
28 nuisance, breach the Franchise Agreement and violate Los Angeles County Ordinance No. 6765,

1 and violate one or more provisions of Titles 7 through 32 of the Los Angeles County Code,
2 including without limitation violations for unauthorized release of hazardous materials and
3 SoCalGas's clean-up responsibilities, as set forth in Los Angeles County Code section 12.56.010,
4 *et seq.* and violations of Los Angeles County Code sections 12.20.010, 12.20.020, and 12.20.040.

5 137. Defendants' conduct and omissions as alleged herein constitute unlawful business
6 practices and acts of unfair competition. Defendants sought to save the costs of installing sub-
7 surface safety valves and/or other components of a modern "state of the art" safety system on all
8 active wells in Los Angeles County.

9 138. Unless Defendants are permanently enjoined by an order of this Court from
10 engaging in the unlawful and unfair business practices and acts of unfair competition alleged
11 herein and ordered to pay appropriate civil penalties as authorized by Business and Professions
12 Code section 17206, such unlawful and unfair business practices and acts of unfair competition
13 will continue in violation of Business and Professions Code section 17200, *et seq.*; and the
14 residents and citizens of Los Angeles County will continue to suffer irreparable injury and harm.

15 139. The People are without an adequate remedy at law, and an injunction pursuant to
16 Business and Professions Code section 17203 is required to prevent a multiplicity of actions.

17 **THIRD CAUSE OF ACTION**

18 **(Breach of Franchise Agreement: Brought by the County against SoCalGas)**

19 140. The allegations above are realleged and incorporated by reference herein as though
20 set forth in full.

21 141. SoCalGas and the County entered into a gas pipeline franchise agreement in
22 connection with Los Angeles County Ordinance No. 6765 enacted in 1955 (the "Franchise
23 Agreement"). At various times, the Franchise Agreement has been amended and extended by the
24 parties.

25 142. The current term of the Franchise Agreement ends on December 31, 2017.

26 143. Pursuant to the Franchise Agreement, the County granted SoCalGas the right to
27 construct and operate a natural gas distribution pipeline system on unincorporated land in Los
28

1 Angeles County. In exchange, SoCalGas is obligated to pay the County an annual franchise fee
2 that is subject to a formula set forth in the Franchise Agreement.

3 144. Under paragraph 42 of the Franchise Agreement, SoCalGas is required to, among
4 other things, install safety shut-off valves necessary to protect life and property in the event of a
5 leak. SoCalGas has an ongoing obligation to maintain its entire distribution system, including its
6 storage wells and distribution pipelines, in compliance with the terms and conditions of the
7 Franchise Agreement.

8 145. SoCalGas specifically agreed to maintain and operate its distribution pipelines
9 subject to the Franchise Agreement in accordance with law. SoCalGas cannot fail to take safety
10 measures that would minimize or avoid known hazards—such as leaks and risks of fire or
11 explosion from its aged and corroding pipelines.

12 146. SoCalGas is breaching the Franchise Agreement by failing to install safety shut-off
13 valves and/or other components of a modern “state of the art” safety system at all appropriate
14 places in the distribution system, including the gas storage wells and elsewhere in the County.

15 147. The County performed all of the significant things that the Franchise Agreement
16 required it to do, or was excused from doing those things.

17 148. The County has no adequate remedy at law to enforce the provisions of the
18 Franchise Agreement. Monetary damages will not alleviate the serious health and safety risks
19 associated with SoCalGas’s breaches of the Franchise Agreement. The County is therefore
20 entitled to specific performance of the terms, conditions and provisions of the Franchise
21 Agreement, including those relating to the installment of safety shut-off valves and/or other
22 components of a modern “state of the art” safety system at all appropriate places in the distribution
23 system and gas storage wells.

24 149. The County is also entitled to compensation incidental to an order requiring
25 specific performance by virtue of SoCalGas’s delay in installing the required safety shut-off
26 valves and/or other components of a modern “state of the art” safety system at all appropriate
27 places in the distribution system and gas storage wells in that the County was forced to incur costs
28

1 as a result of the Aliso Canyon gas leak as described herein and otherwise during the period of the
2 delay according to proof at trial.

3 **FOURTH CAUSE OF ACTION**

4 **(Breach of Lease Agreement: Brought by the County against SoCalGas)**

5 150. The allegations above are realleged and incorporated by reference herein as though
6 set forth in full.

7 151. The County owns the real property where the Honor Rancho facility is located.
8 SoCalGas operates its natural gas storage facility at Honor Rancho pursuant to a written lease
9 agreement with the County dated September 8, 1975. The Honor Rancho Lease expires on
10 December 16, 2032 unless terminated sooner.

11 152. Pursuant to the Honor Rancho Lease, the County granted SoCalGas the right to
12 conduct its natural gas storage operations on surface and subsurface portions of the real property
13 where the Peter J. Pitchess Detention Center is also located. The Leasehold consists of surface
14 rights and subsurface rights to a 311-acre oil field known as the Wayside Equivalent Zone. In
15 exchange, SoCalGas is obligated to pay the County certain amounts set forth in the Honor Rancho
16 Lease.

17 153. Under sections 6 and 7 of the Honor Rancho Lease, SoCalGas has a continuing
18 obligation to maintain the property in a safe condition. SoCalGas is also required to maintain any
19 surface and subsurface improvements, such as its wells and related equipment, in good order,
20 condition and repair.

21 154. SoCalGas cannot fail to take safety measures that would minimize or avoid known
22 hazards—such as leaks and risks of fire or explosion from aged and corroding wells and pipelines.

23 155. SoCalGas breached and continues to breach the Honor Rancho Lease by failing to
24 install safety shut-off valves and/or other components of a modern “state of the art” safety system
25 on all active gas storage wells at the facility.

26 156. The County performed all, or substantially all, of the significant things that the
27 Honor Rancho Lease required it to do, or was excused from doing those things.
28

1 157. The County has no adequate remedy at law to enforce the provisions of the Honor
2 Rancho Lease. Monetary damages will not alleviate the serious health and safety risks associated
3 with SoCalGas's breaches of the Honor Rancho Lease. The County is therefore entitled to
4 specific performance of the terms, conditions and provisions of the Honor Rancho Lease,
5 including those relating to the installment of safety shut-off valves and/or other components of a
6 modern "state of the art" safety system on all active gas storage wells at the facility.

7 158. The County is also entitled to compensation incidental to an order requiring
8 specific performance by virtue of SoCalGas's delay in installing the required safety shut-off
9 valves and/or other components of a modern "state of the art" safety system on all active gas
10 storage wells at the facility in that the County was forced to incur costs during the period of the
11 delay according to proof at trial.

12 159. As a successful party, the County will seek to recover its reasonable attorneys' fees
13 and disbursements pursuant to section 28 of the Honor Rancho Lease.

14 **FIFTH CAUSE OF ACTION**

15 **(Damages Under L.A. County Code sections 1.23.010, *et seq.*, and 12.56.010, *et seq.*:**

16 **Brought by the County against SoCalGas)**

17 160. The allegations above are realleged and incorporated by reference herein as though
18 set forth in full.

19 161. As alleged herein, SoCalGas caused a public nuisance relating to the Aliso Canyon
20 disaster by engaging in conduct that is injurious to health and safety, that interferes with the
21 comfortable enjoyment of life and property of a considerable number of persons, that violates
22 Los Angeles County Ordinance No. 6765, and that constitutes a violation of one or more
23 provisions of Titles 7 through 32 of the Los Angeles County Code.

24 162. In response to the public nuisance caused by SoCalGas at the Aliso Canyon
25 facility, the County has incurred substantial financial harm in seeking to abate such nuisance,
26 including, but not limited to, costs and expenses associated with: (1) deploying emergency
27 response, law enforcement, and health and safety personnel in immediate response to the gas leak
28 in October 2015; (2) ongoing health and safety investigation, testing, analysis and community

1 education efforts of the DPH and its personnel and consultants; (3) legal expenses; and (4) other
2 enforcement costs. The County's abatement costs in response to the Aliso Canyon disaster, which
3 are ongoing and continuing, exceed \$1 million.

4 163. SoCalGas owns and controls the property at which the Aliso Canyon disaster
5 occurred and, therefore, is liable for all abatement costs pursuant to Los Angeles County Code
6 sections 1.23.010, *et seq.*, and 12.56.010, *et seq.*

7 164. SoCalGas failed to repair or replace the sub-surface safety shut-off valve on SS 25
8 in willful and conscious disregard of the substantial health and safety risks that would result from
9 an uncontrolled failure of the well. SoCalGas knew its decades-old storage wells are deteriorating
10 and had been leaking frequently, which creates significant risks of releases of hazardous materials
11 into the environment and neighboring community. SoCalGas failed to implement safety measures
12 that could have avoided the Aliso Canyon disaster, which forced the County to suffer significant
13 financial harm in order to respond to the nuisance created by SoCalGas. SoCalGas's conduct
14 deliberately jeopardized the health and safety of residents of Los Angeles County. As described
15 herein, SoCalGas acted with malice and oppression, in conscious disregard of the County's rights.
16 Accordingly, the County is entitled to an award of punitive or exemplary damages in an amount
17 sufficient to punish SoCalGas and make an example of it.

18 165. The County also seeks to recover its attorneys' fees incurred herein from SoCalGas
19 pursuant to Los Angeles County Code section 1.23.080.

20 **PRAYER FOR RELIEF**

21 **A. People**

22 WHEREFORE, the People request judgment against Defendants, and each of them, as
23 follows:

24 1. For an order declaring each of the acts and omissions of Defendants, and each of
25 them, alleged in this Complaint, public nuisances;

26 2. For an order requiring Defendants to immediately and permanently abate the
27 nuisances in accordance with Civil Code sections 3479 and 3480, Code of Civil Procedure
28 section 731, and Los Angeles County Code section 1.23.010 *et seq.*;

1 3. For entry of judgment for abatement, at the expense of Defendants, of the ongoing
2 and future nuisances due to the release and threatened release of air contaminants, including
3 without limitation, methane, BTEX and mercaptans, the disbursement of oily residue throughout
4 the Porter Ranch community and the existence of metallic contaminants in household dust inside
5 Porter Ranch homes attributable to the gas leak and attempts to stop the leaking well;

6 4. For entry of judgment for abatement, at the expense of Defendants, requiring the
7 installation of sub-surface safety shut-off valves and/or other components of a modern "state of the
8 art" safety system on all active wells and distribution pipelines in Los Angeles County;

9 5. For a preliminary injunction and a permanent injunction enjoining Defendants, and
10 each of them, and their respective agents, employees, servants, representatives, successors, and
11 assigns, and all persons acting under them, in concert with them, or for their individual or
12 collective benefit, from maintaining a public nuisance on any property located in Los Angeles
13 County;

14 6. For civil penalties in an amount to be determined by the Court as authorized by
15 Business and Professions Code section 17206;

16 7. For costs of this suit; and

17 8. For such other relief as the Court deems just and proper.

18 **B. County**

19 WHEREFORE, the County requests judgment against Defendants, and each of them, as
20 follows:

21 1. For damages according to proof;

22 2. For specific performance of SoCalGas's obligation to install sub-surface safety
23 shut-off valves and/or other components of a modern "state of the art" safety system on all active
24 wells and distribution pipelines in Los Angeles County under the terms of the Franchise
25 Agreement;

26 3. For specific performance of SoCalGas's obligation to install sub-surface safety
27 shut-off valves and/or other components of a modern "state of the art" safety system on all active
28 wells at the Honor Rancho facility under the terms of the Honor Rancho Lease;

4. For damages incidental to the order of specific performance for SoCalGas's delay in installing sub-surface safety shut-off valves and/or other components of a modern "state of the art" safety system on all active wells and distribution pipelines in Los Angeles County under the terms of the Franchise Agreement;

5. For damages incidental to the order of specific performance for SoCalGas's delay in installing sub-surface safety shut-off valves and/or other components of a modern "state of the art" safety system on all active wells at the Honor Rancho facility under the terms of the Honor Rancho Lease;

6. For an order requiring Defendants to pay the County's public nuisance abatement and emergency response costs pursuant to Los Angeles County Code sections 1.23.010, *et seq.*, and 12.56.010, *et seq.*;

7. For punitive and/or exemplary damages in an amount sufficient to punish, deter, and make an example of SoCalGas.

8. For prejudgment interest according to proof;

9. For costs of this suit; and

10. For attorneys' fees as authorized under the Honor Rancho Lease as to the Fourth Cause of Action; and for attorneys' fees as authorized by Los Angeles County Code section 1.23.080 and other provisions of law as to the Fifth Cause of Action; and

11. For such other relief as the Court deems just and proper.

DATED: July 25, 2016

MILLER BARONDESS, LLP

By: 

LOUIS R. MILLER

Attorneys for Plaintiffs

THE COUNTY OF LOS ANGELES AND ITS
COUNTY COUNSEL (ON BEHALF OF THE
PEOPLE OF THE STATE OF CALIFORNIA)

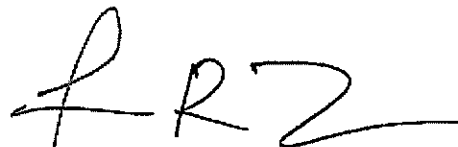
JURY TRIAL DEMAND

To the extent permitted by law, Plaintiffs hereby demand a trial by jury.

DATED: July 25, 2016

MILLER BARONDESS, LLP

By:



LOUIS R. MILLER

Attorneys for Plaintiffs

THE COUNTY OF LOS ANGELES AND ITS
COUNTY COUNSEL (ON BEHALF OF THE
PEOPLE OF THE STATE OF CALIFORNIA)