

1 DELFINO MADDEN O’MALLEY COYLE
2 & KOEWLER LLP
3 MONICA HANS FOLSOM (SBN 227379)
4 KRISTIN N. IVANCO (SBN 294993)
5 500 Capitol Mall, Suite 1550
6 Sacramento, CA 95814
7 Telephone: (916) 661-5700
8 Facsimile: (916) 661-5701
9 mfolsom@delfinomadden.com
10 kivanco@delfinomadden.com

11 *Attorneys for the WCI, Inc. Defendants¹*

12 UNITED STATES DISTRICT COURT
13 EASTERN DISTRICT OF CALIFORNIA

14 THE UNITED STATES OF AMERICA,
15 Plaintiff,

16 v.

17 THE STATE OF CALIFORNIA; GAVIN
18 C. NEWSOM, in his official capacity as
19 Governor of the State of California; THE
20 CALIFORNIA AIR RESOURCES
21 BOARD; MARY D. NICHOLS, in her
22 official capacity as Chair of the California
23 Air Resources Board and as Vice Chair and
24 a board member of the Western Climate
25 Initiative, Inc.; WESTERN CLIMATE
26 INITIATIVE, INC.; JARED
27 BLUMENFELD, in his official capacity as
28 Secretary for Environmental Protection and
as a board member of the Western Climate
Initiative, Inc.; KIP LIPPER, in his official
capacity as a board member of the Western
Climate Initiative, Inc.; and RICHARD
BLOOM, in his official capacity as a board
member of the Western Climate Initiative,
Inc.,

Defendants.

CASE NO. 2:19-cv-02142-WBS-EFB

**WCI, INC. DEFENDANTS’ ANSWER TO
PLAINTIFF’S AMENDED COMPLAINT**

Complaint Filed: October 23, 2019
Trial Date: Not Yet Scheduled

¹ The WCI, Inc. Defendants are Western Climate Initiative, Inc. (“WCI, Inc.”); Mary D. Nichols, in her official capacity as Vice Chair and a board member of WCI, Inc.; and Jared Blumenfeld, in his official capacity as a board member of WCI, Inc.

1 Defendants WESTERN CLIMATE INITIATIVE, INC. (“WCI, Inc.”), MARY D.
2 NICHOLS, in her official capacity as Vice Chair and a board member of WCI, Inc., and JARED
3 BLUMENFELD, in his official capacity as a board member of WCI, Inc. (collectively, the “WCI,
4 Inc. Defendants”) hereby answer, object, and otherwise respond to Plaintiff THE UNITED
5 STATES OF AMERICA’s (“Plaintiff”) Amended Complaint [ECF No. 7] (“FAC”) on file herein
6 as follows:

7 1. Answering Paragraph 1 of the FAC, this Paragraph contains conclusions of law to
8 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
9 such allegation contained within Paragraph 1.

10 2. Answering Paragraph 2 of the FAC, this Paragraph contains conclusions of law to
11 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
12 such allegation contained within Paragraph 2.

13 3. Answering Paragraph 3 of the FAC, the allegations contained in Paragraph 3 purport
14 to describe a document and state legal conclusions, and therefore no response is required. To the
15 extent a response is required, the WCI, Inc. Defendants answer that the document speaks for itself
16 and deny any allegation that goes beyond the document.

17 4. Answering Paragraph 4 of the FAC, this Paragraph contains conclusions of law to
18 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
19 such allegation contained within Paragraph 4. To the extent a response is warranted, the WCI, Inc.
20 Defendants deny each and every allegation contained in Paragraph 4 of the FAC.

21 5. Answering Paragraph 5 of the FAC, this Paragraph contains conclusions of law to
22 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
23 such allegation contained within Paragraph 5. To the extent a response is warranted, the WCI, Inc.
24 Defendants deny each and every allegation contained in Paragraph 5 of the FAC.

25 6. Answering Paragraph 6 of the FAC, the WCI, Inc. Defendants admit that Plaintiff’s
26 claims arise under the United States Constitution, and Plaintiff is the United States of America. To
27 the extent that Plaintiff alleges anything further in this Paragraph, the remaining allegations in
28 Paragraph 6 of the FAC are legal conclusions to which no response is required. To the extent a

1 response is warranted, the WCI, Inc. Defendants deny each and every remaining allegation
2 contained in Paragraph 6 of the FAC.

3 7. Answering Paragraph 7 of the FAC, the WCI, Inc. Defendants admit that Nichols,
4 Blumenfeld, and WCI, Inc. maintain offices in this District. To the extent that Plaintiff alleges
5 anything further in this Paragraph, those allegations appear to be legal conclusions to which no
6 response is required. To the extent that Plaintiff alleges any further factual allegations in this
7 Paragraph, the Answering Defendant is unable to discern what Plaintiff means to allege, and on
8 that basis deny all remaining allegations in Paragraph 7.

9 8. Answering Paragraph 8 of the FAC, this Paragraph contains conclusions of law to
10 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
11 such allegation contained within Paragraph 8. To the extent a response is warranted, the WCI, Inc.
12 Defendants deny each and every allegation contained in Paragraph 8 of the FAC.

13 9. Answering Paragraph 9 of the FAC, this Paragraph contains conclusions of law to
14 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
15 such allegation contained within Paragraph 9. To the extent a response is warranted, the WCI, Inc.
16 Defendants deny each and every allegation contained in Paragraph 9 of the FAC.

17 10. Answering Paragraph 10 of the FAC, the WCI, Inc. Defendants admit the allegation
18 contained therein.

19 11. Answering Paragraph 11 of the FAC, the WCI, Inc. Defendants admit Gavin C.
20 Newsom is the Governor of the State of California. The remaining allegations in this Paragraph are
21 conclusions of law to which no response is required, and, on that basis, the WCI, Inc. Defendants
22 deny each and every such allegation.

23 12. Answering Paragraph 12 of the FAC, the allegations in the second sentence of
24 Paragraph 12 of the FAC are legal conclusions to which no response is required. To the extent a
25 response is warranted, the WCI, Inc. Defendants deny each and every allegation contained in the
26 second sentence of Paragraph 12 of the FAC. The WCI, Inc. Defendants admit the remaining
27 allegations contained in Paragraph 12.

28 13. Answering Paragraph 13 of the FAC, the WCI, Inc. Defendants admit that Mary D.

1 Nichols is chair of CARB and Vice Chair and a voting board member of Western Climate Initiative,
2 Inc. The remaining allegations in this Paragraph are conclusions of law to which no response is
3 required, and, on that basis, the WCI, Inc. Defendants deny each and every such allegation.

4 14. Answering Paragraph 14 of the FAC, the WCI, Inc. Defendants admit that
5 Defendant Western Climate Initiative, Inc. is a non-profit corporation formed pursuant to the
6 General Corporation Law of the State of Delaware and headquartered in Sacramento, California.
7 Beyond these statements, the allegations contained in Paragraph 14 purport to quote documents and
8 state legal conclusions, and therefore no response is required. To the extent a response is required,
9 the WCI, Inc. Defendants answer that these documents speak for themselves and deny any
10 allegation that goes beyond those documents.

11 15. Answering Paragraph 15 of the FAC, the first sentence in Paragraph 15 states legal
12 conclusions to which no response is required. To the extent a response is required, the WCI, Inc.
13 Defendants deny those allegations. The second and third sentences in Paragraph 15 purport to quote
14 a document and state legal conclusions, and therefore no response is required. To the extent a
15 response is required, the WCI, Inc. Defendants answer that the document speaks for itself and deny
16 any allegation that goes beyond that document.

17 16. Answering Paragraph 16 of the FAC, the WCI, Inc. Defendants admit that Jared
18 Blumenfeld is the California Secretary for Environmental Protection and a voting board member
19 of Western Climate Initiative, Inc. The remaining allegations in this Paragraph are conclusions of
20 law to which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and
21 every such allegation.

22 17. Answering Paragraph 17 of the FAC, prior to the filing of this Answer, the Court
23 dismissed Defendant Lipper. As a result, no answer to the allegations contained in Paragraph 17 is
24 required. To the extent that any answer is required, the allegation in Paragraph 17 that Defendant
25 Lipper is “sued in his official capacity” constitutes a legal conclusion to which a response is not
26 required and also reflects a theory of liability for which Answering Defendant also lacks sufficient
27 information and belief, and on those grounds, the Answering Defendant deny said allegation.

28 18. Answering Paragraph 18 of the FAC, prior to the filing of this Answer, the Court

1 dismissed Defendant Bloom. As a result, no answer to the allegations contained in Paragraph 18 is
2 required. To the extent that any answer is required, the allegation in Paragraph 18 that Defendant
3 Bloom is “sued in his official capacity” constitutes a legal conclusion to which a response is not
4 required and also reflects a theory of liability for which Answering Defendant also lacks sufficient
5 information and belief, and on those grounds, the Answering Defendant deny said allegation.

6 19. Answering Paragraph 19 of the FAC, Paragraph 19 sets forth Plaintiff’s
7 characterization and grouping of defendants in its FAC and no response is required. To the extent
8 a response is required, the WCI, Inc. Defendants deny any allegation that goes beyond Plaintiff’s
9 attempt to characterize or group collectively all defendants.

10 20. Answering Paragraph 20 of the FAC, the allegations contained in Paragraph 20
11 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
12 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
13 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
14 that goes beyond the text of the Constitution.

15 21. Answering Paragraph 21 of the FAC, the allegations contained in Paragraph 21
16 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
17 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
18 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
19 that goes beyond the text of the Constitution.

20 22. Answering Paragraph 22 of the FAC, the allegations contained in Paragraph 22 state
21 legal conclusions, and therefore no response is required. To the extent a response is required, the
22 WCI, Inc. Defendants answer that as to its text, the decision speaks for itself, and the WCI, Inc.
23 Defendants deny any allegation that goes beyond the text of the decision.

24 23. Answering Paragraph 23 of the FAC, the allegations contained in Paragraph 23
25 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
26 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
27 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
28 that goes beyond the text of the Constitution.

1 24. Answering Paragraph 24 of the FAC, the allegations contained in Paragraph 24
2 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
3 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
4 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
5 that goes beyond the text of the Constitution.

6 25. Answering Paragraph 25 of the FAC, the allegations contained in Paragraph 25 state
7 legal conclusions, and therefore no response is required. To the extent a response is required, the
8 WCI, Inc. Defendants answer that as to its text, the decision speaks for itself, and the WCI, Inc.
9 Defendants deny any allegation that goes beyond the text of the decision.

10 26. Answering Paragraph 26 of the FAC, the allegations contained in Paragraph 26
11 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
12 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
13 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
14 that goes beyond the text of the Constitution.

15 27. Answering Paragraph 27 of the FAC, the allegations contained in Paragraph 27
16 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
17 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
18 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
19 that goes beyond the text of the Constitution.

20 28. Answering Paragraph 28 of the FAC, the allegations contained in Paragraph 28
21 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
22 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
23 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
24 that goes beyond the text of the Constitution.

25 29. Answering Paragraph 29 of the FAC, the allegations contained in Paragraph 29
26 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
27 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
28 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation

1 that goes beyond the text of the Constitution.

2 30. Answering Paragraph 30 of the FAC, the allegations contained in Paragraph 30
3 purport to quote the text of the United States Constitution and state legal conclusions, and therefore
4 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
5 as to its text, the Constitution speaks for itself, and the WCI, Inc. Defendants deny any allegation
6 that goes beyond the text of the Constitution.

7 31. Answering Paragraph 31 of the FAC, the allegations contained in Paragraph 31 state
8 legal conclusions, and therefore no response is required. To the extent a response is required, the
9 WCI, Inc. Defendants answer that as to its text, the decision speaks for itself, and the WCI, Inc.
10 Defendants deny any allegation that goes beyond the text of the decision.

11 32. Answering Paragraph 32 of the FAC, the allegations contained in Paragraph 32 state
12 legal conclusions, and therefore no response is required. To the extent a response is required, the
13 WCI, Inc. Defendants answer that as to its text, the decision speaks for itself, and the WCI, Inc.
14 Defendants deny any allegation that goes beyond the text of the decision.

15 33. Answering Paragraph 33 of the FAC, the allegations contained in Paragraph 33 state
16 legal conclusions, and therefore no response is required. To the extent a response is required, the
17 WCI, Inc. Defendants answer that as to its text, the decision speaks for itself, and the WCI, Inc.
18 Defendants deny any allegation that goes beyond the text of the decision.

19 34. Answering Paragraph 34 of the FAC, the WCI, Inc. Defendants admit that the
20 President signed the UNFCCC, and the Senate unanimously ratified the UNFCCC. The remaining
21 allegations contained in Paragraph 34 purport to describe a document and state legal conclusions,
22 and therefore no response is required. To the extent a response is required, the WCI, Inc. Defendants
23 answer that the document speaks for itself and deny any allegation that goes beyond that document.

24 35. Answering Paragraph 35 of the FAC, this Paragraph contains conclusions of law to
25 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
26 such allegation contained within Paragraph 35. To the extent a response is warranted, the WCI, Inc.
27 Defendants deny each and every allegation contained in Paragraph 35 of the FAC.

28 36. Answering Paragraph 36 of the FAC, this Paragraph contains conclusions of law to

1 which no response is required, and, on that basis, the WCI, Inc. Defendants deny each and every
2 such allegation contained within Paragraph 36. To the extent a response is warranted, the WCI, Inc.
3 Defendants deny each and every allegation contained in Paragraph 36 of the FAC.

4 37. Answering Paragraph 37 of the FAC, the allegations contained in Paragraph 37
5 purport to describe a document and state legal conclusions, and therefore no response is required.
6 To the extent a response is required, the WCI, Inc. Defendants answer that as to its text, the
7 document speaks for itself, and the WCI, Inc. Defendants deny any allegation that goes beyond the
8 text of the document.

9 38. Answering Paragraph 38 of the FAC, the allegations contained in Paragraph 38
10 purport to describe a document and state legal conclusions, and therefore no response is required.
11 To the extent a response is required, the WCI, Inc. Defendants answer that as to its text, the
12 document speaks for itself, and the WCI, Inc. Defendants deny any allegation that goes beyond the
13 text of the document.

14 39. Answering Paragraph 39 of the FAC, the allegations contained in Paragraph 39
15 purport to describe a document and state legal conclusions, and therefore no response is required.
16 To the extent a response is required, the WCI, Inc. Defendants answer that as to its text, the
17 document speaks for itself, and the WCI, Inc. Defendants deny any allegation that goes beyond the
18 text of the document.

19 40. Answering Paragraph 40 of the FAC, The WCI, Inc. Defendants admit that the
20 President never submitted the Kyoto Protocol for ratification, and the Senate unanimously passed
21 S. Res. 98, 105th Cong. (1997). The remaining allegations contained in Paragraph 40 purport to
22 describe documents and state legal conclusions, and therefore no response is required. To the extent
23 a response is required, the WCI, Inc. Defendants answer that the documents speak for themselves
24 and deny any allegation that goes beyond those documents.

25 41. Answering Paragraph 41 of the FAC, the WCI, Inc. Defendants admit that the parties
26 to the UNFCCC agreed to the Paris Climate Agreement by consensus on December 12, 2015. As
27 to footnote 1, the footnote explains the short form naming convention applied by Plaintiff in its
28 FAC, and no response is required.

1 42. Answering Paragraph 42 of the FAC, the allegations contained in Paragraph 42
2 purport to describe a document and state legal conclusions, and therefore no response is required.
3 To the extent a response is required, the WCI, Inc. Defendants answer that as to its text, the
4 document speaks for itself, and the WCI, Inc. Defendants deny any allegation that goes beyond the
5 text of the document.

6 43. Answering Paragraph 43 of the FAC, the allegations contained in Paragraph 43
7 purport to describe a document and state legal conclusions, and therefore no response is required.
8 To the extent a response is required, the WCI, Inc. Defendants answer that as to its text, the
9 document speaks for itself, and the WCI, Inc. Defendants deny any allegation that goes beyond the
10 text of the document.

11 44. Answering Paragraph 44 of the FAC, the WCI, Inc. Defendants admit that the
12 President signed the Paris Climate Agreement in September 2016. To the extent that Plaintiff
13 alleges anything further in this Paragraph, the WCI, Inc. Defendants are unable to discern what
14 Plaintiff means to allege, and on that basis deny all remaining allegations in this Paragraph.

15 45. Answering Paragraph 45 of the FAC, the WCI, Inc. Defendants admit that the
16 President signed Executive Order 13,783 on March 28, 2017. The remaining allegations contained
17 in Paragraph 45 purport to describe a document and state legal conclusions, and therefore no
18 response is required. To the extent a response is required, the WCI, Inc. Defendants answer that the
19 document speaks for itself and deny any allegation that goes beyond that document.

20 46. Answering Paragraph 46 of the FAC, the allegations contained in Paragraph 46
21 purport to quote a document and state legal conclusions, and therefore no response is required. To
22 the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
23 itself and deny any allegation that goes beyond that document.

24 47. Answering Paragraph 47 of the FAC, the WCI, Inc. Defendants admit the President
25 gave a statement concerning withdrawal from the Paris Climate Agreement on June 1, 2017. The
26 allegations contained in Paragraph 47 purport to describe that statement and state legal conclusions,
27 and therefore no response is required. To the extent a response is required, the WCI, Inc. Defendants
28 answer that the text of the statement speaks for itself and deny any allegation that goes beyond that

1 text.

2 48. Answering Paragraph 48 of the FAC, the allegations contained in Paragraph 48
3 purport to describe a statement by the President and state legal conclusions, and therefore no
4 response is required. To the extent a response is required, the WCI, Inc. Defendants answer that the
5 text of the statement speaks for itself and deny any allegation that goes beyond that text.

6 49. Answering Paragraph 49 of the FAC, the WCI, Inc. Defendants admit the first
7 sentence of Paragraph 49. The WCI, Inc. Defendants lack sufficient information and belief
8 concerning events that have not yet occurred and are not certain, and on that basis deny the second
9 sentence of Paragraph 49.

10 50. Answering Paragraph 50 of the FAC, the allegations contained in Paragraph 50
11 purport to describe a written statement by the Secretary of State and state legal conclusions, and
12 therefore no response is required. To the extent a response is required, the WCI, Inc. Defendants
13 answer that the text of the statement speaks for itself and deny any allegation that goes beyond that
14 text.

15 51. Answering Paragraph 51 of the FAC, the allegations contained in Paragraph 51,
16 except the last sentence, purport to quote from and describe documents, and therefore no response
17 is required. To the extent a response is required, the WCI, Inc. Defendants answer that these
18 documents speak for themselves and deny any allegation that goes beyond those documents. The
19 last sentence in Paragraph 51 of the FAC states a legal conclusion to which no response is required.
20 To the extent a response is warranted, the WCI, Inc. Defendants deny each and every allegation
21 contained in the last sentence of Paragraph 51 of the FAC.

22 52. Answering Paragraph 52 of the FAC, the allegations contained in Paragraph 52
23 purport to describe a public statement and state legal conclusions, and therefore no response is
24 required. To the extent a response is required, the WCI, Inc. Defendants answer that the text of the
25 statement speaks for itself and deny any allegation that goes beyond that text.

26 53. Answering Paragraph 53 of the FAC, to the extent the allegations contained in
27 Paragraph 53 purport to describe a public statement and state legal conclusions, no response is
28 required. To the extent a response is warranted, the WCI, Inc. Defendants are without sufficient

1 knowledge or information to form a belief as to the truth of the allegations contained in Paragraph
2 53, and on that basis deny each and every allegation contained therein. Defendant deny all other
3 allegations in Paragraph 53, to the extent such allegations remain.

4 54. Answering Paragraph 54 of the FAC, the WCI, Inc. Defendants admit that on June
5 6, 2017, the Governor of California met with the President of the People’s Republic of China and
6 engaged in discussions that included environmental issues. To the extent that Plaintiff alleges
7 anything further in this Paragraph, the WCI, Inc. Defendants are unable to discern what Plaintiff
8 means to allege, and on that basis deny all remaining allegations in Paragraph 54.

9 55. Answering Paragraph 55 of the FAC, the allegations contained in Paragraph 55
10 purport to describe a document and state legal conclusions, and therefore no response is required.
11 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
12 itself and deny any allegation that goes beyond that document. As to footnote 2, the footnote
13 identifies a website and alleges that an attached document “amalgamates text from” the website.
14 The WCI, Inc. Defendants admit that the website exists, but lack sufficient information and belief
15 concerning what Plaintiff means by “amalgamates” and on that basis deny all remaining allegations
16 in footnote 2.

17 56. Answering Paragraph 56 of the FAC, the allegations contained in Paragraph 56
18 purport to describe a document and website and state legal conclusions, and therefore no response
19 is required. To the extent a response is required, the WCI, Inc. Defendants answer that the document
20 and website speak for themselves and deny any allegation that goes beyond that document and that
21 website.

22 57. Answering Paragraph 57 of the FAC, the allegations contained in Paragraph 57
23 purport to describe documents and state legal conclusions, and therefore no response is required.
24 To the extent a response is required, the WCI, Inc. Defendants answer that the text of the documents
25 speak for themselves and deny any allegation that goes beyond that text.

26 58. Answering Paragraph 58 of the FAC, the allegations contained in Paragraph 58
27 purport to quote a statute and state legal conclusions, and therefore no response is required. To the
28 extent a response is required, the WCI, Inc. Defendants answer that the text of this statute speaks

1 for itself and deny any allegation that goes beyond that text.

2 59. Answering Paragraph 59 of the FAC, the allegations contained in Paragraph 59 are
3 legal conclusions, and therefore no response is required. To the extent a response is required, the
4 WCI, Inc. Defendants deny each and every allegation contained therein.

5 60. Answering Paragraph 60 of the FAC, the allegations contained in Paragraph 60 are
6 legal conclusions, and therefore no response is required. To the extent a response is required, the
7 WCI, Inc. Defendants deny each and every allegation contained therein.

8 61. Answering Paragraph 61 of the FAC, the allegations contained in Paragraph 61
9 purport to describe regulations and state legal conclusions, and therefore no response is required.
10 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
11 for themselves and deny any allegation that goes beyond the regulations.

12 62. Answering Paragraph 62 of the FAC, the allegations contained in Paragraph 62
13 purport to describe regulations and state legal conclusions, and therefore no response is required.
14 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
15 for themselves and deny any allegation that goes beyond the regulations. To the extent Plaintiff
16 alleges anything further in this Paragraph, the WCI, Inc. Defendants are without sufficient
17 knowledge or information to form a belief as to the truth of the allegations contained in Paragraph
18 62, and on that basis deny each and every allegation contained therein.

19 63. Answering Paragraph 63 of the FAC, the allegations contained in Paragraph 63
20 purport to describe regulations and state legal conclusions, and therefore no response is required.
21 As to the first sentence, to the extent a response is required, the WCI, Inc. Defendants answer that
22 the regulations speak for themselves and deny any allegation that goes beyond the regulations. As
23 to the second sentence, the statement is vague, ambiguous, and may be a legal conclusion to which
24 no response is required. To the extent that a response to the second sentence is required, the WCI,
25 Inc. Defendants deny all allegations in the second sentence.

26 64. Answering Paragraph 64 of the FAC, the allegations contained in Paragraph 64
27 purport to describe regulations and state legal conclusions, and therefore no response is required.
28 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak

1 for themselves and deny any allegation that goes beyond the regulations.

2 65. Answering Paragraph 65 of the FAC, the allegations contained in Paragraph 65
3 purport to describe regulations and state legal conclusions, and therefore no response is required.
4 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
5 for themselves and deny any allegation that goes beyond the regulations.

6 66. Answering Paragraph 66 of the FAC, the allegations contained in Paragraph 66
7 purport to describe regulations and state legal conclusions, and therefore no response is required.
8 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
9 for themselves and deny any allegation that goes beyond the regulations.

10 67. Answering Paragraph 67 of the FAC, the allegations contained in Paragraph 67
11 purport to describe regulations and state legal conclusions, and therefore no response is required.
12 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
13 for themselves and deny any allegation that goes beyond the regulations.

14 68. Answering Paragraph 68 of the FAC, the allegations in Paragraph 68 of the FAC are
15 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
16 Inc. Defendants deny each and every allegation contained in Paragraph 68 of the FAC.

17 69. Answering Paragraph 69 of the FAC, the allegations in Paragraph 69 of the FAC are
18 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
19 Inc. Defendants deny each and every allegation contained in Paragraph 69 of the FAC.

20 70. Answering Paragraph 70 of the FAC, the allegations contained in Paragraph 70
21 purport to describe a document and state legal conclusions, and therefore no response is required.
22 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
23 itself and deny any allegation that goes beyond the document.

24 71. Answering Paragraph 71 of the FAC, the allegations contained in Paragraph 71
25 purport to describe a document and state legal conclusions, and therefore no response is required.
26 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
27 itself and deny any allegation that goes beyond the document.

28 72. Answering Paragraph 72 of the FAC, the allegations contained in Paragraph 72

1 purport to describe a document and state legal conclusions, and therefore no response is required.
2 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
3 itself and deny any allegation that goes beyond the document.

4 73. Answering Paragraph 73 of the FAC, the allegations contained in Paragraph 73
5 purport to describe regulations and state legal conclusions, and therefore no response is required.
6 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
7 for themselves and deny any allegation that goes beyond the regulations.

8 74. Answering Paragraph 74 of the FAC, the allegations contained in Paragraph 74
9 purport to describe regulations and state legal conclusions, and therefore no response is required.
10 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
11 for themselves and deny any allegation that goes beyond the regulations.

12 75. Answering Paragraph 75 of the FAC, the allegations contained in Paragraph 75
13 purport to describe regulations and state legal conclusions, and therefore no response is required.
14 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
15 for themselves and deny any allegation that goes beyond the regulations.

16 76. Answering Paragraph 76 of the FAC, the allegations contained in Paragraph 76
17 purport to describe regulations and state legal conclusions, and therefore no response is required.
18 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
19 for themselves and deny any allegation that goes beyond the regulations.

20 77. Answering Paragraph 77 of the FAC, the allegations contained in Paragraph 77
21 purport to describe regulations and state legal conclusions, and therefore no response is required.
22 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
23 for themselves and deny any allegation that goes beyond the regulations.

24 78. Answering Paragraph 78 of the FAC, the allegations contained in Paragraph 78
25 purport to describe regulations and state legal conclusions, and therefore no response is required.
26 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
27 for themselves and deny any allegation that goes beyond the regulations.

28 79. Answering Paragraph 79 of the FAC, the allegations contained in Paragraph 79

1 purport to describe a document and state legal conclusions, and therefore no response is required.
2 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
3 itself and deny any allegation that goes beyond the document.

4 80. Answering Paragraph 80 of the FAC, the allegations contained in Paragraph 80
5 purport to describe a document and state legal conclusions, and therefore no response is required.
6 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
7 itself and deny any allegation that goes beyond the document.

8 81. Answering Paragraph 81 of the FAC, the allegations contained in Paragraph 81
9 purport to describe a document and state legal conclusions, and therefore no response is required.
10 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
11 itself and deny any allegation that goes beyond the document.

12 82. Answering Paragraph 82 of the FAC, the allegations contained in Paragraph 82
13 purport to describe a document and state legal conclusions, and therefore no response is required.
14 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
15 itself and deny any allegation that goes beyond the document.

16 83. Answering Paragraph 83 of the FAC, the allegations in Paragraph 83 of the FAC are
17 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
18 Inc. Defendants deny each and every allegation contained in Paragraph 83 of the FAC.

19 84. Answering Paragraph 84 of the FAC, the allegations in Paragraph 84 of the FAC are
20 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
21 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
22 the allegations contained in Paragraph 84, and on that basis deny each and every allegation
23 contained therein.

24 85. Answering Paragraph 85 of the FAC, the allegations contained in Paragraph 85
25 purport to describe regulations and state legal conclusions, and therefore no response is required.
26 To the extent a response is required, the WCI, Inc. Defendants answer that the regulations speak
27 for themselves and deny any allegation that goes beyond the regulations.

28 86. Answering Paragraph 86 of the FAC, the allegations contained in Paragraph 86

1 purport to describe a document and state legal conclusions, and therefore no response is required.
2 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
3 itself and deny any allegation that goes beyond the document.

4 87. Answering Paragraph 87 of the FAC, the allegations in Paragraph 87 of the FAC are
5 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
6 Inc. Defendants deny each and every allegation contained in Paragraph 87 of the FAC.

7 88. Answering Paragraph 88 of the FAC, the allegations contained in Paragraph 88
8 purport to describe a document and state legal conclusions, and therefore no response is required.
9 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
10 itself and deny any allegation that goes beyond the document.

11 89. Answering Paragraph 89 of the FAC, the allegations in Paragraph 89 of the FAC are
12 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
13 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
14 the allegations contained in Paragraph 89, and on that basis deny each and every allegation
15 contained therein.

16 90. Answering Paragraph 90 of the FAC, the allegations in Paragraph 90 of the FAC are
17 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
18 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
19 the allegations contained in Paragraph 90, and on that basis deny each and every allegation
20 contained therein.

21 91. Answering Paragraph 91 of the FAC, the allegations contained in Paragraph 91
22 purport to describe a document, a statute, and a regulation, and state legal conclusions, and therefore
23 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
24 the document, statute, and regulation speak for themselves and deny any allegation that goes
25 beyond the document, statute, or regulation. To the extent a response is warranted as to any
26 remaining allegations, the WCI, Inc. Defendants are without sufficient knowledge or information
27 to form a belief as to the truth of such allegations, and on that basis deny each and every allegation.

28 92. Answering Paragraph 92 of the FAC, the WCI, Inc. Defendants admit that Quebec

1 is currently the only jurisdiction apart from California that can issue allowances and offsets that
2 CARB will accept. The remaining allegations in Paragraph 92 of the FAC are legal conclusions to
3 which no response is required. To the extent a response is warranted as to any remaining allegations,
4 the WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
5 truth of such allegations, and on that basis deny each and every allegation.

6 93. Answering Paragraph 93 of the FAC, the allegations in Paragraph 93 of the FAC are
7 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
8 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
9 the allegations contained in Paragraph 93, and on that basis deny each and every allegation
10 contained therein.

11 94. Answering Paragraph 94 of the FAC, the allegations in Paragraph 94 of the FAC are
12 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
13 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
14 the allegations contained in Paragraph 94, and on that basis deny each and every allegation
15 contained therein.

16 95. Answering Paragraph 95 of the FAC, the allegations in Paragraph 95 of the FAC are
17 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
18 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
19 the allegations contained in Paragraph 95, and on that basis deny each and every allegation
20 contained therein.

21 96. Answering Paragraph 96 of the FAC, the allegations in Paragraph 96 of the FAC are
22 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
23 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
24 the allegations contained in Paragraph 96, and on that basis deny each and every allegation
25 contained therein.

26 97. Answering Paragraph 97 of the FAC, the WCI, Inc. Defendants admit that CARB
27 and Quebec have jointly auctioned allowances and that as of August 20, 2019, twenty joint auctions
28 had taken place. The remaining allegations in Paragraph 97 of the FAC are legal conclusions to

1 which no response is required. To the extent a response is warranted, the WCI, Inc. Defendants
2 answer that the website speaks for itself and the WCI, Inc. Defendants are without sufficient
3 knowledge or information to form a belief as to the truth of the remaining allegations contained in
4 Paragraph 97, and on that basis deny each and every allegation contained therein.

5 98. Answering Paragraph 98 of the FAC, the allegations contained in Paragraph 98
6 purport to describe a document and state legal conclusions, and therefore no response is required.
7 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
8 itself and deny any allegation that goes beyond the document.

9 99. Answering Paragraph 99 of the FAC, the allegations in Paragraph 99 of the FAC are
10 legal conclusions to which no response is required. To the extent a response is warranted, the WCI,
11 Inc. Defendants are without sufficient knowledge or information to form a belief as to the truth of
12 the allegations contained in Paragraph 99, and on that basis deny each and every allegation
13 contained therein.

14 100. Answering Paragraph 100 of the FAC, the allegations in Paragraph 100 of the FAC
15 are legal conclusions to which no response is required. To the extent a response is warranted, the
16 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
17 truth of the allegations contained in Paragraph 100, and on that basis deny each and every allegation
18 contained therein.

19 101. Answering Paragraph 101 of the FAC, the allegations in Paragraph 101 of the FAC
20 are legal conclusions to which no response is required. To the extent a response is warranted, the
21 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
22 truth of the allegations contained in Paragraph 101, and on that basis deny each and every allegation
23 contained therein.

24 102. Answering Paragraph 102 of the FAC, the allegations in Paragraph 102 of the FAC
25 are legal conclusions to which no response is required. To the extent a response is warranted, the
26 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
27 truth of the allegations contained in Paragraph 102, and on that basis deny each and every allegation
28 contained therein.

1 103. Answering Paragraph 103 of the FAC, the allegations contained in Paragraph 103
2 purport to describe a document and state legal conclusions, and therefore no response is required.
3 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
4 itself and deny any allegation that goes beyond the document.

5 104. Answering Paragraph 104 of the FAC, the WCI, Inc. Defendants are without
6 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
7 Paragraph 104, and on that basis deny each and every allegation contained therein

8 105. Answering Paragraph 105 of the FAC, the WCI, Inc. Defendants are without
9 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
10 Paragraph 105, and on that basis deny each and every allegation contained therein

11 106. Answering Paragraph 106 of the FAC, the WCI, Inc. Defendants are without
12 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
13 Paragraph 106, and on that basis deny each and every allegation contained therein. It is also unclear
14 in what capacity the allegations against Defendant Nichols are alleged, and the allegations are
15 denied on that basis as well due to a lack of sufficient knowledge or information to respond.

16 107. Answering Paragraph 107 of the FAC, the WCI, Inc. Defendants are without
17 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
18 Paragraph 107, and on that basis deny each and every allegation contained therein. It is also unclear
19 in what capacity the allegations against Defendant Nichols are alleged, and the allegations are
20 denied on that basis as well due to a lack of sufficient knowledge or information to respond.

21 108. Answering Paragraph 108 of the FAC, the allegations contained in Paragraph 108
22 purport to describe a document and state legal conclusions, and therefore no response is required.
23 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
24 itself and deny any allegation that goes beyond the document.

25 109. Answering Paragraph 109 of the FAC, the allegations in Paragraph 109 of the FAC
26 are legal conclusions to which no response is required. To the extent a response is warranted, the
27 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
28 truth of the allegations contained in Paragraph 109, and on that basis deny each and every allegation

1 contained therein.

2 110. Answering Paragraph 110 of the FAC, the allegations contained in Paragraph 110
3 purport to describe a document and state legal conclusions, and therefore no response is required.
4 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
5 itself and deny any allegation that goes beyond the document.

6 111. Answering Paragraph 111 of the FAC, the allegations contained in Paragraph 111
7 purport to describe a document and state legal conclusions, and therefore no response is required.
8 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
9 itself and deny any allegation that goes beyond the document.

10 112. Answering Paragraph 112 of the FAC, the allegations contained in Paragraph 112
11 purport to describe a document and state legal conclusions, and therefore no response is required.
12 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
13 itself and deny any allegation that goes beyond the document.

14 113. Answering Paragraph 113 of the FAC, the allegations contained in Paragraph 113
15 purport to describe a document and state legal conclusions, and therefore no response is required.
16 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
17 itself and deny any allegation that goes beyond the document.

18 114. Answering Paragraph 114 of the FAC, the allegations in Paragraph 114 of the FAC
19 are legal conclusions to which no response is required. To the extent a response is warranted, the
20 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
21 truth of the allegations contained in Paragraph 114, and on that basis deny each and every allegation
22 contained therein.

23 115. Answering Paragraph 115 of the FAC, the allegations in Paragraph 115 of the FAC
24 are legal conclusions to which no response is required. To the extent a response is warranted, the
25 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
26 truth of the allegations contained in Paragraph 115, and on that basis deny each and every allegation
27 contained therein.

28 116. Answering Paragraph 116 of the FAC, the allegations contained in Paragraph 116

1 purport to describe a document and state legal conclusions, and therefore no response is required.
2 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
3 itself and deny any allegation that goes beyond the document.

4 117. Answering Paragraph 117 of the FAC, the allegations contained in Paragraph 117
5 purport to describe a regulation and state legal conclusions, and therefore no response is required.
6 To the extent a response is required, the WCI, Inc. Defendants answer that the regulation speaks
7 for itself and deny any allegation that goes beyond the regulation.

8 118. Answering Paragraph 118 of the FAC, the allegations contained in Paragraph 118
9 purport to describe a regulation and state legal conclusions, and therefore no response is required.
10 To the extent a response is required, the WCI, Inc. Defendants answer that the regulation speaks
11 for itself and deny any allegation that goes beyond the regulation. To the extent a response is
12 warranted as to any remaining allegations, the WCI, Inc. Defendants are without sufficient
13 knowledge or information to form a belief as to the truth of those allegations, and on that basis deny
14 each and every such allegation.

15 119. Answering Paragraph 119 of the FAC, the allegations in Paragraph 119 of the FAC
16 are legal conclusions to which no response is required. To the extent a response is warranted, the
17 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
18 truth of the allegations contained in Paragraph 119, and on that basis deny each and every allegation
19 contained therein.

20 120. Answering Paragraph 120 of the FAC, the allegations in Paragraph 120 of the FAC
21 are legal conclusions to which no response is required. To the extent a response is warranted, the
22 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
23 truth of the allegations contained in Paragraph 120, and on that basis deny each and every allegation
24 contained therein.

25 121. Answering Paragraph 121 of the FAC, the allegations contained in Paragraph 121
26 purport to describe a document and state legal conclusions, and therefore no response is required.
27 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
28 itself and deny any allegation that goes beyond the document. To the extent a response is warranted

1 as to any remaining allegations, the WCI, Inc. Defendants are without sufficient knowledge or
2 information to form a belief as to the truth of those allegations, and on that basis deny each and
3 every such allegation.

4 122. Answering Paragraph 122 of the FAC, the allegations contained in Paragraph 122
5 purport to characterize a public statement and state legal conclusions, and therefore no response is
6 required. To the extent a response is required, the WCI, Inc. Defendants answer that the public
7 statements speak for themselves and deny any allegation that goes beyond the public statements.
8 To the extent a response is warranted as to any remaining allegations, the WCI, Inc. Defendants are
9 without sufficient knowledge or information to form a belief as to the truth of those allegations,
10 and on that basis deny each and every such allegation.

11 123. Answering Paragraph 123 of the FAC, the allegations contained in Paragraph 123
12 purport to characterize a public statement and state legal conclusions, and therefore no response is
13 required. To the extent a response is required, the WCI, Inc. Defendants answer that the public
14 statements speak for themselves and deny any allegation that goes beyond the public statements.
15 To the extent a response is warranted as to any remaining allegations, the WCI, Inc. Defendants are
16 without sufficient knowledge or information to form a belief as to the truth of those allegations,
17 and on that basis deny each and every such allegation.

18 124. Answering Paragraph 124 of the FAC, the WCI, Inc. Defendants are without
19 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
20 Paragraph 124, and on that basis deny each and every allegation contained therein.

21 125. Answering Paragraph 125 of the FAC, the WCI, Inc. Defendants are without
22 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
23 Paragraph 125, and on that basis deny each and every allegation contained therein. It is also unclear
24 in what capacity the allegations against Defendant Nichols are alleged, and the allegations are
25 denied on that basis as well due to a lack of sufficient knowledge or information to respond. To the
26 extent such allegations are legal conclusions, a response is not required.

27 126. Answering Paragraph 126 of the FAC, the public statement referenced in Paragraph
28 126 speaks for itself, and therefore no response is required. To the extent a response is warranted,

1 the WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
2 truth of the allegations contained in Paragraph 126, and on that basis deny each and every allegation
3 contained therein. It is also unclear in what capacity the allegations against Defendant Nichols are
4 alleged, and the allegations are denied on that basis as well due to a lack of sufficient knowledge
5 or information to respond. To the extent such allegations are legal conclusions, a response is not
6 required.

7 127. Answering Paragraph 127 of the FAC, the public statement referenced in Paragraph
8 127 speaks for itself, and therefore no response is required. To the extent a response is warranted,
9 the WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
10 truth of the allegations contained in Paragraph 127, and on that basis deny each and every allegation
11 contained therein. It is also unclear in what capacity the allegations against Defendant Nichols are
12 alleged, and the allegations are denied on that basis as well due to a lack of sufficient knowledge
13 or information to respond. To the extent such allegations are legal conclusions, a response is not
14 required.

15 128. Answering Paragraph 128 of the FAC, the allegations in Paragraph 128 of the FAC
16 are legal conclusions to which no response is required. To the extent a response is warranted, the
17 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
18 truth of the allegations contained in Paragraph 128, and on that basis deny each and every allegation
19 contained therein.

20 129. Answering Paragraph 129 of the FAC, the allegations contained in Paragraph 129
21 purport to describe a document and state legal conclusions, and therefore no response is required.
22 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
23 itself and deny any allegation that goes beyond the document.

24 130. Answering Paragraph 130 of the FAC, the allegations contained in Paragraph 130
25 purport to describe a document and state legal conclusions, and therefore no response is required.
26 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
27 itself and deny any allegation that goes beyond the document.

28 131. Answering Paragraph 131 of the FAC, the allegations contained in Paragraph 131

1 purport to describe a document, statutes and regulations and state legal conclusions, and therefore
2 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
3 the document, statutes and regulations speak for themselves and deny any allegation that goes
4 beyond the document, statutes and regulations.

5 132. Answering Paragraph 132 of the FAC, the allegations contained in Paragraph 132
6 purport to describe a document, statutes and regulations and state legal conclusions, and therefore
7 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
8 the document, statutes and regulations speak for themselves and deny any allegation that goes
9 beyond the document, statutes and regulations.

10 133. Answering Paragraph 133 of the FAC, the allegations contained in Paragraph 133
11 purport to describe a document, statutes and regulations and state legal conclusions, and therefore
12 no response is required. To the extent a response is required, the WCI, Inc. Defendants answer that
13 the document, statutes and regulations speak for themselves and deny any allegation that goes
14 beyond the document, statutes and regulations.

15 134. Answering Paragraph 134 of the FAC, the WCI, Inc. Defendants are without
16 sufficient knowledge or information to form a belief as to the truth of the allegations contained in
17 Paragraph 134, and on that basis deny each and every allegation contained therein.

18 135. Answering Paragraph 135 of the FAC, the allegations in Paragraph 135 of the FAC
19 are legal conclusions to which no response is required. To the extent a response is warranted, the
20 WCI, Inc. Defendants are without sufficient knowledge or information to form a belief as to the
21 truth of the allegations contained in Paragraph 135, and on that basis deny each and every allegation
22 contained therein.

23 136. Answering Paragraph 136 of the FAC, the allegations contained in Paragraph 136
24 purport to describe a document and state legal conclusions, and therefore no response is required.
25 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
26 itself and deny any allegation that goes beyond the document.

27 137. Answering Paragraph 137 of the FAC, the allegations contained in Paragraph 137
28 purport to describe a document and state legal conclusions, and therefore no response is required.

1 Also, the WCI, Inc. Defendants lack sufficient information and belief to ascertain the purposes of
2 governors and premiers in 2007, and on that basis deny the allegations in the first sentence of
3 Paragraph 137 concerning “purpose.” To the extent a response is required, the WCI, Inc.
4 Defendants answer that the document speaks for itself and deny any allegation that goes beyond
5 the document.

6 138. Answering Paragraph 138 of the FAC, the allegations contained in Paragraph 138
7 purport to describe a document and state legal conclusions, and therefore no response is required.
8 To the extent a response is required, the WCI, Inc. Defendants lack sufficient information and belief
9 with respect to the meaning of the phrase “California and its partners intended”, lack sufficient
10 information and belief to ascertain the intentions of governors and premiers in 2007, and respond
11 that the document referenced in the Paragraph speaks for itself. On these grounds, the WCI, Inc.
12 Defendants deny any allegation that goes beyond the document.

13 139. Answering Paragraph 139 of the FAC, the allegations contained in Paragraph 139
14 purport to describe a document and state legal conclusions, and therefore no response is required.
15 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
16 itself and deny any allegation that goes beyond the document.

17 140. Answering Paragraph 140 of the FAC, the allegations contained in Paragraph 140
18 purport to describe a document and state legal conclusions, and therefore no response is required.
19 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
20 itself and deny any allegation that goes beyond the document.

21 141. Answering Paragraph 141 of the FAC, the allegations contained in Paragraph 141
22 purport to describe a document and state legal conclusions, and therefore no response is required.
23 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
24 itself and deny any allegation that goes beyond the document.

25 142. Answering Paragraph 142 of the FAC, the allegations contained in Paragraph 142
26 purport to describe a document and state legal conclusions, and therefore no response is required.
27 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
28 itself and deny any allegation that goes beyond the document.

1 143. Answering Paragraph 143 of the FAC, the allegations in Paragraph 143 of the FAC
2 are legal conclusions to which no response is required. To the extent a response is warranted, the
3 WCI, Inc. Defendants deny each and every allegation contained therein.

4 144. Answering Paragraph 144 of the FAC, the allegations in Paragraph 144 of the FAC
5 are legal conclusions to which no response is required. To the extent a response is warranted, the
6 WCI, Inc. Defendants deny each and every allegation contained therein.

7 145. Answering Paragraph 145 of the FAC, the allegations contained in Paragraph 145
8 purport to describe a document and state legal conclusions, and therefore no response is required.
9 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
10 itself and deny any allegation that goes beyond the document.

11 146. Answering Paragraph 146 of the FAC, the allegations contained in Paragraph 146
12 purport to describe a document and state legal conclusions, and therefore no response is required.
13 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
14 itself and deny any allegation that goes beyond the document.

15 147. Answering Paragraph 147 of the FAC, the allegations contained in Paragraph 147
16 purport to describe a document and state legal conclusions, and therefore no response is required.
17 To the extent a response is required, the WCI, Inc. Defendants answer that the document speaks for
18 itself and deny any allegation that goes beyond the document.

19 148. Answering Paragraph 148 of the FAC, the allegations in Paragraph 148 of the FAC
20 are legal conclusions to which no response is required. To the extent a response is warranted, the
21 WCI, Inc. Defendants deny each and every allegation contained therein.

22 149. Answering Paragraph 149 of the FAC, the allegations in Paragraph 149 of the FAC
23 are legal conclusions to which no response is required. To the extent a response is warranted, the
24 WCI, Inc. Defendants deny each and every allegation contained therein.

25 150. Answering Paragraph 150 of the FAC, the allegations in Paragraph 150 of the FAC
26 are legal conclusions to which no response is required. To the extent a response is warranted, the
27 WCI, Inc. Defendants deny each and every allegation contained therein.

28 151. Answering Paragraph 151 of the FAC, the allegations in Paragraph 151 of the FAC

1 are legal conclusions to which no response is required. The WCI, Inc. Defendants further respond
2 that the document speaks for itself and deny any allegation that goes beyond the document. To the
3 extent a further response is warranted, the WCI, Inc. Defendants deny each and every allegation
4 contained therein.

5 152. Answering Paragraph 152 of the FAC, Defendants reassert and incorporate herein
6 by reference Paragraphs 1-151 of this Answer as though set forth in full herein.

7 153. Answering Paragraph 153 of the FAC, the allegations in Paragraph 153 of the FAC
8 are legal conclusions to which no response is required. To the extent a response is warranted, the
9 WCI, Inc. Defendants deny each and every allegation contained therein.

10 154. Answering Paragraph 154 of the FAC, the allegations in Paragraph 154 of the FAC
11 are legal conclusions to which no response is required. To the extent a response is warranted, the
12 WCI, Inc. Defendants deny each and every allegation contained therein.

13 155. Answering Paragraph 155 of the FAC, the allegations in Paragraph 155 of the FAC
14 are legal conclusions to which no response is required. To the extent a response is warranted, the
15 WCI, Inc. Defendants deny each and every allegation contained therein.

16 156. Answering Paragraph 156 of the FAC, the WCI, Inc. Defendants reassert and
17 incorporate herein by reference Paragraphs 1-151 of this Answer as though set forth in full herein.

18 157. Answering Paragraph 157 of the FAC, the allegations in Paragraph 157 of the FAC
19 are legal conclusions to which no response is required. To the extent a response is warranted, the
20 WCI, Inc. Defendants deny each and every allegation contained therein

21 158. Answering Paragraph 158 of the FAC, the allegations in Paragraph 158 of the FAC
22 are legal conclusions to which no response is required. To the extent a response is warranted, the
23 WCI, Inc. Defendants deny each and every allegation contained therein.

24 159. Answering Paragraph 159 of the FAC, the allegations in Paragraph 159 of the FAC
25 are legal conclusions to which no response is required. To the extent a response is warranted, the
26 WCI, Inc. Defendants deny each and every allegation contained therein.

27 160. Answering Paragraph 160 of the FAC, the allegations in Paragraph 160 of the FAC
28 are legal conclusions to which no response is required. To the extent a response is warranted, the

1 WCI, Inc. Defendants deny each and every allegation contained therein.

2 161. Answering Paragraph 161 of the FAC, the WCI, Inc. Defendants reassert and
3 incorporate herein by reference Paragraphs 1-151 of this Answer as though set forth in full herein.

4 162. Answering Paragraph 162 of the FAC, the allegations in Paragraph 162 of the FAC
5 are legal conclusions to which no response is required. To the extent a response is warranted, the
6 WCI, Inc. Defendants deny each and every allegation contained therein

7 163. Answering Paragraph 163 of the FAC, the allegations in Paragraph 163 of the FAC
8 are legal conclusions to which no response is required. To the extent a response is warranted, the
9 WCI, Inc. Defendants deny each and every allegation contained therein

10 164. Answering Paragraph 164 of the FAC, the allegations in Paragraph 164 of the FAC
11 are legal conclusions to which no response is required. To the extent a response is warranted, the
12 WCI, Inc. Defendants deny each and every allegation contained therein.

13 165. Answering Paragraph 165 of the FAC, the WCI, Inc. Defendants reassert and
14 incorporate herein by reference Paragraphs 1-151 of this Answer as though set forth in full herein.

15 166. Answering Paragraph 166 of the FAC, the allegations in Paragraph 166 of the FAC
16 are legal conclusions to which no response is required. To the extent a response is warranted, the
17 WCI, Inc. Defendants deny each and every allegation contained therein.

18 167. Answering Paragraph 167 of the FAC, the allegations in Paragraph 167 of the FAC
19 are legal conclusions to which no response is required. To the extent a response is warranted, the
20 WCI, Inc. Defendants deny each and every allegation contained therein.

21 168. Answering Paragraph 168 of the FAC, the allegations in Paragraph 168 of the FAC
22 are legal conclusions to which no response is required. To the extent a response is warranted, the
23 WCI, Inc. Defendants deny each and every allegation contained therein.

24 169. Answering Paragraph 169 of the FAC, the allegations in Paragraph 169 of the FAC
25 are legal conclusions to which no response is required. To the extent a response is warranted, the
26 WCI, Inc. Defendants deny each and every allegation contained therein.

27 170. Answering Paragraph 170 of the FAC, the allegations in Paragraph 170 of the FAC
28 are legal conclusions to which no response is required. To the extent a response is warranted, the

1 WCI, Inc. Defendants deny each and every allegation contained therein

2 171. Answering Paragraph 171 of the FAC, the allegations in Paragraph 171 of the FAC
3 are legal conclusions to which no response is required. To the extent a response is warranted, the
4 WCI, Inc. Defendants deny each and every allegation contained therein.

5 172. Answering Paragraph 172 of the FAC, the allegations in Paragraph 172 of the FAC
6 are legal conclusions to which no response is required. To the extent a response is warranted, the
7 WCI, Inc. Defendants deny each and every allegation contained therein.

8 173. Answering Paragraph 173 of the FAC, the allegations in Paragraph 173 of the FAC
9 are legal conclusions to which no response is required. To the extent a response is warranted, the
10 WCI, Inc. Defendants deny each and every allegation contained therein.

11 174. Answering Paragraph 174 of the FAC, the allegations in Paragraph 174 of the FAC
12 are legal conclusions to which no response is required. To the extent a response is warranted, the
13 WCI, Inc. Defendants deny each and every allegation contained therein.

14 175. Answering Paragraph 175 of the FAC, the allegations in Paragraph 175 of the FAC
15 are legal conclusions to which no response is required. To the extent a response is warranted, the
16 WCI, Inc. Defendants deny each and every allegation contained therein.

17 176. Answering Paragraph 176 of the FAC, the allegations in Paragraph 176 of the FAC
18 are legal conclusions to which no response is required. To the extent a response is warranted, the
19 WCI, Inc. Defendants deny each and every allegation contained therein.

20 177. Answering Paragraph 177 of the FAC, the allegations in Paragraph 177 of the FAC
21 are legal conclusions to which no response is required. To the extent a response is warranted, the
22 WCI, Inc. Defendants deny each and every allegation contained therein.

23 178. Answering Paragraph 178 of the FAC, the allegations in Paragraph 178 of the FAC
24 are legal conclusions to which no response is required. To the extent a response is warranted, the
25 WCI, Inc. Defendants deny each and every allegation contained therein.

26 179. Answering Paragraph 179 of the FAC, the WCI, Inc. Defendants reassert and
27 incorporate herein by reference Paragraphs 1-151 of this Answer as though set forth in full herein.

28 180. Answering Paragraph 180 of the FAC, the allegations in Paragraph 180 of the FAC

1 are legal conclusions to which no response is required. To the extent a response is warranted, the
2 WCI, Inc. Defendants deny each and every allegation contained therein.

3 181. Answering Paragraph 181 of the FAC, the allegations in Paragraph 181 of the FAC
4 are legal conclusions to which no response is required. To the extent a response is warranted, the
5 WCI, Inc. Defendants deny each and every allegation contained therein.

6 182. Answering Paragraph 182 of the FAC, the allegations in Paragraph 182 of the FAC
7 are legal conclusions to which no response is required. To the extent a response is warranted, the
8 WCI, Inc. Defendants deny each and every allegation contained therein.

9 183. Answering Paragraph 183 of the FAC, the allegations in Paragraph 183 of the FAC
10 are legal conclusions to which no response is required. To the extent a response is warranted, the
11 WCI, Inc. Defendants deny each and every allegation contained therein.

12 184. Answering Paragraph 184 of the FAC, the allegations in Paragraph 184 of the FAC
13 are legal conclusions to which no response is required. To the extent a response is warranted, the
14 WCI, Inc. Defendants deny each and every allegation contained therein.

15 185. Answering Paragraph 185 of the FAC, the allegations in Paragraph 185 of the FAC
16 are legal conclusions to which no response is required. To the extent a response is warranted, the
17 WCI, Inc. Defendants deny each and every allegation contained therein.

18 186. Answering Paragraph 186 of the FAC, the allegations in Paragraph 186 of the FAC
19 are legal conclusions to which no response is required. To the extent a response is warranted, the
20 WCI, Inc. Defendants deny each and every allegation contained therein.

21 187. Answering Paragraph 187 of the FAC, the allegations in Paragraph 187 of the FAC
22 are legal conclusions to which no response is required. To the extent a response is warranted, the
23 WCI, Inc. Defendants deny each and every allegation contained therein.

24 **AFFIRMATIVE DEFENSES**

25 As separate and affirmative defenses to all causes of action in the Complaint, the WCI, Inc.
26 Defendants allege as follows:

27 **FIRST AFFIRMATIVE DEFENSE**

28 Plaintiff's FAC, and each cause of action therein, fails to state a claim upon which relief

1 may be granted.

2 **SECOND AFFIRMATIVE DEFENSE**

3 Some or all of Plaintiff's claims are barred by the equitable doctrine of laches.

4 **THIRD AFFIRMATIVE DEFENSE**

5 Some or all of Plaintiff's claims are barred by estoppel and/or waiver occasioned by
6 Plaintiff's own conduct.

7 **FOURTH AFFIRMATIVE DEFENSE**

8 Plaintiff's FAC is barred by the doctrine of unclean hands.

9 **FIFTH AFFIRMATIVE DEFENSE**

10 Plaintiff lacks standing under Article III, thereby depriving the court of jurisdiction.

11 **SIXTH AFFIRMATIVE DEFENSE**

12 Each of Plaintiff's Causes of Action, separately and conjunctively, are not justiciable under
13 the political question doctrine and entrusted to the political branches.

14 **SEVENTH AFFIRMATIVE DEFENSE**

15 Each of Plaintiff's Causes of Action, separately and conjunctively, are barred against the
16 WCI, Inc. Defendants due to Congressional authorization, acquiescence, or implied consent.

17 **EIGHTH AFFIRMATIVE DEFENSE**

18 The FAC, and each cause of action therein, as asserted against the WCI, Inc. Defendants
19 are vague, ambiguous, and uncertain.

20 **NINTH AFFIRMATIVE DEFENSE**

21 Plaintiff's FAC, and each cause of action therein, is barred by the doctrine of unclean hands
22 and *In Pari Delicto*.

23 **TENTH AFFIRMATIVE DEFENSE**

24 The WCI, Inc. Defendants are not a necessary and/or indispensable party to this action.

25 **ELEVENTH AFFIRMATIVE DEFENSE**

26 The WCI, Inc. Defendants cannot fully anticipate all affirmative defenses that may be
27 applicable to this action based upon the terms used in the FAC. Accordingly, the WCI, Inc.
28 Defendants expressly reserve the right to assert further defenses if, and to the extent that, such

1 affirmative defenses become applicable.

2 **PRAYER FOR RELIEF**

3 WHEREFORE, the WCI, Inc. Defendants pray for judgment against Plaintiff as follows:

- 4 1. Plaintiff take nothing by way of this action;
- 5 2. Plaintiff's FAC be dismissed in its entirety with prejudice;
- 6 3. WCI, Inc. Defendants have judgment against Plaintiff;
- 7 4. For an award of costs of suit; and
- 8 5. For such other and further relief as the Court may deem just and proper.

9

10 DATED: March 11, 2020

DELFINO MADDEN O'MALLEY COYLE &
KOEHLER LLP

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13 By: /s/ Monica Hans Folsom

MONICA HANS FOLSOM
KRISTIN N. IVANCO
Attorneys for WCI, Inc. Defendants

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