#### Case 2:19-cv-02142-WBS-EFB Document 118 Filed 05/26/20 Page 1 of 10 1 XAVIER BECERRA Attorney General of California 2 MICHAEL P. CAYABAN Supervising Deputy Attorney General 3 MICAELA M. HARMS, SBN 329552 PHILLIP M. HOOS, SBN 288019 4 THEODORE A.B. MCCOMBS, SBN 316243 M. ELAINE MECKENSTOCK, SBN 268861 5 MICHAEL S. DORSI, State Bar No. 281865 Deputy Attorneys General 6 455 Golden Gate Avenue, Suite 11000 San Francisco, CA 94102-7004 Telephone: (415) 510-3802 Fax: (415) 703-5480 7 E-mail: Michael.Dorsi@doj.ca.gov 8 Attorneys for State Defendants<sup>1</sup> 9 10 IN THE UNITED STATES DISTRICT COURT 11 FOR THE EASTERN DISTRICT OF CALIFORNIA 12 13 THE UNITED STATES OF AMERICA, 2:19-cv-02142-WBS-EFB 14 Plaintiff, v. 15 EX PARTE APPLICATION FOR ORDER THE STATE OF CALIFORNIA; GAVIN C. CONTINUING THE HEARING DATE 16 NEWSOM, in his official capacity as FOR CROSS-MOTIONS FOR Governor of the State of California; THE SUMMARY JUDGMENT 17 CALIFORNIA AIR RESOURCES BOARD; MARY D. NICHOLS, in her official capacity 18 as Chair of the California Air Resources Board and as Vice Chair and a board member of the Courtroom: 19 Western Climate Initiative, Inc.; WESTERN Honorable William Shubb Judge: CLIMATE INITIATIVE, INC.; JARED 20 BLUMENFELD, in his official capacity as Trial Date: Not Set Secretary for Environmental Protection and as Action Filed: 10/23/2019 21 a board member of the Western Climate Initiative, Inc., 22 Defendants. 23 24 25 26 <sup>1</sup> The State Defendants are State of California; Gavin C. Newsom, in his official capacity 27 as Governor of the State of California; the California Air Resources Board; Mary D. Nichols, in her official capacity as Chair of the California Air Resources Board; and Jared Blumenfeld, in his 28 official capacity as Secretary for Environmental Protection.

### **NOTICE AND EX PARTE APPLICATION**

TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS:

PLEASE TAKE NOTICE that State Defendants hereby apply ex parte for an order to continue the hearing on the parties' cross-motions for summary judgment from June 29 to July 13, the next hearing date available on the Court's motion calendar. The request for a short continuance of the hearing is based on good cause—a scheduling conflict that arises from an order recently issued in consolidated appellate matters before the Court of Appeals for the District of Columbia Circuit. Absent relief by this Court, State Defendants will suffer prejudice in that their lead counsel, who also serves as lead counsel for California in the D.C. Circuit matter, will not have sufficient time to prepare for the hearing in this matter.

This Application is supported by the attached Memorandum of Points and Authorities, the Declaration of M. Elaine Meckenstock and supporting exhibits, the case file, and any other matter this Court may consider. All Defendants support this Application. Declaration of M. Elaine Meckenstock, ¶ 23. Only Plaintiff, which failed to identify any prejudice that would befall Plaintiff if the hearing is continued and presented no alternative accommodation, indicated it will oppose. *Id.* at ¶¶ 19-22, Exhibit F.

Dated: May 26, 2020 Respectfully submitted,

XAVIER BECERRA
Attorney General of California
MICHAEL P. CAYABAN
Supervising Deputy Attorney General

/s/ Michael S. Dorsi
MICHAEL S. DORSI
Deputy Attorney General
Attorneys for State Defendants

# MEMORANDUM OF POINTS AND AUTHORITIES INTRODUCTION

Under the current briefing and hearing schedule in this matter, the hearing on the crossmotions will occur on Monday, June 29, 2020. ECF No. 104. On May 20, the United States Court of Appeals for the District of Columbia issued a scheduling order in the case of *Union of* Concerned Scientists v. NHTSA, consolidated petitions seeking review of actions by two federal agencies concerning certain California vehicle emissions standards. The Circuit Court's scheduling order requires California to file its opening brief by no later than Friday, June 26, 2020—only three days before the hearing in this matter. Neither the United States nor any of the petitioners requested June 26 as the deadline for the petitioners' opening brief. In fact, the petitioners, including California, requested that briefing commence on July 21, several weeks after the hearing in this matter. Deputy Attorney General M. Elaine Meckenstock, who has considerable experience in litigating matters involving air pollution control programs administered by the California Air Resources Board, serves as the lead attorney for California in both cases. The Circuit Court's order creates a schedule conflict that prejudices State Defendants in that their lead attorney will not have an adequate opportunity to prepare for the hearing in the instant matter. To remedy the prejudice to State Defendants that would otherwise result from this

To remedy the prejudice to State Defendants that would otherwise result from this scheduling conflict, State Defendants request that the Court continue the hearing from June 29 to July 13, 2020, the next available motion hearing date on the Court's calendar. This extension will permit the State Defendants' advocate to prepare for argument, which in turn will allow her to offer more useful responses to the Court's questions.

Recognizing that a two-week continuance of the hearing would add two weeks to the end of the briefing period, State Defendants propose that the Court either (1) leave the briefing schedule as is, reserving the additional time for the Court's preparations; or (2) divide those two weeks equally, so that Plaintiff would have one additional week for their opposition and reply and Defendants would have one additional week for their reply briefs. If the Court chooses the

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second option, Plaintiff's opposition and reply would be due June 15, 2020, and Defendants' replies would be due July 6, 2020.

State Defendants attempted to resolve this scheduling conflict by way of a stipulation for a two-week continuance, but Plaintiff declined. Declaration of Elaine Meckenstock ("Meckenstock Decl."), ¶ 19. Plaintiff did not indicate that it would suffer any prejudice as a result of a two-week extension. *Id.* at ¶¶ 19-21. Rather, as purported grounds for its position, Plaintiff asserts, incorrectly, that State Defendants' counsel created the scheduling conflict. *Id.*, at ¶ 20, Exh. F. As demonstrated below, Plaintiff's contention is inaccurate. *Id.* at ¶¶ 8-17. Plaintiff also refers to other matters where California has demonstrated the ability to act quickly—litigation matters assigned to different attorneys and not involving the instant scheduling conflict. *See id.* at ¶ 21, Exh. F. Plaintiff cannot credibly assert that it will suffer any prejudice. State Defendants are not seeking a lengthy delay of proceedings and are instead seeking a final resolution of this matter a little more than six months after Plaintiff filed its Amended Complaint.

State Defendants submit that their request for a short continuance should be granted as it is supported by good cause and will not prejudice any party.

#### **BACKGROUND**

## A. Deputy Meckenstock is Lead-Counsel In Two Separate Matters That Raise Complex Issues with Potentially Significant Implications

Deputy Attorney General Meckenstock is assigned as lead counsel for State Defendants in the instant matter. Meckenstock Decl., ¶ 4. She was selected to serve in this role because she has substantial knowledge of California's cap-and-trade program from her work on other matters and substantial experience defending California regulatory programs against constitutional challenges. *Id.* Meckenstock has served as lead counsel for State Defendants from the beginning of this case, acquiring substantial expertise in the issues in this matter. *Id.* She has presented oral argument at all hearings to date in this matter, including the first summary judgment hearing on March 9, 2020. *Id.* 

In its second summary judgment motion, Plaintiff challenges the California Air Resources Board's decision to link its cap-and-trade program to a similar program adopted independently by

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the Canadian province of Quebec on the grounds that it is preempted under the Foreign Affairs doctrine. Linkage is an important aspect of California's cap-and-trade program for California businesses regulated under the program because it allows them to use compliance instruments issued by either California or Quebec to satisfy their regulatory obligations, expanding the compliance instrument markets.

Deputy Meckenstock also serves as the lead counsel in *State of California, et al. v.*Wheeler, et al., Case No. 19-1239, D.C. Circuit (consolidated under *Union of Concerned*Scientists, et al. v. National Highway Traffic Safety Administration, Case No. 19-1230, D.C.

Circuit). Meckenstock Decl., ¶ 5. There, California and other petitioners are challenging decisions by the United States Environmental Protection Agency (EPA) and the National Highway Traffic Safety Administration targeting state authority to adopt certain vehicle emissions standards, including EPA's decision to withdraw parts of a Clean Air Act preemption waiver it had granted to California in 2013. *Id.* The agencies publicly proposed to take these actions back in August 2018. *Id.* Meckenstock led the team of attorneys who prepared California's comments on that proposal and personally drafted substantial portions of those comments. *Id.* Meckenstock has been leading California's team working on these issues since then, including the briefing work to date, personally drafting several core sections of the brief. Because of her substantial involvement in this matter over almost two years, including ongoing work on the brief, Meckenstock cannot hand off responsibilities to another attorney with a deadline approximately a month away. *Id.* 

The work in *Union of Concerned Scientists* is complex and time-consuming. *Id.* at ¶ 6. It involves agency actions that have never before been taken and raises multiple novel legal questions of appellate jurisdiction, agency authority, and statutory construction under two different and complex statutes. *Id.* Acknowledging this complexity, the D.C. Circuit allowed 26,000 words per brief, double what it ordinarily allows. *Compare* D.C. Circuit Scheduling Order (Meckenstock Decl., Exh. G) *with* Fed. R. App. P. 32(a)(7)(B)(i). The briefing will also require a substantial amount of coordination amongst the myriad parties involved in the litigation, including more than 20 other States who joined California's petition. Meckenstock Decl., ¶ 6.

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This work will be especially time-consuming in the two weeks leading up to the June 26, 2020 filing deadline, the period in which Meckenstock will be coordinating reviews by, and comments from, clients, internal reviewers and the other parties (including more than 20 other States) who we expect will join our brief. *Id.* Meckenstock will have little time, if any, in that window to prepare for an oral argument in this case. *Id.* 

B. The Briefing Schedule in *Union of Concerned Scientists* Presents a Conflict with the Hearing In this Case that Cannot be Addressed Without a Court Order and Plaintiff's Assertion that California's Attorneys Created the Conflict is Unfounded

In *Union of Concerned Scientists*, the parties jointly proposed a briefing schedule on March 5, 2020, in which the petitioners' opening briefs would be due on May 22. Meckenstock Decl., ¶ 8. Shortly after that March 5 submission, however, day cares, schools, and other businesses began to close around the country due to stay-at-home and shelter-in-place orders responding to the coronavirus pandemic. *Id.* at ¶ 9. These closures, and the transition to working full-time from home, had significant impacts on counsel for California and other petitioners in the *Union of Concerned Scientists* case. *Id.* On March 25, 2020, Deputy Meckenstock and counsel for some other petitioners sought to continue petitioners' opening brief deadline by 60 days to July 21, 2020. *Id.* at ¶ 10. The United States took the position that the request was premature but ultimately agreed not to oppose an immediate request for 21 additional days that would be without prejudice to petitioners' ability to seek additional time in the future. *Id.* at ¶ 12. California and other petitioners submitted a request for that 21 days to the Court on April 3, 2020, expressly reserving the right to seek further time. Under that request, petitioners' briefs would have been due June 12, 2020. *Id.* at ¶ 12.

During this same time period (late March / early April), counsel for the United States in this case had informed Defendants that Plaintiff intended to move for leave to amend its complaint to add a statutory preemption claim under the Clean Air Act and to remove its dormant Foreign Commerce Clause claim. *Id.* at ¶ 11; *see* Exhibit A. Thus, Deputy Meckenstock did not know then that Plaintiff would ultimately decide not to seek that leave and to move for summary

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judgment on April 20, 2020. *Id.* Plaintiff ultimately decided not to seek leave to amend its complaint and chose to file its second summary judgment motion on April 20, 2020.

The full impacts of the pandemic and its shutdowns on counsel for petitioners in *Union of Concerned Scientists* became more clear in the weeks that followed the parties' submission to the appellate court in early April. Meckenstock Decl., ¶ 13. On May 4, 2020, Petitioners in *Union of Concerned Scientists* submitted a request to extend their briefing deadline by 39 additional days (reflecting the 60 days about which petitioners had originally approached the United States on March 25 minus the 21 days requested of the Court on April 3). *Id.* at ¶ 14. This request, which would have set a July 21 deadline for Petitioners' opening brief, was based both on the ongoing constraints on counsel's time from the pandemic's closures and on the conflict created by the summary judgment motion filed in this case. *Id.* On May 11, 2020, the United States opposed this request, asserting, *inter alia*, that petitioners would have ample time to brief the *Union of Concerned Scientists* case with a deadline of June 12, 2020. *Id.* Neither side proposed a deadline of June 26. *Id.* 

On May 13, 2020, the parties in this case filed a stipulated schedule for the cross-motions for summary judgment. ECF No. 103. This schedule did not provide Defendants with additional time for their oppositions and cross-motions beyond that provided by Plaintiff's noticed hearing date and operation of the local rules. It did, however, set a date for amicus briefs (giving them a week to review Defendants' filings before filing their own briefs), provide Plaintiff with three weeks for its opposition and reply, and provide Defendants two weeks for their replies. State Defendants stipulated to this schedule largely to establish a clear deadline for amici after Defendants' filings and to ensure that Defendants would have two weeks, rather than one, for their reply. Meckenstock Decl., ¶ 15.2 This Court issued an order adopting the stipulated schedule. ECF No. 104.

<sup>&</sup>lt;sup>2</sup> During the negotiations that led to the stipulated schedule, State Defendants repeatedly indicated to Plaintiff that they were concerned about conflicting schedules in other matters, including unsettled schedules in some of those matters. Meckenstock Decl., ¶ 16; see Exhibits C, D, E.

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On May 20, 2020, the D.C. Circuit issued a scheduling order in *Union of Concerned Scientists*, setting June 26, 2020 as the deadline for petitioners' (including California's) briefs. Meckenstock Decl., at ¶ 17. This is neither the date requested by California and the other petitioners nor the date requested by the United States. *Id.* Had the D.C. Circuit adopted the deadline proposed by California and other petitioners, petitioners' opening briefs would have been due more three weeks after the hearing in this case. As it stands now, Petitioners' opening brief is due on the Friday before the Monday hearing in this case, leaving State Defendants' lead attorney in this case with insufficient time to prepare for the hearing.

#### LEGAL STANDARD

Under Federal Rule of Civil Procedure 6(b)(1)(a), courts "may, for good cause, extend the time" for a party to act, "if a request is made, before the original time or its extension expires." "Good cause' is a non-rigorous standard that has been construed broadly across procedural and statutory contexts." *Ahanchian v. Xenon Pictures, Inc.*, 624 F.3d 1253, 1259 (9th Cir. 2010). Accordingly, "requests for extensions of time made before the applicable deadline has passed should 'normally . . . be granted in the absence of bad faith on the part of the party seeking relief or prejudice to the adverse party." *Id.* (quoting Charles Alan Wright & Arthur R. Miller, Federal Practice and Procedure § 1165 (3d ed. 2004)). Further, when considering such requests, "courts should be mindful that the rules are to be construed to achieve the just determination of every action." *Rodgers v. Watt*, 722 F.2d 456, 459 (9th Cir. 1983) (citing Fed. R. Civ. P. 1); *cf. Cool Fuel, Inc. v. Connett*, 685 F.2d 309, 312 (9th Cir. 1982) (noting the importance of "a full and fair opportunity to ventilate the issues involved in [a] motion" for summary judgment).

#### **ARGUMENT**

### I. STATE DEFENDANTS' REQUEST FOR A SHORT CONTINUANCE OF THE HEARING IS SUPPORTED BY GOOD CAUSE

The most important task of an attorney at oral argument is "[t]o answer any questions and satisfy any doubts that have arisen in the judges' minds." Antonin Scalia & Bryan Garner, *Making Your Case: The Art of Persuading Judges*, 94 A.B.A. J. 41, 41 (May 2008) (reprinting excerpts from book of the same title). This case is particularly suited to meaningful oral

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argument because it permits an opportunity for the Court to question advocates to ascertain the relevant details of California's cap-and-trade program, the linkage with Quebec's program, and potential interference, if any, with the foreign policy of the United States. California's advocate cannot be expected to prepare for such an important and complex argument over one weekend.

As noted, Deputy Meckenstock is the lead counsel in both the instant case and the *Union of Concerned Scientists* matter. Both cases involve complex legal issues and significant environmental protection programs. Deputy Meckenstock was selected to lead these cases because of their complexity and because she has substantial experience and expertise in defending California regulatory programs from constitutional and statutory attacks. Deputy Meckenstock also has substantial knowledge of California's cap-and-trade program from her work on other matters as well as other air pollution programs administered by the California Air Resources Board. She is also deeply familiar with the specific issues in these two cases due the fact that she has been assigned as lead attorney in both since their inceptions.

Absent a continuance of the hearing in this matter, State Defendants will be prejudiced by having to either: (1) substitute counsel with less familiarity with California's Cap-and-Trade program and less experience in defending California's regulatory programs to present argument at the hearing; or (2) having Deputy Meckenstock present argument at June 29, 2020 hearing despite having insufficient time to prepare. This prejudice would be cured by a short continuance.

#### II. PLAINTIFF WILL NOT BE PREJUDICED BY A TWO-WEEK CONTINUANCE

When State Defendants' presented their proposal to continue the hearing to July 13, the next available date on the Court's motion calendar, Plaintiff did not deny that a conflict exists but instead responded by asserting that the existing scheduling conflict was of Deputy Meckenstock's "own making." *See* Meckenstock Decl., ¶ 20, Exh. F. As demonstrated above, however, Plaintiff is flatly wrong.

More importantly, in response to State Defendant's proposal to continue the hearing for two-weeks, Plaintiff failed to identify how it will be prejudiced.<sup>3</sup> State Defendants submit that

<sup>&</sup>lt;sup>3</sup> In his May 22 response to the State Defendants' request to continue the hearing, Plaintiff's counsel did not identify any scheduling conflicts that would interfere with a July 13 (continued...)

#### Case 2:19-cv-02142-WBS-EFB Document 118 Filed 05/26/20 Page 10 of 10 1 this is because Plaintiff cannot credibly assert an injury that would result from such a short 2 continuance. 3 While Plaintiff has consistently sought expedited schedules in this case, it has never 4 explained an urgent need for relief. Plaintiff has had many years to develop and bring these 5 challenges. Linkage between California and Quebec was established in 2013 and commenced 6 operations in 2014. Amended Compl., ¶ 57; see also Cal. Code Regs., tit. 17, § 95943(a)(1). 7 Neither Plaintiff's Amended Complaint (ECF No. 7) nor its pending Second Motion for Summary 8 Judgment (ECF No. 102) contains any factual allegations describing time-sensitive ill effects 9 from those operations. In light of the fact that the parties' cross-motion for summary judgment 10 will resolve Plaintiff's entire lawsuit approximately six-months after State Defendants filed their 11 initial answer, Plaintiff cannot credibly assert that a two-week continuance will result in an 12 unreasonable delay of the proceedings. 13 **CONCLUSION** 14 Defendants' proposed modification to the schedule addresses their concern, and Defendants 15 respectfully request that the Court adopt it. 16 17 Dated: May 26, 2020 Respectfully submitted, 18 XAVIER BECERRA Attorney General of California 19 MICHAEL P. CAYABAN Supervising Deputy Attorney General 20 /s/ Michael S. Dorsi 21 MICHAEL S. DORSI Deputy Attorney General 22 Attorneys for State Defendants 23 24 25 hearing. See Meckenstock Decl., Exh. F. State Defendants note that in previous negotiations concerning a briefing schedule, Plaintiff's counsel represented that one or more attorneys on 26 Plaintiff's team would be on vacation in July but counsel did not identify the attorney(s) or the dates upon which that attorney(s) would be unavailable. See id. at Exhs. C, D. If Plaintiff's lead 27 counsel is unavailable on July 13, or unable to properly prepare for argument on that date due to a scheduling conflict, State Defendants would certainly be willing to accommodate counsel's 28 schedule.