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LA Fire Victims Are Suing Utilities. What's at Stake?

The wildfires that incinerated entire neighborhoods in the Los Angeles area in January were among the most destructive in California state history, killing at least 29 people and causing billions of dollars in property damage.

That loss of life and property has led to a flurry of lawsuits against two utilities: Edison International Inc., an investor-owned electricity supplier with operations in Southern California, and the Los Angeles Department of Water and Power, the biggest municipal utility in the US. Some residents who lost homes, businesses and loved ones allege the utilities failed to take appropriate safety measures in an area highly vulnerable to wildfires.

Over the last decade, electrical utilities in the western US — from California to Oregon, Colorado, Texas and Hawaii — have become frequent targets of lawsuits that blame their equipment for devastating fires. The flood of litigation has put utilities in financial peril and created a backlog that forces many victims to wait years for payouts that may not fully cover their losses.

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By Peter Blumberg

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