

Bond Case Briefs

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PUBLIC UTILITIES - CALIFORNIA

Gantner v. PG&E Corporation

Supreme Court of California - November 20, 2023 - P.3d - 2023 WL 8010215

Electric utility customer brought putative class action against investor-owned utility, in its chapter 11 case, seeking damages for alleged losses following series of emergency public safety power shutoffs (PSPS) to mitigate threat of wildfires, based on allegation that PSPS were necessitated by utility's negligent maintenance of power grid and equipment.

The United States Bankruptcy Court for Northern District of California granted utility's motion to dismiss, without leave to amend, and customer appealed. The United States District Court for the Northern District of California affirmed, and customer appealed. The Court of Appeals affirmed and certified question.

The Supreme Court held that customer's action against utility for damages resulting from PSPS events was preempted under statute depriving superior courts of jurisdiction to review orders of Public Utilities Commission (PUC) or interfere with PUC's supervisory and regulatory obligations.

Electric utility customer's putative class action against utility for damages, based on allegations that series of public safety power shutoffs (PSPS) to reduce risk of wildfires were necessitated by utility's negligence in maintaining power grid and equipment over period of decades, and that PSPS events resulted in loss of habitability of customers' dwellings, loss of food items in refrigerators, and other losses was preempted by statute depriving superior courts of jurisdiction to review orders of Public Utilities Commission's (PUC) or interfere with PUC's official obligations, where PUC had promulgated formal guidelines governing utility's authority with respect to PSPS in emergency situations, consistent with statutory requirement for annual wildfire mitigation plans, PUC had approved utility's PSPS plan, suit would interfere with PUC's supervisory and regulatory authority over PSPS implementation and post-hoc review of PSPS events, and alleged losses were direct result of PSPS, and not any violation of PUC guidelines.