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11 Attorneys for Plaintiffs

12
13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

14 **COUNTY OF LOS ANGELES – CENTRAL CIVIL WEST COURTHOUSE**

15 SHARON BRANSFORD, STEVEN
SHRAGER and RACHEL TASH,
16 Individually and On Behalf of All Others
Similarly Situated,

17 Plaintiffs,

18 v.

19 CITY OF LOS ANGELES; and DOES 1
20 through 10, inclusive,

21 Defendant.

Case No. BC565618

CLASS ACTION

**AMENDED CLASS ACTION
COMPLAINT AND VERIFIED PETITION
FOR WRIT OF MANDAMUS**

BY FAX

Dept. 323
Judge: Hon. Elihu M. Berle

DEMAND FOR JURY TRIAL

1 Plaintiffs Sharon Bransford, Steven Shrager and Rachel Tash, individually and on
2 behalf of all others similarly situated, complain and allege against the City of Los Angeles (the
3 “City” or “defendant”) as follows:

4 INTRODUCTION

5 1. This case is about the City of Los Angeles knowingly overcharging its
6 customers for water and electric service and then misinforming its customers about it after the
7 fact. In September 2013, the City, through its Department of Water & Power (“DWP”),
8 instituted a new billing system and new billing practices. The billing system and its
9 implementation are, and remain, deeply flawed, resulting in the City grossly overcharging and
10 incorrectly billing many thousands of its customers. With the implementation of the new
11 billing system, the City, through the DWP, has sent its customers inflated bills for water and
12 power that were never used, miscalculated bills, failed to send many customers bills for many
13 billing cycles in a row, and then sent huge bills for improper, inflated amounts. The City also
14 sends bills based on customers’ estimated (not actual) water and electricity usage, using billing
15 software that calculates an estimate that is wildly inaccurate, not in any way reflecting the
16 customer’s historic usage, actual usage, or reasonable estimated usage. The City regularly
17 overbills customers up to 10 times the amount actually owed, for example, from hundreds of
18 dollars a billing cycle to many thousands of dollars in a billing cycle. The City has and
19 continues to grossly overbill customers in a variety of contexts, all stemming from its deeply
20 flawed new billing system.

21 2. It is bad enough that the City has done and continues to do this. However, its
22 conduct is not simply a matter of a bad billing system. Instead, while conceding all of these
23 billing practices and fully admitting it has and is falsely overcharging many thousands of its
24 customers, the City, through the DWP, callously disregards the pleas of its customers that
25 cannot (and should not) pay the incorrect bills. Even though the City knows and concedes it is
26 falsely billing its customers, the City continues to do it and to aggressively collect the incorrect
27 amounts, placing many customers in dire financial straits. When customers call or otherwise
28 seek relief, DWP blames the customer, falsely denying any wrongful billing. Rather than

1 correct the bill, it demands payment in full, threatens to shut off customers' power and water,
2 and starts collection efforts to collect money that is not actually owed. Through the DWP, the
3 City is callous and unrelenting in its collection efforts, even with the elderly and the poor,
4 while separately admitting its bills are incorrect.

5 3. DWP is the largest municipal utility in the nation, annually generating billions
6 of dollars in revenue. It is also a monopoly, so no matter how unfairly it treats its customers,
7 they have nowhere else to go.

8 4. The City's acts give rise to a claim for money had and received, breach of
9 contract, and violations of the Consumers Legal Remedies Act ("CLRA"), Civil Code § 1750,
10 *et seq.*, and provide a basis for declaratory and injunctive relief, and issuance of a writ of
11 mandate. Against the facts, the City claims that the DWP is not a business, but a
12 governmental entity. If so, the City, through the DWP, is engaging in an illegal taking,
13 knowingly wielding the power of the government to bill and collect money not owed.

14 VENUE

15 5. Venue is proper in the County of Los Angeles and this Division of the Superior
16 Court for the County of Los Angeles pursuant to Civil Code § 1780(d) and Code of Civil
17 Procedure § 395.5, and because the acts complained of herein occurred in this County,
18 plaintiffs reside in the City of Los Angeles, and because defendant conducts substantial
19 business within Los Angeles County.

20 THE PARTIES

21 6. Plaintiff Sharon Bransford is a resident of the City of Los Angeles and obtains
22 water and electric service from the City. In April 2014, the City back-billed Bransford for an
23 "estimated" 4,722 kilowatt hours ("kWh") of electricity, for a total electricity bill of \$909.33.
24 By back-billing in a lump sum for 4,722 kWh without adjusting the usage allocated per tier,
25 the City pushed Bransford's kilowatt hours used in previous billing cycles to higher priced
26 tiers and thereby overcharged Bransford for electricity usage.

27 7. Plaintiff Steven Shrager is a resident of the City of Los Angeles and obtains
28 water and electric service from the City. In July 2014, the City back-billed Shrager for 104

1 hundred cubic feet (“HCF”) of water used in previous billing cycles for a total water bill of
2 \$581.21. By back-billing in a lump sum for 104 HCF of water without adjusting the usage
3 allocated to tier 1, the City pushed Shrager’s water usage to the higher priced tier 2 and
4 thereby overcharged Shrager for water usage.

5 8. Plaintiff Rachel Tash is a resident of the City of Los Angeles and obtains her
6 water and electric service from the City. In April 2014, the City back-billed Tash for 84 HCF
7 of water used in previous billing cycles for a total water bill of \$439.38. By back-billing in a
8 lump sum for 84 HCF of water without adjusting the water usage allocated to tier 1, the City
9 improperly pushed Tash’s water usage to the higher priced tier 2 and thereby overcharged
10 Tash for water usage. The City has also not properly credited Tash’s electric bills for the
11 energy generated by her solar panels.

12 9. Defendant City of Los Angeles is a public entity with divisions, departments
13 and bureaus under its control. The government of the City of Los Angeles consists of
14 approximately 42 departments and bureaus which are headed by General Managers or advisory
15 or controlling boards or commissions appointed by the mayor subject to confirmation of the
16 Council. The City provides water and electric service to certain residents of the City and
17 County of Los Angeles by means of its Department of Water & Power.

18 10. The DWP is the nation’s largest municipal utility, with an operating budget of
19 \$5.5 billion. The DWP provides water and electric service to approximately 4 million
20 residents and has 1.4 million electric customer accounts and almost 650,000 water customer
21 accounts. Plaintiffs and class members contract with defendant through the DWP for water
22 and power service. The DWP sends bills to its customers for water and electric service on the
23 City’s behalf. In its capacity as a utility, DWP is acting as a business engaged in commercial,
24 profit generating activity, rather than as a governmental entity engaged in traditional
25 governmental activity.

26 11. Plaintiffs are ignorant of the true names, capacities, relationships and extent of
27 participation in the conduct alleged against the defendants sued herein as Does 1 through 10,
28 but are informed and believe that the Doe defendants are legally responsible for the wrongful

1 conduct alleged herein and therefore sue these defendants by such fictitious names. Plaintiffs
2 will amend this complaint to allege the true names and capacities of the Doe defendants when
3 ascertained.

4 12. Plaintiffs are informed and believe that each defendant acted in all respects
5 pertinent to this action as the agent of the other defendants, carried out a joint scheme, business
6 plan or policy in all respects pertinent hereto, and the acts of each defendant are legally
7 attributable to the other defendants.

8 **FACTUAL ALLEGATIONS**

9 13. The City, through its Department of Water & Power, provides water and/or
10 electric service to about 4 million Los Angeles residents and businesses. To obtain utility
11 services, the customer must establish credit, pay a new account charge, and apply for service
12 via telephone, internet, mail or in person at a DWP office. The application is a request for
13 service. The City is not required to serve the applicant and can refuse service based upon the
14 Rules Governing Water and Electric Service, established in 1983 and periodically amended by
15 resolution (the "Rules"). If the City agrees to provide utility services to the applicant, it is
16 obligated to provide service "in accordance with these Rules." Rule No. 3.A.4. All customers
17 receiving water or electric service are required to accept the Rules and are deemed to have
18 consented to accept water or electric service subject to the Rules. Rule No. 14.A.

19 14. The DWP bills customers every two months, with each billing period covering
20 approximately 61 days. Bills for water or electric service are to be based upon delivery as
21 indicated by the DWP's meters. Rule No. 9.A.1. Insofar as is practicable, meters must be read
22 at regular intervals for the preparation of regular bills. The City may bill customers based on
23 estimated usage of water or electricity only if the meter is broken, is in a locked compartment,
24 or otherwise cannot be read. Rule 9.A.1.

25 15. The charges for water and electric service are computed from monthly rate
26 schedules. The rate schedules are approved by the adoption of a City ordinance and are
27 deemed part of the Rules as if fully set forth therein. Rule Nos. 12 and 22.
28

1 as the Customer Care & Billing system (the "CC&B system"). The DWP uses the Customer
2 Information System to generate customer bills. The new billing system replaced the prior
3 billing system that had, according to the DWP, provided "39 years of reliable service." The
4 legacy system was referred to as the "TRES System." The new billing system touches nearly
5 every aspect of DWP operations and is part of the City's plan to integrate all of DWP's
6 computer information throughout the Department into the Customer Information System. The
7 new system was designed, among other things, to improve billing accuracy, efficiencies, and
8 customer service.

9 21. The City paid Price Waterhouse \$57.2 million for "systems integration
10 services," including advice in software selection and implementation of the Customer
11 Information System. The contract with Price Waterhouse began on August 13, 2010. The
12 new Customer Information System was originally to be implemented in November 2012. The
13 start date was then re-scheduled for April 2013, and ultimately, the new system was
14 implemented on September 3, 2013. In June 2013, the City agreed to pay Price Waterhouse an
15 additional \$12 million and extend its contract for systems integration services until August
16 2015. The contract extension was to ensure sufficient support until the necessary knowledge,
17 skills, and abilities were gained by DWP staff. In all, implementation of the new Customer
18 Service System reportedly cost \$178 million.

19 22. From the get-go the new Customer Information System caused billing
20 problems. One problem was that bills were not sent out for months. Customers who
21 experienced this include, for example, new customers, customers with "smart" meters and
22 customers transitioning from traditional electric power to solar power, including plaintiff Tash.
23 As the DWP informed its customers:

24 As you may be aware, we experienced a billing problem that unfortunately has
25 resulted in delayed LADWP utility bills for some of our residential customers,
26 yourself included. We offer our sincerest apologies for the inconvenience we
27 have caused you. The problem was due to stabilization efforts associated with
28 our recent implementation of a new Customer Information System. We have
successfully addressed the problem and are now mailing updated bills to
customers.

1 23. The delayed billing is caused, in part, by critical meter configuration defects in
2 more than 180,000 meters. About 11.25% of DWP's meters have not been functioning
3 properly since the new Customer Information System was implemented. As a result, the DWP
4 has been unable to bill approximately 180,000 of its customers, in some instances for up to 17
5 months. After receiving no bills for many months, a bill is sent invoicing the customer for
6 many months or over a year's worth of water and/or electric service in one lump sum. At the
7 peak in January 2014, \$160 million of revenue was delayed because of unsent bills. At the end
8 of August 2014, the DWP estimated that there were still 6,000 customers who had not received
9 a bill in about seven months. Many customers cannot afford to pay the bills, which are also
10 frequently inflated and inaccurate. Further, solar customers lose out on credits and incentive
11 payments.

12 24. Customers also receive utility bills that are not based on the customer's actual
13 usage. In many cases, and in part because of problems the new billing system had in
14 integrating information from smart meters, instead of actually reading the customer's water or
15 electric meters to determine actual usage, the City sends bills based on its estimate of water or
16 electric use. In other cases, the City actually reads customer meters, but the new billing
17 system improperly sends bills based on estimated usage instead of using the actual meter read.

18 25. Moreover, the algorithms used by the new billing system to estimate bills are
19 incorrect, so the estimates bear no relation to a customer's actual usage, resulting in gross
20 overbilling and charging for greater quantities of electricity and water than used.
21 Overestimates of a customer's water usage in the winter months impacts and results in inflated
22 sewer charges to the customer for a full year. In other cases customers are grossly under-
23 billed, and, later after many months of under-billing based on incorrectly calculated estimates,
24 the City purportedly determines actual usage and back-bills the customer for multiple months
25 of back charges in one lump sum without properly billing in tiers, resulting in inflated bills.
26 From September 2013 through April 2014, the DWP reportedly sent a total of 1,166,587
27 estimated bills. At the peak in January 2014, almost 21% of the bills sent by the DWP were
28

1 estimated. Since April 2014, the DWP has continued to bill class members based on
2 incorrectly calculated estimates.

3 26. The overbilling, attributed to the problems of delayed billing and estimated
4 billing caused by the flawed Customer Information System, is compounded when customers
5 are further overbilled as a result of the DWP pushing them into higher tiers and/or back-billing
6 them in a lump sum for many months of past usage, without providing a corresponding
7 increase in the usage allotted per tier, in violation of the City's own Rules and ordinances. In
8 other words, even though the bill covers two or more billing cycles of services, the City does
9 not correspondingly increase the allotment per tier or otherwise adjust to reflect the longer
10 billing period. As a result, a greater portion of the customer's usage exceeds the tier 1
11 allocation and is billed at the higher tier 2 and 3 rates, meaning customers are charged a higher
12 price for utility service than they would have if the tiered usage had been properly allocated.
13 Because of the improperly inflated utility charges, class members also incur higher utility
14 taxes and energy surcharges.

15 27. The DWP also continues to bill customers after they stop service.

16 28. Many other customers also receive bills that are inflated and inconsistent with
17 their historical usage. For example, a customer's typical water bill of \$350 suddenly jumps to
18 \$6,000. Or a customer's typical electric bill that has hovered around \$300 for many years
19 suddenly jumps to \$5,500. Or stated differently, after many years of water usage that averaged
20 12 HCF per billing cycle, a customer receives a bill for 237 HCF of water.

21 29. Plaintiffs and class members are financially harmed when forced to pay bills for
22 water and electric service that was not used or provided. They are also harmed when they
23 cannot pay the inflated bills and/or large lump sum back-bills, resulting in the City shutting off
24 their supply to water and/or electric services.

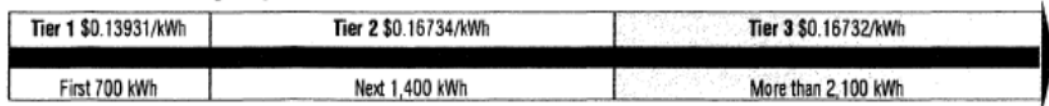
25 30. From January 2013 to March 2014, Bransford's electric usage was between
26 approximately 1,000 and 2,000 kWh per billing cycle, meaning she was always within the tier
27 1 and tier 2 allocations in each billing cycle. The DWP, however, did not actually read
28 Bransford's electric meter and billed her based on her estimated usage. Bransford's estimated

1 bills sent after the new Customer Information System was implemented were based on
 2 algorithms that bore little or no relation to her actual usage.

3 31. Further, for the April/May billing cycle, the DWP read Bransford's meter and
 4 determined that since its last meter read, Bransford had used 4,722 kWh of electricity not
 5 previously billed. Instead of increasing the kWh allotment to tiers 1 and 2 as required by the
 6 Rules, the City billed Bransford as if the entire 4,722 kWhs was used during the April/May
 7 billing cycle, for a total electric bill of \$909.33. As a result, 55% of her electricity usage was
 8 billed at the higher tier 3 rate. If properly billed, all or a larger percentage of Bransford's
 9 electricity usage would have been allocated to the lower priced tiers. Bransford was also
 10 charged taxes and surcharges based on the inflated energy charges. The relevant portion of
 11 Bransford's bill is reproduced below.

METER NUMBER	CURRENT READ	-	PREVIOUS READ	=	TOTAL USED
7F00009-01425042	9502		4780		4722 kWh
			ESTIMATED		
Tier 1 Energy			700 kWh x \$0.13931/kWh		97.52
Tier 2 Energy			1,400 kWh x \$0.16734/kWh		234.27
Tier 3 Energy			2,622 kWh x \$0.16732/kWh		438.72
Subtotal Energy Charges					\$770.51
City of Los Angeles Utility Tax			\$770.51 x 10%		77.05
State Energy Surcharge			4,722 kWh x \$0.00029/kWh		1.37
			Total Electric Charges		\$ 848.93

Your Electric Usage by Tier



Usage is billed at different rates, depending on how much you use. This graph shows how your energy usage relates to these tiers, and the rate you paid in each tier. For more, visit www.ladwp.com/res_electric

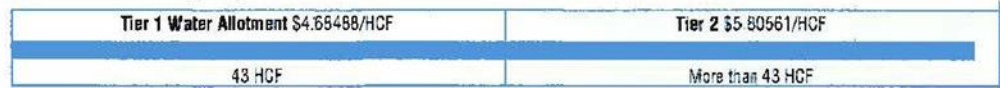
24 32. The DWP assessed similar overcharges in connection with its water bills. In
 25 the April/May 2014 billing cycle, Steven Shrager was billed for 10 HCF of water based on the
 26 DWP's estimation of his water usage. Ten HCF of water was 40% of the HCF permitted at
 27 tier 1 prices. The DWP did not actually read Shrager's water meter, and instead billed based
 28 on an estimate of Shrager's use. Moreover, the estimated bills sent after the new Customer

1 Information System was implemented were based on algorithms that bore little or no relation
 2 to his actual usage.

3 33. In addition, the following June/July billing cycle, the DWP read Shrager's
 4 water meter and found that, since its last meter read, Shrager used 104 HCF of water not
 5 previously billed. However, instead of increasing the HCF allotment to tier 1 as required by
 6 the Rules, the City billed Shrager as if the entire amount of the 104 HCF was used during the
 7 April/May billing cycle. As a result, 76% of his water usage was billed at the higher tier 2
 8 rate. If properly billed, a larger percentage of Shrager's water usage would have been
 9 allocated to the lower priced tier. Shrager was also charged taxes and surcharges based on the
 10 inflated water charges. The relevant portion of Shrager's bill is reproduced below.

METER NUMBER	CURRENT READ	PREVIOUS READ	=	TOTAL USED
30649687	8624	8540 <i>ESTIMATED</i>		84 HCF
Tier 1 Water		43 HCF x \$4.68488/HCF		201.45
Tier 2 Water		41 HCF x \$5.80561/HCF		238.03
Subtotal Water Charges				\$439.48
				Total Water Charges \$ 439.48

Your Water Usage by Tier



Usage is billed at different rates, depending on how much you use. The graph shows how your water usage relates to these tiers, and the rate you paid in each tier. For more, visit www.ladwp.com/res_water

19 34. Similar overcharges were collected by the City from plaintiff Rachel Tash.
 20 From approximately October 2013 through January 2014, the DWP did not actually read
 21 Tash's water meter, but instead billed Tash using its estimate of her water usage, all of which
 22 was well under the tier 1 allocations. Because the new Customer Information System used
 23 algorithms to estimate usage, Tash's estimated bills bore little or no relation to her actual
 24 usage.

25 35. Then for the February/March 2014 billing cycle, the DWP read Tash's water
 26 meter and found that, since its last meter read, Tash purportedly used 84 HCF not previously
 27 billed for. However, instead of increasing the HCF allotment to tier 1 as required by the
 28 Rules, the City billed Tash as if all of the 84 HCF of water was used in one billing cycle. As a

1 result, 48% of her water usage was billed at the higher tier 2 rate. If properly billed, a larger
 2 percentage of Tash's water usage should have been billed at the lower tier 1 price, but was
 3 charged at the higher tier 2 rate. Tash was also charged taxes and surcharges based on the
 4 inflated water charges. Further, the miscalculation of Tash's water usage during the October
 5 2013 through January 2014 impacts the sewer charge calculation, causing Tash to pay
 6 increased sewer charges for a full year. The relevant portion of Tash's bill is reproduced
 7 below.

METER NUMBER	CURRENT READ	PREVIOUS READ	TOTAL USED
90357511	265	161 <i>ESTIMATED</i>	104 HCF
Tier 1 Water	30 65574 HCF x \$4 96122/HCF		152.09
Tier 2 Water	73 34426 HCF x \$5 85076/HCF		429.12
Subtotal Water Charges			\$581.21
Total Water Charges			\$ 581.21

Your Water Usage by Tier



Usage is billed at different rates, depending on how much you use. The graph shows how your water usage relates to these tiers, and the rate you paid in each tier. For more, visit www.ladwp.com/res_water

16 In addition, in or around May, 2013, Tash installed solar panels whereby her bills from
 17 the DWP were to reflect the amount of electricity the DWP received from Tash's solar system
 18 and the amount of electricity the DWP delivered from its grid to Tash. However, for
 19 approximately one year, Tash's bills did not reflect her production of any solar energy and
 20 Tash was not given the offset towards her electricity bill for her solar energy production.

21 36. The City's improper billing practices are widespread. Samples of customer
 22 complaints about the improper billing are reproduced below. The bold, italicized emphasis is
 23 added.

I was stunned to receive a bill of over \$1100 today for electricity from LADWP. . . . Stomach is in knots trying to straighten out this situation. ***Like others, I'm being charged over \$700 alone for tier 3 pricing which is outrageous and incorrect. If the meter had been read at the time of use, we would never have been even close to tier 3 or even 2.***

Similar issue to what others have been experiencing. For three bills (six months) I am charged the "minimum charge" based on inaccurate estimates. ***Then, suddenly hit with a whopper that throws me into tier 2 and triples my total due.*** The CS rep was condescending, defensive and didn't seem to

1 understand why I thought there was a problem. ***I was persistent and found out***
 2 ***that they had actually done readings all three times, but just hadn't used the***
 3 ***information on my bills.*** So I pay the minimum charge three times IN
 4 ADDITION to the beefed up fourth bill (***where*** they finally admit to having
 5 read the meter). ***When I asked about the tier 2 issue, the CS rep downplayed***
 6 ***the overcharge and really didn't want to let me talk to a supervisor.***

7 ... The DWP has been billing roughly \$93/month for SANITATION (trash
 8 collection) and SEWER costs on a DEAD ACCOUNT for an unoccupied
 9 garage-apartment! ... [T]he account is no longer active, how do they get off
 10 charging for serviced NOT BEING RENDERED???? The DWP is as corrupt
 11 an organization as they come, and I will not continue to be victimized. Perhaps
 12 a class action suit is in order.

13 I've lived in the same apt for 4 years. I've never had this power bill my entire
 14 life. Mostly, bills are under \$60 but I ***received*** \$600 suddenly. ... They [DWP]
 15 admit this is a strange enormous bill, but they are not trying to fix right.

16 I am very upset with LADWP for overcharging me on my bill – acknowledging
 17 that they overcharged me – and yet did nothing to correct it!!! LADWP sent
 18 me a bill for \$1100 about three months ago. This is three times higher than my
 19 normal bill. I called to inquire about why the bill was so high and requested a
 20 field investigation. A month or so later, I get a call from one of the field
 21 investigators, "Luis". ***Luis proceeded to tell me that my bill was high because***
 22 ***for many months I received an "estimated" read that had lower kilo-watt***
 23 ***hours (KWH) than I actually used. . . . So then Luis says he will try to do***
 24 ***something to correct my bill because they lumped all of the 4000KWH in my***
 25 ***last bill, kicking me up to the 3rd tier billing rate. There's no dispute that***
 26 ***they're overcharging me by doing this [T]hey acknowledged that they're***
 27 ***overcharging me by lumping several months worth of KWHs in my final bill***
 28 ***(kicking it up to Tier 3) that should have been assessed to prior months under***
 29 ***Tier 1 and Tier 2 billing and did NOTHING to fix it.*** In my opinion, only a
 30 CLASS ACTION LAWSUIT will put the LADWP in its place. They're
 31 supposed to serve the public but they have ***no*** regard whatsoever to the public.
 32 They're doing whatever they please and they're one of the most corrupt
 33 organizations in government.

34 My husband and I moved into a 1br apartment. Our meter was read when we
 35 moved in and we were told that our bills would be the result of both estimates
 36 and actual readings. In 9 months THEY NEVER READ THE METER. They
 37 undercharged us for the whole time. When we moved out they finally got off
 38 their ** and read the meter. ***The result was that we had used some 4,000 more***
 39 ***kwh than they thought we had used. So they tacked that all on to the current***
 40 ***bill which pushed our rate into the 2nd and 3rd tiers*** (for a 1 bedroom
 41 apartment!). I understand that we used that power and we intend to pay for
 42 what we used, but not at that inflated rate. There is no sanity check. There
 43 don't seem to be any checks at all.

44 My water bill for the last 14 years averages \$150/\$200 month. Suddenly, 4/14,
 45 I get a \$2,600.00 bill, contacted DWP office, (after 2:00 hours on hold) they
 46 transferred me to Investigations Dept. ***They tell me "OOPS it is an estimated***
 47 ***bill, will work on it"***. Next, I received duplicated bills with different amounts
 48 and different meter reads. . . . After 3 calls, ***they*** threatened to turn off my
 49 water, I'm still in the fighting ON hold right now. I will not stop until this gets
 50 solved.

51 Dw&p recently changed their billing system. ***As a result of that they set***
 52 ***estimated charges for 2 or 3 periods then adjusted the bills, calculated***

1 **charges (huge), not only because all readjusted charges went to second and**
 2 **third tier, which are higher prices,** but also because meter, I guess, showing
 3 much bigger numbers. It's happen after meter were changed and billing system
 4 was changed. I have called DW&P and they say they put my huge bill on hold
 until an investigation is done. 10 weeks passed by, no one contacted me. I got
 new bill with previous charges, late *payment* and new charges. Is there a class
 action against DW&P? I would participate.

5 LADWP has been "averaging" customers' bills for years. This should only
 6 happen occasionally i.e. if you have locked gates or large animals that could
 7 cause a threat to LADWP employee. The most recent developments with the
 8 new system caused me great concern. They sent me 2 very small bills \$7 and
 9 \$12 in Sept. and Nov. Then in February sent me a \$285.00 and April's bill was
 10 about \$250. ***I was told that they estimated incorrectly in Sept and Nov of 2013***
and must be paid what I used. "How do they know what I used if they are
using ESTIMATES!" I was then told that they went back to their old system
and took a manual read but the system would not take the actual read and
defaulted to an "ESTIMATE!" . . . They said they would turn off my utilities
 if I did not pay the \$989.00 that I was *billed* since February.

11 I manage a 10 unit building, which received at [sic] \$12,055.29 water bill. ***I***
wanted to let people know that when you get an "estimated bill" it is not
because DWP did not come out and read the meter. It is because their system
only give [sic] them 48 hours to get the reading into the system. If it is not
input and [sic] "ESTIMATED", bill goes out. I know this from contacting the
 12 LADWP about the bill for the building I manager [sic]. So I requested
 13 corrected billing for the past five bills. I did receive them, but there is still a
 14 problem because they are trying to tell me that 10 units used 607,376 gallons of
 15 water in one billing period (64 days). This equals 9490.25 gallons per day or If
 you wish 949 gallons per unit per day. The average per person per day is 70
 gallons.

16 Like countless others, LADWP has managed to railroad me. My girlfriend and
 17 I just moved into a new house. The avg bill was coming out to about \$400.
 18 Then out of the nowhere, after eight months of living here, we get a whopping
 19 bill for over \$4,600.00!! ***The story goes that they were 'estimating' our bills,***
then finally caught up. After spending countless hours on the phone and
 20 speaking with at least 2 supervisors, they would not comprise [sic] on the bill
 saying that we should not use so much electricity if we couldn't afford it. How
 on earth could we have managed our electrical usage if we were given incorrect
 statements on which to base our usage vs cost on?

21 Our bill has been high for several months. . . . When I called dwp I asked how
 22 they were able to read the meter if it had been caked with mud. The customer
 23 service lady said they estimate. ***As she looked into our bill, she said the***
previous month our electric bill was estimated too low so this current bill is
making up the difference. I asked if someone *come* [sic] and look into our
 24 meters and they said they don't have anyone to do that.

25 I just received a bill of \$300 from this scam artist of a company for the second
 26 time this year. The first time they adjusted the price because once again, they
 27 didn't read my meter correctly. . . . ***When I contacted customer service, they***
said that they hadn't been reading meters due to lack of staff. . . . The rep
went on to say that I should have read that this was an "Estimated" charge
on my bill. Of course, their idiocy has to somehow be the fault of the
 28 ***customer.*** To which I replied, "My only concern on any bill that I receive is
 the 'Amount Due' section as it should be. How would I know that your
 company is completely inept when it comes to billing for your own services? . .

1 . I asked her how I could escalate this past her. She had the audacity to ask me
 2 what I hoped to gain be [sic] escalating my complaint? Because they do not
 3 make adjustments based on customer complaints even though this is their fault
 4 entirely. I am waiting with bated breath for a class action lawsuit that I hope
 5 will ruin this company. Please contact *me* and I would be happy to join it.

6 Like so many others, I was hit with a huge bill from DWP, July 2014. My bills
 7 from DWP average approximately \$250 for 60 days. I just received my bill that
 8 reads \$1,010!! ***I spoke with a representative who told me there was a glitch in
 the system and I was being undercharged for 8 months.*** The representative
 also told me they are really understaffed. How is that my issue? The company
 is now charging me for their negligence. I was a new customer 8 months ago
 and had no idea they were “estimating” my bill for 8 months. I have a meter,
 they read it, why is this an estimation? DWP is a grossly unfair, scandalous,
 and seriously negligent company.

9 I’ve just received a bill for \$1,400 for “incorrect” readings for a place I haven’t
 10 lived in for 3 months. Is anyone ***forming*** a class action lawsuit? I will join in.

11 Normally our water usage bill was between \$45-75 per every 61 day billing
 12 period dating back to April 2012. ***Then just this past April 2014, DWP sent us
 a bill for \$2800 for water usage adjustments since they claimed our previous
 13 bills had been all based on estimates. They reviewed that bill and now claim
 that we only owe \$2500. . . . Historically, we’ve averaged 12 HCF of water
 usage per billing period. In the billing periods in question, DWP claims that
 we used 153 HCF-237 HCF. . . . Something is incredibly wrong over at the
 DWP with either their meter or newly implemented billing system.***

14 A bill for over 5000 dollars with 3 tier billing single family dwelling. No proof
 15 didn’t read meter. Not ***first*** complaint.

16 I was disconnected (water) for \$523.73. I called LADWP and was told that my
 17 bills were from 2013. They told me that there was “delayed billing” and “bad
 meter reads”. I ask could I get payment arrangements they said no. Said they
 can’t. . . . They told me my bills ***were*** my fault for non-payment. So I ask, if
 there was “delayed billing” and “bad meter reads” how was that my fault? []

18 This is absurd. I started my service in AUGUST 2013 ***and still have not
 19 received a bill.*** I can only imagine what that bill is going to look like with all
 20 that service time PLUS these extra ***charges*** that I’m hearing so much about. It
 boggles my mind how such a vital part of Los Angeles services can be this
 broken.

21 [F]or the last 13 yrs my bill has ***been*** 150 to 200 now they send me a []
 22 \$3,700.00 because they said “they were estimating it all along” or “our new
 system has a glitch[.]”

23 My last 3 bill cycles have been 3-4 times higher than I am used to. I have filed
 24 bill inquiries online to no avail, no one ever contacts me back. . . . It’s been 3
 months since I put in a claim to have my meter checked, and NOTHING from
 them except bills keep increasing dramatically.

25 **TWO INDEPENDENT AUDITS AND THE DWP CONFIRM**
 26 **THE INCORRECT BILLING PRACTICES**

27 37. The DWP retained an outside auditor, TMG Consulting, Inc. (“TMG
 28 Consulting”), to conduct an analysis of what went wrong with its new Customer Information

1 System. On August 25, 2014, the consultant presented its findings identifying eleven issues
2 that resulted in the customer billing and service problems. The three predominant problems
3 were: (i) inadequate project management; (ii) selecting a vendor with inadequate experience;
4 and (iii) an unprepared workforce.

5 38. TMG Consulting concluded that the principle causes of the current instability of
6 the new billing system is the “direct result of continuing many aspects of the flawed project []
7 leading to the premature cutover of systems not ready for production use and an organization
8 not prepared for their proper operation,” including a lack of testing. It further found that
9 “[DWP] management was repeatedly warned of the risk created by a lack of testing.”

10 39. According to TMG Consulting “ongoing efforts using the same flawed project
11 approach have resulted in no measurable improvement in stability.” In other words, the
12 problems persist.

13 40. Following receipt of the root cause analysis by TMG Consulting on March 6,
14 2015, the City filed suit against Price Waterhouse. The City accuses Price Waterhouse of
15 fraudulently misrepresenting that it “possessed the knowledge, expertise, skills and abilities
16 necessary to perform the work required to implement the new” billing system “all at the
17 expense of the public utility ratepayers of the City of Los Angeles.” According to the
18 complaint the “results of [Price Waterhouse’s] breaches of contract, intentional
19 misrepresentations, and material and critical omissions were disastrous.”

20 41. While attempting to shift the blame to Price Waterhouse, the City’s complaint
21 details and admits to the “numerous defects” in its new billing system that resulted in
22 (1) “‘critical’ meter configuration defects in more than 180,000 meters” resulting “in 11.25%
23 of all of the LADWP’s meters being rendered unable to function properly and the LADWP
24 unable to bill approximately 180,000 of its customers – many for a period of more than 17
25 months;” (2) the inability to validate meter read data collected by meter readers and uploaded
26 to the CC&B system so that the data could be processed and used to generate bills resulting in
27 the DWP being unable to “bill any of its 1.2 million residential customers;” (3) DWP
28 continuing to “bill customers *after* they had placed ‘Off Orders,’ and was unable to bill new

1 customers who had placed 'On Orders' upon moving into a residence where a corresponding
2 'Off Order' had been placed;" (4) unreliable and invalid "Trend Estimates" resulting in
3 customers "being grossly overcharged based on grossly inflated 'estimates' that were wildly
4 high" and who were "being charged for greater quantities of electricity and water than they
5 had actually used" and whose "extremely high [] bills were incorrect;" (5) unreliable and
6 invalid "Trend Estimates" that were "extremely low" resulting in some customers being
7 "grossly *underbilled*" and who were to "later receive bills for large amounts that were
8 reconciled or 'trued up';" (6) the DWP sending "a significant number of its customers bills
9 that were incorrect, because these bills purported to charge (i) many LADWP's customers for
10 amounts that were significantly *greater than* the amounts that these customers actually owed;
11 and (ii) many other LADWP's customers for amounts that were significantly *less than* the
12 amounts that these customers actually owed."

13 42. A second audit was conducted by the California State Auditor, and found that
14 DWP played a much greater role in the implementation of the flawed billing system than the
15 auditor DWP hired. The California audit found that the DWP was "fully aware that CIS had
16 persistent problems through its development and immediately preceding its launch." Further,
17 the DWP had "the information necessary to understand the project's status and to recognize
18 the strong likelihood that launching CIS would result in problems." The audit further found
19 that "both quality assurance reports and the department's own assessment of the system's
20 readiness demonstrated that the department minimized or ignored the severity of the issues that
21 existed at the time it made the decision to launch CIS." Instead, "the department disregarded
22 [the quality assurance contractor's] significant and repeated warnings about the quality of the
23 new system, its compressed deployment schedule, and other issues indicating that it was not
24 ready for deployment." For example, "[r]eports from the department's quality assurance
25 expert warned that no aspect of the project was ready; in fact, the quality assurance expert
26 reported that the project's scope, quality, and schedule were all at the lowest possible rating
27 and needed immediate attention."
28

1 43. In addition to warnings from its quality assurance expert, the DWP's "own
2 internal analysis of go-live readiness demonstrated that it was not prepared to launch CIS."
3 The California State Auditor found that "two weeks before launch the project did not satisfy
4 the prerequisites the department had set in order to launch CIS, meaning that the criteria
5 showed the new system was not ready." Initially, the DWP sought to defend its decision to
6 launch CIS. Its former general manager explained, "There comes a point – after dress
7 rehearsals and testing – that you simply have to go live to know in a real working environment
8 exactly how the system works." It was not until a year into the problem riddled system that
9 the DWP "admitted it had overlooked serious planning and implementation challenges,
10 reduced or eliminated much of the testing, and left inadequate time to properly prepare and
11 train the staff who would use CIS, resulting in rushed implementation that caused customer
12 service problems."

13 44. The City knows and has known that the bills the DWP sends to its customers
14 are incorrect, yet still demands that its customers pay those bills.

15 **THE CITY DOES NOT PROVIDE ADMINISTRATIVE REMEDIES**

16 45. The City has supervisory or investigatory powers over billing disputes
17 presented to it by its customers. For example, Rule No. 10 is titled "Disputes of Bills and
18 Other Department Practices" and Rule No. 17 is titled "Meter Tests and Adjustment of Bills
19 for Meter and Utility Errors." The City's supervisory or investigatory powers do not afford its
20 customers an administrative remedy unless there is a clearly defined mechanism and process
21 for the submission, evaluation and resolution of complaints. The City, however, does not have
22 a clearly defined process for the submission, evaluation or resolution of complaints. Rather, it
23 has conflicting and contradictory procedures that the City itself does not follow.

24 46. Rule No. 10 describes a two-tiered resolution process whereby the customer
25 first presents his or her dispute to the Customer Relations Office and next has a hearing before
26 Department Management. In contrast, billing statements advise customers of either a 3 or 4
27 tiered process. For instance, some customers are instructed to first contact the customer
28 service representative, then a supervisor, followed by a review by the Customer Relations

1 Office, and finally a management-level review. Other customer billing statements skip review
2 by the Customer Relations Office and escalate the dispute from the customer service
3 representative to a supervisor, and then straight to management-level review. In no case are
4 customers informed of their right to a hearing before Department Management, as provided in
5 Rule No. 10.

6 47. Even more confusing, Rule No. 10 requires that the Department Management
7 review must be requested by the customer within 10 days after the DWP's investigation
8 determines the disputed bill is due. But customers are not informed of the 10 day period and,
9 in most instances, no investigation is performed. Even more, while Rule No. 10 requires that
10 the request for management level review be accompanied by payment of the "entire
11 outstanding bill" (which in many cases amounts to thousands of dollars), some customers are
12 being instructed that payment of "the bill" is due (but told to pay in a different time period
13 than described in Rule No. 10), while yet other customers are told to pay "the undisputed
14 portion of the bill" to obtain management-level review.

15 48. Customers that directly ask the DWP about how to dispute their bill receive yet
16 different information or are affirmatively told that there is no process to dispute the
17 department's determination that a bill is correct. For example, plaintiff Bransford, who used to
18 pay her DWP bills via a preset "auto-pay" system, was overbilled and the money taken directly
19 from her bank account. When she complained about the overbilling and inquired about a
20 refund for the money that was taken, she was told by a DWP customer service representative
21 that her bill was higher because her usage had increased, a refund was not an option, and there
22 was no mention of a process whereby she could dispute her bill. Other customers received the
23 same information; *i.e.*, no appeals. Other customers who inquired about how to dispute their
24 bill were similarly told that no dispute process is available because "the bill is the bill" and
25 "the meter says what it says." Other customers were able to escalate the dispute to a
26 supervisor, only to be told by the supervisor that there was nothing to be gained by escalating
27 the dispute further "[b]ecause they do not make adjustments based on customer complaints[.]"
28

1 49. Other customers were able to push their billing dispute forward another step,
2 only to be thwarted when the City did not follow its own procedures. Rule No. 10 requires
3 that the DWP, upon request by the customer, conduct an investigation into billing or other
4 disputed practices and complete its investigation within 30 days for multifamily residences and
5 60 days for all other services. Customers that disputed their bill and requested an investigation
6 by the DWP typically have never been provided the investigation required by the Rules. For
7 example, the DWP informed that it was too busy to send an investigator or that the request for
8 investigation needed approval before an investigation would be made. In other cases, the
9 DWP promised, but never conducted the investigation, or the investigator did not show up as
10 arranged to perform the investigation. Some customers who requested investigations, after
11 waiting for many months, instead of getting an investigation received notices their services
12 were to be terminated. Other customers obtained an investigation but were never informed of
13 the results of the investigation or were not timely informed. Customers' repeated attempts to
14 speak with the investigators or obtain the results of investigations were unsuccessful.

15 50. Yet other customers made written requests for management level review of
16 their disputed bill. Some of these requests were made by letter to the DWP and directed to the
17 attention of the "Dispute Desk." Other customers went to DWP offices and used the forms
18 provided to them by DWP personnel paid the undisputed amount, and followed the steps to
19 obtain management-level review as specifically directed by DWP employees. Despite their
20 efforts, these customers did not receive a response from the DWP or its department manager,
21 nor was a management-level hearing granted.

22 51. The City fails to follow Rule No. 10, or the purported administrative procedures
23 for resolving billing disputes. After DWP implemented the faulty Customer Information
24 System, worried customers began flooding it with calls to discuss inaccurate and excessive
25 bills, as they were directed to do by DWP's billing statements. As a result of public outcry,
26 the DWP had to determine a way to reduce calls and limit call wait times. Accordingly, in and
27 around November 2013, the DWP implemented a moratorium on service terminations and
28 ceased collection activities. The California State Audit explains that even after the moratorium

1 was lifted in the summer of 2014, the DWP committed itself to slowing down its collection
2 efforts, recognizing that “it would not be fair to shut off services if customers cannot contact
3 the department.” The California State Audit explains that “customers tried to contact the
4 department through its customer contact center (call center), but because of the excessively
5 large call volumes, they were not able to discuss their bills with the department in a reasonable
6 amount of time.” In a further effort to reduce calls, the DWP increased collection thresholds
7 by raising the past-due amount for residential customers from \$1,000 to \$10,000 before it
8 would initiate collection activities. A similar increase was applied to commercial customers.

9 52. Plaintiffs have complied with all applicable notice and claim requirements.
10 Plaintiffs presented written administrative claims in accordance with the Government Claims
11 Act for themselves and the Class on October 2, 2014. In an effort to evade class wide liability,
12 by letter dated November 26, 2014, the City conceded that it had overbilled plaintiffs Shrager
13 and Tash but informed that corrected bills and credits would only be applied to the named
14 plaintiffs’ accounts. The City has not paid the other class members, including Bransford, the
15 monies due and owing to them as a result of its improper billing, nor has it properly or fully
16 credited Tash’s account for her generation of solar power. To the extent the City has paid
17 Shrager and Tash, this constitutes improper picking off of class representatives, and does not
18 relieve the City of its obligations. The City is obligated to treat all similarly situated customers
19 the same and accordingly should refund its overcharges to all class members.

20 CLASS ACTION ALLEGATIONS

21 53. Plaintiffs bring this action on their own behalf and on behalf of a class of
22 individuals pursuant to Code of Civil Procedure § 382, Civil Code § 1781, and other
23 applicable law. The class is defined as:

24 All DWP customers who from September 3, 2013 to the present were charged
25 for water or electric service in an amount exceeding the price permitted by
applicable ordinance and rules.

26 54. Plaintiffs also bring this action on their own behalf and on behalf of a sub-class
27 defined as:
28

1 All DWP residential customers who from September 3, 2013 to the present
2 were charged for water or electric service in an amount exceeding the price
permitted by applicable ordinance and rules.

3 55. This action is brought and may be maintained as a class action because there is
4 a well-defined community of interest among many persons who comprise a readily
5 ascertainable class. A well-defined community of interest exists to warrant class wide relief
6 because plaintiffs and all members of the class were subjected to the same wrongful practices
7 by the City, entitling them to the same relief. The class is ascertainable from the City's
8 records. The DWP tracks the number of bills it bases on estimated usage instead of actual
9 meter readings and also tracks the number of delayed bills, which it defines as bills it does not
10 mail to customers on time because of billing issues.

11 56. The class is so numerous that individual joinder of its members is
12 impracticable. While the exact number of class members is unknown to plaintiffs at this time,
13 plaintiffs are informed and believe that there are tens of thousands of class members.

14 57. Common questions of law and fact exist as to members of the class and
15 predominate over any questions which affect only individual members of the class. These
16 common questions include, but are not limited to:

17 (a) whether the City's billing practices resulted in overcharges to class
18 members;

19 (b) whether the City's overcharging plaintiffs and class members
20 constitutes money had and received;

21 (c) whether the City's overcharging plaintiffs and class members
22 constitutes breach of contract;

23 (d) whether the City's billing practices violate the CLRA;

24 (e) whether plaintiffs and class members have sustained monetary loss and
25 the proper measure of that loss;

26 (f) whether plaintiffs and class members are entitled to declaratory and
27 injunctive relief;

28

1 (g) whether plaintiffs and class members are entitled to a writ of mandate
2 requiring the City to comply with the Rules Governing Water and Electric Service and
3 ordinance no. 180127, as amended by 181181, 182273 (electric), and ordinance no. 170435, as
4 amended by 171639, 173017, 175964, 177968, 179802, 182047 (water).

5 58. Plaintiffs are members of the class they seek to represent and their claims and
6 injuries are typical of the claims and injuries of the other class members.

7 59. Plaintiffs will adequately and fairly protect the interests of other class members.
8 Plaintiffs have no interests adverse to the interests of absent class members. Plaintiffs are
9 represented by legal counsel with substantial experience in class action litigation. The
10 interests of members of the class will be fairly and adequately protected by plaintiffs and their
11 counsel.

12 60. Prosecuting separate actions by each of the individual class members would
13 create a risk of inconsistent or varying adjudications with respect to those individual class
14 members that would establish incompatible standards of conduct for the City.

15 61. Defendant has acted or refused to act on grounds that apply generally to the
16 class members, so that final injunctive relief or corresponding declaratory relief is appropriate
17 respecting the class as a whole.

18 62. A class action is superior to other available means for fair and efficient
19 adjudication of the claims of the class and would be beneficial for the parties and the court.
20 Class action treatment will allow a large number of similarly situated persons to prosecute
21 their common claims in a single forum, simultaneously, efficiently, and without the
22 unnecessary duplication of effort and expense that numerous individual actions would require.
23 The amounts owed to the many individual class members are likely to be relatively small, and
24 the burden and expense of individual litigation would make it difficult or impossible for
25 individual members of the class to seek and obtain relief. A class action will serve an
26 important public interest by permitting such individuals to effectively pursue recovery of the
27 sums owed to them. Further, class litigation prevents the potential for inconsistent or
28 contradictory judgments raised by individual litigation. Plaintiffs are unaware of any

1 difficulties that are likely to be encountered in the management of this action that would
2 preclude its maintenance as a class action.

3 **FIRST CAUSE OF ACTION**

4 **For Money Had and Received**
5 **(By Plaintiffs and the Class)**

6 63. Plaintiffs incorporate all paragraphs above as though fully set forth herein.

7 64. Plaintiffs and other class members paid to defendant, and defendant retained,
8 monies which it would be inequitable for defendant to continue to retain.

9 65. The payment by plaintiffs and the other class members of excess monies for
10 utility services described above was done as a result of: (a) mistake of fact and/or ignorance of
11 law, and/or (b) reliance on misrepresentations that amounts were due when such amounts were
12 not due, coercion or duress, and/or (c) defendant's violation of the parties' contractual
13 agreements, and/or (d) pursuant to void or voidable contracts. The payment of these excess
14 monies created indebtedness on the part of defendant to plaintiffs and the other class members.

15 66. As a result of defendant's unjust retention and collection of the excess monies
16 discussed above, defendant is indebted to plaintiffs and each other class member in a sum
17 certain, the amount of which can be proven at trial by reference to defendant's own records. It
18 would be inequitable for defendant to retain said sums, and plaintiffs and the other class
19 members are entitled to recover said sums as money had and received by defendant from
20 plaintiff and the other class members, and as damages for it.

21 **SECOND CAUSE OF ACTION**

22 **For Breach of Express Contract**
23 **(By Plaintiffs and the Class)**

24 67. Plaintiffs hereby incorporate all paragraphs above as though fully set forth
25 herein.

26 68. Plaintiff and each class member entered into contracts with defendant by which
27 plaintiffs and class members offered to purchase electric and/or water service from defendant.
28 Defendant agreed to provide electric and/or water service to plaintiffs and class members with

1 the service to be provided and the service charged in accordance with the Rules Governing
2 Water and Electric Service. In exchange for the provision of utility services by defendant,
3 plaintiffs and class members agreed to pay for the utility services that were provided by
4 defendant in the amount permitted by the Rules.

5 69. Defendant breached the terms of the contracts with plaintiffs and the class by
6 charging and collecting for water and/or electric service at prices higher than agreed to in the
7 contract and permitted by the Rules. The consideration for each one month contract period for
8 water service was reasonably valued at not more than \$1,000. The consideration for each one
9 month contract period for electric service was reasonably valued at not more than \$1,000.

10 70. All conditions precedent to defendant's liability under the contract have been
11 performed by plaintiffs and the class, including the payment for the services at the contract
12 price.

13 71. As a direct and proximate result of defendant's breach of contract, plaintiffs and
14 the other class members have been damaged in amounts to be proven at trial, and continue to
15 be damaged.

16 THIRD CAUSE OF ACTION

17 For Violations of the CLRA, Civil Code §§ 1750, *et seq.* 18 (By Plaintiffs and a sub-Class of all Residential Customers)

19 72. Plaintiffs incorporate all paragraphs set forth above as though fully set forth
20 herein.

21 73. Defendant is a "person" as defined by Civil Code § 1761(c). In its capacity as a
22 utility, DWP is engaged in commercial rather than governmental activity, and is acting as a
23 business that generates profits that it transfers to the City. The DWP is a significant revenue
24 source for the City, and at the end of each fiscal year transfers any surplus funds from its
25 power revenue to the City's reserve fund. For example, in December 2014, the DWP received
26 approval to transfer \$256.6 million to the City's reserve fund. The two years prior to this, the
27 DWP transferred \$246.5 million and \$253 million of its surplus funds to the City. As of June
28 30, 2014, the DWP had nearly \$776 million in unrestricted cash and cash equivalents.

1 74. Plaintiffs and each member of the sub-class are “consumers” within the
2 meaning of Civil Code § 1761(d).

3 75. The CLRA applies to defendant’s conduct because it extends to transactions
4 that are intended to result in the sale or lease of goods or services to consumers, or do result in
5 such sales or leases. The electric and water services at issue are “services” under the CLRA.

6 76. Defendant violated and continues to violate the CLRA by engaging in the
7 following practices proscribed by Civil Code § 1770(a) in transactions with plaintiffs and class
8 members which were intended to result in, and did result in, payment of the excessive electric
9 and water service charges:

10 (a) In violation of Civil Code § 1770(a)(14), defendant represented that the
11 transactions involve rights, remedies, or obligations which the transactions did not have or
12 involve, or which are prohibited by law; and

13 (b) In violation of Civil Code § 1770(a)(16), defendant represented that the
14 subject of a transaction was supplied in accordance with a previous representation, when it was
15 not.

16 77. As a direct and proximate result of the misconduct alleged above, plaintiffs and
17 other class members suffered irreparable harm and monetary damages entitling them to both
18 injunctive relief and restitution.

19 78. As a direct and proximate result of the misconduct alleged above, plaintiffs and
20 each class member has been damaged in amounts to be proven at trial, provable from
21 defendant’s billing records.

22 79. Pursuant to Civil Code § 1782(d), plaintiffs and the class seek a court order
23 enjoining the above-described wrongful acts and practices of defendant and for damages,
24 restitution and disgorgement.

25 80. Pursuant to Civil Code § 1782, by letter dated December 1, 2014, plaintiffs
26 notified defendant in writing by certified mail of the particular violations of Civil Code § 1770
27 and demanded that defendant rectify the problems associated with the actions detailed above
28 and give notice to all affected customers of its intent to so act. Defendant did not respond to

1 the letter nor did it rectify the problems associated with the actions detailed above, which
2 problems are continuing.

3 **FOURTH CAUSE OF ACTION**

4 **For Declaratory Relief**
5 **(By Plaintiffs and the Class)**

6 81. Plaintiffs hereby incorporate all paragraphs above as though fully set forth
7 herein.

8 82. An actual controversy has arisen and now exists regarding plaintiffs' rights, and
9 defendant's obligations, relating to the proper billing and charging for electric and water
10 services provided to plaintiffs and class members. The controversy relates to both parties'
11 rights and obligations under the contracts, city ordinances discussed above.

12 83. Plaintiffs request a judicial determination of their rights and duties, and the
13 rights and duties of absent class members, and a declaration as to whether defendant's billing
14 and collection is illegal and/or a breach of contract. A declaration from the court ordering the
15 City to stop its illegal practices is required.

16 **FIFTH CAUSE OF ACTION**

17 **For Writ of Mandamus Pursuant to C.C.P. § 1085**
18 **(By Plaintiffs and the Class)**

19 84. Plaintiffs incorporate all paragraphs above as though fully set forth herein.

20 85. To the extent that the court concludes that there is not an adequate remedy at
21 law for plaintiffs and class members for the relief sought, plaintiffs are entitled to a writ of
22 mandamus under C.C.P. § 1085.

23 86. Defendant has a clear, present, and ministerial duty to comply with the Rules
24 Governing Water and Electric Service and the ordinances setting the tier allocations (*i.e.*
25 ordinance 180127, as amended (electric) and ordinance 170435, as amended (water) and is
26 prohibited from collecting money in excess of the amounts permitted by the applicable rules
27 and ordinances.
28

1 87. Plaintiffs have a clear, present, and beneficial right in defendant's performance
2 of its duties under these ordinances, and are the intended and direct beneficiary of the
3 ordinances prohibition of collecting for electric and water services in amounts in excess of the
4 permitted prices. Plaintiffs have a direct monetary interest in the defendant's compliance with
5 its duties under the pricing ordinances because in violation of the ordinances defendant has
6 wrongfully collected and continues to collect excessive amounts from plaintiffs.

7 88. Plaintiffs are entitled under C.C.P. § 1085 to a writ of mandamus that directs
8 defendant to comply with the Rules and above listed ordinances and refund to plaintiffs and
9 members of the class excessive amounts collected.

10 **PRAYER FOR RELIEF**

11 Plaintiffs, individually, and on behalf of all others similarly situated, pray for relief and
12 judgment against defendant as follows:

- 13 A. Certifying the class as requested herein;
- 14 B. Awarding plaintiffs and the proposed class members damages;
- 15 C. Awarding restitution and disgorgement of defendant's revenues to plaintiffs and
16 the proposed class members;
- 17 D. Awarding declaratory and injunctive relief as permitted by law or equity,
18 including: enjoining defendant from continuing the unlawful practices as set forth herein, and
19 directing defendant to identify, with court supervision, victims of its conduct and pay them
20 restitution and disgorgement of all monies acquired by defendant by means of any act or
21 practice declared by this court to be wrongful;

22 89. For a writ of mandamus requiring defendant to comply with the Rules
23 Governing Water and Electric Service and ordinance nos. 180127 and 170435, as amended;

- 24 A. Awarding attorneys' fees and costs; and
- 25 B. Providing such further relief as may be just and proper.

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JURY DEMAND

Plaintiffs demand a trial by jury on all issues so triable.

Dated: May 7, 2015

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gwade@milsteinadelman.com

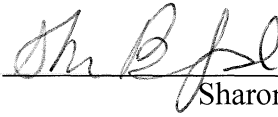
Attorneys for Plaintiffs

1 **VERIFICATION**

2 I, Sharon Bransford, declare as follows:

3 I am a plaintiff in this action. I have read the Amended Complaint and Petition for
4 Writ of Mandamus. As to the matters stated therein in paragraphs 1 through 6, 9 through 31,
5 and 36 through 52, I am informed and believe that they are true and correct.

6 I declare under penalty of perjury under the laws of the State of California that the
7 foregoing is true. Executed on May 6, 2015, at Los Angeles, California.

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9 Sharon Bransford

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BLOOD HURST & O'REARDON, LLP


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VERIFICATION

I, Steven Shrager, declare as follows:

I am a plaintiff in this action. I have read the Amended Complaint and Petition for Writ of Mandamus. As to the matters stated therein in paragraphs 1 through 5, 7, 9 through 29, 32, and 36 through 52, I am informed and believe that they are true and correct.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true. Executed on May 3, 2015, at Studio City, California.



Steven Shrager

BLOOD HURST & O'REARDON, LLP

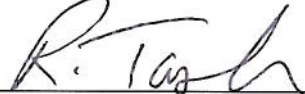
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VERIFICATION

I, Rachel Tash, declare as follows:

I am a plaintiff in this action. I have read the Complaint and Petition for Writ of Mandamus. As to the matters stated therein in paragraphs 1 through 5, 8 through 29, and 34 through 52, I am informed and believe that they are true and correct.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true. Executed on May 4, 2015, at Burbank, California.



Rachel Tash

BLOOD HURST & O'REARDON, LLP

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DECLARATION OF SERVICE

Sharon Bransford, et al. v. City of Los Angeles
Los Angeles Superior Court Case No. BC565618

I, the undersigned, declare:

1. That declarant is and was, at all times herein mentioned, a citizen of the United States and a resident of the State of California, over the age of 18 years, and not a party to or interested party in the within action; that declarant's business address is 701 B Street, Suite 1700, San Diego, California 92101.

2. That on May 7, 2015, declarant caused to be served the foregoing document upon the attorney of record for each party in this case at the e-mail address(es) registered for such service via electronic transmission to File & Serve*Xpress* at fileandservexpress.com.

I declare under penalty of perjury that the foregoing is true and correct. Executed on May 7, 2015.

Janet Kohnenberger
BLOOD HURST & O'REARDON, LLP
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