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8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA**

10 RICHARD LILYGREN, individually and on  
behalf of others similarly situated,

11 Plaintiff,

12 vs.

13 PLAINS ALL AMERICAN PIPELINE, L.P., a  
14 Delaware limited partnership, PLAINS  
15 PIPELINE, L.P., a Texas limited partnership,

16 Defendants.

Case No.:

**COMPLAINT – CLASS ACTION**

**DEMAND FOR JURY TRIAL**

1 **I. INTRODUCTION**

2 Plaintiff Richard Lilygren (“Plaintiff”), individually and on behalf of all others similarly  
3 situated, alleges the following against Plains All American Pipeline, L.P., and Plains Pipeline, L.P.  
4 (“Defendants” or “Plains”), based where applicable on personal knowledge, information and belief,  
5 and the investigation and research of counsel.

6 **II. NATURE OF THE ACTION**

7 1. On May 19, 2015, a 24-inch wide oil pipeline running along the coast near Santa  
8 Barbara, California ruptured and thousands of gallons of crude oil began pouring out, ultimately  
9 making its way into the Pacific Ocean. The disaster resulted in contamination of the environment,  
10 the suspension of oil and gas operations along the Central Coast, and the loss of many associated  
11 jobs.

12 2. The pipeline, known as Line 901, is owned and operated by Defendants, Texas-based  
13 companies, for whom ruptured pipelines are nothing new. In 2014 a Plains pipeline ruptured in Los  
14 Angeles’ Atwater Village, sending more than 18,000 gallons of crude running through the city’s  
15 streets. Toxic fumes were reported in the industrial area for days after the spill. Since 2006, federal  
16 agencies have cited Plains for at least 175 safety and maintenance violations. Plains Pipeline has  
17 reported 179 such incidents since 2006. Among more than 1,700 operators included in a database  
18 maintained by the Pipeline and Hazardous Materials Safety Administration, only four reported more  
19 incidents than Plains. Plains has been cited for oil spills across the country and fined millions of  
20 dollars.

21 3. The failure of Line 901 is alarming because the pipeline runs near the edge of the  
22 Pacific Ocean, and the rupture caused tens of thousands of gallons of toxic crude oil to flow  
23 unabated over some of the most beautiful beaches and pristine waters along California’s Gaviota  
24 Coast. Oil invaded the coastal waters, covering them with toxic crude, coating the shoreline, and  
25 clinging to rocks, sand, and the animals it touched. By the time Defendants managed to shut off  
26 Line 901, it had reportedly discharged more than 140,000 gallons of crude oil. Noxious odor of  
27 crude oil permeated the air, drenched wildlife with oil, and left miles of previously pristine shoreline  
28 covered in thick black tar. Several public beaches were closed after the spill, and more than 100

1 birds and dozens of mammals, including sea lions and dolphins, died from contact with the oil. Oil  
2 floated out to sea, creating a slick that stretched for miles, contaminating several State Marine  
3 Conservation Areas along the way, forcing beaches to close and requiring clean up across nearly 100  
4 miles of shoreline along California's Central Coast.

5 4. Following the spill, Line 901 was shut down, and subsequently Line 903, a Plains-  
6 operated pipeline to which it connects, was also shut down. With these pipelines closed, oil is not  
7 being transported along the Central Coast, and as a result, oil and gas facilities that extract and  
8 process oil have ceased or limited operations, and have laid-off many workers. Plaintiff, for  
9 example, was laid off from his 11 year job as an operator at the Freeport-McMoRan offshore  
10 platform Hermosa near Point Arguello.

11 5. This tragedy and resulting economic harm could have been averted had Defendants  
12 installed an automatic shut-off valve on the pipeline. Such mechanisms are common on pipelines  
13 across the country. Line 901 appears to be the only pipeline of its kind in Santa Barbara County  
14 without this key safety feature.

15 6. The decision to operate without an automatic shut-off system is no accident. When  
16 Defendants, through their predecessor in interest, built the pipeline in 1987, Santa Barbara County  
17 demanded that a shut-off system be installed and that the County be allowed to inspect the welds on  
18 the pipeline. Shirking their responsibility, Defendants sued, arguing that the County lacked the  
19 authority to force them to install an automatic shut-off system or inspect its pipeline, basic safety  
20 systems and protocols that almost all the other pipeline owners in the area had installed. As a result,  
21 Line 901 has no automatic shut-off system, and when the pipeline failed, more than 140,000 gallons  
22 of crude oil poured out, polluting the precious waters and beaches along the coast, and bringing  
23 related oil and gas operations to a standstill. Even now, after the spill, Plains has publicly announced  
24 that it will not install an automatic shutoff valve on Line 901.

25 7. Recent investigation of inspection results from the last five years revealed systemic  
26 and extensive corrosion throughout the length of Defendants' pipeline. An in-line inspection just  
27 weeks before the spill showed disturbing levels of corrosion on both Line 901 and Line 903. Third-  
28 party metallurgists on site estimated the metal loss at the rupture site left only 1/16 of an inch of pipe

1 between pressurized crude oil and the environmentally sensitive coastline through which the pipeline  
2 runs. Federal inspectors from the Pipeline and Hazardous Materials Safety Administration  
3 (PHMSA) also found three corrosion repairs near the rupture site made after a 2012 in-line  
4 inspection, and the May 5, 2015, inspection found three other areas of “extensive corrosion” on Line  
5 901 requiring “immediate investigation and remediation.”

6 8. Plaintiff Richard Lilygren brings this action pursuant to Federal Rule of Civil  
7 Procedure 23 on his own behalf and as a representative of others similarly situated to recover for  
8 significant injuries and economic losses they have incurred and will continue to incur because of  
9 Defendants’ oil spill.

### 10 III. PARTIES

11 9. Plaintiff Richard Lilygren is a resident of Santa Barbara County, California, citizen of  
12 California, and an offshore oil platform operator by trade. He has worked in the oil and gas industry  
13 since 2002. At the time of the spill, Mr. Lilygren had been working for eleven years at the offshore  
14 oil platforms Hidalgo and Harvest, operated by Freeport-McMoRan near Point Arguello. On July  
15 13, 2015, shortly after the spill and the closure of Lines 901 and 903, Mr. Lilygren’s employment  
16 was terminated because Freeport-McMoRan’s oil and gas facilities were shut down. He has been  
17 out of work since then, and unable to find comparable employment.

18 10. Defendant Plains All American Pipeline, L.P. is a Delaware limited partnership with  
19 its principal place of business in Houston, Texas. On information and belief, Defendant operates  
20 through or on behalf of PAA GP LLC, a Delaware limited liability company, Plains AAP, L.P.  
21 (“AAP”), a Delaware limited partnership that is the sole member of PAA GP LLC, Plains All  
22 American GP LLC (“GP LLC”), a Delaware limited liability company, Plains GP Holdings, L.P.  
23 (“PAGP”), a Delaware limited partnership that is the sole member of GP LLC, and PAA GP  
24 Holdings LLC, the general partner of PAGP.

25 11. Defendant Plains Pipeline, L.P. is a Texas limited partnership with its principal place  
26 of business in Houston, Texas. Plains Pipeline, L.P. is a subsidiary of Plains All American Pipeline,  
27 L.P.

28

1 12. Defendants own and operate the All American pipeline system, a common carrier  
2 crude oil pipeline system that transports crude oil produced from two outer continental shelf fields  
3 off the California coast via connecting pipelines to refinery markets in California. The system  
4 receives crude oil from ExxonMobil's Santa Ynez field at Las Flores and receives crude oil from the  
5 Freeport-McMoRan-operated Point Arguello field at Gaviota.

6 **IV. JURISDICTION AND VENUE**

7 13. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1332(d) because  
8 the amount in controversy exceeds \$5,000,000, exclusive of interest and costs, and members of the  
9 proposed class are citizens of different states than Defendants.

10 14. This Court has personal jurisdiction over Defendants because they are registered to  
11 conduct business in California, and have sufficient minimum contacts with California.

12 15. Venue is proper in this district under 28 U.S.C. § 1391(b) because a substantial part  
13 of the events or omissions giving rise to Plaintiff's claims occurred in this district.

14 **V. FACTS**

15 **A. California's Central Coast**

16 16. The Central Coast of California, which includes the Gaviota Coast north of Santa  
17 Barbara, is a special place. Its blue waters and magnificent coastline provide opportunities for  
18 recreation and enjoyment to residents and visitors, and its oil fields present lucrative employment  
19 opportunities for workers on oil drilling platforms offshore and at the oil and gas facilities onshore.

20 17. In 1969, a blowout at Union Oil's Platform A offshore drill rig sent millions of  
21 gallons of oil into the waters and onto the beaches of Santa Barbara County. The blowout killed  
22 thousands of birds, dolphins, fish, and other marine life, but it effectively led to the birth of the  
23 environmental movement, and caused governments and some companies to take significant steps to  
24 make the production and transportation of crude safer and more reliable. Defendants, however, are  
25 notable for their track record of doing otherwise, astonishing for an enterprise with a collective  
26 market value of \$18.8 billion and roughly 18,000 miles of pipeline in North America.

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1 18. Defendants' oil spill, which has contaminated the coast, undermined the health of the  
2 environment, and negatively impacted coastal properties, has also caused the local oil and gas  
3 industry workforce to be slashed.

4 **B. The Failure of Defendants' Line 901**

5 19. Line 901 is a 10-mile long, 24-inch wide pipeline owned and operated by Defendants,  
6 which runs near the edge of the Pacific Ocean and transports up to 6,300,000 gallons of oil a day.  
7 The pipeline routes along many private properties and past several state parks and beaches, including  
8 Refugio State Beach, carrying crude from offshore platforms inland and to refineries.

9 20. When Line 901 ruptured on the morning of May 19, 2015, it spilled toxic crude oil  
10 onto the beach and into the Pacific Ocean near Refugio State Beach. The smell of oil pouring out of  
11 the ruptured pipe overwhelmed neighbors and beachgoers. At approximately 11:30 a.m. the Santa  
12 Barbara County Fire Department responded to reports of the odors, and arrived to find oil flowing  
13 from the pipeline, through a storm drain under Highway 101, onto and across the beach, and into the  
14 Pacific Ocean. The oil then began to spread along the shoreline, and washed up on nearby  
15 properties. Oil continued to leak from the pipeline throughout the afternoon.

16 21. After the oil covered the beach and rocks just below the failed pipe, it reached the  
17 water and spread quickly, travelling for miles out to sea. It polluted and fouled beaches for miles  
18 around. As of June 8, 2015, the spill had impacted up to 50 miles of shoreline along the Central  
19 Coast. By June 22, 2015, Defendants confirmed that their oil has washed up in identifiable tarballs  
20 on Manhattan Beach, 130 miles south of Santa Barbara. Plains oil tarballs have now been confirmed  
21 as far south as Orange County. It is presently unknown how far north the oil spill has traveled.

22 22. The precise timeline of events is still not clear, but it appears that Defendants failed to  
23 promptly act to respond to signs of the pipeline failure or to notify relevant government agencies.  
24 According to a letter from California's two United States senators, there was serious concern that  
25 "Plains Pipeline may not have detected this spill or reported it to federal officials as quickly as  
26 possible, and that these delays could have exacerbated the extent of the damage to the environment."  
27 The senators called Defendants' response "insufficient."  
28

1           23.     According to many witnesses who visited Refugio State Beach the night of the spill  
2 as well as nearby homeowners, there was little or no initial response. Even the next day, as  
3 professional clean-up crews began to respond to Refugio State Beach, the response at other nearby  
4 beaches was left to volunteers with little or no training or protective equipment, using nothing but  
5 shovels and five-gallon buckets to try to remove thousands of gallons of crude from the sand and  
6 sea.

7           24.     Despite the efforts of those volunteers and professional responders, the scope of the  
8 spill continued to expand. It stretched far south of Santa Barbara, invaded the shoreline and coastal  
9 properties, and impacted numerous Marine Protected Areas that provide vital breeding and feeding  
10 grounds for marine species.

11          25.     Tar balls are washing up on beaches far to the south and east of the spill site, and oil  
12 sheen has stretched for miles. Frisbee-sized “oil pancakes” are drifting toward Channel Islands  
13 National Park. Many fish, birds, and marine mammals have died after being covered in oil or  
14 exposed to its toxic compounds. Those are the visible harms, relatively easy to see and tally. Unseen  
15 as the oil sinks and swirls in the tides and currents is the effect on sea grass, kelp beds, reefs, and the  
16 aquatic food chain.

17          26.     Along the coast, the impact of the spill translates to profound economic impacts.  
18 Critically, Plains’ failure to properly and safely operate its pipeline, causing the rupture of Line 901,  
19 the massive oil spill, and the subsequent closure of Line 903, also resulted a systematic shutdown of  
20 local oil and gas facilities, both onshore and offshore. Workers at these facilities have lost their jobs  
21 and their livelihoods.

22     **C.     Defendants’ Long and Reckless Practice of Avoiding Installing Safety Equipment.**

23          27.     Defendants wantonly disregarded the health and safety of the people and environment  
24 by operating a pipeline it knew did not have proper safety systems in place. While this spill is a  
25 disaster, it is not an accident.

26          28.     In 1987, when Defendants constructed Line 901, Santa Barbara County’s Energy  
27 Division sought to ensure the pipeline was constructed properly by, among other things, inspecting  
28 the welds on the pipeline using x-rays. The Division routinely inspected welds on new pipelines, as a

1 way to ensure they had been done correctly to reduce the risk of failure. The Division also ordered  
2 Defendants to install an automatic shut-off valve system on the pipeline to ensure the pipeline would  
3 shut down swiftly, and without having to wait for human action, at the first sign of a problem in the  
4 pipeline.

5 29. But rather than agreeing to these commonplace and common-sense safety protocols,  
6 Defendants fought the County in federal court to avoid regulation over their pipeline design and  
7 installation.

8 30. As a result, today Line 901 appears to be the only pipeline in Santa Barbara County  
9 that is preempted from monitoring and safety inspections. Defendants and their employees rarely, if  
10 ever, attend monthly meetings conducted by Santa Barbara County to discuss safety concerns with  
11 all the pipeline operators in the County.

12 31. While Santa Barbara, its environment, citizens, real property owners, and working  
13 people bore the risk of Defendants' conduct, Defendants reaped the rewards with an estimated  
14 market value of nearly \$19 billion at the time of the spill, and profits of approximately \$389 million  
15 on over \$2 billion in earnings. By avoiding the cost of safety equipment and systems, Defendants  
16 boosted their profits and transferred the cost of failure to people who live, own property and work in  
17 Santa Barbara County and along the Pacific Coast.

18 32. Defendants' number of crude oil incidents as an operator is increasing faster than the  
19 national average. Last year, for example, a poorly maintained pipeline owned and operated by  
20 Defendants ruptured in a Los Angeles neighborhood, covering the streets, cars, houses, and  
21 businesses in oil. A few years ago, another poorly maintained Plains pipeline ruptured and sent oil  
22 into a drinking water reservoir for Los Angeles. The lax safety standards at Line 901 are not isolated  
23 incidents for Defendants. Since 2006 Plains has been cited for more than 175 violations of safety  
24 requirements, which have caused nearly \$24 million in property damage. Eleven of those incidents  
25 were in California. Plains is one of the top four most cited pipeline operators in the country.

26 33. In 2010, pursuant to a Consent Decree filed by the U.S. EPA following numerous  
27 alleged violations of the Clean Water Act by Defendants in several states, Defendants represented  
28 that they would update their procedures such that "[i]f there is an unexplained increase in delivery



1 flow-rate with corresponding decrease in pressure –[Plains would] SHUTDOWN the affected line  
2 segment.”

3 34. As part of that settlement, Defendants paid a \$3.25 million penalty for 10 spills  
4 between June 2004 and September 2007 which discharged a total of roughly 273,420 gallons of  
5 crude oil into navigable waters or adjoining shorelines in Texas, Louisiana, Oklahoma, and Kansas,

6 35. Plains itself recently acknowledged in a disclosure report to the U.S. Securities and  
7 Exchange Commission that it has “experienced (*and likely will experience future*) releases of  
8 hydrocarbon products into the environment from our pipeline . . . operations” that “may reach  
9 surface water bodies.” (Emphasis added).

10 36. In short, Plains has an ugly “tradition” of operating pipelines that fail. The  
11 communities through which it transports oil suffer the consequences. Indeed, less than two months  
12 after the Santa Barbara oil spill, Plains spilled again, contaminating an Illinois creek with more than  
13 4,000 gallons of crude oil.

14 37. Yet, Defendants have profited and continue to profit from their failure to comply with  
15 local, state, and federal requirements and guidelines, and their decision not to repair and/or replace  
16 Line 901.

17 38. Defendants knew of the extremely high risk of catastrophic damage inherent in  
18 transporting oil through a pipeline. Despite that, Defendants took little or no action to prevent or  
19 protect Plaintiff and the Class. Defendants actively avoided taking action to protect Plaintiff and the  
20 Class from apparent risks its pipelines presented. Defendants demonstrated a callous and reckless  
21 disregard for private property, human life, health and safety, and local jobs by operating Line 901  
22 without proper safety equipment and without proper maintenance. That is part of a pattern and  
23 practice that Defendants have demonstrated across the country. Defendants acted with such  
24 indifference to the consequences of their misconduct, with such recklessness, and as part of a well-  
25 established pattern, as to be willful, malicious, and oppressive, and in disregard of the rights of  
26 Plaintiff and the Class, thereby meriting an award of punitive or exemplary damages against  
27 Defendants.

28



1 46. The Class Members are ascertainable and have a well-defined community of interest  
2 among their members.

3 47. The following persons and counsel are proposed as representatives for the Class:

4 (a) The proposed representative plaintiff for the Class is: Richard Lilygren.

5 (b) The proposed counsel for the Class is: A. Barry Cappello, Leila J. Noel and  
6 Lawrence J. Conlan of Cappello & Noel LLP.

7 48. Excluded from the Class are:

8 (a) the officers and directors of any Defendants;

9 (b) any judge or judicial officer assigned to this matter and his or her immediate  
10 family and staff; and

11 (c) any legal representative, successor, or assign of any excluded persons or entities.

12 49. Plaintiff's claims are made on behalf of himself and all others similarly situated under  
13 Rule 23 of the Federal Rules of Civil Procedure.

14 **A. Numerosity of the Class**

15 50. On information and belief, the Class consists of more than one hundred individuals  
16 working in the oil industry in a defined geographical area on or near the Central Coast of California,  
17 and have been legally injured by the disaster, making joinder impracticable. Class Members can be  
18 informed of the pendency of this action by published, internet, and broadcast notice.

19 **B. Typicality and Commonality of the Class.**

20 51. The claims of the representative Plaintiff are typical of the claims of the Class in that  
21 the representative Plaintiff, like all Class Members, has suffered adverse effects proximately caused  
22 by the disaster.

23 52. Furthermore, the factual bases of Defendants' misconduct are common to all Class  
24 Members and represent a common thread of misconduct resulting in injury to all members of the  
25 Class.

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1 **C. Adequacy of Representation.**

2 53. Plaintiff will fairly and adequately represent and protect the interests of the Class.  
3 Plaintiff has retained counsel with substantial experience in prosecuting complex class actions.  
4 Plaintiff's counsel has experience in complex class action litigation and trials, including  
5 environmental contamination, race discrimination under California's Unruh Act, the catastrophic  
6 Santa Barbara oil spill of 1969 which led to the birth of the environmental movement, and expertise  
7 on punitive damages issues. Plaintiff and his counsel are committed to prosecuting this action  
8 vigorously on behalf of the Class and have the financial resources to do so. Neither Plaintiff nor his  
9 counsel has interests adverse to those of the Class.

10 **D. Predominance of Common Questions of Fact and Law**

11 54. There is a well-defined community of interest in that the questions of law and fact  
12 common to the Class predominate over questions affecting only individual Class Members and  
13 include, but are not limited to, the following:

14 a) Whether Defendants acted negligently, intentionally, fraudulently and/or illegally  
15 to cause the spill;

16 b) Whether Defendants had installed and maintained adequate safety measures and  
17 systems on Line 901 and in its systems of command and control to prevent the spill;

18 c) Whether Defendants conducted adequate supervision that could have prevented the  
19 spill;

20 d) Whether Defendants engaged in unconscionable, deceptive, and/or unreasonable  
21 business practices and conduct;

22 e) Whether Defendants knowingly, intentionally, or negligently concealed,  
23 suppressed, or omitted material facts concerning the safety of its pipeline from the public  
24 and/or regulatory agencies;

25 f) Whether Defendants knowingly, intentionally, or negligently concealed,  
26 suppressed, omitted, or delayed relaying material facts regarding the spill to local, state, and  
27 federal agencies, thereby slowing the response, and/or increasing the damages to Plaintiff and  
28 members of the Class;

1 g) Whether the Class suffered injury by virtue of Defendants' negligence,  
2 recklessness, carelessness, and/or unconscionable and/or deceptive business practices; and

3 h) Whether Defendants are strictly liable to Plaintiff and the Class, by virtue of State  
4 and/or Federal Law.

5 **E. Superiority**

6 55. Absent class treatment, Plaintiff and Class Members will continue to suffer harm and  
7 damages as a result of Defendants' unlawful and wrongful conduct.

8 56. A class action is superior to all other available methods for the fair and efficient  
9 adjudication of this controversy. Without a class action, individual Class Members would face  
10 burdensome litigation expenses, deterring them from bringing suit or adequately protecting their  
11 rights. Because of the ratio of the economic value of the individual Class Members' claims in  
12 comparison to the high litigation costs in complex cases such as this, few could likely seek their  
13 rightful legal recourse. Absent a class action, Class Members would continue to incur harm without  
14 remedy.

15 57. The consideration of common questions of fact and law will conserve judicial  
16 resources and promote a fair and consistent resolution of these claims,

17 58. **Rule 23(b)(3)**: In addition to satisfying the prerequisites of Rule 23(a), Plaintiff  
18 satisfies the requirements for maintaining a class action under Rule 23(b)(3). Common questions of  
19 law and fact predominate over any questions affecting only individual class members and a class  
20 action is superior to individual litigation. The amount of damages available to an individual plaintiff  
21 is insufficient to make litigation addressing Defendants' conduct economically feasible in the  
22 absence of the class action procedure. Individualized litigation also presents a potential for  
23 inconsistent or contradictory judgments, and increases the delay and expense to all parties and the  
24 court system presented by the legal and factual issues of the case. By contrast, the class action  
25 device presents far fewer management difficulties and provides the benefits of a single adjudication,  
26 economy of scale, and comprehensive supervision by a single court.

27 59. **Rule 23(b)(2)**. Plaintiff also satisfies the requirements for maintaining a class action  
28 under Rule 23(b)(2). Defendants have acted or refused to act on grounds that apply generally to the

1 proposed class, making final declaratory or injunctive relief appropriate with respect to the proposed  
2 class as a whole.

3 60. **Rule 23(c)(4).** Plaintiff also satisfies the requirements for maintaining a class action  
4 under Rule 23(c)(4). The claims of class members are composed of particular issues that are  
5 common to all class members and capable of class wide resolution that will significantly advance the  
6 litigation.

## 7 **VIII. CAUSES OF ACTION**

### 8 **First Claim for Relief**

#### 9 **Strict Liability under Lempert-Keene-Seastrand Oil Spill Prevention and** 10 **Response Act, Government Code Section 8670, *et seq.***

11 61. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
12 this Complaint as if fully restated here.

13 62. The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act provides that  
14 “[a] responsible party, as defined in Section 8670.3, shall be absolutely liable without regard to fault  
15 for any damages incurred by any injured party that arise out of, or are caused by, a spill.” Cal. Gov.  
16 Code Section 8670.56.5(a).

17 63. The Pacific Ocean and the waters off California’s Central Coast are “state waters” as  
18 defined in Section 8670.3(ag).

19 64. Defendants are “responsible part[ies],” as defined in Section 8670.3(w) which  
20 includes “the owner or transporter of oil or a person or entity accepting responsibility for the oil.”

21 65. The oil transported through Line 901 is “oil” within the meaning of the Act, which  
22 defines “oil” as “any kind of petroleum, liquid hydrocarbon, or petroleum products or any fraction or  
23 residues therefrom,” including “crude oil.”

24 66. As the responsible party for the oil transported through Line 901, Defendants are  
25 absolutely liable under the Lempert-Keene-Seastrand Act.

26 67. On May 19, 2015, Defendants’ conduct caused Line 901 to rupture and discharge  
27 crude oil onto real property and then spill into the Pacific Ocean and for miles along the coast; the  
28 pipeline, and subsequently Line 903, was shutdown, halting oil operations at offshore and onshore

1 oil and gas facilities, and impairing and/or eliminating the earning capacity of local oil and gas  
2 workers. These workers' livelihoods depend directly on the ability to extract the natural resources of  
3 the oil fields and the integrity of the pipeline not rupturing and damaging real and personal property  
4 and the natural resources in and around the Pacific Ocean, and along the coastline from the Central  
5 Coast to Orange County, and beyond. As a result of Plains' conduct, many jobs, including  
6 Plaintiff's have been lost. Plains is therefore absolutely liable without regard to fault for all damages  
7 that Plaintiff and the Class sustained or will sustain.

8 68. The Act entitles a plaintiff to recover a wide variety of damages, including, but not  
9 limited to: injury to, or economic losses resulting from destruction of or injury to, real or personal  
10 property, which shall be recoverable by any claimant who has an ownership or leasehold interest in  
11 property; loss of taxes, royalties, rents, or net profit shares caused by the injury, destruction, loss, or  
12 impairment of use of real property, personal property, or natural resources; loss of profits or  
13 impairment of earning capacity due to the injury, destruction, or loss of real property, personal  
14 property, or natural resources, and loss of subsistence use of natural resources; and response,  
15 containment, cleanup, removal, and treatment, including monitoring and administration costs. *See*  
16 *generally* Cal. Gov. Code Section 8670.56.5(h).

17 69. The contamination illegally caused by the discharge of crude oil from Line 901 into  
18 the Pacific Ocean and the subsequent shutdown of Lines 901 and 903 injured and impaired the  
19 earning capacity of Plaintiff and the Class.

20 70. The injury, destruction, loss, and/or impairment of earning capacity has caused  
21 Plaintiff and the Class to suffer losses, and will cause future losses and/or profits, including but not  
22 limited to ongoing impairment of earning capacity.

23 **Second Claim for Relief**

24 **Strict Liability for Ultrahazardous Activities**

25 71. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
26 this Complaint as if fully restated here.

27 72. At all times herein, Defendants are the owners and operators of the oil pipeline  
28 known as Line 901.

1 73. At all times relevant to this action, Defendants had supervision, custody, and control  
2 of Line 901.

3 74. At all times herein, Defendants were under a continuing duty to protect Plaintiff and  
4 the Class from the harm caused by Line 901.

5 75. Defendants were engaged in an ultrahazardous activity by transporting flammable,  
6 hazardous, and toxic oil through its pipeline.

7 76. Plaintiff and the Class have suffered harm from the oil spill from Defendants' Line  
8 901 and immediate, direct and negative impact of the shutdown of local oil and gas facilities.

9 77. The injuries sustained by Plaintiff as a result of the oil spill and shutdown of oil and  
10 gas facilities were the direct and proximate result of Defendants' activity.

11 78. The harm to Plaintiff and the Class was of the kind of harm that would reasonably be  
12 anticipated as a result of the risks created by transporting flammable, hazardous, and toxic oil in a  
13 pipeline on which local oil and gas facilities and their workers depend, and not properly maintaining  
14 the pipelines.

15 79. Defendants' operation of Line 901 and its failure was a substantial factor in causing  
16 the harms suffered by Plaintiff and the Class.

17 80. Due to Defendants' strict liability, Plaintiff and Class Members are entitled to recover  
18 actual damages.

19 81. The acts and omissions of Defendants were done with malice, fraud, and/or  
20 oppression as set out in this Complaint.

### 21 **Third Claim for Relief**

#### 22 **Negligent Interference with Prospective Economic Advantage**

23 82. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
24 this Complaint as if fully restated here.

25 83. Plaintiff and the Class had an economic relationship with the oil companies that  
26 transported their oil through Lines 901 and 903. Defendants were aware or should have been aware  
27 of this relationship and knew or should have known that their actions were certain or substantially  
28 certain to interfere with the relationship.



1 84. Defendants failed to act with reasonable care by improperly maintaining the pipelines  
2 and operating them in a substandard manner, causing Line 901 to rupture and paralyzing operations  
3 at dependent oil and gas facilities such that Defendants disrupted the relationship that Plaintiff and  
4 the Class had with the oil and gas companies. Defendants knew or should have known that their  
5 actions would have such an effect.

6 85. Plaintiff and the Class were harmed thereby and lost the economic benefit or  
7 advantage reasonably expected from the relationship with the oil companies, and Defendants'  
8 conduct was a substantial factor in causing the harm.

9 86. Plaintiff and the Class are entitled to recover the economic benefit of which they were  
10 deprived, in the amount of their impaired and/or lost earnings.

11 **Fourth Claim for Relief**

12 **Negligence**

13 87. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
14 this Complaint as if fully restated here.

15 88. Defendants owed a duty to Plaintiff and the Class to exercise reasonable and ordinary  
16 care. That duty arose from, among other things, federal, state, and local laws that require  
17 Defendants to operate a pipeline in a manner that does not damage public health, safety and the local  
18 workforce.

19 89. Defendants breached that duty to Plaintiff and the Class by, among other things,  
20 failing to install reasonable safety equipment to prevent a rupture of the pipeline and spill of oil, and  
21 failing to promptly respond to and contain the spill.

22 90. Defendants, in the exercise of reasonable care, should have known that Line 901  
23 could rupture or otherwise fail, and spill significant amounts of oil, and that Lines 901 and 903  
24 would thereafter be shut down, causing local oil and gas operations to be shut down as well, and  
25 causing workers to lose their jobs. Defendant has acknowledged that spills such as this have  
26 occurred on its pipelines in the past and will occur again.

27 91. As a direct and proximate result of Defendants' acts and/or omissions, Plaintiff and  
28 the Class have sustained damages.

1 92. The damages include loss and/or impairment of earning capacity due to the shutdown  
2 of Lines 901 and 903 and the resulting shut down of the local oil and gas facilities.

3 **Fifth Claim for Relief**

4 **Negligence Per Se**

5 93. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
6 this Complaint as if fully restated here.

7 94. At all times herein mentioned, Defendants negligently, wantonly, carelessly and/or  
8 recklessly maintained and operated Line 901.

9 95. Defendants violated several statutes, ordinances, or regulations including but not  
10 limited to the Lempert-Keene Act, Government Code Section 8670, et seq., the Porter-Cologne Act,  
11 Water Code Sections 13000, et seq., and Cal. Fish & Game Code Section 5650, et seq.

12 96. As a direct and legal cause of the Defendants' wrongful acts and omissions herein  
13 above set forth, Plaintiff and the Class have suffered and will suffer economic harm, injury to  
14 earning capacity, and losses.

15 97. Plaintiff's harm resulted from the occurrence of the nature that the laws listed above  
16 were designed to prevent, and Plaintiff is a member of the Class of persons for whose protection  
17 those laws were adopted.

18 98. The acts and omissions of Defendants, and each of them, were done with malice,  
19 fraud, and/or oppression as described in this Complaint.

20 **Sixth Claim for Relief**

21 **Permanent Injunction**

22 99. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
23 this Complaint as if fully restated here.

24 100. Beginning on or about May 19, 2015, and continuing to the present time, Defendants'  
25 conduct wrongfully and unlawfully caused oil to spill out of Line 901, into surrounding areas and the  
26 Pacific Ocean, and caused local oil and gas facilities to be shut down. As a direct result, Plaintiff  
27 and the Class lost their jobs and the ability to earn a livelihood indefinitely.  
28

1 101. In the absence of an injunction requiring Defendants to operate their pipelines safely,  
2 with automatic shutoff valves, in order to prevent future spills and the resulting closures of oil and  
3 gas facilities and another loss of jobs, Defendants will continue to violate the rights of Plaintiff and  
4 the Class. Defendants, and each of them, have refused and still refuse to refrain from their wrongful  
5 conduct.

6 102. Defendants' wrongful conduct, unless and until enjoined and restrained by order of  
7 this court, will cause great and irreparable injury to Plaintiff and the Class.

8 103. Plaintiff and the Class have no adequate remedy at law for the injuries that will result  
9 from failure of the Defendants to safely operate their pipeline and it could be impossible for Plaintiff  
10 and the Class to determine the precise amount of damages they will suffer if Defendants' conduct is  
11 not restrained and Plaintiff is forced to institute a multiplicity of suits to obtain adequate  
12 compensation for injuries and harm to real property.

13 **Seventh Claim for Relief**

14 **Violations of California's Unfair Competition Law Cal. Bus. & Prof. Code §§**  
15 **17200, *et seq.***

16 104. Plaintiff incorporates by reference each and every prior and subsequent allegation of  
17 this Complaint as if fully restated here.

18 105. Defendants have engaged and continue to engage in unfair competition in violation of  
19 the Act.

20 106. Defendants' conduct constitutes "unfair" and "unlawful" business practices within the  
21 meaning of the Act in that members of the public have been harmed as a result of Defendants' oil  
22 spill, the shutdown of local oil and gas facilities and loss of jobs.

23 107. Defendants' conduct amounts to "unfair" business practices as the Act forbids all  
24 wrongful business activities in any context in which they appear. Moreover, as described above,  
25 Defendants' practices offend established public policies, are immoral, unethical, oppressive, and  
26 unscrupulous. The impact of Defendants' practices is in no way mitigated by any justifications,  
27 reason, or motives. Defendants' conduct has no utility when compared to the harm done to Plaintiff  
28 and members of the Class.

1 108. Defendants' conduct was "unlawful" because it violated laws including but not  
2 limited to the Lempert-Keene Act, Government Code Section 8670, et seq., the Porter-Cologne Act,  
3 Water Code Sections 13000, et seq., Cal. Fish & Game Code Section 5650, et seq., and the oil spill  
4 response plans required by federal, state, and local laws. Federal, state, and local officials have  
5 announced civil and criminal investigations into Defendants' conduct related to the spill, so it is  
6 reasonable to infer that Defendants may have violated other laws.

7 109. As a direct and proximate result of Defendants' unfair and unlawful methods of  
8 competition and unfair and deceptive acts or practices, Plaintiff and the Class have sustained harm  
9 and are entitled to restitution.

10 110. As a proximate result of Defendants' unfair and unlawful methods of competition and  
11 unfair and deceptive acts or practices, Defendants have been unjustly enriched and should be  
12 required to make restitution payments to Plaintiff and the Class pursuant to Bus. & Prof. Code §  
13 17203 and should be enjoined from operating Line 901 or any other section of the pipeline without  
14 adequate safety mechanisms in place and regular monitoring to ensure the pipeline does not fail  
15 again and cause further harm.

16 111. The acts and omissions of Defendants were done with malice, fraud, and/or  
17 oppression as described in this Complaint.

18 **Request for Relief**

19 Plaintiff, individually and on behalf of all others similarly situated, requests judgment against  
20 Defendants as follows:

21 A. For an order certifying the Class and appointing Plaintiff as a representative of the  
22 Class and appointing the lawyers and law firm representing Plaintiff as counsel for the Class;

23 B. Permanently enjoining Defendants from operating a pipeline in Santa Barbara County  
24 without adequate safety and response measures and ongoing monitoring;

25 C. For all recoverable compensatory, statutory, and other damages sustained by Plaintiff  
26 and the Class;

27 D. For all equitable relief including disgorgement, unjust enrichment, and all other relief  
28 allowed under applicable law;

1 E. Granting Plaintiff and the Class awards of restitution and/or disgorgement of  
2 Defendants’ profits from its unfair and unlawful practices described above;

3 F. For costs;

4 G. For both pre-judgment and post-judgment interest on any amounts awarded;

5 H. For appropriate injunctive relief, including public injunctive relief; *i.e.*, an order  
6 requiring Defendants to operate their pipelines in such a way to ensure no further spills, facilities  
7 shutdowns and resulting losses of jobs;

8 I. For treble damages insofar as they are allowed by applicable laws;

9 J. For appropriate individual relief as requested above;

10 K. For payment of attorneys’ fees and expert fees as may be allowable under applicable  
11 law, including Cal. Gov. Code section 8670.56.5(f) and the Private Attorneys General Act  
12 (“PAGA”), Cal. Code. Civ. P., §1021.5;

13 L. For exemplary or punitive damages under Cal. Civ. Code section 3294 for the  
14 oppression, fraud, and malice alleged above; and

15 M. For such other and further relief, including declaratory relief, as the Court may deem  
16 proper.

17 **IX. DEMAND FOR JURY TRIAL**

18 Plaintiff hereby demands a trial by jury on all issues so triable.

19 RESPECTFULLY SUBMITTED this 4th day of September, 2015.

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