

**ZIMMERMAN REED, LLP**  
CHRISTOPHER P. RIDOUT (SBN 143931)  
[christopher.ridout@zimmreed.com](mailto:christopher.ridout@zimmreed.com)  
CALEB L.H. MARKER (SBN 269721)  
[caleb.marker@zimmreed.com](mailto:caleb.marker@zimmreed.com)  
2381 Rosecrans Avenue, Suite 328  
Manhattan Beach, CA 90245  
Tel: (877) 500-8780; Fax: (877) 500-8781

**KRAUSE, KALFAYAN, BENINK & SLAVENS, LLP**  
ERIC J. BENINK (SBN 187434)  
[eric@kkbs-law.com](mailto:eric@kkbs-law.com)  
VINCENT D. SLAVENS (SBN 217132)  
[vslavens@kkbs-law.com](mailto:vslavens@kkbs-law.com)  
550 West C Street, Suite 530  
San Diego, CA 92101  
Tel: (619) 232-0331; Fax: (619) 232-4019

**AHDOOT & WOLFSON, PC**  
ROBERT R. AHDOOT (SBN 172098)  
[rahdoot@ahdootwolfson.com](mailto:rahdoot@ahdootwolfson.com)  
TINA WOLFSON (SBN 174806)  
[twolfson@ahdootwolfson.com](mailto:twolfson@ahdootwolfson.com)  
THEODORE W. MAYA (SBN 223242)  
[tmaya@ahdootwolfson.com](mailto:tmaya@ahdootwolfson.com)  
10728 Lindbrook Drive  
Los Angeles, California 90024  
Tel: (310) 474-9111; Fax: (310) 474-8585

*Attorneys for Plaintiffs and Putative Class*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

PATRICK ECK, TYLER CHAPMAN,  
BRENDAN EISAN, JUSTIN KRISTOPHER  
LE-ROY, individually and on behalf of all others  
similarly situated,

Plaintiffs,

v.

CITY OF LOS ANGELES, THE LOS  
ANGELES DEPARTMENT OF WATER AND  
POWER, LOS ANGELES DEPARTMENT OF  
WATER AND POWER BOARD OF  
COMMISSIONERS, and DOES 1 through 10,

Defendants.

Case No.: BC577028 (Lead)  
Consolidated with Case No.: BS153395 &  
Case No.: BC583788

*Assigned for all purposes to the  
Honorable Ann I. Jones*

**DECLARATION OF CHRISTOPHER P.  
RIDOUT IN SUPPORT OF FINAL  
APPROVAL OF CLASS ACTION  
SETTLEMENT AND MOTION FOR  
ATTORNEYS' FEES AND  
REIMBURSEMENT OF EXPENSES AND  
PAYMENT OF SERVICE AWARDS**

Date: February 14, 2018  
Time: 9:00 a.m.  
Place: Dept. 308

Initial Complaint Filed: January 29, 2015

[Filed Concurrently with Motions for Final  
Approval of Class Action Settlement and for  
Attorneys' Fees & Expenses and Service  
Awards]

1 **DECLARATION OF CHRISTOPHER P. RIDOUT**

2 I, Christopher P. Ridout, declare as follows:

3 1. I am an attorney at law duly licensed to practice law before this Court and am  
4 one of the counsels of record representing Plaintiffs in this matter bearing lead Case No.  
5 BC577028 consolidated with Case No. BS153395 and Case No. BC583788. I submit this  
6 Declaration in support of Plaintiffs’ Memorandum of Points and Authorities in Support of Their  
7 Motion for Final Approval of Class Action Settlement, and Motion for an Award of Attorneys’  
8 Fees and Expenses and Service Awards. I have personal knowledge of the statements contained  
9 herein and if called as a witness, I would testify thereto.

10 2. I have been intimately involved in all aspects of this litigation since its inception,  
11 including, but not limited to the preparation of the original complaint filed by Tyler Chapman  
12 and amended complaints filed by all Plaintiffs; attendance at status conferences; drafting  
13 discovery; meeting and conferring over discovery disputes; participating in the drafting the  
14 opposition to Defendants’ motion for judgment on the pleadings and arguing the motion at the  
15 hearing; participating at the mediation before Judge West at JAMS; participating in countless  
16 in-person meetings and conference calls with the City’s attorneys regarding the proposed  
17 settlement; analyzing thousands of pages of documents including, but not limited to, Rate  
18 Ordinances (and the legislative materials pertaining to them), Transfer Ordinances (and the  
19 legislative materials pertaining to them), Power System Rate Action Report - July 2015, and  
20 audited financial statements; analyzing financial data related to the damages alleged in this case;  
21 researching cases and keeping abreast of new developments related to Proposition 218 and  
22 Proposition 26; monitoring a federal case that alleges similar claims against employees of the  
23 City of Los Angeles and Los Angeles Department of Water and Power; retaining expert Greg  
24 Black and meeting and working with him to secure information necessary to fully understand all  
25 aspects of the LADWP’s rates and financial projections; preparing, reviewing and revising (and  
26 conferring with co-counsel over) dozens of drafts of the proposed settlement agreement and the  
27 exhibits thereto (*i.e.*, the class notices); discussing the case with Plaintiff Tyler Chapman; and  
28

1 drafting this Motion for Final Approval of Class Action Settlement and the supporting  
2 declarations. My partner Caleb Marker has also assisted with this matter, but to a much lesser  
3 extent, as well as my associate, Hannah P. Belknap. I have also observed the work of the other  
4 attorneys who have worked on this action, including all other attorneys from Zimmerman Reed  
5 LLP; co-counsel Robert R. Ahdoot and Eric J. Benink; Steven Lowe and Kris LeFan; and  
6 Walter McNeill (referred to herein together as “Plaintiffs’ Counsel”).

7 3. The purpose of this declaration is to provide this Court with counsels’  
8 recommendations in favor of final approval of the proposed Class Action Settlement, as well as  
9 to provide this Court an understanding of the professional services provided by Ridout Lyon +  
10 Ottoson, LLP (“RLO”), Ridout Marker + Ottoson, LLP (“RMO”), and Zimmerman Reed LLP  
11 (“ZR”) in connection with this Action.

12 4. The rates for electrical power are currently imposed on Retail Customers through  
13 two separate City Ordinances: City Ordinance No. 180127 (“2008 Rate Ordinance”) and City  
14 Ordinance No. 184133 (“2016 Rate Ordinance”). Attached hereto as Exhibit “A” and Exhibit  
15 “B” are true and correct copies of the 2008 Rate Ordinance and the 2016 Rate Ordinance,  
16 respectively.

17 5. Prior to the enactment of the 2016 Ordinance, the rates for electrical power were  
18 imposed through the 2012 Rate Ordinance and the 2008 Rate Ordinance. Attached hereto as  
19 Exhibit “C” is a true and correct copy of the 2012 Rate Ordinance.

20 6. The 2008 Rate Ordinance and 2016 Rate Ordinance are difficult to decipher;  
21 however, in summary, they set out dozens of separate and specific rate schedules for different  
22 types of customers (residential, multi-family residential, commercial, *etc.*). These rate  
23 schedules can be generally grouped into six categories: (i) 12 separate rate schedules for  
24 residential and commercial rates (under which the vast majority of customers are billed), (ii)  
25 eight commercial contract rates, (iii) four separate rates for customers with on-site generation,  
26 (iv) eight rates for street lighting, (iv) two rates for the Port of Los Angeles, and (v) five various  
27 service rate riders that encourage conservation and promote business.  
28

1           7.       Just recently, LADWP staff presented Board Letter Approvals requesting  
2 adjustments to the 2016 Rate Ordinance IRCA (Incremental Reliability Cost Adjustment) and  
3 CECAF (Capped Energy Cost Adjustment Factor). Attached hereto as Exhibit “D” is a true and  
4 correct copy of LADWP Board Letter Approval, dated February 26, 2016, concerning Energy  
5 Cost Adjustment Expenditures for the 12-Month Period Commencing April 1, 2016.

6           8.       Los Angeles City Charter, art. VI, § 676 concerns the process and methodology of  
7 setting future power rates. Attached hereto as Exhibit “E” is a true and correct copy of Los  
8 Angeles City Charter, art. VI, § 676. As set forth in Los Angeles City Charter, art. VI, § 676(b),  
9 “[a]ll revenue from every source collected by the department in connection with its possession,  
10 management and control of the Power Assets of the City shall be deposited in the City Treasury  
11 to the credit of the Power Revenue Fund.

12           9.       Section 679 subdivision (c) provides that money in the Power Revenue Fund may  
13 be expended only for certain enumerated purposes, including, *e.g.*, “Operation and Maintenance”  
14 of the Power Assets, “Development of [Power] Assets,” and “General Fund Transfers . . . as  
15 provided in Section 344.” Attached hereto as Exhibit “F” is a true and correct copy of Los  
16 Angeles City Charter, art. VI, § 679.

17           10.      The City Charter defines “surplus” in the Power Revenue Fund, and anticipates  
18 transfers of those surpluses to the City’s Reserve Fund. Attached hereto as Exhibit “G” is a true  
19 and correct copy of Los Angeles City Charter, art. III, § 344. Specifically, “surplus in the . . .  
20 Power Revenue Fund shall be defined as the amount remaining in . . . Power Revenue Fund, less  
21 outstanding demands and liabilities payable out of the fund, at the end of the fiscal year prior to  
22 the fiscal year in which the transfer is to be made, as shown by audited financial statements.”  
23 (*Id.* at subd. (b)(1).) “The Council may, by ordinance, direct that surplus money in . . . the Power  
24 Revenue Fund . . . be transferred to the Reserve Fund with the consent of the board in charge of  
25 the fund, but not otherwise.” (*Id.* at subd. (a).)

26           11.      While the General Fund is “established as a medium of control of and accounting  
27 for municipal activities” and is comprised of “[a]ll revenues and receipts which are not by law or  
28

1 Charter pledged or encumbered for special purposes[,]” the Reserve Fund includes “funding for  
2 unanticipated expenditures and revenue shortfalls in the City's General Fund.” (Los Angeles  
3 City Charter, art. III, § 302(a)-(b).) Attached hereto as Exhibit “H” is a true and correct copy of  
4 Los Angeles City Charter, art. III, § 302.

5 12. The City did not contend that costs were incurred in the General Fund or Reserve  
6 Fund for the benefit of the electric utility as a means of justifying the transfers. The following is  
7 a true and correct copy of Special Interrogatory Number 21, propounded by Plaintiffs on the  
8 City, and the City’s response:

9 **Special Interrogatory No. 21:**

10 For the fiscal year ended June 30, 2013, state the total costs that YOU  
11 incurred in the RESERVE FUND that YOU contend were for the benefit of the  
12 POWER REVENUE FUND (that were not otherwise paid directly by the  
13 POWER REVENUE FUND).

14 **Response to Special Interrogatory No. 21:**

15 Defendant specifically incorporates its General Responses and General  
16 Objections above to the extent applicable to this Interrogatory. Defendant further  
17 objects to this Interrogatory on the grounds that the phrase “total costs that YOU  
18 incurred in the RESERVE FUND” is vague, ambiguous, and unintelligible.  
19 Defendant further objects to this Interrogatory on the grounds that the phrase “that  
20 were not otherwise paid directly by the POWER REVENUE FUND” is vague,  
21 ambiguous, and unintelligible. Defendant further objects to this Interrogatory on  
22 the grounds that it does not incur “costs” in the RESERVE FUND.

23 During the meet and confer process, Plaintiffs further clarified that  
24 through this Special Interrogatory, Plaintiffs sought to determine whether  
25 Defendant “analyzed” or accounted for the transfer in such a way as to allocate  
26 costs incurred in its General Fund by Defendant on behalf of the LADWP.

27 Subject to and without waiving these objections, as well as the  
28 clarification provided by Plaintiffs during the meet and confer process, Defendant  
responds as follows: Defendant has not historically, nor does it currently, account  
for the transfer by allocating costs incurred in its General Fund by Defendant on  
behalf of LADWP. Defendant reserves the right to do so in the future shouldn’t it  
be necessary.

1  
2 13. On January 29, 2015, Plaintiff Tyler Chapman filed the first of three complaints  
3 against Defendants, alleging violations of Proposition 218 and 26. Prior to filing, my office  
4 conducted an extensive investigation regarding the Los Angeles Department of Water and  
5 Power's ("LADWP") electricity rate making methods, and various practices, analyzed the  
6 applicable law and reviewed and analyzed thousands of complex documents including, but not  
7 limited to the various Rate Ordinances in effect. Class Counsel have also kept abreast of  
8 various litigations against other municipalities, as they relate to issues germane to this litigation,  
9 during the entire time that this matter has been pending before this Court. Class Counsel have  
10 researched and monitored other Proposition 218 and 26 cases throughout the state and kept  
11 abreast of opinions and decisions that could impact issues in this case. As is set forth more fully  
12 below, LADWP electricity rate payers are currently subject to the 2008 and 2016 Rate  
13 Ordinances. The 2016 Ordinance replaced and superseded the 2012 Ordinance effective April  
14 15, 2016. Each of these Ordinances embodied rate schedules that utilized "base rates" and  
15 "pass through charges" and complex rate adjustment formulas. Class counsel carefully  
16 reviewed these Ordinances, various City Charter provisions (and their predecessors) to  
17 understand the interplay between them and the manner by which the alleged illegal tax was  
18 incorporated into each. Class Counsel also prepared and filed class claims in compliance with  
19 the Government Claims Act.

20 14. After filing of the Complaints, the five (5) separate law firms that comprise of  
21 Plaintiffs' Counsel cooperated in organizing themselves into a working structure to effectively  
22 and efficiently prosecute the claims on behalf of Plaintiffs and the proposed Class. This effort  
23 resulted in the filing of a Consolidated Class Action Complaint in October, 2015. Plaintiffs also  
24 served the first round of written discovery, to which Defendants provided substantive responses  
25 in December, 2015.

26 15. Plaintiffs' Counsel also monitored the City's 2016 Ordinance rate-making  
27 process which included review of LADWP's slideshow presentations, Energy and Environment  
28

1 Committee actions, Office of Public Accountability (“OPA”) (*i.e.* ratepayer advocate)  
2 documents, a voluminous Power System Rate Action Report dated July 2015 which included a  
3 Proposed Rate Plan, a Cost of Service Study, and detailed financial objections for the electric  
4 facility. Plaintiffs’ counsel also coordinated and prepared protest letters and presented them in  
5 person at a LADWP Board of Commissioners meeting and at a City Council meeting.

6 16. After a stipulated briefing schedule, Defendants filed a Motion for Judgment on  
7 the Pleadings (the “Motion”), which Plaintiffs’ Counsel opposed. Plaintiffs’ Opposition was  
8 based on extensive research into the City’s arguments and California Public Utilities Code  
9 section 10004.5. At the April 25, 2016 hearing on Defendants’ motion for judgment on the  
10 pleadings before the Honorable Jane Johnson, the Court granted Defendants’ Motion, ruling  
11 Plaintiffs’ claims were subject to the 120-day limitations period set forth in California Public  
12 Utilities Code section 10004.5. But the Court gave Plaintiffs leave to amend to allege claims  
13 derived from and based on the 2016 Rate Ordinance, which took effect April 15, 2016, and to  
14 allege, *inter alia*, that Plaintiffs’ claims did not begin to run until the City adopted an ordinance  
15 transferring funds from the LADWP to the City. Attached hereto as Exhibit “I” is a true and  
16 correct copy of the Notice of Ruling on Defendants’ Motion for Judgment on the Pleadings.

17 17. Plaintiffs engaged in significant and extensive fact and expert discovery.  
18 Plaintiffs served Form Interrogatories, Special Interrogatories, and Requests for Production of  
19 Documents, to which the City served initial and supplemental written responses. Plaintiffs  
20 served (person most knowledgeable) deposition notices to Defendants on numerous topics.  
21 Plaintiffs conducted an exhaustive review of thousands of pages of documents, including  
22 voluminous public records and City / LADWP financial statements, projections, and disclosures  
23 concerning electricity rates, the costs related to providing electricity to LADWP customers,  
24 disputes between the City and LADWP over the transfers and over adjustments to the ECAF,  
25 ratemaking documents including the Power Action Report, and the terms and legislative history  
26 of the various rate ordinances and transfer ordinances at issue. Moreover, Plaintiffs attended  
27 public hearings at the LADWP Board meeting and City Council meeting regarding the adoption  
28

1 of 2016 Rate Ordinance, prepared protest letters which were presented in person. Due to the  
2 complexities presented, the Parties engaged in numerous in-person and telephonic meet-and-  
3 confer sessions, which resulted in both amended discovery responses, as well as an exchange of  
4 informal discovery relating to the nature, methodology and amounts of revenue subject to City  
5 transfer under the 2008 Rate Ordinance, 2012 Rate Ordinance, and 2016 Rate Ordinance.

6 18. Plaintiffs' Counsel also studied and reviewed the historic processes and  
7 mechanisms that the City utilized to calculate the transfer of surplus power revenues going back  
8 to Fiscal Year 2007-2008. They studied and reviewed memoranda detailing the Power System  
9 City Transfer Calculations, Board Approval Letters, DWP Resolutions, City Ordinances,  
10 Comprehensive Annual Financial Reports ("CAFRS") and public comments.

11 19. In order to better understand the dynamics within the City related to the transfer,  
12 Plaintiffs' Counsel inspected and analyzed issues regarding a 2009 request from the LADWP to  
13 modify a rate component, Energy Cap Adjustment Factor ("ECAAF"), and the subsequent dispute  
14 between the LADWP and the City Council in 2010 regarding transfers of electric fee revenue to  
15 the City's Reserve Fund. Materials reviewed included, but were not limited to, memos  
16 exchanged within the City and a report issued by a third-party consultant, Crowe Horwath,  
17 regarding the feasibility for the transfer of surplus power revenues. Counsel also studied how  
18 those disputes may have led the City to initiate two ballot measures in March 2011: Charter  
19 Amendment J that approved a revision to Section 344 of the City Charter (the transfer  
20 provision) and Charter Amendment I that created the OPA which serves as an independent  
21 watchdog to scrutinize water and electric rates.

22 20. Other litigation related work performed by Plaintiffs' Counsel included, but was  
23 not limited to, meetings, emails, and telephone calls between co-counsel and with defense  
24 counsel, preparing privileged memoranda, communicating with the Class Representatives,  
25 preparing case management statements and attending case management hearings, etc.

26 21. Discovery efforts did not terminate upon tentative settlement of this matter. In  
27 fact, settlement was expressly contingent upon the completion of a robust course of  
28



1 confirmatory discovery. Confirmatory discovery conducted included a person most qualified  
2 deposition (given by LADWP chief financial officer Jeffrey Peltola) relating to: (i) the 2008  
3 Rate Ordinance; (ii) the 2012 Rate Ordinance; (iii) the 2016 Rate Ordinance; (iv) the billing  
4 procedures and customer data and revenue generated pursuant to the 2008 Rate Ordinance; (iv)  
5 the gross operating revenues generated pursuant to the 2008, 2012, and 2016 Rate Ordinances;  
6 (vi) the transfer of funds from the Power Revenue Fund to the Reserve Fund; (vii) the process  
7 and methodology of setting future power rates through the Board Letter Approval process,  
8 required by Los Angeles City Charter, art. VI, § 679; and (viii) the process and methodology of  
9 determining projections of revenues for future fiscal periods. Plaintiffs also conducted several  
10 detailed interviews of various LADWP officials regarding these subjects at issue in the  
11 deposition notices. Finally, the City produced further voluminous documents in response to  
12 another set of Requests for Production, which the Plaintiffs also reviewed and analyzed.

13         22. Plaintiffs also consulted with various Los Angeles electric power rate advocates  
14 and other experts. Notably, Plaintiffs retained an experienced industry consultant and former  
15 LADWP 26-year employee and finance executive, Gregory Black. Mr. Black assisted with the  
16 analysis of the applicable electric power rates and rate categories; LADWP's methodology and  
17 process regarding power rates and projected revenues, LADWP's costs of providing electrical  
18 service, amounts of revenue subject to transfer to the City under the 2008, 2012 and 2016 Rate  
19 Ordinances, and 2012 Rate Ordinance and 2016 Rate Ordinance; and analysis of the  
20 employment of Pass-Through Charges associated with the 2008 Rate Ordinance (ECA, RCAF,  
21 ESA and REA) and 2016 Rate Ordinance (the VEA, the CRPSEA, the VRPSEA, and the  
22 IRCA). Mr. Black also assisted in and conducted interviews of various LADWP executives  
23 regarding these subject matters (with City approval).

24         23. Class counsel discovery revealed the total retail operating revenues collected by  
25 the LADWP in each fiscal year are stated in City of Los Angeles Department of Water and  
26 Power, Power System Financial Statements audited by KMPG. Through my review of these  
27 documents, I learned that the following retail operating revenues were collected by the LADWP  
28

1 during the following fiscal years (“FY”):

2	FY 2011-2012: \$3,016,000,000	FY 2014-2015: \$3,235,000,000
3	FY 2012-2013: \$3,081,000,000	FY 2015-2016: \$3,435,000,000
4	FY 2013-2014: \$3,276,000,000	

5 24. As set forth in the Financial Case No. 3 (discussed further by Greg Black in his  
6 declaration lodged herewith) the LADWP estimates that it will collect \$3,500,000,000 in retail  
7 operating revenues in FY 16-17. Because the Class is comprised of all persons who held Retail  
8 Customer Accounts during the period January 29, 2012 through the date preliminary approval is  
9 granted (estimated to be the end of the FY 16-17), a reasonable estimate of the amount of total  
10 operating revenue collected during the class period is \$18,078,000,000. This figure represents  
11 the total of all retail operating revenue collected from FY 12-13 through FY 16-17 and half the  
12 retail operating revenue in FY 11-12 because the class period landed about halfway in that fiscal  
13 year. Eight percent of the total revenue collected during the class period, or \$18,078,000,000, is  
14 \$1,446,240,000.

15 25. Additionally, discovery obtained by Class Counsel indicates that of the  
16 approximately 1,473,137 service agreements under which electric service was provided to Class  
17 Members, approximately 144,509 have been terminated as of April 30, 2017. 53,375 of these  
18 service accounts have outstanding balances that total \$27,623,634.58. Plaintiffs were advised  
19 that LADWP was unable to obtain data regarding how many of these 144,509 service  
20 agreements related to the same Class Member.

21 26. The Parties’ engaged in exhaustive, informed, and arm’s-length negotiations that  
22 lasted well over a year. On June 20, 2016, after extensive pre-mediation settlement discussions  
23 and negotiation which involved in-person meetings between counsel as well as many telephonic  
24 conferences, the Parties engaged in mediation before the Honorable Carl J. West (Ret.) at JAMS  
25 to determine if a fair compromise and settlement could be reached considering all applicable  
26 and relevant factors and risks. Judge West is an experienced class action mediator and former  
27 Judge in the complex case department at the Los Angeles Superior Court. Although the matter  
28

1 did not resolve at the in-person mediation, numerous other settlement discussions, both in-  
2 person and telephonic, occurred, all under the supervision of Judge West.

3 27. The Parties ultimately reached a tentative settlement that was reduced to writing.  
4 As part of the Settlement Agreement, Defendants shall refrain from transferring to any City  
5 account more than eight percent (8%) of the Retail Operating Revenues (of the prior Fiscal  
6 Years) billed to Retail Customers pursuant to the 2008 Rate Ordinance and the 2012 Rate  
7 Ordinance. This is meaningful because under City Charter § 344(b), the City has discretion to  
8 transfer more – there is no fixed amount. (*See* Exhibit “G”.)

9 28. Additionally, as part of the Settlement Agreement, within thirty (30) days after  
10 the Court grants preliminarily approval, Defendants will deposit Fifty-Two Million Dollars  
11 (\$52,000,000) (“Settlement Fund”) into a separate interest bearing bank account to be  
12 administered by KCC. (SA ¶ 62.) This amount is the City’s best estimate of the 8% surcharge  
13 on the 2016 Rate Ordinance from April 15, 2016 (its effective date) the Date of Cessation.

14 29. On September 14, 2017, this Court granted Plaintiffs’ Motion for Preliminary  
15 Approval of Class Action Settlement. The City, through its counsel, has confirmed that the  
16 Date of Cessation is July 1, 2017, and on or about October 20, 2017, Defendants deposited  
17 Fifty-Two Million Dollars (\$52,000,000) into the escrow account administered by KCC  
18 pursuant to the terms of the Settlement Agreement.

19 30. The proposed Settlement is presumptively fair because it was reached following  
20 protracted, and at times contentious, arm’s-length negotiations. In this regard, the proposed  
21 Settlement resulted after over a year of negotiations, including one in-person mediation session  
22 before Judge West (Ret.), and numerous telephonic conferences before Judge West (Ret.).

23 31. By way of background, in 2007, I founded RLO. On January 29, 2015, RLO  
24 filed on behalf of Plaintiff Tyler Chapman a Petition for Writ of Mandate and Complaint in the  
25 Superior Court of the State of California for the County of Los Angeles alleging the City, the  
26 LADWP, and the Power Board of Commissioners (the “Board”), illegally imposed, increased,  
27 and extended taxes in violation of the California Constitution and Government Code (Cal.  
28

1 Const. art. XIII C, § 2, subs. (b) and (d), and Gov't Code §§ 53722, 53723) by way of the  
2 yearly eight percent (8%) transfer from the LADWP to the City (the "City Transfer").  
3 Plaintiffs further sought equitable, injunctive, and declaratory relief to compel the City, the  
4 LADWP and the Board to comply with these California constitutional provisions and California  
5 Government Code sections.

6 32. On May 31, 2015, RLO was renamed RMO, which remained as one of the  
7 counsel on behalf of Plaintiffs.

8 33. On August 1, 2015, I, my partner Caleb LH Marker, and our associate, Hannah  
9 P. Belknap, joined ZR. Mr. Marker and I are currently partners in ZR.

10 34. I have over 28 years of experience practicing law in California. I am a graduate  
11 of Harvard University and the University of the Pacific, McGeorge School of Law. I have been  
12 a member in good standing of the State Bar of California since 1989. I am also admitted to  
13 practice law before the following Courts: United States District Court for the Southern, Central,  
14 and Northern Districts of California; and the United States Court of Appeals for the Ninth  
15 Circuit.

16 35. I have never faced any disciplinary action or received any sanction from a state  
17 bar association for misconduct or an ethical violation.

18 36. I have been actively involved in this litigation since its inception. My  
19 involvement in this matter has included, but has not been limited to, the following tasks:

- 20 a. Conducting an extensive pre-suit and continuing investigation into the claims  
21 contained in the operative complaint, and reviewing numerous documents relating to Defendants;  
22 b. Strategizing case theories with co-counsel;  
23 c. Meeting and conferring with co-counsel on an ongoing basis;  
24 d. Meeting and conferring with opposing counsel on an ongoing basis;  
25 e. Discussing case matters with one of the named plaintiff, Tyler Chapman;  
26 f. Participating in the drafting and reviewing of numerous pleadings and  
27 settlement documents as well as performing requisite legal research;  
28

1 g. Participating in the drafting and review of Form Interrogatories, Requests for  
2 Admission, Special Interrogatories and Requests for Production of Documents;

3 h. Preparing for and participating in numerous in-person and telephonic meet-  
4 and-confers regarding discovery responses;

5 i. Preparing for, attending, and participating in numerous hearings before this  
6 Court;

7 j. Preparing for and participating in an in-person mediation session before the  
8 Honorable Carl J. West (Ret.) and numerous telephone conferences relating thereto;

9 k. Retaining and conferring with expert witnesses, including Mr. Greg Black,  
10 and addressing discovery matters and document review pertinent to his declaration filed with this  
11 Court;

12 l. Participating in and handling settlement negotiations both at JAMS and  
13 thereafter with Defendants and Defendants' counsel;

14 m. Participating in the drafting and review of confirmatory discovery after a  
15 tentative settlement was reached; and

16 n. Reviewing Defendants' voluminous documentation regarding the nature,  
17 methodology, and amounts of revenue subject to the City Transfer under the 2008 Rate Ordinance,  
18 2012 Rate Ordinance, and 2016 Rate Ordinance, voluminous documentation regarding the methods  
19 and calculations used by the LADWP to set Power Rates to its customers, and relevant financial  
20 records, and discussing their significance with expert consultants and co-counsel.

21 37. Only after completing all of the forgoing tasks, was the Settlement reached in  
22 this matter finalized. Moreover, as is demonstrated by the numerous meet-and-confers  
23 regarding pre- and post-mediation discovery issues, as well as the numerous settlement  
24 discussions that took place in-person and telephonically, this Settlement was clearly the result of  
25 arm's-length negotiation.

26 38. I have extensive experience in the prosecution and settlement administration of  
27 mass tort actions and class actions. A significant portion of my experience since 1989 has been  
28

1 devoted to representing individuals who contest allegedly unlawful practices regarding various  
2 areas including, but not limited to, toxic exposure, consumer rights, and unfair competition law.

3 39. In addition, I have recently served or presently serve as either lead liaison  
4 counsel, class counsel, and/or served on the plaintiffs' steering committee in numerous actions,  
5 including those listed in the firm resume of RLO attached hereto as Exhibit "J." Since  
6 becoming a partner in Zimmerman Reed, LLP, I have been appointed to the plaintiffs' steering  
7 committee in *In Re UCLA Health Systems*, Lead Case No. BC589243, and in *In Re Experian*  
8 *Data Breach Litigation*, Case No. 8:15-cv-01592-AG (DFMx).

9 40. I am personally familiar with Business and Professions Code section 17200 *et*  
10 *seq.* ("UCL") and the Consumer Legal Remedies Act, California Civil Code section 1750 *et*  
11 *seq.* ("CLRA"), including cases involving class action allegations. These cases, listed in the  
12 attached firm resume, include *Mahoney v. Fidelity* (alleging violation of UCL), *DiSimone v. DS*  
13 *Waters of America* (alleging false advertising and violation of UCL and CLRA), *Trauth v. Déjà*  
14 *vu Consulting* (alleging unfair business practices), *Patterson v. 68-444 Perez* (alleging violation  
15 of UCL), *Montreuil v. The Ensign Group* (alleging violation of UCL vis-à-vis nursing home  
16 understaffing), and *Davidson v. United Yellow Pages* (Employment).

17 41. In *Mahoney v. Fidelity*, I and co-counsel challenged defendants' business  
18 practices relating to the disclosure of title insurance commissions to mortgage borrowers and  
19 ultimately obtained class relief valued at more than \$4 million.

20 42. In *DiSimone v. D.S. Waters*, I and co-counsel challenged the defendant's  
21 advertising and business practices and ultimately obtained class relief valued at more than \$6  
22 million.

23 43. On April 4, 2011, the Court in *Trauth, et al. v. Spearmint Rhino Companies*  
24 *Worldwide, Inc., et al.* appointed me lead class counsel after obtaining preliminary approval of a  
25 nationwide settlement providing over \$10 million in monetary relief and \$127 million in  
26 injunctive relief (an economist-calculated present value of the reclassification of thousands of  
27 employees).  
28

1           44.     On July 15, 2011, the Court in *Doe v. Cin-Lan, Inc., et al.*, awarded final  
2 approval of nationwide class action settlement providing more than \$11.3 million in relief to  
3 over 30,000 class members.

4           45.     On March 12, 2012, the Court in *Pappas v. Naked Juice*, United States District  
5 Court, Central District of California, Case No. CV11-08276-JAK (PLAx), appointed me as co-  
6 lead interim class counsel. The settlement involved a national class providing more than \$9  
7 million in relief and significant injunctive relief including product label changes and the  
8 implementation of significant additional quality control measures.

9           46.     On February 26, 2013, the Court in *Montreuil v. The Ensign Group, Inc., et al.*,  
10 Los Angeles Superior Court, Case No. BC449162 (Complex) appointed me as co-lead class  
11 counsel after obtaining preliminary and final approval of a statewide settlement providing up to  
12 \$17 million in monetary and injunctive relief. Attached hereto as Exhibit “K” is a true and  
13 correct copy of the excerpts of the Court’s transcript of the hearing on final approval  
14 commending class counsel’s handling of the case.

15           47.     On February 14, 2014, the Court in *Von Slomski v. The Hain Celestial Group,*  
16 *Inc.*, United States District Court, Central District of California, Case No. SACV 13-1757 AG  
17 (ANx), appointed me as co-lead interim counsel in a contested motion and hearing pursuant to  
18 Fed. R. Civ. P. 23(g) (“Weighing all the Rule 23(g) factors, and recognizing that the call is a  
19 close one, the Ahdoot & Wolfson, P.C. and Ridout Lyon + Ottoson, LLP as interim co-lead  
20 class counsel”).

21           48.     On July 2, 2014, the Court in *Michigan Finance Authority v. Kiebler, et al.*,  
22 Michigan Court of Claims, Case No. 13-000166-MZ appointed me as co-lead class counsel after  
23 obtaining preliminary and final approval of a nationwide settlement providing \$11.5 million in  
24 monetary relief. Significantly, this was the first class action case adjudicated before the  
25 Michigan Court of Claims.

26           49.     On October 24, 2016, the Court in *Etter, et al. v. Norcold, Inc.*, United States  
27 District Court, Central District of California, Case No. 8:13-CV-00081 JLS (RNB), appointed  
28

1 me as co-lead class counsel after obtaining preliminary and final approval of a nationwide  
2 settlement providing \$36 million in monetary relief.

3 50. Attached as Exhibit “L” hereto is a true and correct copy of the list of  
4 Zimmerman Reed leadership appointments in Class Actions.

5 51. Attached as Exhibit “M” hereto is a true and correct copy of Zimmerman Reed’s  
6 firm resume.

7 52. In sum, I believe that the foregoing facts establish that ZR has the requisite  
8 experience and qualifications to represent the Class and, consequently, Plaintiffs have retained  
9 counsel with substantial experience, particularly in consumer cases involving unfair  
10 competition, with a proven success in the area of complex class action litigation. I personally,  
11 and other attorneys and staff, at RLO, RMO, and ZR have done a great deal of work identifying  
12 and investigating the claims of the Class in this Action. As to their efforts since this Action was  
13 filed, RLO, RMO, and ZR have conducted and/or participated in activities including numerous  
14 meet and confers with Co-Counsel and Defendants to avoid unnecessary motion practice;  
15 drafting and filing of multiple complaints; drafting and filing of comprehensive, disputed  
16 pleadings regarding motions for leave to file amended pleadings, discovery disputes, and  
17 certification; analyzing thousands of pages of documents produced by Defendants; propounding  
18 and responding to discovery; engaging in meet-and-confer efforts regarding discovery disputes;  
19 preparing for and participating in an in depth, complex mediation session before the Honorable  
20 Carl J. West (Ret.) and multiple telephone conferences; and expending significant time and  
21 efforts in the negotiation and drafting of all settlement documentation. Based upon my  
22 experience, my participation in the litigation of this Action, my participation in the significant  
23 negotiations which took place under the close supervision of the Honorable Carl J. West (Ret.),  
24 my participation in the preparation of the Settlement documentation, and review of all pleadings  
25 and discovery produced in this Action, I believe that the Settlement reached in this Action  
26 presents terms that are fair, reasonable, and adequate, and that RLO, RMO, and ZR contributed  
27 significantly to achieve this result. I have a deep appreciation for the risks and possible  
28



1 outcomes for the Class in this matter. It is my opinion and judgment that the proposed  
2 Settlement achieves an excellent outcome for the Class in light of those risks, is in the best  
3 interest of the Class, and should be approved by the Court.

4 53. I have personally reviewed the detailed, work-in-progress reports/time records  
5 kept contemporaneously by both Ridout Lyon + Ottoson, LLP, Ridout Marker + Ottoson, LLP  
6 and Zimmerman Reed LLP and have verified that the information contained in such records is  
7 accurate. This time was necessary and reasonable for the prosecution of this matter. Care was  
8 taken in ensuring that the attorney and paralegal time spent on this case was devoted to  
9 necessary and not duplicative tasks. The billable rates for attorneys and paraprofessionals were  
10 the rates charged by those respective firms. The rates billed for professional and  
11 paraprofessional services provided were regular and customary for similar complex cases  
12 handled to date, and which have been approved by other Courts. Moreover, at all times, Class  
13 Counsel worked cooperatively and coordinated their efforts to ensure efficiency in all tasks and  
14 avoid duplicative efforts.

15 54. To date, Class Counsel have yet to be reimbursed for their time and expenses  
16 generated in performing all of the professional work done in this case. Class Counsel's  
17 professional fees are totally contingent and depend on a fee and expense award by this Court.  
18 As a result of the commitments with respect to representing and prosecuting this action on  
19 behalf of the Class as set forth herein, ZR has incurred significant opportunity costs associated  
20 by not being able to take on other cases.

21 55. Whenever possible, litigation tasks were assigned to junior professionals who  
22 bill at a lower rate, however, due to the complexity of the materials and the importance of the  
23 issues, many of the tasks required partner participation. The total amount of professional fees  
24 billed to date is \$945,852.50. The following chart reflects the name, position, years of  
25 experience, billing rate and hours billed by each attorney of Zimmerman Reed LLP.  
26  
27  
28

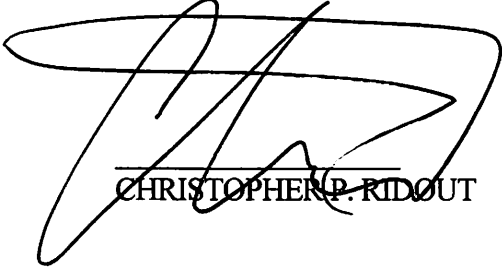
<u>Name</u>	<u>Position</u>	<u>Experience</u>	<u>Billing Rate</u>	<u>Hours Billed</u>
Christopher P. Ridout	Partner	28 years	\$795/hour	1092.40
J. Gordon Rudd	Partner	26 years	\$795/hour	7.20
Carolyn G. Anderson	Partner	20 years	\$795/hour	9.30
Caleb L.H. Marker	Partner	8 years	\$595/hour	42.40
Andre S. LeBarge	Of Counsel	24 years	\$595/hour	7.70
Hannah P. Belknap	Associate	4 years	\$425/hour	64.60
Allyssa J. Leary	Associate	3 years	\$375/hour	5.50
Devon C. Holstad	Associate	4 years	\$375/hour	13.20
			<b>TOTAL</b>	1,242.30

In addition to the above referenced professional services provided by them, Ridout Lyon + Ottoson LLP and Zimmerman Reed LLP also incurred significant out-of-pocket costs on behalf of the Class in prosecuting this Action. The total amount of costs incurred and paid is \$7,929.45. Each of the itemized costs incurred were reasonably necessary in prosecuting this Action. Like our professional time, all such costs were advanced on a contingent basis and carried the possibility that we would eventually not be reimbursed if litigation risks materialized. The following chart categorizes and identifies the costs incurred on behalf of the Class in prosecuting this Action:

Filing Fees	\$663.90
Attorney Service Fees	\$1,076.97
Postage	\$63.68
Case Anywhere Service Fees	\$1,071.40
Mediation Fee	\$4,850.00
Parking	\$203.50
<b>Total</b>	<b>\$7,929.45</b>

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

I declare under penalty of perjury that the foregoing is true and correct. Executed this 5<sup>th</sup> day of December, 2017 at Manhattan Beach, California.



CHRISTOPHER P. RIDOUT