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11 *Attorneys for Plaintiffs and Putative Class*

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

13 **FOR THE COUNTY OF LOS ANGELES**

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

17 Plaintiffs,

18 v.

19
20 CITY OF LOS ANGELES, THE LOS
21 ANGELES DEPARTMENT OF WATER AND
22 POWER, LOS ANGELES DEPARTMENT OF
23 WATER AND POWER BOARD OF
COMMISSIONERS, and DOES 1 through 10,

24 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 ROBERT AHDOOT
IN SUPPORT 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]

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DECLARATION OF ROBERT AHDOOT

I, Robert Ahdoot, declare as follows:

1. I am a partner and founding member of Ahdoot & Wolfson, PC (“AW”) and designated by the Court as Class Counsel in this matter. I respectfully submit this declaration in support of Plaintiffs’ Motion for Attorneys’ Fees and Reimbursement of Expenses and Payment of Service Awards. I have personal knowledge of the facts set forth in this declaration and could and will testify competently to them if called upon to do so.

2. Founded in 1998, AW is a Los Angeles, California based law firm specializing in complex and class action litigation. For decades the attorneys at AW have vigorously litigated against wrongdoers to vindicate the rights of millions of consumers in protracted, complex litigation, to successful results.

3. AW partners have been named “Super Lawyers” by their peers in recognition of the results achieved by their work.

4. Since its founding, AW has served as class counsel and in leadership positions in a wide range of consumer class actions.

5. AW has been appointed lead counsel in numerous complex consumer class actions, including those involving the rights of municipal taxpayers. The following are some examples of such recent (2016-2017) class actions which AW has litigated to conclusion or is currently litigating on behalf of its clients (more examples are listed in AW’s *curriculum vitae*, a true and correct copy of which is attached hereto as Exhibit “A”):

- *McKnight v. Uber Technologies, Inc.*, No. 3:14-cv-05615-JST (N.D. Cal.): \$32.5 million class settlement based on “safe ride” fee charged to Uber riders; preliminary approval granted and final approval pending.

- *In Re Uber FCRA Litigation*, No. 14-cv-05200-EMC (N.D. Cal.): \$7.5 million class settlement on behalf of Uber Drivers: preliminary approval granted and final approval pending.

1 • *Kirby v. McAfee, Inc.*, No. 14-cv-02475-EJD (N.D. Cal.): \$80 million class
2 settlement based on defendant’s auto renewal and alleged false discount practices; final approval
3 granted.

4 • *Chimeno-Buzzi v. Hollister Co, et al.*, No. 1:14-cv-23120-MGC (S.D. Fla.): \$10
5 Million class settlement arising from violations of the Telephone Consumer Protection Act of 1991
6 (“TCPA”); final approval granted.

7 • *Smith v. Floor and Décor Outlets of America, Inc.*, No. 1:15-cv-04316-ELR
8 (N.D. Ga.): \$14 million class settlement regarding flooring product defect allegations; final approval
9 granted.

10 • *Pantelyat vs. Bank of America*, No. 1:16-cv-8964 (S.D. N.Y.): Consumer class
11 action regarding allegedly illegal overdraft fees resulting from non-recurring charges. Confidential
12 settlement in principal reached by the Parties in November 2017; memorialization of the settlement
13 and preliminary approval pending.

14 • *In re: Experian Data Breach Litig.*, No. 8:15-cv-01592-AG-DFM (C.D. Cal.):
15 currently serving as appointed co-lead counsel managing a PSC of six firms, after contested
16 application and hearing in consolidated litigation consisting of thirty-eight (38) class actions arising
17 from a data breach disclosing the sensitive financial information of over 15 million T-Mobile
18 customers. Plaintiffs seek both monetary and injunctive relief.

19 • *Remijas v. Neiman Marcus Group, LLC*, No. 1:14-cv-01735 (N.D. Ill.): AW was
20 responsible for briefing and arguing the groundbreaking appeal from the trial court’s order, which had
21 granted the motion to dismiss on the pleadings based on lack of Article III standing. The Seventh
22 Circuit’s landmark opinion was its first to address the Supreme Court’s decision in *Clapper v. Amnesty*
23 *Intern. USA*, 133 S. Ct. 1138 (2013). This Neiman Marcus opinion was the first appellate court to
24 reject this view of *Clapper* and, adopting the plaintiffs’ reasoning, established, among other things, that
25 data breach victims have standing to pursue claims based on the increased risk of identity theft and
26 fraud, even before that theft or fraud materializes. *See generally* 794 N.E.3d 688 (7th Cir. 2015)
27 (reversed and remanded). This matter resulted in an \$1.6 million class settlement; preliminarily
28 approved.

1 • *In re: Kind LLC “All Natural” Litig.*, No. 1:15-md-02645-WHP (S.D.N.Y.):
2 currently serving as appointed interim co-lead counsel for the plaintiff class by MDL Court after
3 contested hearing.

4 • *In re: Premera Blue Cross Customer Data Sec. Breach Litig.*, No. 15-md-
5 02633-SI (D. Or.): currently serving, by court appointment, on the Executive Leadership Committee
6 after contested leadership application and hearing.

7 • *In re: The Home Depot, Inc., Customer Data Sec. Breach Litig.*, No. 1:14-md-
8 02583-TWT (N.D. Ga.): served, by court appointment, on the MDL Consumer Plaintiffs’ Steering
9 Committee. The finally approved settlement provided approximately \$29 million of monetary relief to
10 the consumer class, as well as robust injunctive relief requiring Home Depot to overhaul its data
11 security practices.

12 • *Lavinsky vs. City of Los Angeles*, No. BC542245 (LASC): Class action
13 settlement in principal reached in large class action arising out of illegal utilities taxation practices.
14 Prior to settlement, AW prevailed on Summary Adjudication, certified a class, and prevailed on a
15 Motion to Disseminate Class Notice. The settlement in principal is confidential at this time and
16 preliminary approval is pending.

17 6. I have been intimately involved in all aspects of this litigation since its inception. I
18 have observed the work of the other attorneys who have worked on this action, including my partner
19 Tina Wolfson; co-Class Counsel Eric J. Benink and Christopher P. Ridout (and attorneys associated
20 with their firms); as well as co-counsel Walter McNeill and his associates and attorneys at Lowe &
21 LeFan. The use of the terms “Class Counsel” and “Plaintiffs’ Counsel” herein shall have the same
22 meaning as defined in the Amended Class Action Settlement Agreement filed in this action on
23 August 31, 2017. Furthermore, when stating work performed by Class Counsel or Plaintiffs’
24 Counsel, the work was performed by specific attorney teams so as to promote efficient and avoid
25 duplication of efforts.

26 7. I have participated in all aspects of this litigation, including, but not limited to the
27 preparation of the original complaint filed by Brendan Eisan and amended complaints filed by all
28 Plaintiffs; attendance at status conferences; drafting discovery; meeting and conferring over discovery

1 disputes; participating at the mediation before Judge West at JAMS; participating in in-person and
2 conference calls (dozens) with the City’s attorneys regarding the proposed settlement; analyzing
3 thousands of pages of documents including, but not limited to, Rate Ordinances (and the legislative
4 materials pertaining to them), Transfer Ordinances (and the legislative materials pertaining to them),
5 Power System Rate Action Report - July 2015, and audited financial statements; analyzing financial
6 data related to the damages alleged in this case; researching cases and keeping abreast of new
7 developments related to Proposition 218 and Proposition 26; monitoring a federal case that alleges
8 similar claims against employees of the City of Los Angeles and Los Angeles Department of Water
9 and Power; retaining expert Greg Black and meeting and working with him to secure information
10 necessary to fully understand all aspects of the LADWP’s rates and financial projections; preparing,
11 reviewing and revising (and conferring with co-counsel over) dozens of drafts of the proposed
12 settlement agreement and the exhibits thereto (*i.e.*, the class notices); preparing for and deposing
13 LADWP Chief Financial Officer Jeffery Peltola; discussing the case with Plaintiffs Brendan Eisan;
14 and drafting this Motion for Preliminary Approval and Final Approval of Class Action Settlement
15 and the supporting declarations. My partner Tina Wolfson has also assisted with this matter, as well
16 as other attorneys on staff, including attorneys Theodore Maya, Bradley King, Vanessa Shakib, and
17 Meredith Lierz, and paralegal Diana Kiem.

18 8. The purpose of this declaration is to provide this Court an understanding of the
19 professional services provided by AW, Class Counsel, and other co-counsel in connection with this
20 Action.

21 9. The rates for electrical power are currently imposed on Retail Customers through two
22 separate City Ordinances: City Ordinance No. 180127 (“2008 Rate Ordinance”) and City Ordinance
23 No. 184133 (“2016 Rate Ordinance”). Prior to the enactment of the 2016 Ordinance, the rates for
24 electrical power were imposed through the 2012 Rate Ordinance and the 2008 Rate Ordinance. The
25 2016 Ordinance replaced and superseded the 2012 Ordinance effective April 15, 2016.

26 10. Each of these Ordinances embodied rate schedules that utilized “base rates” and “pass
27 through charges” and complex rate adjustment formulas.

28 11. The 2008 Rate Ordinance and 2016 Rate Ordinance are difficult to decipher; however,

1 in summary, they set out dozens of separate and specific rate schedules for different types of
2 customers (residential, multi-family residential, commercial, *etc.*). These rate schedules can be
3 generally grouped into six categories: (i) 12 separate rate schedules for residential and commercial
4 rates (under which the vast majority of customers are billed), (ii) eight commercial contract rates, (iii)
5 four separate rates for customers with on-site generation, (iv) eight rates for street lighting, (v) two
6 rates for the Port of Los Angeles, and (vi) five various service rate riders that encourage conservation
7 and promote business. Attorneys at AW, including myself, carefully reviewed those Ordinances,
8 various City Charter provisions (and their predecessors) to understand the interplay between them and
9 the manner by which the alleged illegal tax was incorporated into each.

10 12. Attorneys at AW, including myself, prepared and filed class claims in compliance with
11 the Government Claims Act.

12 13. After the filing of the Complaints, the five (5) separate law firms that comprise
13 Plaintiffs' Counsel cooperated in organizing into a working structure to effectively and efficiently
14 prosecute the claims on behalf of Plaintiffs and the proposed Class. This effort resulted in the filing
15 of a Consolidated Class Action Complaint in October 2015. Plaintiffs' Counsel also negotiated and
16 filed a Stipulated Protective Order at that time.

17 14. Plaintiffs' Counsel also served the first round discovery in this matter, to which
18 Defendants provided substantive responses in December 2015.

19 15. Plaintiffs' Counsel also monitored the City's 2016 Ordinance rate-making process
20 which included review of LADWP's slideshow presentations, Energy and Environment Committee
21 actions, Office of Public Accountability ("OPA") (*i.e.* ratepayer advocate) documents, a voluminous
22 Power System Rate Action Report dated July 2015 which included a Proposed Rate Plan, a Cost of
23 Service Study, and detailed financial projections for the electric utility.

24 16. Plaintiffs' Counsel also prepared protest letters and presented them in person at a
25 LADWP Board of Commissioners meeting and at a City Council meeting.

26 17. After a stipulated briefing schedule, Defendants filed a Motion for Judgment on the
27 Pleadings, which was opposed by the Plaintiffs. Plaintiffs' Opposition was based on extensive
28 research into the City's arguments and PUC §10004.5.

1 18. At the April 25, 2016 hearing on Defendants’ motion for judgment on the pleadings
2 (the “Motion”) before the Honorable Jane Johnson, after oral argument, the Court granted
3 Defendants’ Motion, ruling Plaintiffs’ claims were subject to the 120-day limitations period set forth
4 in California Public Utilities Code section 10004.5. But the Court gave Plaintiffs leave to amend to
5 allege claims derived from and based on the 2016 Rate Ordinance, and to allege, *inter alia*, that
6 Plaintiffs’ claims did not begin to run until the City adopted an ordinance transferring funds from the
7 LADWP to the City.

8 19. After again complying the Government Claims Act by transmitting new claim letters
9 to the City, Class Counsel filed an Amended Class Action Complaint in July 2016.

10 20. Attorneys at AW, including myself, and Class Counsel engaged in significant and
11 extensive fact and expert discovery. Plaintiffs served Form Interrogatories, Special Interrogatories,
12 and Requests for Production of Documents, to which the City served initial and supplemental written
13 responses. Class Counsel served (person most qualified) deposition notices to Defendants on
14 numerous topics. Class Counsel conducted an exhaustive review of thousands of pages of
15 documents, including voluminous public records and City / LADWP financial statements,
16 projections, and disclosures concerning electricity rates, the costs related to providing electricity to
17 LADWP customers, disputes between the City and LADWP over the transfers and over adjustments
18 to the ECAF, ratemaking documents including the Power Action Report, and the terms and legislative
19 history of the various rate ordinances and transfer ordinances at issue.

20 21. Moreover, Plaintiffs’ Counsel attended public hearings at the LADWP Board meeting
21 and City Council meeting regarding the adoption of 2016 Rate Ordinance and prepared protest letters.

22 22. The Parties engaged in numerous in-person and telephonic meet-and-confer sessions,
23 which resulted in both amended discovery responses, as well as an exchange of informal (and later
24 confirmed) discovery relating to the nature, methodology and amounts of revenue subject to City
25 transfer under the 2008 Rate Ordinance, 2012 Rate Ordinance, and 2016 Rate Ordinance.

26 23. Attorneys at AW, including myself, studied and reviewed the historic processes and
27 mechanisms that the City utilized to calculate the transfer of surplus power revenues going back to
28 Fiscal Year 2007-2008. Attorneys at AW, including myself, studied and reviewed memoranda

1 detailing the Power System City Transfer Calculations, Board Approval Letters, DWP Resolutions,
2 City Ordinances, Comprehensive Annual Financial Reports (“CAFRS”) and public comments.

3 24. My firm’s investigation – and Plaintiffs’ Counsel’s investigation – did not end there.
4 In order to better understand the dynamics within the City related to the transfer, Plaintiffs’ Counsel
5 inspected and analyzed issues regarding a 2009 request by the LADWP to modify a rate component,
6 Energy Cap Adjustment Factor (“ECAF”), and the subsequent dispute between LADWP and the City
7 Council in 2010 regarding the transfers of electric fee revenue to the City’s Reserve Fund.

8 25. Plaintiffs’ Counsel reviewed memos exchanged within the City and a report issued by
9 third-party consultant, Crowe Horwath, regarding the feasibility for the transfer of surplus power
10 revenues.

11 26. Class Counsel also studied how those disputes may have led the City to initiate two
12 ballot measures in March 2011: Charter Amendment J that approved a revision to Section 344 of the
13 City Charter (the transfer provision) and Charter Amendment I that created the Office of Public
14 Accountability (OPA) which serves as an independent watchdog to scrutinize water and electric rates.

15 27. Other litigation related work performed by Class Counsel has included: meetings,
16 emails, and phone calls between co-counsel and with defense counsel; preparing privileged
17 memoranda; communicating with the Class Representatives, and preparing case management
18 statements and attending case management hearings; *etc.*

19 28. The Parties engaged in exhaustive, informed, and arm’s-length negotiations that lasted
20 well over a year. On June 20, 2016, after extensive pre-mediation settlement discussions and
21 negotiation which involved in-person meetings between counsel as well as many telephonic
22 conferences, the Parties engaged in mediation before the Honorable Carl J. West (Ret.) at JAMS to
23 determine if a fair compromise and settlement could be reached considering all applicable and
24 relevant factors and risks.

25 29. In preparation for the mediation, the Parties submitted a lengthy and in-depth
26 mediation brief detailing the merits of Plaintiffs’ claims and of class certification, and of the potential
27 damages in this matter. The June 20, 2016 full-day mediation with Judge West was not immediately
28 successful. It took numerous further discussions and negotiations, with the mediator and Defense

1 Counsel, to finally agree on the terms of a settlement in principle.

2 30. Although the Parties reached an agreement in principle, many of the details of the
3 settlement remained unresolved or in dispute. Over the next several months, I diligently worked with
4 my co-counsel and Defendants, and expended a substantial amount of time, in an effort to finalize the
5 terms of a written settlement agreement and ancillary documents and the plan for Class Notice.
6 These negotiations continued to be difficult, and involved detailed lengthy repeated discussions
7 regarding virtually every provision of the Settlement Agreement and its many exhibits, including the
8 structure of the settlement itself, the refund / credit process, the Settlement's verification processes,
9 *etc.*

10 31. Indeed, it took substantial efforts to negotiate a structure and terms and draft language
11 satisfactory to both sides. Moreover, the Parties meticulously negotiated, with consultation of the
12 Settlement Administrator's notice experts, the language of the notice forms and the methodology of
13 the Notice Plan. All the while, at every step, the City Attorney's Office had to coordinate with
14 multiple stakeholders within the City which further complicated the process.

15 32. At the same time, Class Counsel conducted confirmatory discovery to ensure that the
16 terms of the Settlement were fair, reasonable and adequate and based on correct assumptions and
17 facts. Creating mechanisms to carry out the objective of the settlement was incredibly time-
18 consuming and required countless revisions and dozens of calls or in-person meetings with various
19 departments of the City Attorney's Office and LADWP officers.

20 33. Plaintiffs retained an experienced industry consultant and former LADWP 26-year
21 employee and finance executive, Gregory Black. With the consultation of this expert, Class Counsel
22 conducted the painstaking confirmatory discovery process upon which the entire settlement was
23 contingent. Understanding the settlement benefits to ratepayers was essential. Attorneys at AW,
24 including myself, carefully reviewed and studied financial projections prepared by the LADWP to
25 ascertain how much ratepayers would save if the 8% alleged illegal tax was eliminated from the 2016
26 Ordinance. Specifically, by analyzing the relevant documents, conducting numerous interviews with
27 LADWP employees and taking the deposition of LADWP's CFO, Jeffery Peltola, I was able to
28 confirm, *inter alia*: (i) the amounts collected under the 2016 Ordinance prior to the Date of Cessation

1 and of the future tax savings; and (ii) the mechanisms by which the refund / credit provisions would
2 be implemented, the future tax savings of Settlement’s terms would be conferred, and the
3 authentications / audits would be performed to ensure correct distribution of the benefits of the
4 Settlement. To accomplish this, I had to achieve an in-depth understanding of the complicated Rate
5 Ordinances at issue and the *minutiae* of LADWP’s financing processes. (Such *minutiae* include but
6 were not limited to LADWP’s methodology and process regarding power rates and projected
7 revenues, LADWP’s costs of providing electrical service, amounts of revenue subject to transfer to
8 the City under the 2008, 2012 and 2016 Rate Ordinances; analysis of the employment of Pass-
9 Through Charges associated with the 2008 Rate Ordinance (ECA, RCAF, ESA and REA) and 2016
10 Rate Ordinance (the VEA, the CRPSEA, the VRPSEA, and the IRCA); and analysis of past and
11 proposed LADWP Board of Approval Letters, “Financial Case” models.) I participated in every
12 detail of the matters set forth in the Declaration of Greg Black.

13 34. On September 21, 2016 a class action lawsuit was filed against all of the members of
14 the Board of the LADWP, Mayor Garcetti, and all members of the City Council, individually, entitled
15 *Abcarian, et al. v. Levine, et. al.*, United States District Court, Central District of California, Case No.
16 16-cv-07106 FMO (JPRx) (“*Abcarian*”). *Abcarian* did not name the City or LADWP as a defendant.
17 Instead, it contends the individual City official defendants committed fraud and RICO violations, *inter*
18 *alia*, with respect to the transfers at issue in this case. The *Abcarian* Plaintiffs are represented by the
19 well-known Yagman & Reichman firm. A true and correct copy of this Complaint is attached hereto
20 as **Exhibit B**.

21 35. Through my firms’ on-going monitoring of proceedings that may relate to this Action,
22 I became aware of this Action 2-days after it was filed and thereafter began to monitor and review the
23 pleadings filed therein (*i.e.* a Motion for Preliminary Injunction filed by the Plaintiffs and oppositions
24 thereto (*Abcarian*, ECF Nos. 10-17, 23-25) and a Motion to Dismiss or to Stay Proceedings by the
25 Defendants (*Id.* ECF Nos. 15-17, 26, 28-29, 32-33).

26 36. On November 14, 2017, the *Abcarian* plaintiffs filed a “Motion for Preliminary
27 Injunction, Enjoining and/or Staying State Court Action, *Eyk v. City of Los Angeles*” (*sic*). (*Id.* ECF
28 No. 14-17, 26, 28-29). A true and correct copy of this Motion is attached hereto as **Exhibit C**.

1 37. Class Counsel appeared in the case on November 21, 2016, and filed an Opposition to
2 the Motion to Enjoin or Stay this Action. (*Id.* ECF No. 39-47). A true and correct copy of this
3 Motion is attached hereto as **Exhibit D**.

4 38. The City also opposed this Motion and the *Abcarian* Plaintiffs filed a Reply. (*Id.* ECF
5 No. 48-49).

6 39. The Federal Court denied the Motion to stay this matter and, in turn, stayed the
7 *Abcarian* matter “pending resolution in the Eck.” (*Id.* ECF No. 50.)

8 40. Thereafter, the *Abcarian* Plaintiffs mounted an unsuccessful appeal to the Ninth Circuit
9 challenging the stay imposed in their action. I continued to monitor the filings in the Ninth Circuit
10 and observed the oral argument on-line.

11 41. After the Ninth Circuit affirmed the *Abcarian* stay, the Plaintiffs filed a Motion to Lift
12 the Stay which is currently under submission. (*Id.* ECF No. 69.) Thus, I also expended substantial
13 time and resource on the *Abcarian* litigation.

14 42. The Parties ultimately reached a tentative settlement that was reduced to writing. As
15 part of the Settlement Agreement, Defendants shall refrain from transferring to any City account
16 more than eight percent (8%) of the Retail Operating Revenues (of the prior Fiscal Years) billed to
17 Retail Customers pursuant to the 2008 Rate Ordinance and the 2012 Rate Ordinance. This is
18 meaningful because under City Charter § 344(b), the City has discretion to transfer more – there is no
19 fixed amount.

20 43. Additionally, as part of the Settlement Agreement, within thirty (30) days after the
21 Court grants preliminarily approval, Defendants will deposit Fifty-Two Million Dollars
22 (\$52,000,000) (“Settlement Fund”) into a separate interest bearing bank account to be administered
23 by KCC. This amount is the City’s best estimate of the 8% surcharge on the 2016 Rate Ordinance
24 from April 15, 2016 (its effective date) the Date of Cessation. The City, through its counsel, has
25 confirmed that the Date of Cessation is July 1, 2017, the start of the next fiscal year.

26 44. The proposed Settlement resulted after over a year of negotiations, including one in-
27 person mediation session before Judge West (Ret.), and numerous telephonic conferences before
28 Judge West (Ret.).

1 45. The settlement achieved in this litigation is the product of the initiative, investigation,
2 and hard work of skilled counsel. Because of Class Counsel’s efforts, assuming the Court approves
3 the settlement, the Class will receive significant benefits.

4 46. Class Counsel overcame several obstacles, all while facing preeminent defense, to
5 achieve this settlement. I respectfully submit that the substantial benefits provided by the settlement
6 would not have been possible without the combined efforts, skill, and efficiency of the attorneys and
7 professionals involved in prosecuting this case.

8 47. In summary, my involvement in this matter and the involvement of attorneys at AW
9 has included, but has not been limited to, the following tasks:

10 a. Conducting an extensive pre-suit and continuing investigation into the claims
11 contained in the operative complaint, and reviewing numerous documents relating to Defendants;

12 b. Strategizing case theories with co-counsel;

13 c. Meeting and conferring with co-counsel on an ongoing basis;

14 d. Meeting and conferring with opposing counsel on an ongoing basis;

15 e. Discussing case matters with one of the named plaintiffs;

16 f. Participating in the drafting and reviewing of numerous pleadings and settlement
17 documents as well as performing requisite legal research;

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

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

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

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

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

27 l. Participating in and handling settlement negotiations both at JAMS and thereafter
28 with Defendants and Defendants’ counsel;

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

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

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

12 49. After the lengthy process that led to finalization of the Settlement, Class Counsel
13 prepared and filed the Motion for Preliminary Approval, which included voluminous supporting
14 documents, declarations, and exhibits.

15 50. After the Court's comments to the original Settlement, the Parties negotiated an
16 Amended Settlement Agreement, redrafted notice documents, filed another round of voluminous
17 documents which included the Amended Settlement and its exhibits, a supplement to the Preliminary
18 Approval Motion, and declaration in support with numerous exhibits.

19 51. Class Counsel appeared at the hearing and argued in support of preliminary approval,
20 which the Court ultimately granted.

21 52. After the Court preliminarily approved the Settlement, Class Counsel worked closely
22 with the Settlement Administrator to supervise dissemination of notice to Class Members. These
23 efforts included review and drafting of the language and format of the website, the script for the
24 automated response to the toll-free number, the format of the Summary Notice, monitoring exclusion
25 requests and objections, and responding to hundreds of Class Members inquiries regarding the
26 Settlement. This work continues at the time of this filing.

27 53. AW has expended 996.40 hours in this litigation through November 15, 2017. I
28 expect that AW will incur significant additional hours of time to see this case through completion of

1 the settlement, including: finalizing and filing these fee motion papers; continuing to supervise class
2 notice and claims with the settlement administrator and defense counsel; responding to class member
3 inquiries or challenges; responding to any requests for exclusion or objections; preparing and filing
4 final approval papers; attending the final approval hearing; working with Defendants and the
5 settlement administrator on the distribution of awards to the Class; monitoring the award distributions
6 to the Class; ensuring that any residual is paid to the Court-approved *cy pres* beneficiaries; and
7 reporting to the Court that the distribution of settlement funds has been completed. Class Counsel
8 expect to maintain a high level of oversight and involvement in this process; therefore, Class Counsel
9 anticipate incurring significant additional lodestar in the future.

10 54. The hours spent (and to be spent) reflect time spent reasonably litigating this case, in
11 which AW has sought to manage and staff efficiently. These 996.4 hours of work amount to a
12 lodestar of \$732,042.

13 55. A summary of rates and hours expended by AW's professionals (as of November 15,
14 2017) is set forth as follows:

Professional	Title	Billable Rate¹	Billable Hours	Billable Fees
Tina Wolfson	Senior Partner	\$795	48.8	\$38,796.00
Robert Ahdoot	Senior Partner	\$795	728.80	\$579,396.00
Theodore Maya	Partner	\$675	86.70	\$58,522.50
Bradley King	Associate	\$475	2.0	\$950.00
Vanessa Shakib	Associate	\$475	108.9	\$51,727.50
Diana Kiem	Paralegal	\$125	21.20	\$2,650.00
TOTALS:			996.40	\$732,042.00

21 56. AW's work in this matter was on a wholly contingent basis. AW devoted substantial
22 resources to this matter, and has not received payment for the hours of services performed or the
23 expenses it incurred. In devoting the resources to this Action, with no guarantee of payment, AW
24

25
26 ¹ The Court may note that the 2017 billable rates of Tina Wolfson, Robert Ahdoot and Theodore
27 W. Maya are higher than reported here, and are, respectively, \$850, \$850 and \$695, however, so that
28 AW's billing rates are more commensurate with co-Class Counsel's rates, these billing rates have been
applied to this matter.

1 incurred significant opportunity costs associated by not being able to take on other cases or
2 employment.

3 57. All timekeepers at AW maintain contemporaneous time records reflecting the time
4 spent on this and other matters. In all instances, the time keeper indicates the date and amount of
5 time spent on a task to one-tenth of an hour; describes the work that was performed during the
6 indicated time period; and identifies the case to which the time should be charged.

7 58. Throughout this action, I have sought to reach consensus with my co-counsel to
8 manage the administration and work division in this case in a systematic and efficient manner,
9 coordinating work assignments through conference calls, working to avoid duplication of efforts or
10 unnecessary work undertaken by any of the counsel for the Class in this case, and ensuring that the
11 skills and talents of counsel were put to use in an efficient and effective manner that maximized what
12 each firm and attorney could contribute in a non-redundant way.

13 59. I believe that my firm's rates are fully commensurate with the hourly rates of other
14 nationally prominent firms performing similar work for both plaintiffs and defendants. After
15 considering all of these data points, I have determined that the rates are reasonable for each of the
16 professionals who worked on this matter.

17 60. AW sets its hourly rates according to prevailing market rates in Los Angeles,
18 California, bills its hourly paying clients according to those rates, and has been awarded fees
19 according to those rates. AW primarily represents clients on a contingent fee basis, both in class and
20 individual cases. However, AW also represents clients on an hourly basis and is paid according to its
21 then-current hourly rates. AW is currently retained at the hourly rates used to calculate its lodestar in
22 this matter.

23 61. The experience of all AW attorneys who worked on this matter is set forth in **Exhibit**
24 **A** attached hereto. Neither I, nor any attorney at AW, has ever faced any disciplinary action or
25 received any sanction from a state bar association for misconduct or an ethical violation.

26 62. Courts have recently awarded attorneys' fees to AW at rates that are comparable to the
27 rates applicable to this matter. *See, e.g. Williamson, et al. vs. McAfee, Inc.*, Case No. 5:14-cv-00158-
28 EJD (N.D. Cal. Feb. 15, 2017) (Dkt. 118; \$85 Million settlement in deceptive auto renewal case);

1 *Smith v. Floor & Decor Outlets of Am., Inc.*, Case No. 1:15-cv-04316-ELR, (N.D. Ga. Jan. 10, 2017)
2 (Dkt. No. 69; \$14.5 Million product liability settlement re: laminate flooring); *Chimeno-Buzzi v.*
3 *Hollister Co.*, Case No. 1:14-cv-23120-MGC (S.D. Fla. April 11, 2016) (Dkt. No. 155; \$10 Million
4 TCPA Settlement); *West v. ExamSoft Worldwide Inc.*, Case No. 1:14-cv-22950-UU (S.D. Fla.
5 October 9, 2015) (Dkt. No. 62; \$2.1 Million Settlement in Bar Exam Testing case).

6 63. I have reviewed our billing records to confirm that AW's time entries and resulting
7 lodestar, and as a result of this review, in an abundance of caution, I reduced the total time reported in
8 this declaration by approximately 35 hours. These reductions were made so as to avoid billing that
9 appeared duplicative, vague, or otherwise non-compensable. I have verified that the information
10 contained in AW's billing records is accurate. AW's billings were necessary and reasonable for the
11 prosecution of this matter. Care was taken in ensuring that the attorney and paralegal time spent on
12 this case was devoted to necessary and not duplicative tasks. The rates billed for professional and
13 paraprofessional services provided were regular and customary for similar complex cases handled to
14 date, and which have been approved by other Courts.

15 64. These billings will be made available to the Court for *in camera* review upon request.

16 65. As explained in previous filings, three separate complaints were initially filed against
17 the City of Los Angeles regarding the allegations at issue in this matter. Class Counsel and Plaintiffs'
18 Counsel, who filed the three separate complaints, entered into a fee sharing agreement months after
19 the material terms and conditions of the Original Settlement were agreed to between the City of Los
20 Angeles and the Plaintiffs. Based upon (i) each firm's time, effort, services rendered and to be
21 rendered, expenses incurred and to be incurred, and skill displayed or to be displayed, (ii) the novelty
22 and difficulty of the questions involved in the Litigation, (iii) the extent to which the nature of the
23 Litigation precluded or will preclude other employment by the firms, and (iv) the contingent nature of
24 any attorneys' fees and expense awards and the risks assumed or to be assumed in the Litigation by
25 each of the firms, Proposed Class Counsel and Plaintiffs' Counsel agreed to share any fees recovered
26 and awarded by the Court for services rendered in the Litigation as follows: (i) *Chapman* Complaint,
27 Zimmerman Reed, LLP and Lowe & Associates, P.C. – 39%; (ii) *Eck* Complaint, Krause Kalfayan
28 Benink & Slavens, LLP and Walter McNeill d.b.a. McNeill Law Offices – 32%; and (iii) Eisan

1 Complaint, Ahdoot & Wolfson, PC – 29%.

2 66. All Plaintiffs / Proposed Class Representatives provided their written acknowledgment
3 and consent to the fee sharing agreement, entered into by the three separate groups of law firms, at
4 the time the fee sharing agreement was created. Thereafter, I was informed that Zimmerman Reed,
5 LLP and Lowe & Associates, PC had agreed to a split of the 39% allocated to their group, and Krause
6 Kalfayan Benink & Slavens, LLP and Walter McNeill d.b.a. McNeill Law Offices had also agreed to
7 a split of the 32% allocated to them, as described above. All Plaintiffs / Proposed Class
8 Representatives consented, in writing, to the sharing of the allocations between these two groups of
9 firms, and again, to the Ahdoot & Wolfson, PC allocation, as follows: Zimmerman Reed, LLP: 31%;
10 Lowe & Associates, PC – 8%; Krause Kalfayan Benink & Slavens, LLP – 18.5%; Walter McNeill
11 d.b.a. McNeill Law Offices – 13.5%; Ahdoot & Wolfson, PC – 29%.

12 67. As of November 15, 2017, AW also has incurred approximately \$58,310.88 in un-
13 reimbursed expenses that were necessarily incurred in connection with the prosecution and resolution
14 of this litigation. These expenses include:

15

<u>Expense Description</u>	<u>Amount</u>
Attorney Service Fees & Filing Fees	\$2,153.70
Case Anywhere Fees	\$1,3126.40
CourtCall	\$86.40
Experts	\$52,095.00
LASC Website Search Fees	\$28.00
Messengers	\$51.60
Outside Printing Vendors	\$781.63
Pacer	\$56.40
Parking	\$208.95
Postage	\$26.63
Transcript	\$125.46
TOTAL	\$57,939.63

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24 68. The foregoing expenses were incurred solely in connection with this litigation. These
25 expenses are reflected in the books and records of my firm, which are kept in the ordinary course and
26 prepared from expense vouchers, check records, and other documents.

27 69. Many of Class Counsel's costs are attributable to professional fees paid by the parties
28 in equal amounts to the Mediator and Experts. These, as well as the other categories of costs incurred

1 by Class Counsel (filing fees, court report transcript fees, travel costs, among others), are the common
2 types of costs regularly billed to paying clients and recoverable in cases where statutory cost-shifting
3 provisions are available, as they are here.

4 70. AW has not listed its expenses incurred for in-house electronic research fees
5 (Westlaw/LexisNexis), copies, facsimile, telephone, *etc.* and, in an exercise of discretion, does not
6 seek reimbursement for such expenses.

7 71. Class Counsel's costs and expenses are fully documented and reasonable.

8 72. As part of our work overseeing the administration of the Settlement, my firm is in
9 regular contact with the Settlement Administrator: KCC. KCC reports that as of December 4, 2017, it
10 has received 232 requests for exclusion, and 13 objections.

11 73. Based upon my experience, my participation in the litigation of this Action and
12 investigations and analysis of the facts and law, my participation in the significant negotiations which
13 took place under the close supervision of the Honorable Carl J. West (Ret.), my participation in the
14 preparation of the Settlement documentation, and review of all pleadings and discovery produced in
15 this Action, I believe that the Settlement reached in this Action presents terms that are fair,
16 reasonable, and adequate, and that AW contributed significantly to achieve this result. I understand
17 the risks and possible outcomes for the Class in this matter. It is my opinion and judgment that the
18 proposed Settlement achieves an excellent outcome for the Class in light of those risks, is in the best
19 interest of the Class, and should be approved by the Court.

20 74. I have reviewed the Declaration of Christopher P. Ridout in Support of Final Approval
21 of Class Action Settlement and Motion for Attorneys' Fees and Reimbursement of Expenses and
22 Payment of Service Awards, filed herewith. Paragraphs 2 and 4 through 30 of his declaration are true
23 and correct.

24 I declare under penalty of perjury under the laws of California and of the United States that
25 the foregoing is true and correct. Executed this 5th day of December, 2017 in Los Angeles,
26 California.

27 
28 _____
ROBERT R. AHDOOT