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17 MATEEL ENVIRONMENTAL JUSTICE
18 FOUNDATION

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF ALAMEDA

MATEEL ENVIRONMENTAL JUSTICE
FOUNDATION,
Plaintiff,
v.
PACIFIC GAS AND ELECTRIC COMPANY,
Defendant.

Case No. RG15785913
CONSENT JUDGMENT

1 **1.0 INTRODUCTION**

2 1.1 MATEEL ENVIRONMENTAL JUSTICE FOUNDATION (“Mateel” or “MEJF”)
3 acting on behalf of itself and the public interest, filed a complaint (“Complaint”) in this action for
4 civil penalties and injunctive relief in Alameda Superior Court, against Defendant Pacific Gas and
5 Electric Company, hereinafter “PG&E” or “Defendant.” Mateel and Defendant are collectively
6 referred to herein as the “Parties.” The Complaint alleges, among other things, that Defendant
7 transmits and distributes electricity throughout Northern California by use of wires suspended from
8 wooden poles (“Utility Poles”), and that these Utility Poles are treated with mixtures of chemicals
9 that contain chemicals listed pursuant to California Code of Regulations, title 27, section 27001 as
10 known to cause cancer, birth defects or other reproductive harm. Mateel has alleged that
11 Defendant’s Utility Poles expose Californians to pentachlorophenol, hexachlorobenzene,
12 polychlorinated dibenzo-p-dioxins, hexachlorodibenzo-p-dioxin, 2,3,7,8 tetrachlorodibenzo-p-dioxin
13 and polychlorinated dibenzo furans (collectively hereinafter “Listed Chemicals”) in violation of
14 provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code
15 Sections 25249.5, et seq. (“Proposition 65”). In particular, Mateel alleges that Defendant knowingly
16 and intentionally installs Utility Poles in the Northern California environment where Defendant
17 knows that Californians will make dermal contact with the Utility Poles. Mateel alleges that
18 Defendant intentionally installs Utility Poles in locations which cause Listed Chemicals to be
19 washed off the Utility Poles, to be distributed widely throughout the environment and to enter the
20 food chain. Mateel alleges that Californians are further exposed to Listed Chemicals from the Utility
21 Poles when they contact environmental media, such as dust, oil and grease that is contaminated with
22 Listed Chemicals from Defendant’s Utility Poles.

23 1.2 On March 4, 2014, and pursuant to Health & Safety Code section 25249.7(d), Mateel
24 sent a Notice of Violation letter concerning the allegations set forth in Paragraph 1.1 to Defendant,
25 the California Attorney General, and the District Attorneys for all of the counties in which
26 Defendant maintains Utility Poles, including Alameda County.

27 1.3 Mateel alleges that Defendant is a business that employs more than ten people, and
28 that it maintains Utility Poles throughout Northern California. Mateel alleges that Defendant intends

1 to maintain Utility Poles in places where it knows the Utility Poles will cause Californians to contact
2 Listed Chemicals. Mateel alleges that the exposures to Listed Chemicals that result from
3 Defendant's Utility Poles are subject to the warning requirement of Health and Safety Code Section
4 25249.6.

5 1.4 On September 16, 2015, more than 60-days after Mateel sent its March 4, 2014
6 Notice Letter, and without an authorized public prosecutor of Proposition 65 having filed an
7 enforcement action against Defendant for the claims alleged therein, Mateel filed a Complaint
8 against Defendant in Alameda Superior Court. In the Complaint, Mateel alleges that Defendant
9 violated Cal. Health & Safety Code Section 25249.6 by knowingly and intentionally exposing
10 people to the above-referenced Listed Chemicals, without first providing a clear and reasonable
11 warning within the meaning of Health & Safety Code section 25249.6.

12 1.5 For purposes of settlement and the entry of this Consent Judgment only, the parties
13 stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint
14 and personal jurisdiction over Defendant as to the acts alleged in the Complaint, that venue is proper
15 in the County of Alameda and that this Court has jurisdiction to enter this Consent Judgment as a full
16 settlement and resolution of the allegations contained in the Complaint and of all claims that were or
17 could have been raised by any person or entity based in whole or in part, directly or indirectly, on the
18 facts alleged in, arising from, or related to the Complaint.

19 1.6 This Consent Judgment resolves claims that are denied and disputed. The parties
20 enter into this Consent Judgment pursuant to a full and final settlement of any and all claims
21 between the parties for the purpose of avoiding prolonged litigation. This Consent Judgment shall
22 not constitute an admission with respect to any material allegation of the Complaint, each and every
23 allegation of which Defendant denies, nor may this Consent Judgment or compliance with it be used
24 as evidence of any wrongdoing, misconduct, culpability or liability on the part of Defendant.

25 1.7 This Consent Judgment shall be effective on entry by the Court, the "Effective Date."

26 **2.0 SETTLEMENT PAYMENTS**

27 2.1 In settlement of all of the claims referred to in this Consent Judgment, Defendant
28 shall pay an aggregate of \$157,500.00 in total monetary relief, inclusive of Paragraph 2.2, below. Of

1 the foregoing, Defendant shall pay a total of \$17,500.00 in civil penalties. Of this penalty amount,
2 Defendant shall pay \$4,375 to Mateel as 25 percent of this payment as provided by statute (Health &
3 Safety Code Section 25249.12(d)), and, \$13,125 to the Office of Environmental Health Hazard
4 Assessment (“OEHHA”).

5 2.2 A total amount of \$140,000.00 shall be paid by Defendant to the Klamath
6 Environmental Law Center (“KELC”) as reimbursement for attorney’s fees and costs incurred by
7 KELC on behalf of Plaintiff in investigating and prosecuting this matter and in negotiating this
8 Consent Judgment on behalf of itself and in the public interest. The payments described in Paragraph
9 2.1 above and this Paragraph 2.2 shall be delivered within 20 court days after the Effective Date to
10 William Verick, Klamath Environmental Law Center, 1125 – 16th Street, Suite 204, Arcata, CA
11 95521.

12 2.3 Except as specifically provided in this Consent Judgment, each side shall bear its own
13 costs and attorney’s fees.

14 **3.0 ENTRY OF CONSENT JUDGMENT**

15 3.1 The parties hereby request that the Court promptly enter this Consent Judgment
16 which shall constitute a full and final adjudication of all claims asserted or that could have been
17 asserted in Plaintiff’s Complaint based upon the facts alleged therein. Upon entry of the Consent
18 Judgment, the parties waive their respective rights to a hearing or trial on the allegations of the
19 Complaint.

20 **4.0 MATTERS COVERED BY THIS CONSENT JUDGMENT**

21 4.1 As to exposures to the Listed Chemicals referenced in paragraph 1.1 above and in the
22 Notice Letter and Complaint in this action, and which are caused by Defendant’s Utility Poles, this
23 Consent Judgment provides a full release of liability on behalf of the public interest to Pacific Gas
24 and Electric Company, as well as its past, present and future corporate parents, subsidiaries,
25 affiliates, predecessors, successors, assigns, distributors, wholesalers and retailers (collectively,
26 “Released Entities”), from all claims for violations of Proposition 65 up through the Effective Date
27 of this Consent Judgment based upon the facts alleged in Mateel’s March 4, 2014 Notice of
28 Violation letter and the Complaint. Compliance with the terms of this Consent Judgment by

1 Defendant following its entry by the Court shall be deemed to constitute compliance with
2 Proposition 65 as to the Listed Chemicals in connection with Defendant's Utility Poles.

3 4.2 Mateel on behalf of itself (but not on behalf of the public interest), and Mateel's
4 privies, agents, attorneys, representatives, successors and assigns, waives all rights to institute or
5 participate in, directly, or indirectly, any form of legal action, and releases all claims as between
6 Mateel and the Released Entities, including, without limitation, all actions, and causes of action, in
7 law or in equity, suits, liabilities, demands, obligations, agreements, promises, royalties, accountings,
8 damages, costs, fines, penalties, losses, or expenses (including, but not limited to, investigation fees,
9 expert fees, and attorney's fees) of any nature whatsoever, whether known or unknown, fixed or
10 contingent (collectively "Claims"), against the Defendant and its parents, subsidiaries or affiliates,
11 predecessors, officers, directors, shareholders, attorneys, representatives, agents, employees, and all
12 customers, manufacturers, distributors, wholesalers, retailers, or any other person in the course of
13 doing business involving the Defendant's Utility Poles, and the successors and assigns of any of
14 them ("Released Entities"), who may manufacture, use, maintain, distribute or sell the Utility Poles
15 Defendant utilizes in its business, including, but not limited to, any Claims regarding exposure to,
16 and/or failure to warn with respect to, Utility Poles. In furtherance of the foregoing, Mateel hereby
17 waives any and all rights and benefits which it now has, or in the future may have respecting
18 Defendant's Utility Poles, conferred upon it with respect to Claims involving Defendant's Utility
19 Poles by virtue of the provisions of Section 1542 of the California Civil Code, which provides as
20 follows:

21 "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE
22 CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER
23 FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN
24 BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER
25 SETTLEMENT WITH THE DEBTOR."

26 4.3 Mateel understands and acknowledges that the significance and consequence of this
27 waiver of California Civil Code Section 1542 is that even if Mateel suffers future damages arising
28 out of or resulting from, or related directly or indirectly to, in whole or in part, Defendant's Utility
Poles, including but not limited to any exposure to, or failure to warn with respect to exposure to
Listed Chemicals from Defendant's Utility Poles, Mateel will not be able to make any claim for

1 those damages against the Released Entities, their parents, subsidiaries or affiliates, predecessors,
2 officers, directors, shareholders, representatives, attorneys, agents, employees, and all customers,
3 manufacturers, distributors, wholesalers, retailers or any other person in the course of doing business
4 involving Defendant's Utility Poles, and the successors and assigns of any of them. Furthermore,
5 Mateel acknowledges that it intends these consequences for any such claims and any other Claims
6 which may exist as of the date of this release but which Mateel does not know exist, and which, if
7 known, would materially affect its decision to enter into this Consent Judgment, regardless of
8 whether its lack of knowledge is the result of ignorance, oversight, error, negligence, or any other
9 cause.

10 **5.0 ENFORCEMENT OF JUDGMENT**

11 5.1 The terms of this Consent Judgment shall be enforced exclusively by the parties
12 including on behalf of the Released Entities. The parties may, by noticed motion before the Superior
13 Court of Alameda County, giving the notice required by law, enforce the terms and conditions of this
14 Consent Judgment. The parties agree that prior to any such enforcement proceeding, they will notify
15 each other of any perceived violation of this Consent Judgment. The parties further agree to meet
16 and confer in good faith in an effort for 30 days before such notice is given to resolve the alleged
17 violation.

18 **6.0 MODIFICATION OF JUDGMENT**

19 6.1 This Consent Judgment may be modified only upon written agreement of the parties
20 and upon entry of a modified Consent Judgment by the Court, or upon motion of any party as
21 provided by law and upon entry of a modified Consent Judgment by the Court. The California
22 Attorney General shall be entitled to at least 15 days' notice of any proposed modification before it
23 is presented to the Court for approval.

24 **7.0 INJUNCTIVE RELIEF – CLEAR AND REASONABLE WARNING**

25 7.1 Health & Safety Code section 25249.11(f) expressly permits a Health & Safety Code
26 section 25249.6 warning to be transmitted by including the warning in mailings to utility customers.
27 Defendant shall, on a quarterly basis, include a bill insert providing a clear and reasonable warning
28 that informs the recipient that Defendant uses wooden utility poles treated with wood preservatives

1 and that wood preservatives contain chemicals known to cause cancer, birth defects or other
2 reproductive harm. Exhibit A to this Consent Judgment is deemed to satisfy the requirements of
3 Health & Safety Code Section 25249.6.

4 **8.0 AUTHORITY TO STIPULATE**

5 8.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by
6 the party he or she represents to enter into this Consent Judgment and to execute it on behalf of the
7 party represented and to legally bind that party.

8 **9.0 RETENTION OF JURISDICTION**

9 9.1 This Court shall retain jurisdiction of this matter to implement the Consent Judgment.

10 **10.0 ENTIRE AGREEMENT**

11 10.1 This Consent Judgment contains the sole and entire agreement and understanding of
12 the parties with respect to Defendant's Utility Poles, and any and all prior discussions, negotiations,
13 commitments and understandings to them. No representations, oral or otherwise, express or implied,
14 other than those contained herein regarding Defendant's Utility Poles have been made by any party.
15 No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or
16 to bind any of the parties with respect to the Defendant's Utility Poles.

17 **11.0 GOVERNING LAW**

18 11.1 The validity, construction and performance of this Consent Judgment shall be
19 governed by the laws of the State of California, without reference to any conflicts of law provisions
20 of California law.

21 **12.0 NOTICES**

22 12.1 Unless specified herein, all correspondence and notices required to be provided
23 pursuant to this Consent Judgment shall be in writing and personally delivered or sent by: (i) first-
24 class, (registered or certified mail) return receipt requested; or (ii) overnight courier on any party by
25 the other party at the following addresses:

26 **To Mateel:**
27 William Verick, Esq.
28 Klamath Environmental Law Center
1125 – 16th Street, Suite 204
Arcata, CA 95521

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To Defendant:
Margaret A. Pietrasz
Pacific Gas and Electric Company
77 Beale Street, B30A (Rm. 3041)
San Francisco, CA 94177-1490

With a copy to:
Michael Steel
Morrison & Foerster LLP
31st Floor
425 Market Street
San Francisco, CA 94105

13.0 COURT APPROVAL

13.1 If this Consent Judgment is not approved by the Court, it shall be of no force or effect, and cannot be used in any proceeding for any purpose.

IT IS SO STIPULATED:

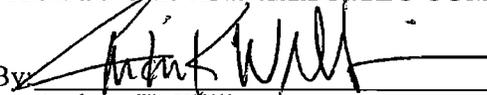
Dated: *June 7, 2016*

**MATEEL ENVIRONMENTAL JUSTICE
FOUNDATION**

By: 
William Verick
CEO, Mateel Environmental Justice Foundation,
Klamath Environmental Law Center

Dated: *JUNE 6, 2016*

PACIFIC GAS AND ELECTRIC COMPANY

By: 
Andrew K. Williams
Vice President, Safety, Health and Environment
Pacific Gas and Electric Company

IT IS ORDERED, ADJUDGED AND DECREED:

DATED:

JUDGE OF THE SUPERIOR COURT

EXHIBIT A

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Proposition 65—Public Warning

The Safe Drinking Water and Toxic Enforcement Act of 1986, commonly referred to as Proposition 65, requires the governor to publish a list of chemicals "known to the State of California" to cause cancer, birth defects or other reproductive harm. It also requires California businesses to warn the public quarterly of potential exposures to these chemicals that result from their operations.

Pacific Gas and Electric Company (PG&E) uses chemicals in our operations that are "known to the State of California" to cause cancer, birth defects or other reproductive harm.

For example, PG&E uses natural gas and petroleum products in our operations. PG&E also delivers natural gas to our customers and uses wooden utility poles treated with wood preservatives. Petroleum products, natural gas and their combustion by-products and wood preservatives contain chemicals "known to the State of California" to cause cancer, birth defects or other reproductive harm.

Spot the signs of trouble

PG&E regularly inspects all our pipelines for possible leaks or other signs of damage. As an additional safety precaution, we add a sulfur-like odor to natural gas. If you smell this distinctive "rotten egg" odor, move to a safe location up-wind from the suspected leak and immediately call 911 and PG&E at 1-800-743-5000.

Other signs of a possible gas leak can include:

- dirt spraying into the air
- continual bubbling in a pond or creek
- dead or dying vegetation in an otherwise moist area
- hissing, whistling or roaring sounds coming from underground or from a gas appliance

For more gas safety information, visit pge.com/safety.

For additional information on this Proposition 65 warning, write to:

Pacific Gas and Electric Company
Proposition 65 Coordinator
77 Beale Street, Mail Code B28S
P.O. Box 770000
San Francisco, CA 94177

Para más detalles llame al 1-800-660-6789

詳情請致電 1-800-893-9555

For TDD/TTY (speech-hearing impaired) call 1-800-652-4712

Proposición 65—Advertencia pública

La Ley de control del cumplimiento de la normativa sobre agua potable segura y productos tóxicos (Safe Drinking Water and Toxic Enforcement Act) de 1986, comúnmente denominada "Proposición 65", exige al gobernador publicar una lista de las sustancias químicas "conocidas por el Estado de California" como causantes de cáncer, defectos congénitos u otros daños reproductivos. También exige a las empresas de California advertir al público con frecuencia trimestral con respecto a las posibles exposiciones a estas sustancias como resultado de sus operaciones.

Pacific Gas and Electric Company (PG&E, por sus siglas en inglés) utiliza en sus operaciones sustancias químicas "conocidas por el Estado de California" como causantes de cáncer, defectos congénitos u otros daños reproductivos.

Por ejemplo, PG&E utiliza en sus operaciones productos de gas natural y petróleo. PG&E también distribuye gas natural a sus clientes y utiliza postes de madera que han recibido un tratamiento de protección. Tanto los productos derivados del petróleo/gas natural y sus correspondientes subproductos de combustión, como los utilizados para proteger madera, contienen sustancias químicas "conocidas por el estado de California" que causan cáncer, defectos congénitos y otros riesgos al proceso reproductivo.

Descubrir las señales de problemas

PG&E inspecciona regularmente todas sus tuberías para detectar posibles fugas u otras señales perjudiciales. Como medida de seguridad adicional, añadimos al gas natural un olor similar al azufre. Si percibe este olor característico, similar al de "huevos podridos", trasládese a un lugar seguro en dirección opuesta al viento respecto de la supuesta fuga y llame de inmediato al 911 y a PG&E al 1-800-660-6789.

Otras señales de una posible fuga de gas pueden incluir:

- suciedad suspendida en el aire
- burbujas continuas en estanques o arroyos
- vegetación muerta o descolorida en una zona húmeda
- sonidos similares a soplos, silbidos o estruendos provenientes de áreas subterráneas o de un artefacto de gas

Para más información sobre seguridad en el manejo de gas, visite pge.com/safety.

Para información adicional sobre esta advertencia según la Proposición 65, escriba a:

Pacific Gas and Electric Company
Proposition 65 Coordinator
77 Beale Street, Mail Code B28S
P.O. Box 770000
San Francisco, CA 94177