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Attorneys for Plaintiffs and the Putative Class and Subclasses

IN THE CIRCUIT COURT OF THE FIRST CIRCUIT

STATE OF HAWAI'I

MONICA I. EDER AND REDE S. EDER, Individually and in Their Representative Capacities and on Behalf of a Class and Subclasses of All Persons Similarly Situated,

Plaintiffs,

vs.

MAUI ELECTRIC COMPANY, LIMITED; HAWAIIAN ELECTRIC COMPANY, INC.; HAWAII ELECTRIC LIGHT COMPANY, INC.; HAWAIIAN ELECTRIC INDUSTRIES, INC.; DOES 1-10; DOE PARTNERSHIPS 1-10; DOE CORPORATIONS 1-10; DOE GOVERNMENTAL AGENCIES 1-10; and DOE ASSOCIATIONS 1-10,

Defendants.

CIVIL NO. (PROPERTY DAMAGE/PERSONAL INJURY)

COMPLAINT; EXHIBIT "A"; DEMAND FOR JURY TRIAL; SUMMONS

Electronically Filed FIRST CIRCUIT 1CCV-23-0001045 12-AUG-2023 10:19 AM Dkt. 1 CMPS

COMPLAINT

1. Plaintiffs Monica I. Eder and Rede S. Eder ("Plaintiffs"), in their individual and representative capacities and on behalf of a Class and Subclasses of all persons similarly situated, by their undersigned attorneys, file this Complaint, alleging the following on information and belief.

INTRODUCTION

2. Plaintiffs bring this lawsuit on behalf of the thousands of people who live and work in and around the town of Lahaina whose lives have been forever changed. A devastating fire roared through the former capital of the Hawaiian Kingdom on August 8, 2023, leaving utter devastation in its wake.



3. Despite the National Weather Service issuing a High Wind Watch and Red Flag Warning—and cautioning both that damaging winds could blow down power lines and that any fires that developed would likely spread rapidly—Defendants Maui Electric Company, Limited ("MECO"); Hawaiian Electric Company, Inc. ("HECO"); Hawaii Electric Light Company, Inc. ("HELCO"); and Hawaiian Electric Industries, Inc. ("HEI") (collectively, "Defendants") inexcusably kept their power lines energized during forecasted high fire danger conditions.

By failing to shut off the power during these dangerous fire conditions,
 Defendants caused loss of life, serious injuries, destruction of hundreds of homes and businesses,
 displacement of thousands of people, and damage to many of Hawai'i's historic and cultural

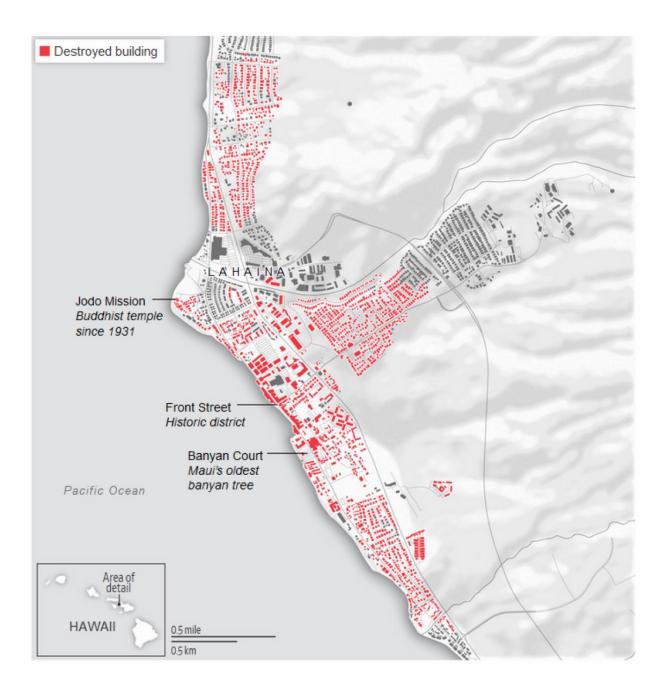
sites. Many people remain missing. This fire marks the most destructive—and deadliest human-made disaster in Hawai'i history.

5. Scores of people burned to death. Other victims suffered severe burns, smoke inhalation, and additional serious injuries. The fire decimated the entire historic town of Lahaina, as homes, businesses, churches, schools, and cultural sites burned to the ground. Only ashes of those structures remain. The fire also consumed thousands of acres and left severe mental stress and emotional devastation in its wake.









6. Initial numbers from the Pacific Disaster Center and FEMA estimate that the cost of rebuilding following damage from the Lahaina Fire is \$5.52 billion.¹

7. This destruction could have been avoided if Defendants had heeded the National Weather Service warnings and deenergized their power lines during the predicted high-wind

¹ Aya Elamroussi, *Firefighters make progress against deadly wildfires in Maui, as officials estimate it will cost billions of dollars to rebuild*, CNN, (Aug. 12, 2023), <u>https://www.cnn.com/2023/08/12/us/maui-wildfires-hurricane-dora-saturday/index.html</u>.

event.

8. HEI, the parent corporation to HECO, MECO, and HELCO, had a market cap valuation of \$3.55 Billion as of August 11, 2023.

PARTIES

9. Plaintiffs Monica I. Eder and Rede S. Eder own a townhome located at 1400 Limahana Circle, Lahaina, HI on the Island of Maui.

Plaintiffs are informed and believe that Defendant Maui Electric Company,
 Limited ("MECO") is doing business in the State of Hawai'i with its principal place of business
 in the City of Kahului, County of Maui, State of Hawai'i.

11. Plaintiffs are informed and believe that Defendant Hawaiian Electric Company, Inc. ("HECO") is doing business in the State of Hawai'i, in the County of Maui, with its principal place of business in the City and County of Honolulu, State of Hawai'i.

12. Plaintiffs are informed and believe that Defendant Hawaii Electric Light Company, Inc. ("HELCO") is doing business in the state of Hawai'i, in the County of Hawai'i, with its principal place of business in the City and County of Honolulu, State of Hawai'i.

13. Plaintiffs are informed and believe that Defendant Hawaiian Electric Industries, Inc. ("HEI") is the parent company of HECO, MECO, and HELCO, doing business in the State of Hawai'i, in the County of Maui, with its principal place of business in the City and County of Honolulu, State of Hawai'i.

14. This Complaint refers to HECO, MECO, HELCO, and HEI collectively as "Defendants."

15. Plaintiffs have reviewed public and other records available in order to ascertain the true and full names and identities of all defendants in this action, but Plaintiffs have no further knowledge or information at this time regarding all responsible parties and are unable to ascertain the identity of defendants in this action designated as Does 1-10; Doe Partnerships 1– 10; Doe Corporations 1–10; Doe Governmental Agencies 1–10 and Doe Associations 1–10

(collectively, the "Doe Defendants"). The Doe Defendants are sued herein under fictitious names for the reason that their true names and identities are unknown to Plaintiffs, except that they may be connected in some manner with the named Defendants, such as being agents, servants, employees, employers, representatives, co-venturers, associates, or independent contractors of Defendants and/or were in some manner presently unknown to the Plaintiffs engaged in activities such as designing, manufacturing, selling, distributing, installing and/or providing materials and/or services to Defendants. The Doe Defendants' true names, identities, capacities, activities, and/or responsibilities are presently unknown to Plaintiffs or their attorneys. Plaintiffs pray for leave to amend this Complaint to show the true names and capacities, activities, and/or responsibilities when the same has been discovered.

JURISDICTION

16. All incidents described herein took place in Hawai'i, within the jurisdiction of this Court, and the amount in controversy meets or exceeds the jurisdictional limit of this Court.

GENERAL ALLEGATIONS

General Known Fire Risk to Maui

17. The threat of hurricanes and their attendant high winds invariably loom over Hawai'i. A handful of hurricanes endanger the state each year. Climate change makes hurricanes more ferocious, increasing the peril for Hawai'i statewide.

18. Since 2000, at least 22 hurricanes or their remnants have either impacted or nearly impacted Hawai'i, thirteen of which occurred since 2010. In recent years, dozens of hurricanes or tropical storms made landfall or passed within miles of Hawai'i's shores.

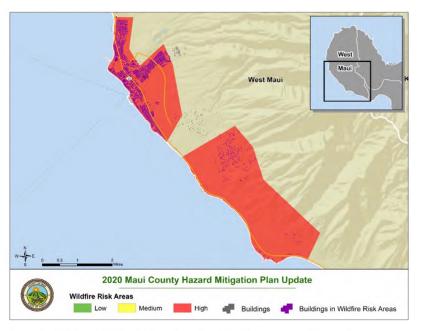
19. Nearly a decade ago, the Hawaii Wildfire Management Organization issued a 2014 wildfire mitigation plan that warned Lahaina was among Maui's most fire-prone areas based on its proximity to grasslands, steep terrain, and frequent winds and outlined a plan for

working with utilities to help reduce the risk of fires.²

20. In 2020, researchers from the University of Hawaii and the East-West Center connected fires on Maui and O'ahu to winds from Hurricane Lane.³

21. That 2020 report, entitled "Fire and Rain: The Legacy of Hurricane Lane in Hawai'i," published in the *American Meteorological Society's Journal*, found that neither thunderstorms nor lightening started the fires. The Honolulu Fire Department attributed the O'ahu fire to power lines arcing in Hurricane Lane's high winds. The fires on Maui "required significant suppression resources," which included more than 70 county firefighters and additional support from state airport fire crews.

22. Even more specific, the 2020 Maui County Hazard Mitigation Plan Update depicts Lahaina and all Lahaina buildings as occupying a "High" Wildfire Risk Area:



Maui County Hazard Mitigation Plan Update

Figure 256. Buildings in Wildfire Risk Areas in Southern West Maui Community Planning Area.

² Dan Frosch & Jim Carlton, *Hawaii Officials Were Warned Years Ago that Maui's Lahaina Faced High Wildfire Risk*, WALL STREET JOURNAL, (Aug. 11. 2023), <u>https://www.wsj.com/articles/hawaii-maui-fire-risks-plans-government-e883f3a3</u>. ³ Id.

23. The 2020 Maui County Hazard Mitigation Plan Update also warned that West Maui has a "Highly Likely (greater than 90% annal chance)" likelihood of experiencing wildfires:

Fire data indicated 80 wildfires directly impacted Maui County between 1999 and 2019. This results in approximately four fires every year occurring within the county overall. However, not all of Maui County's community planning areas have the same likelihood of experiencing wildfires. The table below shows the annual probability for the wildfire hazard for each community planning area.

Community Planning Area Landslide Probability Hāna Likely (10% to 90% annual chance) Kīhei-Mākena Likely (10% to 90% annual chance) Lāna'i Possible (1% to 10% annual chance) Makawao-Pukalani-Kula Likely (10% to 90% annual chance) Moloka'i Likely (10% to 90% annual chance) Pā'ia-Ha'ikū Likely (10% to 90% annual chance) Wailuku-Kahului Likely (10% to 90% annual chance) West Maui Highly Likely (greater than 90% annual chance)

Table 68. Wildfire Probabilities for Maui County Community Planning Areas.

24. Consistent with Hawai'i authorities and agencies, Federal Emergency Management Agency's April 2023 Wind Retrofit Guide for Residential Buildings in Hurricane-Prone Regions designates the entire state of Hawai'i as a hurricane-prone region at risk of highwind hazards.

25. Defendants had specific knowledge of the risk of wildfire on Maui. HEI submitted a 2022 request for funding from the public utilities commission to offset the \$189.7 million HEI would need to spend to bolster its power grid statewide, which included wildfire-prevention measures.⁴

26. Jennifer Potter, a member of the Hawaii Public Utilities Commission just nine months ago, and who lived in Lahaina on Maui, confirmed that Defendants knew about the wildfire risk to Maui: "There was absolutely knowledge within the state and within the electric industry that fire was a huge, huge concern on the island of Maui, and even more so than any of the other islands[.]"⁵

27. In fact, Defendants indicated in their funding request that "[t]he risk of a utility

⁴ *Id*.

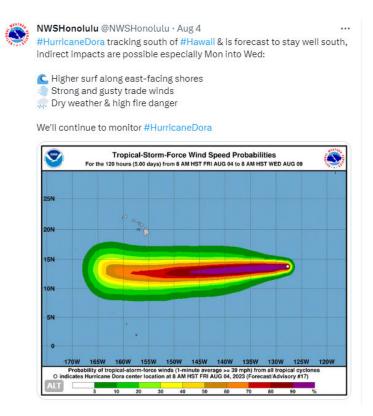
⁵ Id.

system causing a wildfire ignition is significant" and that Defendants sought funding, in part, to guard against their facilities being "the origin or a contributing source of ignition for a wildfire."⁶

Specific Warnings Preceding Lahaina Fire

28. On Friday, August 4, 2023, the National Weather Service in Honolulu ("NWS") posted on X, formerly known as Twitter, that Hawai'i could experience "indirect impacts" from Hurricane Dora from Monday, August 7, 2023 through Wednesday, August 9, 2023, including "Strong and gusty trade wins" and "Dry weather & high fire danger."

29. Two days later, on Sunday, August 6, 2023, NWS posted a warning on X: "Strongest winds in yellows & oranges on map result from significant pressure differences



between high & low pressures. Combined w/ dry conditions, these winds pose a serious fire &

⁶ Brianna Sacks, *Hawaii utility faces scrutiny for not cutting power to reduce fire risks*, THE WASHINGTON POST, (Aug. 12, 2023), <u>https://www.washingtonpost.com/climate-</u>environment/2023/08/12/maui-fire-electric-

<u>utility/?utm_campaign=wp_post_most&utm_medium=email&utm_source=newsletter&wpisrc=n</u> <u>1 most</u>.

damaging wind threat. Stay alert!" NWS also posted an update on Hurricane Dora on X, which included the following warning: "While Hurricane Dora passes well south with no direct impacts here, the strong pressure gradient between it & the high pressure to the north creates a threat of damaging winds & fire weather (due to ongoing dry conditions) from early Mon to Wed."



6:02 PM · Aug 6, 2023 · 4,959 Views

30. On Monday, August 7, 2023, NWS issued an updated warning for the Hawaiian Islands, as reported in *The Maui News*. This warning contained both a High Wind Watch and a Fire Warning for the leeward portions of the state, which included Lahaina. The warning cautioned that damaging winds could blow down power lines and that any fires that developed

would likely spread rapidly.⁷

31. On Tuesday, August 8, 2023, the NWS issued both a High Wind Warning and Red Flag Warning for portions of the Hawaiian Islands, including West Maui. Specifically, the NWS warned the following: "High Wind: 30–45 mph winds, gusts up to 60 mph Red Flag: High fire danger with rapid spread. NO outdoor burning. Stay safe & cautious!"



65 Reposts 7 Quotes 141 Likes 2 Bookmarks

32. Per NWS, a Red Flag Warning "means that critical fire weather conditions are either occurring now or will shortly. A combination of strong winds, low relative humidity, and

⁷ National Weather Service issues high wind watch, fire warning in effect through late Tuesday, MAUI NEWS, (Aug. 7, 2023),

https://www.mauinews.com/news/local-news/2023/08/national-weather-service-issues-high-wind-watch-fire-warning-in-effect-through-late-tuesday/.

warm temperatures can contribute to extreme fire behavior."

33. Despite Defendants' knowledge about these Red Flag and other warnings, Defendants left their power lines energized. These power lines foreseeably ignited the fastmoving, deadly, and destructive Lahaina Fire, which destroyed homes, businesses, churches, schools, and historic cultural sites. The fire killed scores of people and ruined hundreds—if not thousands—of lives.

34. This deadly fire also displaced thousands of people, who lost their homes, forcing them to live in shelters, campgrounds, hotels, and cars.

35. Defendants knew that the high winds the NWS predicted would topple power poles, knock down power lines, and ignite vegetation. Defendants also knew that if their overhead electrical equipment started a fire, it would spread at a critically fast rate to the Plaintiffs' and Putative Class Members' properties, without warning and without sufficient time for them to safely evacuate themselves and their loved ones, to gather their pets, or to collect their other possessions.

36. Defendants also knew that their overhead electrical infrastructure did not use available technologies to mitigate fire risk, including non-expulsion fuses, covered conductors, underground power lines, composite power poles, and fiberglass and other non-wood materials.

37. On August 8, 2023, at approximately 6:37 a.m., someone reported a brush fire near Lahainaluna Road. Authorities ordered evacuations minutes later, at 6:40 a.m., in the area surrounding Lahaina Intermediate School and closed Lahainaluna Road between Kelawea Street and Kuialua Street.⁸

38. At approximately 9:00 a.m. on August 8, 2023, the Maui Fire Department declared the three-acre Lahaina brush fire 100% contained. However, power outages negatively impacted the ability to pump water, so authorities asked the public to conserve water in West Maui. The authorities kept Lahainaluna Road closed between Kelawea and Kuialua Streets,

⁸ Fire crews battling brush fire in Lahaina; residents in area evacuated, MAUI NOW, (Aug 8, 2023), <u>https://mauinow.com/2023/08/08/haleakala-highway-closure-due-to-brush-fire-evacuation-of-kula-200-off-auli%CA%BBi-dr/</u>.

while HEI responded to a downed power line in the area.⁹

39. Later the same day, at 4:45 p.m., *Maui Now* reported that "[a]n apparent flareup of the Lahaina Fire forced the closure of Lahaina Bypass around 3:30 p.m. Evacuations are occurring in the vicinities of Lahainaluna Road, Hale Mahaolu and Lahaina Bypass Multiple roads, including Honoapi'ilani Highway from Hokiokio Place to Lahaina Bypass, are closed due to downed power lines."¹⁰

40. Together, the initial fire that started on August 8, 2023, at 6:37 a.m. and the later flare-ups of that fire at 9:30 a.m. and 4:45 p.m. comprise the Lahaina Fire.

41. Plaintiffs are informed and believe that the Lahaina Fire caused and/or contributed to the destruction of the town of Lahaina, killing scores of people and destroying hundreds of homes and businesses.

42. The Google Earth map image below depicts the location where the Lahaina Fire reportedly started. One of the Defendants' power substations is located near where both the initial three-acre fire started and where authorities reported a downed power line early on August 8, 2023.



9 Lahaina fire declared 100% contained; water conversation urged due to power outages, MAUI NOW, (Aug. 8, 2023), <u>https://mauinow.com/2023/08/08/haleakala-highway-closure-due-to-brush-fire-evacuation-of-kula-200-off-auli%CA%BBi-dr/</u>.

10 Evacuation orders for part of Lahaina due to apparent flareup of West Maui fire, MAUI Now, (Aug. 8, 2023), <u>https://mauinow.com/2023/08/08/haleakala-highway-closure-due-to-brush-fire-evacuation-of-kula-200-off-auli%CA%BBi-dr/</u>.

43. Defendants owed a duty to design, construct, inspect, repair, and maintain their power poles, power lines, transformers, reclosers, and other electrical equipment adequately. Defendants also owed a duty to maintain and operate their power lines, overhead electrical infrastructure, and equipment properly to ensure they would not cause a fire. These duties included deenergizing their power lines during Red Flag Warnings to prevent fires and conducting adequate vegetation management, such as clearing vegetation, trees, and tree limbs that could come into contact with their power lines and equipment. In addition, Defendants knew that their electrical infrastructure was inadequate, aging, and/or vulnerable to foreseeable and known weather conditions. Defendants failed to fulfill each of these duties.

44. As an electric utility, Defendants were engaged in a dangerous activity and, accordingly, owed the public a heightened duty of care to avoid foreseeable risks attendant to this activity, including the risk of fire. This heightened duty included exercising a very high degree of care and prudence, such as ensuring the safe transmission of electricity over their infrastructure during high-wind events and monitoring weather conditions that would affect their electrical infrastructure (i.e., forecasted high winds and Red Flag Warnings). Defendants also owed the public a duty to mitigate damage to their electrical infrastructure from high winds, specifically, to prevent a wildfire. Defendants further owed a duty to design and construct their power poles and power lines to perform safely and not fail during foreseeable wind events that would endanger Plaintiffs' and Putative Class Members' lives and property.

45. Unfortunately, Defendants failed to take these steps, and on August 8, 2023, *Hawaii News Now* reported that "[m]ore than 30 downed power poles" were "reported on Maui."¹¹

46. *Maui Now* reported that Defendants were working to restore power to 12,400 customers and reminded readers that they should assume a downed power line "is energized and

¹¹ Kiana Kalahele, *More than 30 downed power poles reported on Maui; thousands without power*, HAWAII NEWS NOW, (Aug. 8, 2023), <u>https://www.hawaiinewsnow.com/2023/08/08/strong-winds-knock-out-power-thousands-statewide/.</u>

dangerous." The same article included depictions of downed, leaning, and/or damaged power poles, many touching vegetation below them.¹²











47. The practice of deenergizing power lines during fire weather conditions is

¹² High winds result in power outages to thousands in West Maui, Olinda Pi'iholo, MAUI NOW, (Aug. 8, 2023), <u>https://mauinow.com/2023/08/08/high-winds-result-in-power-outages-in-west-maui-olinda-pi%CA%BBiholo-and-moloka%CA%BBi/</u>.

commonplace in the Western United States. California utilities, such as Southern California Edison Company, Pacific Gas & Electric, and San Diego Gas & Electric, all have implemented Public Safety Power Shutoffs ("PSPS") during Red Flag and High Wind conditions. These utilities have been using PSPS for years to prevent wildfires.

48. In 2019, Defendants issued a press release, attached as Exhibit A ("2019 Press Release"). In the 2019 Press Release, Defendants expressed their commitment to conduct drone surveys across their five-island territory to identify areas vulnerable to wildfires and to determine the best course of action to protect the public and electrical infrastructure. Further, the 2019 Press Release stated that the drone inspections formed part of Defendants' "proactive assessment and management of vegetation near their electrical infrastructure, especially in drought-prone or dry bush areas." The 2019 Press Release also stated that HEI, MECO, and HELCO evaluated and studied the Wildfire Mitigation Plans that the major California utilities had filed with the California Public Utilities Commission. These Wildfire Mitigation Plans included a PSPS program for shutting off the power to their power lines during High Wind and Red Flag conditions to prevent wildfires.

49. Defendants never created a PSPS plan. According to *The Washington Post*, Defendants were "aware that a power shut-off was an effective strategy, documents show, but had not adopted it as part of its fire mitigation plans, according to [HEI] and two former power and energy officials" the paper interviewed. Defendants knew shutting off power is "a successful way to prevent wildfires when additional robust techniques are not in place."¹³

50. Ms. Potter, the former member of the state's public utilities commission, described Defendants as "not as proactive as they should have been" and criticized them for not taking meaningful steps to address their "inadequacies in terms of wildfire."¹⁴

51. In fact, according to *The Washington Post*, "Hawaii is powered by a grid that uses

¹³ Sacks, *supra*, <u>https://www.washingtonpost.com/climate-environment/2023/08/12/maui-fire-electric-utility/?utm_campaign=wp_post_most&utm_medium=email&utm_source=newsletter&wpisrc=n</u>

<u>l_most</u>.

 $^{^{14}}$ Id.

old wooden poles that are largely uninsulated and strung with lush vegetation over miles of rugged terrain, according to utility specialists," and "residents and energy experts said they have long called for the utility to harden its grid, and despite the cost, to put more of it underground."¹⁵

52. Michael Wara, a wildfire expert who directs the Climate and Energy Policy Program at Stanford University said the pattern of the Lahaina Fire "suggests that a spate of small ignitions combined to form a bigger blaze" and "the only real source of that is power lines."¹⁶

53. The catastrophic losses from the Lahaina Fire could have been prevented had Defendants implemented a PSPS prior to the fire starting and taken other reasonable steps to prevent their electrical equipment from igniting the fire.

54. In addition, the Mayor of Maui noted that downed power poles added to the chaos surrounding the Lahaina Fire, as downed power poles with live wires still attached cut off two important roads, leaving only the narrow highway passable.¹⁷

55. As a result, Defendants have caused Plaintiffs, the Putative Class Members, and their community to suffer devastating property damage, economic losses, and disruption of their homes, businesses, livelihoods, and mental well-being. Life will never be the same for the thousands of victims and survivors of the Lahaina Fire.

CLASS ACTION ALLEGATIONS

Class Definitions

¹⁷ Ty O'Neil, Claire Rush, Jennifer Sinco Kelleher & Rebecca Boone, *Maui residents had little warning before flames overtook town; at least 55 people died*, abc7: EYEWITNESS NEWS, (Aug. 11, 2023), <u>https://abc7.com/hawaii-wildfire-wildfires-strong-winds-maui/13632163/</u>; Brianna Sacks, *Hawaii utility faces scrutiny for not cutting power to reduce fire risks*, THE WASHINGTON POST, (Aug. 12, 2023), <u>https://www.washingtonpost.com/climate-environment/2023/08/12/maui-fire-electric-utility/?utm_campaign=wp_post_most&utm_medium=email&utm_source=newsletter&wpisrc=n 1 most.</u>

¹⁵ Id.

 $^{^{16}}$ *Id*.

56. Pursuant to HRCP Rule 23, Plaintiffs bring this action on behalf of themselves and as representatives of all others who are similarly situated. Plaintiffs seek to certify and maintain this matter as a class action pursuant to HRCP 23(b)(1), (b)(2), and (b)(3) on behalf of a Liability Class, Economic Loss, and Property Damage Subclass ("Economic Loss Subclass"), and Personal Injury and Wrongful Death Subclass ("Personal Injury Subclass").

57. Plaintiffs anticipate seeking certification of a Liability Class pursuant to HRCP 23(b)(1), (b)(2), and (b)(3) on the global issue of the cause and origin of the Lahaina Fire. Following certification of a Liability Class, Plaintiffs will seek certification of two Subclasses: an Economic Loss Subclass and a Personal Injury Subclass.

58. Plaintiffs will seek certification of a Liability Class, defined as follows:

All persons and entities who suffered (1) real property loss, (2) personal property loss, (3) business loss, and/or (4) personal injury as a result of the Lahaina Fire that started on August 8, 2023.

59. Plaintiffs will seek certification of an Economic Loss and Property Damage Subclass, defined as follows:

All persons who suffered economic loss and property damage, including loss or damage to real and personal property and business losses, as a result of the Lahaina Fire that started on August 8, 2023.

60. Plaintiffs will seek certification of a **Personal Injury and Wrongful Death Subclass**, defined as follows:

All persons who suffered personal injuries as a result of the Lahaina Fire that started on August 8, 2023, and the personal representatives, survivors, and beneficiaries of the estates of all persons killed as a result of the Lahaina Fire.

61. Excluded from the class are Defendants, any entity in which Defendants have a controlling interest or that has a controlling interest in (or is under common control with) Defendants, and Defendants' legal representatives, assignees, and successors. Also excluded are the judge to whom this case is assigned and any member of the judge's immediate family.

62. Tragically, the Lahaina Fire is a rare, single-cause catastrophe that requires swift

and decisive action and resolution. Certification of the Liability Class, Economic Loss Subclass, and Personal Injury Subclass is the only efficient and productive vehicle for the Court and litigants to triage and manage resolution for victims who instantly lost loved ones; who suffered debilitating physical injuries; who were displaced from their homes, schools, employment, and livelihoods; and who will continue to be displaced from their homes, schools, employment, and livelihoods for months and years to come.

63. The Liability Class, Economic Loss Subclass, and Personal Injury Subclass Plaintiffs will seek to certify are modeled after the classes eventually certified by Honorable Michael A. Hanzman, the now retired Florida Circuit Court Judge who presided over *In Re: Champlain Towers South Collapse Litigation*, Florida Circuit Court, Eleventh Judicial Circuit Miami-Dade County, Florida Case No. 2021-015089-CA-01. The Champlain Towers South collapse was a similarly rare, single-cause catastrophe that instantly killed 98 condominium occupants and ultimately levelled a two-tower coastal condominium building. Through Judge Hanzman's strong leadership, immediate consolidation of victims and their claims, and tireless dedication to swift resolution for victims who lost loved ones and who were displaced from their homes and livelihoods, the vast majority of the nearly \$1.2 billion in settlement funds were memorialized in settlement agreements and term sheets by the one-year anniversary of the collapse.

64. Tragedies with the same scale of devastation as the Lahaina Fire and Champlain Towers South collapse are rare. Thankfully, however, a case like *In Re: Champlain Towers South Collapse Litigation* gives everyone a model to follow for swift justice and recovery. On the other hand, if the Liability Class, Economic Loss Subclass, and Personal Injury Subclass are not certified, the resulting individual litigation quagmire will only prolong and amplify the devastation for hundreds, if not thousands, of Lahaina Fire victims and result in inconsistent outcomes. The Class and Subclass are so numerous that joinder of all members is impracticable, satisfying numerosity. The proposed Liability Class consists of thousands of putative members who have suffered economic losses, personal injuries, or both. Moreover, thousands of putative

class members comprise the proposed Economic Loss and Personal Injury Subclass.

65. Numerous questions of fact and law common to Plaintiffs and Class and Subclass Members exist, satisfying commonality. These common questions include, but are not limited to, the following:

a. Whether Defendants owed a duty to design, construct, inspect, repair, and maintain their power poles, power lines, transformers, reclosers, and other electrical equipment adequately;

b. Whether Defendants owed a duty to maintain, operate, and inspect their power lines, overhead electrical infrastructure, and equipment properly to ensure they would not cause a fire;

c. Whether Defendants owed a duty to deenergize their power lines during a Red Flag Warning to prevent fires;

d. Whether Defendants owed a duty to deenergize their power lines during a High Wind Watch to prevent fires;

e. Whether Defendants owed a duty to deenergize their power lines during a high fire danger warning;

f. Whether Defendants owed a duty to conduct adequate vegetation management, such as clearing vegetation, trees, and tree limbs that could come into contact with their power lines and equipment;

g. Whether Defendants owed a duty to deenergize their power lines after Defendants had knowledge that some power lines had fallen or otherwise come into contact with vegetation, structures, and objects;

h. Whether Defendants owed a duty to deenergize their power lines after Defendants' overhead electrical infrastructure had ignited fires;

i. Whether Defendants owed a duty to implement reasonable policies, procedures, and equipment that would avoid igniting or spreading fire;

j. Whether Defendants owed a duty to adjust their operations despite

warnings about fire weather conditions that could result in downed power lines and cause rapid and dangerous fire growth and spread on and after August 8, 2023; and to prevent the downing of power lines, which blocked evacuation routes during the Lahaina Fire.

k. Whether the power line infrastructure Defendants owned, operated, controlled, and/or managed caused the Lahaina Fire on August 8, 2023;

l. Whether the Lahaina Fire damaged or destroyed homes, businesses, real property, and personal property;

m. Whether the Lahaina Fire resulted in personal injuries and death;

n. Whether Defendants were negligent in their construction, maintenance, inspection, and operation of overhead electrical infrastructure;

o. Whether Defendants were negligent in failing to use reasonable care in maintaining power lines, including thinning, and removing fuels in and around power lines;

p. Whether Defendants' decision to not deenergize their power lines before or during the Lahaina Fire was negligent;

q. Whether Defendants' decision to not deenergize their power lines before or during the Lahaina Fire was grossly negligent;

r. Whether Defendants' action and/or inaction gives rise to gross negligence and/or was reckless;

s. Whether Defendants' decision to not deenergize their power lines caused a private nuisance;

t. Whether Defendants are liable under the doctrine of inverse condemnation;

u. Whether Defendants considered the elevated risk of fire in West Maui on or around August 8, 2023, in deciding to not deenergize their power lines;

v. Whether Defendants interfered with or continue to interfere with

Plaintiffs', Class Members' and Subclass Members' use and enjoyment of their lives and property, and whether that interference was or is objectively substantial and unreasonable;

w. Whether Defendants have taken or have damaged property belonging to Plaintiffs, Class Members, and Subclass Members;

x. Whether Defendants have provided just compensation for having taken or having damaged the property belonging to Plaintiffs, Class Members and Subclass Members;

y. Whether Plaintiffs, Class Members and Subclass Members are entitled to injunctive relief or other equitable relief, and, if so, the methodology for determining such relief; and

z. Whether Defendants are strictly liable for an ultrahazardous activity.

66. The individuals and entities in the Class and Subclass are the putative Class Members. The Plaintiffs are in the putative Class and Subclass and are putative Class and Subclass Representatives.

67. Plaintiffs' claims are typical of the claims of all Class Members. Plaintiffs' claims and the Class claims arise out of Defendants' same, common course of conduct and are based on the same legal, equitable, and remedial theories.

68. Plaintiffs will fairly and adequately protect the interests of the class. Plaintiffs' claims are typical of the claims of all Class Members. Plaintiffs have retained competent and capable attorneys with experience in complex and class action litigation. Plaintiffs and their counsel are committed to prosecuting this action vigorously on behalf of the class and have the financial resources to do so. Neither Plaintiffs nor their counsel have interests that are contrary to or that conflict with those of the proposed class.

69. A class action is the superior method for the fair and efficient adjudication of this controversy. Common questions of law and fact predominate over any individual questions. Class treatment is superior to multiple individual suits or piecemeal litigation because it

conserves judicial resources, promotes consistency and efficiency of adjudication, provides a forum for small claimants, and deters illegal activities. Individual members of the class will have little to no interest in controlling the litigation due to the high costs of individual actions and the expense and difficulty of litigating against sophisticated parties, such as Defendants. There will be no significant difficulty in the management of this case as a class action.

70. Defendants engaged in a common course of conduct toward Plaintiffs and Class and Subclass Members. The common issues of fact and law arising from this conduct that affect Plaintiffs and Class and Subclass Members predominate over any individual issues. Adjudication of these common issues in a single action has important and desirable advantages of judicial economy, efficient use of resources, and consistent outcomes across the Class.

71. This Court is experienced in managing class action litigation and is a desirable forum because Defendants conduct significant business in this county and in Hawai'i.

72. Plaintiffs and the Class have suffered damages and are continuing to suffer damages.

<u>COUNT I—NEGLIGENCE</u>

73. Plaintiffs restate and incorporate the allegations above as if fully stated herein.
74. Defendants owed the public, Plaintiffs, the Class, and the Subclasses the
following duties of care:

a. To design, construct, inspect, repair, and maintain their power poles, power lines, transformers, reclosers, and other electrical equipment adequately;

b. To maintain, operate, and inspect their power lines, overhead electrical infrastructure, and equipment properly to ensure they would not cause a fire;

c. To deenergize their power lines during a Red Flag Warning to prevent fires;

d. To deenergize their power lines during a High Wind Watch to prevent fires;

e. To deenergize their power lines during high fire danger warnings;

f. To conduct adequate vegetation management, such as clearing vegetation, trees, and tree limbs that could come into contact with their power lines and equipment;

g. To deenergize their power lines after Defendants had knowledge that some power lines had fallen or otherwise come into contact with vegetation, structures, and objects;

h. To deenergize their power lines after Defendants' overhead electrical infrastructure had ignited fires;

i. To implement reasonable policies, procedures, and equipment that would avoid igniting or spreading fire;

j. To adjust their operations despite warnings about fire weather conditions that could result in downed power lines and cause rapid and dangerous fire growth and spread on and after August 8, 2023; and

k. To prevent the downing of power lines, which blocked evacuation routes during the Lahaina Fire.

75. As set forth in the foregoing paragraphs, Defendants breached each and all of these duties.

76. Defendants' breaches were the proximate cause of injuries that Plaintiffs, the Class, and the Subclasses suffered.

77. Defendants' breaches of its duties actually caused injuries that Plaintiffs, the Class, and the Subclasses suffered.

78. As a result of the foregoing, Plaintiffs, the Class, and the Subclasses suffered damages in an amount to be proven at trial.

79. As set forth above, Defendants' conduct was intentional, malicious, and in complete disregard to the rights of Plaintiffs, the Class, and the Subclasses, subjecting Defendants to awards of punitive damages.

COUNT II—GROSS NEGLIGENCE

80. Plaintiffs restate and incorporate the allegations above as if fully stated herein.

81. Defendants knew of the extreme fire danger that high winds posed to their overhead electrical infrastructure, particularly during Red Flag conditions. These risks included that winds could topple power poles and power lines, causing them to fall to the ground, ignite vegetation, and cause a wildfire that would spread rapidly.

82. Defendants' 2019 Press Release indicates their knowledge of the risks of wildfires associated with high winds.

83. Despite Defendants' knowledge of these extreme risks, Defendants chose not to deenergize their power lines during the High Wind Watch and Red Flag Warning conditions for Maui before the Lahaina Fire started.

84. Defendants also chose not to deenergize their power lines after they knew some poles and lines had fallen and were in contact with the vegetation or the ground.

85. Defendants further failed to deenergize their power lines, even after the Lahaina Fire started.

86. Defendants acted with indifference to the probable consequences of their acts and omissions.

87. In the face of knowledge of the risk of high winds and wildfires generally, a High Wind Watch, a Red Flag Warning, and specific warnings that high winds could blow down power poles and that fires would spread rapidly, Defendants did nothing.

88. Defendants' gross negligence proximately caused the injuries that Plaintiffs, the Class, and the Subclasses suffered.

89. Defendants' gross negligence actually caused injuries that Plaintiffs, the Class, and the Subclasses suffered.

90. As a result of the foregoing, Plaintiffs, the Class, and the Subclasses suffered damages in an amount to be proven at trial.

91. As set forth above, Defendants' conduct was intentional, malicious, and in

complete disregard to the rights of Plaintiffs, the Class, and the Subclasses, subjecting Defendants to awards of punitive damages.

COUNT III—PRIVATE NUISANCE

92. Plaintiffs restate and incorporate the allegations above as if fully stated herein.

93. Plaintiffs have a possessory interest in their real property, including the right to quiet use and enjoyment of that property.

94. Defendants acted unreasonably, negligently, and recklessly in designing, constructing, inspecting, repairing, and maintaining their power poles, power lines, transformers, reclosers, and other electrical equipment inadequately.

95. Defendants acted unreasonably, negligently, and recklessly in maintaining, operating, and inspecting their power poles, power lines, overhead electrical infrastructure, and equipment to ensure they would not cause a fire.

96. Defendants acted unreasonably, negligently, and recklessly in failing to deenergize their power lines during a Red Flag Warning.

97. Defendants acted unreasonably, negligently, and recklessly in failing to deenergize their power lines during a High Wind Watch.

98. Defendants acted unreasonably, negligently, and recklessly in failing to deenergize their power lines once they knew that wind had knocked down power poles, putting the power lines in contact with vegetation.

99. Defendants acted unreasonably, negligently, and recklessly in failing to deenergize their power lines immediately after the Lahaina Fire started.

100. Defendants' unreasonable, negligent, and reckless acts resulted in an invasion of Plaintiffs', the Class's, and the Subclasses's private use and enjoyment of their land.

101. The gravity of harm from Defendants' conduct outweighs any utility associated with keeping the power lines energized during a High Wind Watch, a Red Flag Warning, once Defendants' power poles failed, and once the Lahaina Fire started.

102. Defendants' 2019 Press Release reflects their knowledge that high winds posed a risk of safety to the public. In addition, Defendants reviewed and studied various Wildfire Mitigation Plans that included PSPS during the very kinds of conditions preceding and during the Lahaina Fire. Defendants also knew, or should have known, about the High Wind Watch and Red Flag Warning.

103. Defendants took an unreasonable risk in failing to deenergize their power lines.

104. Defendants' many failures resulted in serious harm to Plaintiffs, the Class, and the Subclasses, depriving them of the quiet use and enjoyment of their property.

105. Defendants' conduct proximately caused the injuries that Plaintiffs, the Class, and the Subclasses suffered.

106. Defendants' conduct actually caused injuries that Plaintiffs, the Class, and the Subclasses suffered.

107. As a result of the foregoing, Plaintiffs, the Class, and the Subclasses suffered damages in an amount to be proven at trial.

108. As set forth above, Defendants' conduct was intentional, malicious, and in complete disregard to the rights of Plaintiffs, the Class, and the Subclasses, subjecting Defendants to awards of punitive damages.

COUNT IV—INVERSE CONDEMNATION

109. Plaintiffs restate and incorporate the allegations above as if fully stated herein.

110. Plaintiffs, the Class, and the Subclasses are property owners or persons claiming an interest in their property.

111. The Hawai'i Constitution, Article I, Section 20 provides, "Private property shall not be taken or damaged for public use without just compensation."

112. Pursuant to HRS § 269-1, Defendants are a public utility.

113. Defendants designed, installed, owned, operated, used, controlled, managed, and/or maintained overhead electrical infrastructure in Hawai'i for the purpose of providing

electricity to the public for public use. Thus, Defendants operate as a public utility.

114. HRS § 101-4 gives Defendants "[t]he right and power of eminent domain" as operators of a public utility. Thus, Defendants have the power of condemnation.

115. Defendants intentionally undertook the actions and inaction described above, including failing to clear vegetation, failing to maintain their equipment, failing to use firesafe equipment during high-risk fire conditions, failing to plan to deenergize power lines during a High Wind Watch or Red Flag Warning, and failing to shut off the power during those conditions.

116. Defendants' negligent and reckless operation of its overhead electrical infrastructure necessarily caused the Lahaina Fire, which destroyed real and personal property belonging to Plaintiffs, the Class, and the Subclasses. Defendants also interfered, and substantially interfered, with the use, access, enjoyment, value, and marketability of Plaintiffs' property.

117. Thus, Defendants have taken private property from Plaintiffs without adequate or just compensation.

118. The damage to Plaintiffs, the Class, and the Subclasses was the necessary, certain, predictable, and/or inevitable result of Defendants' actions.

119. The damage to Plaintiffs, the Class, and the Subclasses outweighs the risk and harm from the improvements Defendants undertook to provide electricity to the public.

120. Justice, fairness, and the Hawai'i Constitution require that Defendants compensate Plaintiffs, the Class, and the Subclasses for the taking of their property and their injuries.

121. As a result of the foregoing, Plaintiffs, the Class, and the Subclasses suffered damages in an amount to be proven at trial.

122. As set forth above, Defendants' conduct was intentional, malicious, and in complete disregard to the rights of Plaintiffs, the Class, and the Subclasses, subjecting Defendants to awards of punitive damages.

COUNT V—ULTRAHAZARDOUS ACTIVITY

123. Plaintiffs restate and incorporate the allegations above as if fully stated herein.

124. Defendants carried on an abnormally dangerous activity by maintaining power in their power lines during a High Wind Watch and Red Flag Warning that specifically cautioned that high winds could topple power poles and that any fire that started would likely spread rapidly.

125. Thus, Defendants owed a heightened duty of care to the public, Plaintiffs, the Class, and the Subclasses. This heightened duty required Defendants to exercise the highest possible degree of skill, care, caution, diligence, and foresight in maintaining power in their power lines during a High Wind Watch and Red Flag Warning.

126. Maintaining power in their power lines during a High Wind Watch and Red Flag Warning, during which the NWS warned that power poles were at risk of being blown over by strong winds and in which any fire that started would spread rapidly, is an abnormally dangerous activity, subjecting Defendants to strict liability.

127. The risk of harm to the public, Plaintiffs, the Class, and the Subclasses was high, given the high winds and drought conditions.

128. The likelihood that maintaining power to the power lines during a High Wind Watch and Red Flag Warning would result in power lines blowing over and putting live power lines in contact with vegetation was high.

129. Defendants could not eliminate the risk associated with maintaining power to their power lines during a High Wind Watch or Red Flag Warning and also engage in this abnormally dangerous activity.

130. The practice of deenergizing power lines during fire weather conditions is commonplace in the Western United States. Defendants maintained power in their overhead electrical infrastructure during a High Wind Watch and Red Flag Warning in a manner outside common usage.

131. Maintaining power in their overhead electrical infrastructure during a High Wind Watch and Red Flag Warning was inappropriate on Maui, given the drought conditions and high fire risk weather forecast.

132. Nothing about maintaining the power in Defendants' power lines outweighs the dangerous risk of keeping the electrical infrastructure energized, given the High Wind Watch and Red Flag Warning.

133. As set forth above, Defendants' conduct was intentional, malicious, and in complete disregard to the rights of Plaintiffs, the Class, and the Subclasses, subjecting Defendants to awards of punitive damages.

COUNT VI—INJUNCTIVE RELIEF

134. Plaintiffs restate and incorporate the allegations above as if fully stated herein.

135. Plaintiffs seek an order enjoining Defendants from leaving their power lines energized in high fire risk areas of Maui during Red Flag Warning and/or High Wind Warning conditions.

136. Plaintiffs seek an order requiring Defendants to use tools and technologies to mitigate the risk of fire, including but not limited to, burying transmission lines, using covered conductors and non-expulsion fuses, and disabling automatic reclosers during fire weather conditions.

WHEREFORE, Plaintiffs, the Class, and Subclasses pray for judgment and relief as follows:

- 1. Confirmation that this lawsuit is properly maintainable as a class action;
- 2. Certification of the Class and Subclasses;
- 3. Appointment of the named Plaintiffs as Class Representatives;
- 4. Appointment of Class Counsel;
- 5. Damages according to proof;

- 6. Diminution in value according to proof;
- 7. Injunctive relief;
- 8. Punitive damages;
- 9. Prejudgment and post judgment interest;
- 10. Attorney fees and costs; and
- 11. Such other and further relief the Court may deem just and proper.

DATED: Los Angeles, California, August 12, 2023.

<u>/s/ Graham B. LippSmith</u> GRAHAM B. LIPPSMITH MARYBETH LIPPSMITH JACLYN L. ANDERSON CELENE CHAN ANDREWS ROBERT A. CURTIS KEVIN D. GAMARNIK LUIS A. SAENZ ALEXANDER ROBERTSON, IV

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