

Great Oaks Water Company  
Exhibit I  
Litigation Summary

(April 30, 2021)

This Exhibit provides a brief summary of all pending litigation involving Great Oaks Water Company (Great Oaks) as of the date of filing of this General Rate Case Application.

Santa Clara Valley Water District Litigation

1. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2011-1-CV-205462 (Lead Case).
2. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2005-1-CV-053142.
3. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2007-1-CV-087884.
4. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2008-1-CV-119465.
5. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2009-1-CV-146018.
6. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2010-1-CV-178947.
7. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2011-1-CV-195879.
8. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2012-1-CV-228340.
9. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2013-1-CV-249349.
10. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2015-1-CV-281345.
11. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2016-1-CV-292097.
12. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2017-1-CV-308140.
13. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2018-1-CV-327641.
14. *Great Oaks Water Company v. Santa Clara Valley Water District*, Santa Clara County Superior Court, Case No. 2019-1-CV-348413.

In these now-consolidated cases, Great Oaks challenged the groundwater charges (pump taxes) levied against owners of water producing properties (well properties) by the Santa Clara Valley Water District (District) under the Santa Clara Valley Water District Act (District Act) and Article XIII D of the Constitution of the State of California (also known as Proposition 218). The trial court ordered the District to refund groundwater

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charges paid by Great Oaks in 2005/2006 in the amount of \$4,623,095.52, plus interest, because the District had violated Proposition 218 in levying and collecting those groundwater charges. The trial court also found that the District had overcharged Great Oaks for groundwater charges under the District Act in the amount of \$1,285,523.65, plus interest, and ordered a refund in that amount. The two refund amounts are in the alternative. Great Oaks' motion for attorney fees was denied. The District has appealed the judgment in favor of Great Oaks and Great Oaks has appealed the denial of attorney fees.

On December 8, 2015, the Court of Appeal issued an opinion holding: (1) the District's groundwater charge is a property-related fee subject to the requirements of Proposition 218; (2) the groundwater charge is a fee for "water service" and as such is exempt from the voter approval requirements of Proposition 218; (3) the pre-suit claim submitted by Great Oaks did not preserve the monetary remedy under Proposition 218 found by the trial court, but did preserve the monetary remedy provided under other aspects of Proposition 218; and (4) the trial court failed to use a deferential standard of review on Great Oaks' District Act claim. As a result, the case was remanded back to the trial court for further proceedings.

Great Oaks petitioned the California Supreme Court to review the case and on March 23, 2016, the Supreme Court granted review, but held the case until after the Supreme Court completed its review and issued its opinion in a related case. On June 20, 2018, the Supreme Court transferred the case to the Court of Appeal, Sixth Appellate District, with directions to vacate its December 8, 2015 decision and to reconsider the cause in light of the Supreme Court's decision in *City of San Buenaventura v. United Water Conservation District* (2017) 3 Cal.5<sup>th</sup> 1911.

The cases have been assigned to the complex litigation department of the Santa Clara County Superior Court. At this time there are a total of 15 cases that have been consolidated into a "master" complaint. The cases are in the discovery phase at present, with issues involving the proper scope and content of the administrative record now the subject of briefing. A meeting (informal discovery conference) is scheduled with the trial court judge on April 30, 2021 to attempt to resolve these issues. A trial on the consolidated cases will be conducted in 2022, with the trial date to be set soon.

Great Oaks has an authorized Santa Clara Valley Water District Memorandum Account and records its costs of litigation in this account. Great Oaks is requesting a modification to the account that would allow Great Oaks to recover its full costs of litigation in the event of a successful outcome. Under this modification, with either a settlement with or a paid judgment by the Santa Clara Valley Water District, Great Oaks' litigation costs would be recovered by Great Oaks first through a Tier 1 "information only" advice letter filing, with all of the remaining proceeds to be provided (refunded) to ratepayers through credits on their accounts with Great Oaks over a period of time. The refund procedure would be determined through a Tier 2 advice letter filing.

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Other Litigation

*Great Oaks Water Company v. City of San Jose*

While at present no litigation is pending between Great Oaks and the City of San Jose because of an agreement between Great Oaks and the City, should the parties be unable to resolve the issues between them, Great Oaks is prepared to re-initiate litigation over this service area/service duplication dispute. See D.10-11-034 in which the Commission authorized Great Oaks to establish a litigation memorandum account for this matter. Great Oaks established the litigation memorandum account through Advice Letter 199-W, approved by the Commission on December 3, 2010.

Regular communications continue between the Company and the City in an effort to resolve the outstanding issues. The City and Great Oaks have put discussion on hold for the present time, but discussions are expected to continue.